



KINECTRICS

2024 ESG Program

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A Message from the President and Chief Executive Officer

“Kinectrics continues to strategically grow, rooted in our long and proud history of innovation through research and development. As the world moves towards decarbonization, Kinectrics is committed to remaining innovative, providing services and products.

Building a sustainable future starts with the choices we make today. Together, we can create a lasting and positive change. We are committed to our people, our clients and our communities, to help solve climate change for the good of the planet and humankind.

David Harris
President & CEO

Acknowledgment of Traditional Land

Kinectrics operates on sites located on the traditional lands, waterways, and ceded and unceded territories of Indigenous peoples. We respect and appreciate the traditional lands where we work.

We acknowledge, respect and seek to better understand Indigenous history and rights and build lasting relationships with Indigenous communities and groups.

As an important step in the process of raising awareness, acknowledgement of traditional land helps us set the right perspective and guide for change and mutual understanding.

Our head office is located on the Treaty Lands and Territory of the Mississaugas of the Credit First Nation and the traditional territory of the Haudenosaunee, Huron-Wendat, Anishinaabe.



About Us

Kinectrics is a trusted global provider of electricity lifecycle services.

We are a growing global company. We work alongside the brightest technical experts to deliver innovative solutions that **help to sustainably power a clean energy future.**

Vision: We see a world powered by clean non-emitting energy for all.

Mission: To transform the energy sector to enable a clean future.



People

1300+ highly technical staff



Facilities

30+ unique laboratories



Services

70+ diverse services

Nuclear + T&D + Medical Isotopes

70+ Complete range of services across:

- T&D Field Services & Testing
- PPE Testing & Servicing
- Design & Engineering
- Business & Project Management
- Nuclear Safety & Licensing
- Lifecycle Management
- Nuclear Outage & Site Support
- Nuclear Equipment Development & Supply
- Materials & Nuclear Component Testing
- Forensic & Failure Analysis
- Chemistry & Assaying
- Radioactive Waste Management
- Medical Isotopes

Our 100+ Year History

Early Years

2000 - 2014

2015 - 2019

2020 - 2021

2022 - 2023

2024 - Now

1912  Ontario Hydro Research Division Formed	2000  Kinectrics Founded	2015  Executive Team Purchased Kinectrics	2020  Overhead Conductor Lab in Hyderabad, IND	2022  Kipling Site Acquired	2024  Transmission & Distribution Lab in Louisville, USA
1960  High Voltage Lab Built	2004  High Current Lab Expansion Completed	2017  Wood Group Nuclear Americas & Romania Acquired	2020  ArcWear LLC Acquired in Louisville, USA	2022  Isotope Production System (IPS) Produced First Medical Isotope	2024  Isotope Enrichment Facility Completed
1970  Licensed Radioactive Lab Approved	2008  Resonant Test Set Units Commissioned	2018  Nuclear Maintenance Facility in Bruce County, CAN	2021  Laundry Facility in Teeswater, CAN	2023  EASL Acquired in Altrincham, GBR	
	2009  Candesco Corporation Acquired	2019  Isogen Established	2021  SmartGrid Lab Opened		

Facilities Highlight

We are **continuously investing in our global facilities** and tooling.

Supporting the electricity, health and safety industries, our highly specialized facilities are operated by leading subject matter experts, providing our worldwide clients with the confidence that equipment and systems will operate as designed at high levels of performance.

Our state-of-the-art facilities support companies in achieving component reliability and safety, help them adopt advanced materials, achieve lifecycle management excellence, and optimize asset value through component life extension.

Canadian Facilities Include:



Kipling Campus



Downtown Toronto

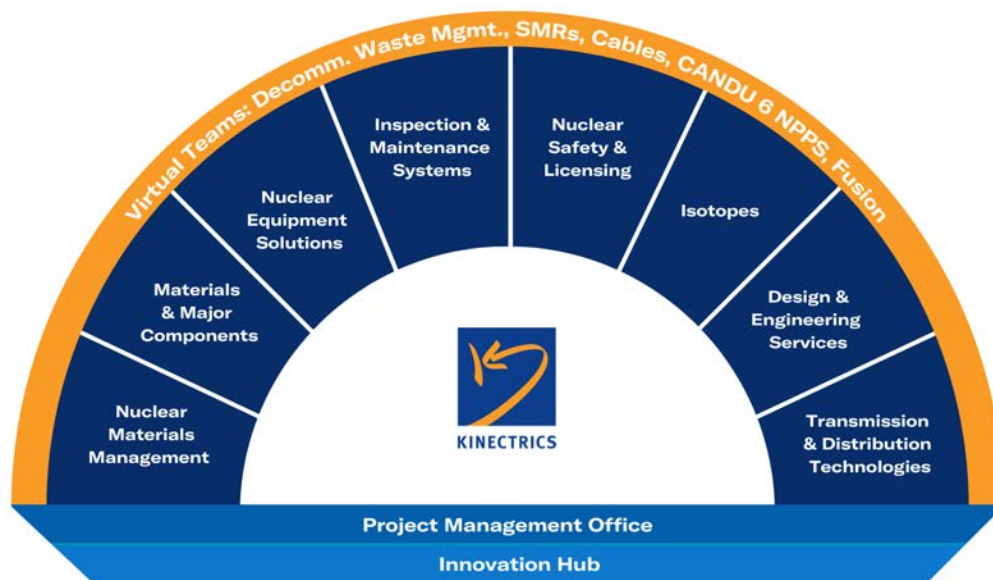


Tiverton, ON



Teeswater, ON

We have 8 Technology Platforms supported by our Innovation Hub & Project Management Office



Our lifecycle management solutions include:

- New Nuclear Design & Station Engineering
- Testing, Inspection, & Certification
- Specialized Material Sciences & Management
- Material Recovery & Separation
- Safety Analysis, Licensing, & Siting
- Transmission & Distribution Innovation
- Medical Isotope Production & Distribution



Our Operations

Since 2022, Kinectrics has owned its Kipling Site, spanning 24 acres. Maintaining ownership of this site eliminates the possibility of having to rebuild facilities and allows Kinectrics to take control of the maintenance of the site services.



