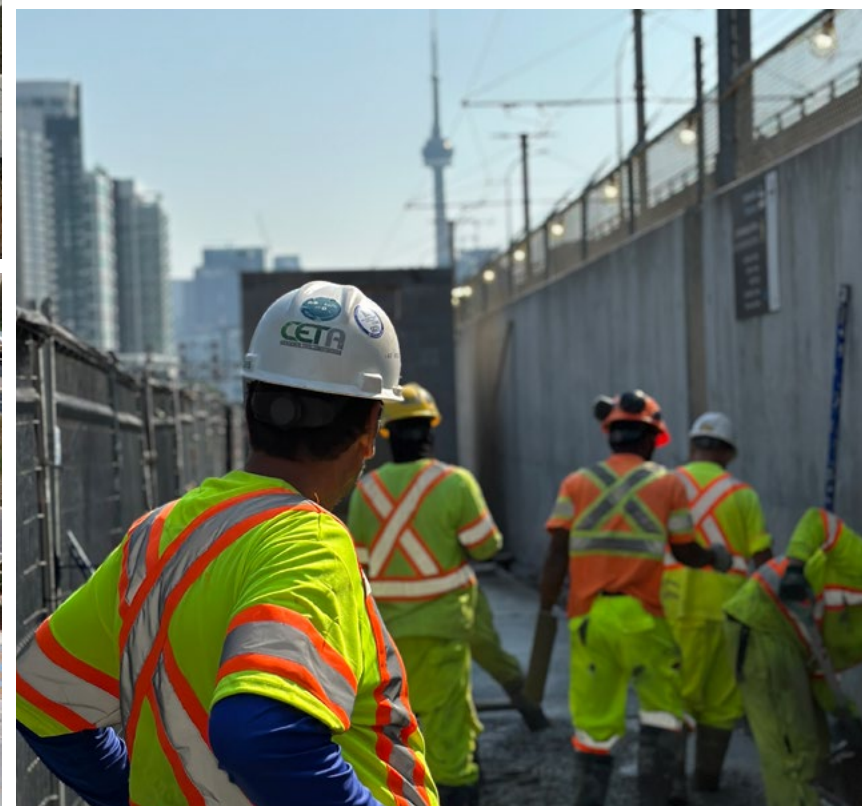




# Sustainability Report

Commit. Build. Progress.



2024

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# Overview

Exhibition GO Station Early Works

Completion Date: December 2024



# About Kenaidan

For over 50 years, Kenaidan has been a proud industry leader providing comprehensive construction services across all market sectors. Born out of the hard work and innovative vision of founders Ken Smith and Aidan Flatley in 1974, Kenaidan has grown from a two-person operation to a team of over two hundred employees. Throughout the years, we continue to uphold our founding principles to work hard, maintain integrity, and foster a positive work environment for our dedicated team.

Kenaidan has been operating as a full-service general contracting company from its inception and has developed extensive experience in water/wastewater treatment plants, waterworks distribution facilities, heavy civil, transportation, institutional, educational, athletic facilities, and structural concrete projects. In addition to expanding the scope of our projects, our in-house departments have also seen substantial growth. Our Environmental,

Health and Safety, and Quality departments have expanded significantly in response to the rising demand from clients for specialized personnel on job sites.

We are among the few large general contractors who self-perform the concrete and process mechanical divisions of our contracts. This unique capability allows us to set the construction pace early in the project schedule, which is a valuable time and cost advantage for our clients.

As part of the Obayashi global family since 2011, this strategic partnership allows Kenaidan to utilize Obayashi's considerable experience, staffing resources, technology, and financial strength to participate in several large-scale projects in Canada. Today, our operations are managed by offices in Mississauga, Ontario and Richmond, British Columbia.

**British Columbia Office**  
4311 Viking Way, Unit 240  
Richmond, British Columbia  
V6V 2K9



**Ontario Office**  
7080 Derrycrest Drive  
Mississauga, Ontario  
L5W 0G5



Top image: Ken Smith and Aidan Flatley, 1979  
Bottom image: Team Kenaidan in front of our head office to celebrate Kenaidan's 50<sup>th</sup> anniversary.





# Message from the President

At Kenaidan, we are guided by our core values: integrity, operational excellence, CETA (Care Enough to Act), and positive work environment. We take great pride in building while taking care of our employees and the communities we serve.

In today's rapidly evolving world, it is crucial to consider the implications of climate change to ensure we are safeguarding our economy, environment and society. Kenaidan has taken meaningful and significant strides to integrate sustainability into our business process and operational framework. In 2024, we released our first sustainability policy along with a sustainability procedure that outlines how climate change is considered and monitored in every part of our business. We have determined 14 ESG factors that we will continue to monitor, review, and expand upon in the following years.

Sustainability is both a responsibility and an opportunity to innovate. Whether it's through advancing environmental stewardship, prioritizing health and safety, or fostering partnerships built on shared values, we continue to lead with purpose and integrity.

On behalf of Team Kenaidan, I am proud to release our inaugural sustainability report. This report will share our ongoing commitment to sustainability, our corporate core values, and our impact on our communities.

Thank you for joining us on this journey as we commit to building a sustainable future.

Sincerely,

**John Goffredo**  
President



# Project Awards

We are proud of the recognition that our dedication and hard work has received over the years. Listed below are all the awards our projects have received over the past 10 years.

<div>2014</div> <div>International Parking Institute Award of Merit</div> <div>Erindale GO Station &amp; Parking Structure - Design-Build</div>	<div>2014</div> <div>Ontario Builders Award - Top Project Category 5</div> <div>Weston Tunnel Grade Separation</div>	<div>2014</div> <div>Heritage Toronto Awards - Award of Merit</div> <div>Goldring Student Centre</div>	<div>2015</div> <div>Global Water Award - Water Project of the Year</div> <div>Lakeview WTP Contract 8, Phase 2</div>
<div>2016</div> <div>Mississauga Urban Design Award of Merit</div> <div>Derrycrest Office Building - Design-Build</div>	<div>2017</div> <div>Ontario Concrete Award for Specialty Concrete Applications</div> <div>Weston Tunnel Grade Separation</div>	<div>2017</div> <div>Ontario Public Works Association (OPWA) - Technical Innovation Award</div> <div>East Vaughan Pumping Station</div>	<div>2017</div> <div>Ontario Builders Award - Top Project Category 3</div> <div>West Harbour GO Station</div>
<div>2017</div> <div>Ontario Builders Award - Award of Distinction</div> <div>West Harbour GO Station</div>	<div>2019</div> <div>Ontario Concrete Award - Infrastructure Category</div> <div>Guildwood GO Station</div>	<div>2019</div> <div>Ontario Concrete Project of the Year for Excellence and Innovation</div> <div>Guildwood GO Station</div>	<div>2021</div> <div>Ontario Concrete Award - Infrastructure Category</div> <div>Bloomington GO Station</div>
<div>2021</div> <div>Toronto Urban Design Award of Merit</div> <div>Guildwood GO Station</div>	<div>2022</div> <div>Municipal &amp; Civil Infrastructure - Award of Merit, Association of Consulting Engineering Companies (ACEC-BC)</div> <div>Macaulay Point Pump Station &amp; Forcemain - Design-Build</div>	<div>2022</div> <div>Ontario Concrete Awards - Infrastructure - Cast-in-Place Category</div> <div>Bramalea GO Station &amp; Parking Structure - Design-Build</div>	<div>2024</div> <div>IPMI Apex Award in Architectural Design</div> <div>Bramalea GO Station &amp; Parking Structure - Design-Build</div>



# Sustainability Commitment