Sustainability Strategy

The ESG framework helps stakeholders understand risks, impacts, and opportunities.

Our ESG Program, previously known as the Sustainability Program, aligns with the SDG Compass®. We conducted an internal assessment to evaluate the current and potential positive and negative impacts of Kinectrics' operations on the Sustainable Development Goals (SDGs) throughout our value chain.

This assessment involved collecting stakeholder feedback and conducting an operational review. As the world moves towards sustainable development, we continuously seek and incorporate stakeholder feedback to shape our future sustainability goals.

Our corporate strategy is rooted in environmental stewardship, social responsibility, and ethical governance. We regularly reassess and benchmark our performance, engaging in transparent reporting to better meet our ESG targets.

Materiality refers to an organization's significant economic, environmental, and social impacts. In 2021, we performed our inaugural materiality assessment, engaging stakeholders to determine the importance of various ESG issues.

Key Performance Indicators (KPIs) and Goals

In 2022, we developed initial internal KPIs and goals to support our ESG program. This report provides progress on these initiatives and highlights additional focus areas material to our business. **We are committed to continuous improvement and aim to increase our reporting annually in line with best practices and international standards.**

Our reporting period follows the fiscal year ending March 31st.





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Climate Change

GHG overview (Scope 1 and 2)

Kinectrics is dedicated to fulfilling its obligations in addressing climate change. By being transparent with our emissions reporting and proactively identifying new areas for decarbonization and improvement, we continuously review and evolve our carbon reduction strategy.

Scope 1 emissions include those from natural gas, propane, and the Kinectrics vehicle fleet. Emission factors provided by the Government of Canada were used to calculate these emissions.

Scope 2 emissions are calculated using the Government of Canada's standard of 30g CO₂e/kWh of electricity consumed.

Key Initiatives

- **Energy Efficiency Innovations:** We will capitalize on current and future energy efficiency innovations, such as installing energy-efficient lighting and improving building envelopes (e.g., insulation and window improvements).
- **Kipling Site Improvements:** The purchase of the Kipling site transfers full operational control, allowing for facility improvements. We will conduct energy audits to identify areas of loss and explore various improvement options suitable for operational needs.
- **Fleet Electrification:** As electrification progresses globally, mobile consumption emissions are expected to decline through infrastructure enhancements. We will continue to explore opportunities to reduce the emission intensity of our corporate fleet, including considering electric and hybrid vehicles where operational needs can be met.

Scope 1

Annual Emissions (tCO₂e): **2,073***

Scope 2

Annual Emissions (tCO₂e): **563.77**

*2023 Scope 1 values includes direct emission sources previously omitted.



GHG Reduction

Using the baseline document, Kinectrics will develop a comprehensive greenhouse gas reduction strategy aimed at achieving net-zero emissions. This strategy will be created in collaboration with facility owners to identify opportunities for reducing the carbon intensity of our products and services.

Through our ESG program, we will continuously monitor and report our GHG emissions. Detailed carbon reduction targets will be established in alignment with global standards and the Canadian greenhouse gas emissions target for 2050 of net-zero emissions.

We have several initiatives to help reduce our GHG such as a study to evaluate our building envelopes.

We are also considering the use of clean energy credits to address our Scope 2 emissions while we work on reducing GHG.

Climate resilience and opportunities

Climate-related risks and opportunities are reviewed by the Board twice annually. When identified, the executive team addresses and manages these risks and opportunities. Climate resiliency and climate-related risks are qualitatively evaluated, including physical risks to facilities and operational risks, and integrated into the Board's established risk management process.

As the world progresses towards decarbonization through electrification, **Kinectrics continues to identify numerous opportunities for strategic growth and innovation.** As a leader in lifecycle solutions for the energy industry, we are well-positioned to capitalize on these opportunities.



Research & Innovation

By continuously improving our processes and developing new tools, **we aim to support clean energy initiatives and contribute to a resilient and sustainable future.**

Environmental Tritium-in-Air Monitoring

Environmental monitoring is essential for safeguarding local environments, habitats, and populations near facilities housing radioactive materials. **At Kinectrics, we are exceptionally diligent in our environmental monitoring efforts, particularly in the monitoring of tritium particles.** We actively participate in the development of more reliable and accurate monitoring technologies.

To fulfill regulatory requirements, CANDU utilities monitor the concentration of tritium (as oxide) in the ambient air at critical group locations. Approximately 15 years ago, Kinectrics developed the current generation sampler through a Candu Owner's Group (COG) project.

In 2023, a new COG project was initiated to explore enhancements and develop a new-generation sampler. This new system incorporates station operating experience and is designed for simplicity in operation and ease of maintenance. Kinectrics has redesigned the system to include sampling cartridges compatible with existing desorption equipment.

On-site Sampling and Characterization of Concrete

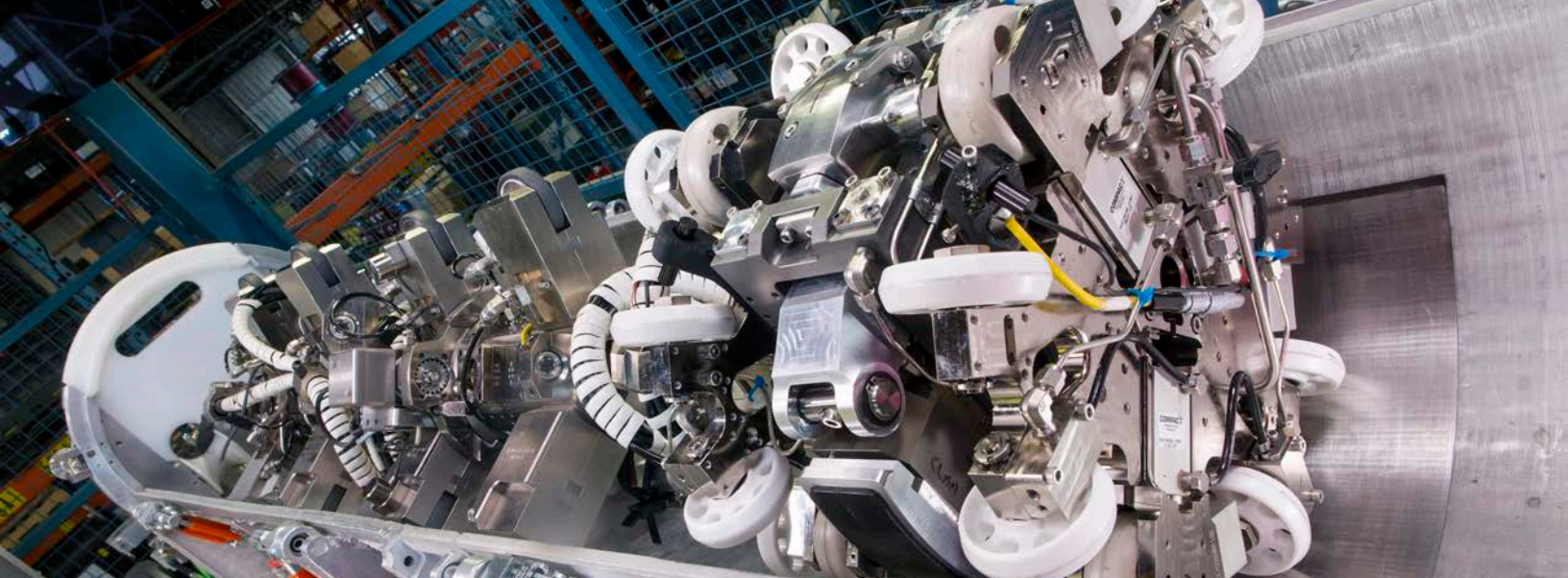
Concrete is the most widely used construction material in CANDU plants. Before disposal, it is essential to assess contamination levels, specifically for H-3 and C-14. The current practice involves extracting large cylindrical core samples for analytical characterization at an external laboratory. This method is time-consuming, costly, and iterative, often leading to over-conservatism.

To address these issues, a field sampling tool with a mobile analysis system has been developed. This solution allows for initial, rapid, in-field characterization, reducing bottlenecks associated with off-site sample analysis.

Developed with COG support, the Mobile Sampling and Analysis Workstation includes:

- **Drill-Based Sampling Tool:** Equipped with a sample collection filter.
- **Mobile Workstation:** Equipped with a pyrolyzer furnace and a high-performance scintillation counter.

Pulverized concrete collected in the filter is analyzed in the mobile workstation, allowing for smaller samples, higher spatial resolution, and targeted measurements. On-site analysis enables faster decision-making, schedule and cost savings, as well as reduction of waste.



Calandria Relief Duct Inspection and Scrape Tooling

Kinectrics is proud to support our clients with innovative lifecycle management solutions to enable clean and reliable energy production. Our cutting-edge robotic system has enabled our clients to continue operating their units despite the life-limiting conditions posed by leaking calandria relief ducts, thus extending the lifecycle of a clean energy source.

On a CANDU reactor, the calandria relief ducts (CRDs) allow venting of the calandria during overpressure conditions and enable the circulation of inert helium to mitigate the risk of a hydrogen explosion. Access to these ducts is highly restricted and involves navigating numerous tight internal bends.

We proactively performed inspections to validate the conditions of the CRDs to ensure continued safe, reliable operation and mitigate potential economic impact. In partnership with our clients, **Kinectrics developed a specialized volumetric non-destructive examination (NDE) robotic tooling system designed to be compact and capable of navigating inside the CRDs.** This tool utilized a combination of Phased Array Ultrasonic (PA-UT) and Eddy Current Technology (ECT) to inspect the interior surfaces of the CRDs.

Prior to the development of this specialized CRD tooling, inspections were conducted using traditional methods such as visual inspections with remote cameras. Kinectrics designed first-of-a-kind tooling to perform full volumetric inspection of the ducts for more thorough, efficient, and accurate assessments to ensure fitness for service and continued reliable operation.

Recognition and Impact

Kinectrics has been honored with the International Atomic Energy Agency (IAEA)'s Innovation to Support Operating Nuclear Power Plants (ISOP) Innovation Award in the Robotics and Drone Applications category for our Calandria Relief Duct (CRD) Inspection and Scrape Tooling Project.



Environmental Management

Historical Remediation

During a due diligence environmental survey before acquiring one of our site buildings, we discovered vinyl chloride, a designated substance by the Ontario Ministry of Environment Conservation and Parks, in the groundwater. The regulatory tolerance for vinyl chloride is 0.5 ppb, but we detected levels exceeding 200 ppb in the worst spot. This legacy contaminant presumably arose from work done on the site about thirty years ago.

Through our environmental monitoring, we identified a slow-moving groundwater plume and took action to remediate it. Consultants suggested two solutions: treating in-situ with a passive process that could take years, or containing it with a reactive berm. Seeking a faster and permanent solution, we found no direct process available to treat volatile organics at low concentrations. Therefore, we sought an innovative solution by testing processes in the laboratory under controlled conditions before applying them to the issue.

A three-month pilot project successfully removed vinyl chloride and other pollutants in a small area of the plume. A full plume cleanup is now in progress, where water from thirty wells on site is treated with air sparging and granulated activated charcoal, then returned to the ground. The treated water is pollutant-free, and the spent media is disposed of in MECP licensed facilities. Kinectrics will continue to monitor for the next year to ensure that our systems and all thirty wells remain clean after the treatment stops.

By the end of 2024, the north, east, and south sides of the site were determined to be clean. The analytical results for the monitoring wells were consistently below the MECP limits (<0.5 ppb for vinyl chloride) for three months. However, a small pocket of low-level contamination on the west side remains for cleanup. Extensive work was done to delineate the extent of the remaining contamination, and several new wells were drilled for targeted cleanup, projected to be completed in February 2024.





Waste

Kinectrics is dedicated to achieving net-zero carbon emissions. As part of this initiative, the Teeswater Laundry Facility (TLF), a 40,000 sq. ft industrial laundry facility servicing nuclear PPE, was selected for an energy audit and efficiency study in collaboration with George Brown College's Advanced Manufacturing & Prototyping Labs (AMP Labs).

This project aimed to assess current energy usage, identify reduction opportunities, and develop facility-specific strategies for reducing carbon emissions.

Optimizing Laundry Processes

- **Waste Reduction:** By reprocessing waste and implementing better sorting and segregation, we achieved a 15% reduction in overall waste volumes over the last two years.
- **Dry Active Waste Reduction:** Revised wash methods allowed us to reduce dry active waste by approximately 30%, enabling previously scrapped garments to be reused.
- **Disposable Suit Reduction:** Replacing disposable Tyvek garments with launderable alternatives resulted in a 90% reduction in the use of disposable suits. Remaining suits are used based on the radiological risk of the work.

Energy and Water Conservation

- **Energy Efficiency:** Running energy-intensive processes outside of peak hours, especially during the summer, has led to a reduction in utility usage.
- **Water Conservation:** Adjusting wash parameters and rinse cycles reduced total water consumption for plastics by 5% over the past year.

Launderable Garment Bags

- **Current Use:** Our new launderable garment bags are currently seeing 100% use with OPG under our current contract scope, reducing the need for single-use plastics.
- **Future Implementation:** We secured a sale of 10,000 bags for future clients in January 2025. These bags are expected to enter use in June 2025, contributing to a significant reduction in our client's waste volume.

Clean Energy Generation

GridSim

Kinectrics remains at the forefront of testing advanced technologies in the renewable energy sector. **Our GridSim power laboratory provides invaluable testing services for the interconnection of renewable energy into the grid through pre-certification of grid support utility interactive inverters and associated distributed generation equipment.**

We have successfully conducted testing programs for Central Inverter and Battery Energy Storage systems, destined for solar power plants throughout North America. Additionally, we are enthusiastic about our upcoming projects aimed at electrifying vehicles that have historically relied on carbon-based fuels.





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Investing in Our Team

Kinectrics recognizes that ESG in the workplace means promoting equity, equality, diversity, and inclusivity. We remain steadfast in our commitment to creating and maintaining a work environment that is welcoming and promotes growth for all.



Kinectrics' Social Commitment

At Kinectrics, we recognize that the scope of ESG goes beyond just the environment. Our relationships with employees, partners, and communities are equally important to us. Kinectrics actively strives to be a “good neighbour” to its local communities by fostering respect, trust, transparency, and dealing with our shareholders with the utmost integrity.

Our mission is to uplift the communities in which we operate by:

- Creating gainful employment opportunities
- Providing training and development programs for our staff
- Participating in fundraisers and charities
- Reaching out to and creating partnerships with local Indigenous communities
- Actively promoting diversity and inclusion initiatives
- Creating an inclusive and healthy social environment for all involved

Through our long-standing partnership with United Way, Kinectrics has raised over \$2 million to support various social causes in the Greater Toronto Area. We also support Yonge Street Mission (YSM), an organization dedicated to ending chronic poverty in Toronto.

Training and Learning Management Systems

Bistrainer is Kinectrics' Learning Management System. It is used for the administration, documentation, tracking, reporting, automation, and delivery of training programs, courses, and employee qualifications. We recognize that excellence is a lifelong pursuit, and as such, we've created an environment that facilitates continuous learning and improvement.

At Kinectrics, all staff in Canada are required to complete both legally mandated and company-mandated training. These mandatory courses cover key areas such as Quality, Human Performance (HU), and workplace Health and Safety.

Once staff have completed their mandatory training, they must also complete job-specific technical training based on their role. These specialized training programs vary by department and are designed to ensure employees have the necessary skills and knowledge to perform their jobs effectively.

Our employees are the backbone of our organization. Therefore, it is vital that we foster a strong safety culture across all levels of the organization to ensure everyone's wellbeing. Our training programs ensure that all our employees are kept up to date with constantly evolving industry standards and best practices, and are equipped with the latest technical skills and industry knowledge to help guarantee their success.

The total training hours vary based on an employee's role and experience level. However, for the mandatory training required for all staff, the time commitment is generally a little less than 10 hours.



Society of United Professionals

Kinectrics and the Society of United Professionals continue to maintain their positive relationship. Together, we actively work to prepare for the future and assess how growth scenarios will impact labour needs. We respect and support individuals' rights to freedom of association as embodied in the collective bargaining process, and our policies and practices are aligned with the labour standards of the International Labour Organization.

Both Kinectrics and the Society believe that nuclear power is part of the solution to fight climate change and will continue to work together to meet future challenges. Currently, 50% of our employees are represented by the Society.



Power Workers' Union

The Power Workers' Union and Kinectrics affirm their continued robust relationship. Through positive collaboration, we plan for and address the labour needs of today and the future. Through the collective bargaining process and day-to-day operations, we demonstrate our commitment to workers' rights, labour law, and safety by engaging the Power Workers' Union in good faith in all matters.

The Power Workers' Union and Kinectrics unequivocally support clean and affordable nuclear energy to fight climate change. Kinectrics employs several hundred Power Workers' Union members throughout multiple locations in Ontario, with more being added regularly as we continue our mutual support. **Currently, 36% of Kinectrics employees are represented by the Power Workers' Union.**

Internships

At Kinectrics, we recognize that the professional development and education of young talent is key to promoting regional growth and empowering future generations. Our Graduate Trainee (GT) Program's goal is to provide fresh graduates with knowledge, experience, and the necessary tools for success. By reducing barriers for new job seekers and giving them the opportunity to learn alongside experienced professionals in a company that is a leader in its field, Kinectrics stays committed to its obligations towards access to quality education and training.

Our GT program is designed to run for 24 months, with four rotations, each lasting six months. The rotations are flexible to accommodate the individual graduate trainee and the respective department's ongoing project work. We give trainees the opportunity to work in multiple departments to see what best fits their skills and goals, providing them with a more rounded education. Upon successful completion of the program, trainees will be placed in a position at Kinectrics based on their strengths, their supervisors' recommendations, and Kinectrics' needs.

Our GT program provides the opportunity to excel in the following areas:

- Nuclear Equipment Solutions
- Inspection & Maintenance Systems
- Radioactive Materials & Chemistry Services
- Transmission & Distribution Technologies
- Nuclear Safety & Licensing
- Project Management Office
- Design Engineering & Sites
- Bruce Power Site

Fostering New Talent

The nuclear industry is experiencing unprecedented growth given current energy need projections and announced projects. This rapid expansion has resulted in significant hiring needs and corresponding training requirements for both current and next-generation talent across various reactor designs and technologies. The innovation team at Kinectrics has developed and implemented an innovative approach aimed at holistic learning and nurturing emerging talent through a structured five-pillar training program.

In 2024, Kinectrics received two prestigious awards for its innovative approach to hiring and nurturing next-generation nuclear talent, as well as its world-class innovation training program.



Best Co-Op Employer of The Year
Award by McMaster University



University of Waterloo Award for Next-
Generation Employment Innovation



Safety and Human Performance

“Safety is our culture. Quality is our promise.”

Kinectrics has integrated our Safety and Human Performance teams into a single department, aligning ourselves with the best practices. We recognize that our human and organizational performance goes hand-in-hand with the safety of our employees, the public, and the environment.

Safety starts with planning and hazard identification. That is why **Kinectrics employs tools like Hazard Identification and Risk Assessment (HIRA), Job Safety Analyses (JSA), 7 Deadly Hazard Assessment, and Hierarchy of Controls. Our procedures and tools ensure that we create a safe work environment and framework for our employees to work in.** We couple this with a full human performance program, including tools, resources, and training, that support teams and individuals to be aware of and avoid potential errors, and to minimize risk at every opportunity.

We are committed to continuously assessing and improving our safety and human performance program to meet the constantly changing demands in our fast-paced environment. All incidents and near-misses are logged and trended in a centralized system, and actions are raised to address any immediate concerns in order to prevent recurrence. This information is regularly shared companywide to ensure that all divisions of our organization continuously learn from each other and support one another in perpetual improvement and growth.

Medical Isotopes

Medical isotopes are an essential component of the healthcare industry. They are used for cancer detection, treatment, and brain activity imaging, making them highly sought-after and life-saving commodities. In 2023, we began supplying ytterbium-176 (Yb-176), a key material in the production of lutetium-177 (Lu-177).

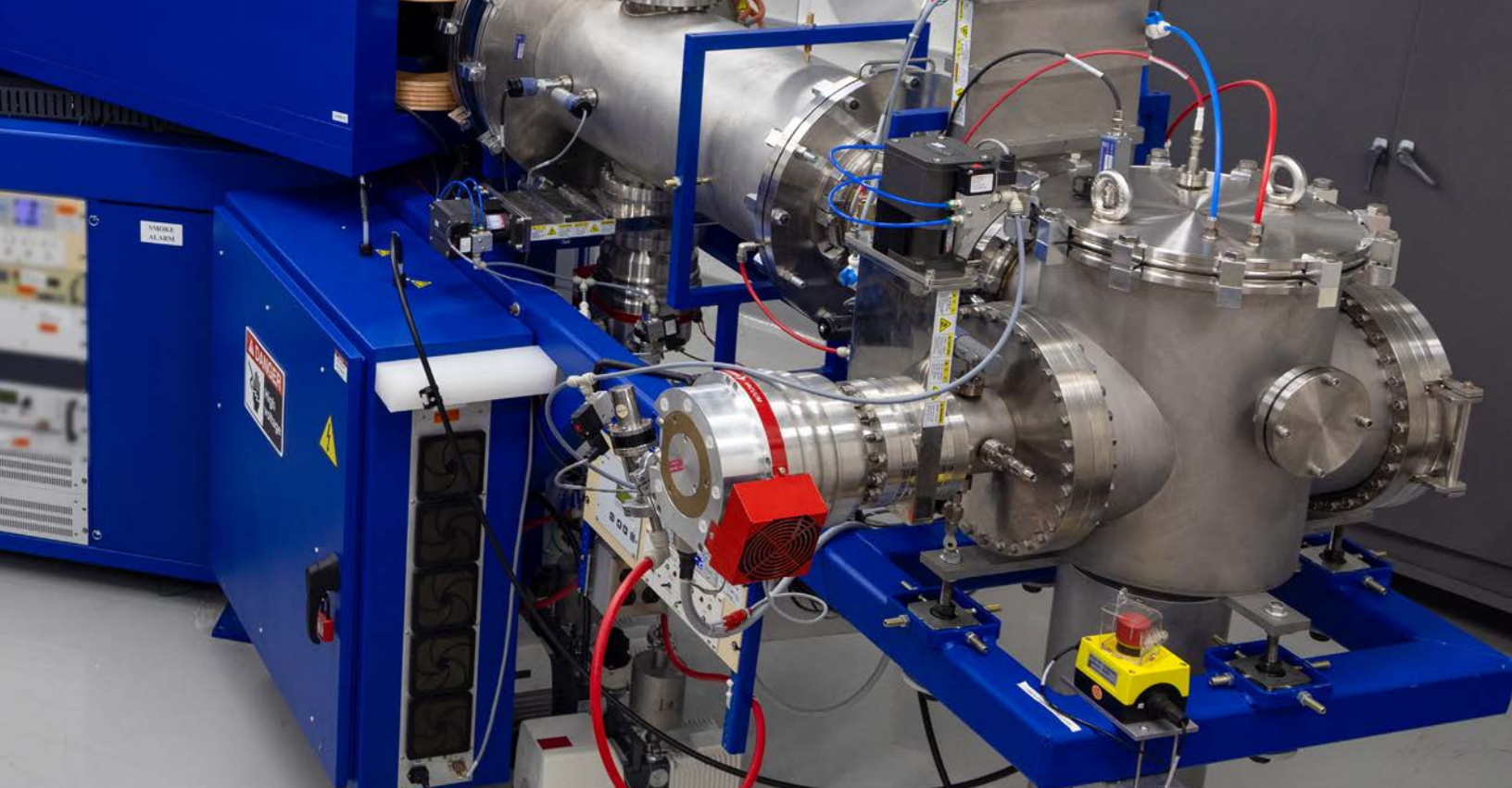
Kinectrics has distinguished itself by successfully leading and completing the engineering, procurement, and commissioning of this project. **Our mission is to enable our client's CANDU reactors to mass-produce these life-saving isotopes on a large scale and become the world's largest and most reliable supplier of short-lived medical isotopes.** As many as 2,000 patients can be treated with a single shipment of lutetium-177 (Lu-177).

Prior to Isogen's patented technology, isotopes were produced using accelerators and research reactors, which have limitations and disruptions in the supply chain due to service outages from aging infrastructure, limited research reactors, and experimental studies. This breakthrough is a pivotal moment in nuclear and medical history, as Isogen is the first to use a commercial reactor to provide a stable, scaled-up supply chain that will help meet the demand for essential, life-saving medical isotopes.

Isogen's technology is scalable to meet growing market demands for isotopes such as Lu-177. It is adaptable to produce many different isotopes needed for the treatment and diagnosis of cancer and other diseases.



Kinectrics is a leader in the field of medical isotopes through Isogen, a joint venture between Framatome and Kinectrics. The Isotope Production System (IPS) is a cutting-edge coalition between Kinectrics, Bruce Power, Isogen, and the Saugeen Ojibway Nation.



EMIS - Electromagnetic Isotope Separation

EMIS stands for Electromagnetic Isotope Separator. This technology is used to separate isotopes of elements based on their mass. **Kinectrics is focusing its efforts on the foundational aspects of the isotope supply chain, specifically stable isotope enrichment and isotope production.** A key component in this process is ytterbium-176 (Yb-176), which serves as the input material for the production of lutetium-177 (Lu-177).

Yb-176 is naturally abundant at a concentration of 13%. However, for it to be utilized within a nuclear reactor to produce Lu-177, it must be enriched to a purity level exceeding 99.5%. To achieve this level of enrichment, Kinectrics employs Electromagnetic Isotope Separation (EMIS). This technique leverages the principle that charged particles, when accelerated through a magnetic field, will deflect based on their charge-to-mass ratio. Kinectrics continues to invest in order to increase its supply and address the growing market demand.

Kinectrics' Medical Isotope Team was awarded the prestigious Canadian Nuclear Society's Hewitt Team Achievement Award in recognition of their groundbreaking work producing commercial Yb-176 in North America.



Diversity and Inclusion

At Kinectrics, **we are dedicated to breaking barriers and enhancing the state of Diversity, Equity & Inclusion (DEI)** within our various workplaces, ensuring that every employee feels valued and respected.



Indigenous Relations



Gender Diversity



People & Culture



Mental Health



Social & Team Building



Through our DEI initiative, we seek to maintain the growth of diversity in leadership roles, including Presidents, Vice Presidents, Chief Officers, and Senior Directors. **Kinectrics has continued to prioritize the ongoing improvement of our Diversity, Equity, and Inclusion (DEI) Program** over the last fiscal year. Our DEI Council, comprised of company executives, senior leadership team members, and working-level staff, meets regularly to provide strategic direction to the overall program.

As part of our ongoing strategies, we strive to provide opportunities to promote employees from groups historically under-represented in the STEM profession. We will monitor diversity career advancement and promotions across Kinectrics and assess our effectiveness in achieving results.

Kinectrics continues to acknowledge dates and events of diverse significance, including Mental Health Week, Pride Month, International Women's Day, National Day for Truth and Reconciliation, and dozens of diverse cultural and ethnic holidays.

We are actively working on improving our data collection processes, enhancing learning around DEI-related topics, and implementing programs to assist with the continued diversification of our workforce and the recruitment process. This is an important part of celebrating the diversity of our workforce and ensuring everyone feels a sense of belonging within Kinectrics.

Community

United Way 2024

Kinectrics has proudly supported the United Way for over 20 years through an employee-led campaign and corporate donations. United Way is a global non-profit movement, operating in more than 100 communities across Canada. Each United Way chapter raises support locally, directly addressing community-specific needs.

Every fall, volunteers organize various events to raise funds and solicit direct donations and payroll deductions to support United Way Greater Toronto (UWGT), United Way of Bruce Grey (UWBG), and United Way Durham Region (UWDR).

In 2024, Kinectrics hosted a silent auction featuring eighty items, including Raptors tickets, Marlies tickets, a Yeti cooler, Ray-Ban sunglasses, and Sony earbuds. All proceeds were donated to the United Way.

Additionally, we conducted a virtual toy drive campaign for the Saugeen First Nation, Neyaashiingmiing First Nation, and Curve Lake First Nation. Instead of physical toys, we collected monetary donations. Partnering with United Way Bruce Grey, we ensured the donations were delivered to these First Nations in time for their Christmas toy programs.



Team Kinectrics also excelled in the CN Tower Climb, ranking among the top four teams and raising over \$21,300!



Yonge Street Mission

Founded over 120 years ago, Young Street Mission (YSM) is a not-for-profit organization dedicated to ending chronic poverty in Toronto. YSM has various programs that focus not only on meeting immediate needs (food, shelter, etc.), but on empowering individuals and families to become self-sufficient—from surviving to thriving.

Kinectrics is proud to support YSM. This year, Kinectrics' staff continued to volunteer at YSM's center for street youth, preparing and serving meals to those in need. We also participated in YSM's Coldest Night of the Year Event again, and our team of 27 staff members raised close to \$5,000.

We were pleased to welcome many YSM community members for temporary employment and have also brought on four full-time employees. These efforts will continue as we understand the immense support employment brings to the YSM community members, as well as the benefits this support brings to Kinectrics by diversifying our workforce and supporting the communities in which we operate.

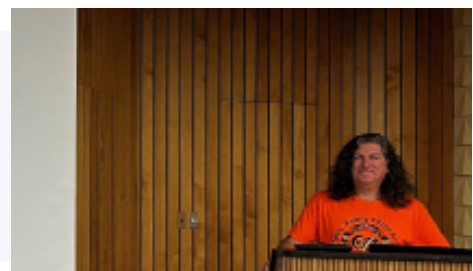
Additionally, **several of our staff have joined YSM's tutoring program, helping school-aged children succeed in areas such as math and science.**

Indigenous Relations

The Kinectrics Indigenous Relations Program includes policies, activities, and community support that meet the requirements of the Partnership Accreditation in Indigenous Relations (PAIR) program by the Canadian Council for Indigenous Business (CCIB). The program has several key objectives:

- Create partnership opportunities with Indigenous communities located near Kinectrics' offices and facilities.
- Provide employment and education opportunities for Indigenous individuals.
- Comply with Call to Action 92 from the Truth and Reconciliation Commission's report.
- Educate Kinectrics employees about colonial history, Indigenous culture, Indigenous perspectives, current issues, and dates of significance (e.g., Red Dress Day, Indigenous Peoples' Day, Indigenous Veterans' Day, and Truth and Reconciliation Day).
- Increase overall engagement with Indigenous communities in both Business Development and Community Involvement.

Leadership: set clear commitments and policies, engage with Communities of Interest, conduct self-assessments, and create structures to support positive relationships with Indigenous communities.



Employment: resources are committed to achieving equitable representation of Indigenous people, focusing on recruiting, retaining, and supporting their career growth, along with promoting cross-cultural awareness and training.



Business Development: resources are dedicated to building relationships with Indigenous-owned businesses, ensuring mutual benefits, and supporting capacity building and mentorship.



Community Involvement: building strong relationships through communication, events, and partnerships, while support includes financial or in-kind contributions to foster these relationships.



Kinectrics welcomes joint ventures and collaborative partnerships with interested Indigenous Nations and communities. Please contact sustainability@kinectrics.com for further information.



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Governance

Kinectrics is committed to conducting its worldwide operations legally, ethically, and with integrity. Our Code of Business Conduct is a resource for staff to resolve situations wherever they may be encountered. Our business practices and the integrity of our employees, products, and services must never be compromised by individual, customer, or other commercial pressures. This document sets out a framework for business conduct to give practical meaning to these aims.

Governance Kinectrics provides an independent channel for a whistleblower hotline, offering a simple, anonymous way to report ethics violations, conflicts of interest, discrimination, financial controls, harassment, health and safety, theft/fraud, workplace violence, and any other general human resources matters.

Ethical conduct is essential for Kinectrics to sustain relationships with customers, employees, suppliers, governments, and the general public. We earn the trust and respect of stakeholders by maintaining a commitment to the shared values and rules within the Code. We are committed to maintaining an organizational culture that encourages people to do the right thing.

Anyone found to have violated the Code may be subject to disciplinary action, up to and including termination, and there may be an obligation on the Company to contact appropriate authorities.

Kinectrics provides employee training on key policies including Conflict of Interest, anti-bribery, anti-corruption, cybersecurity and compliance. In addition to this training the principles in our policies as well as our Corporate Vision, Mission and Values are reinforced through our internal communications materials and our Town Halls.

Responsible Business Practices

At Kinectrics, we recognize that our long-term success depends on sound corporate citizenship and environmental sustainability. Quality, environmental stewardship, diversity and inclusion, health and safety of our workforce, and positively contributing to the communities in which we operate are of utmost importance. To help inform our strategies we continue to engage with stakeholders and experts to develop and improve our social and environmental sustainability initiatives.





ESG Team

Our sustainability strategy is reviewed by our senior leadership team as part of the annual strategic planning at the end of each fiscal year, where strategy is revised, and as important feedback is received from our stakeholders. Our CEO is responsible for ongoing maintenance and review of our Sustainability Policy and for the approval of the Sustainability Goals and Targets.

The ESG Team is comprised of the ESG Lead and Initiative Champions who are responsible for developing and leading the Sustainability Strategy and reporting to the ESG Program Director. The ESG Program Director is responsible for the success of the program. To support the program, a cross-functional executive committee has been established comprised of the CEO, ESG Program Director, and Senior Leadership Team. This executive committee is called upon based on topic/strategy and is responsible to ensure resource dedication and the integration of our sustainability vision and mission into daily decision making.

Procurement

Kinectrics recognizes and is responding to the call to action for companies everywhere to advance sustainable development. We are doing this through our investments, pursuit of innovative solutions and our business practices. We minimize our negative impact while enhancing our contribution to the sustainable development agenda. We require suppliers to comply with labour and human right laws, and encourage suppliers to promote diversity and inclusion in the procurement process. Kinectrics is committed to providing equal opportunities to all suppliers regardless of ownership or background. Kinectrics considers environmental impacts when evaluating suppliers.

Reporting & Transparency

Kinectrics is a privately-owned and operated company. **We are continually seeking to increase our transparency while maintaining our non-disclosure arrangements and proprietary information, and considering future use of standards.**

We will strive to continue publicly reporting our progress and goals on an annual basis.



Conflicts of Interest

A conflict of interest occurs when a person or organization is involved in multiple interests, one of which could potentially corrupt their motivation.

All Kinectrics staff and subcontractors are expected to uphold the Kinectrics Code of Business Conduct obligations regarding conflicts of interest. They must ensure that any real, potential, or perceived conflicts of interest are avoided whenever possible, promptly identified when they cannot be avoided, and disclosed, mitigated, and managed appropriately.

Kinectrics maintains a comprehensive Code of Business Conduct and Organizational Conflict of Interest Program. We continuously seek to improve these programs and regularly review their effectiveness. This policy provides a summary of Kinectrics' Conflict of Interest Program and its integration into our operations.

Our operations are supported by governance, procedures, and tools that assist staff when confronted with conflicts of interest or the perception of one. Combined with extensive training, **Kinectrics staff are equipped with the knowledge to identify and distinguish conflicts of interest and respond in accordance with our Code of Business Conduct principles and Conflict of Interest Program.**

Kinectrics management, along with legal and contracts staff, ensures we operate ethically and in the best interest of our clients. A Conflict-of-Interest Officer guides staff and management, provides judgment on conflicts of interest, enacts management and mitigation measures, and oversees the Conflict-of-Interest Program.

Supply Chain

Kinectrics provides both professional services and products for our clients in the field of lifecycle management solutions.

Services: We offer the following eight capabilities, supported by a Tier 1 engineering base, which in turn is supported by our Project Management Office and Innovation Hub:

- **Nuclear Materials Management:** Unparalleled support to help clients procure, test, and launder Personal Protective Equipment (PPE) products. This group also offers comprehensive radioactive materials management to ensure complete care and control of substances throughout their lifecycle.
- **Materials & Major Components:** Life Cycle Management Services and methodologies for Nuclear Plant Components with world-renowned expertise and facilities.
- **Nuclear Equipment Solutions:** Turnkey support for equipment needs from design to testing and supply.
- **Inspection, Maintenance & Radioactivity:** Innovative tooling solutions and deployment expertise.
- **Nuclear Safety & Licensing:** Providing the Nuclear Industry and Small Modular Reactor (SMR) vendors with a Centre of Excellence for Nuclear Safety Analysis & Licensing.
- **Isotopes:** Creating a vertically integrated global medical isotope supply chain in Ontario.
- **Design & Engineering Services:** Leading supplier of Nuclear Plant Engineering services covering all disciplines and providing solutions for the lowest cost of ownership globally.
- **Transmission & Distribution Technologies:** Providing testing and asset management services that translate into reliable condition assessment and predictable life extension of assets.

Products: Our supply chain consists of the procurement of components and supplies to complete our technologies:

- **Health & Safety:** Includes Arc Flash Analysis Software, Personal Protective Equipment (PPE), Synthetic Blood for PPE Testing.
- **Nuclear Generation:** Includes CANDU nuclear reactor inspection tools for feeder piping, fuel channels, and steam generators.
- **Radioactive Waste Management:** Specifically, the SCEPTER™ Selective Carbon Extraction Process for removing Carbon-14 from ion exchange resins.
- **Transmission & Distribution:** Includes Anagen™, a self-healing dielectric fluid that replaces cable insulation oils, and LineVue® Overhead Conductor Inspection Tools for electricity transmission and distribution lines.

Our clients around the world rely on us to develop innovative solutions for their toughest challenges. Through collaboration, we ensure that utility assets perform safely, reliably, and efficiently. Using state-of-the-art facilities, our industry-leading experts work with our clients to understand their challenges and deliver innovative solutions they can count on. From initial power generation to transmission & distribution, we offer diverse experience that can be applied to support all stages of the electricity lifecycle.

Kinectrics Goals



Clean Energy

We will respond to the energy transition and increase our services for new clean generation driven by our clients and achieved in part through aggressive investment in new innovative services and solutions via our growing technical specialist team.



Diversity, Equity, and Inclusion

Through our DEI initiative we seek to maintain our growth of our diversity in leadership (includes Presidents, Vice Presidents, Chief Officers and Senior Directors).

Through partnerships with Indigenous employment & training services we will increase support for the hiring of more indigenous staff.



Research and Innovation

We continue to advance sustainable industrialization and innovation by enhancing our processes and tools to support clean energy initiatives and build a resilient future.



Reduction of Hazardous Waste

We are committed to achieving net-zero carbon emissions by optimizing energy usage, reducing waste, conserving water, and using sustainable materials.



Reduce Direct Carbon Emissions

Establish detailed carbon reduction targets, and initiatives, in alignment with global context and as achievable based on current and projected future operations in alignment with the Canadian greenhouse gas emissions target for 2050 of net-zero emissions.

Appendix 1 - TCFD Index

Category	Disclosure	Page Reference
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Governance (b)	Management's role in addressing and managing climate-related risks and opportunities	10 - 11
Strategy (a) and (b)	Identified climate-related risks and opportunities and their impacts on the organization's businesses, strategy, and financial planning	10
Strategy (c)	Climate resiliency and climate-related risks	10
Risk Management (a) and (b)	Identification and assessment of climate-related risks and the organization's processes for managing climate-related risks	10 - 11
Risk Management (c)	Process for integrating climate-related risks into the organization's overall risk management	10 - 11
Metrics and Targets (a)	Greenhouse gas (GHG) emissions and related risks	11
Metrics and Targets (b)	Targets used to manage climate-related risks and opportunities and performance against target	10 - 11

Appendix 2 – GRI Standard Index

Topic	GRI Disclosure	Description	Page Reference
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	2 - 3	Reporting period, frequency, and contact point	37
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Strategy, policy, and practices	2 - 22	Statement on sustainable development strategy	16
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Data Quality and Assurance

Kinectrics' operational and performance data is reviewed by management and independent reviewers. Sustainability data is published annually through the ESG Program report.

Kinectrics continues to maintain transparency with the public and the communities in which we operate through our active social media channels and website, where we provide updates on operations, innovations, and strategic growth.

The information contained within this report represents Kinectrics facilities around the globe, with a particular focus on our largest operations in Canada.

Our reporting period follows the fiscal year ending March 31st, 2024. We gladly welcome your feedback on this report and our sustainability initiatives through **sustainability@kinectrics.com** or our social media channels.

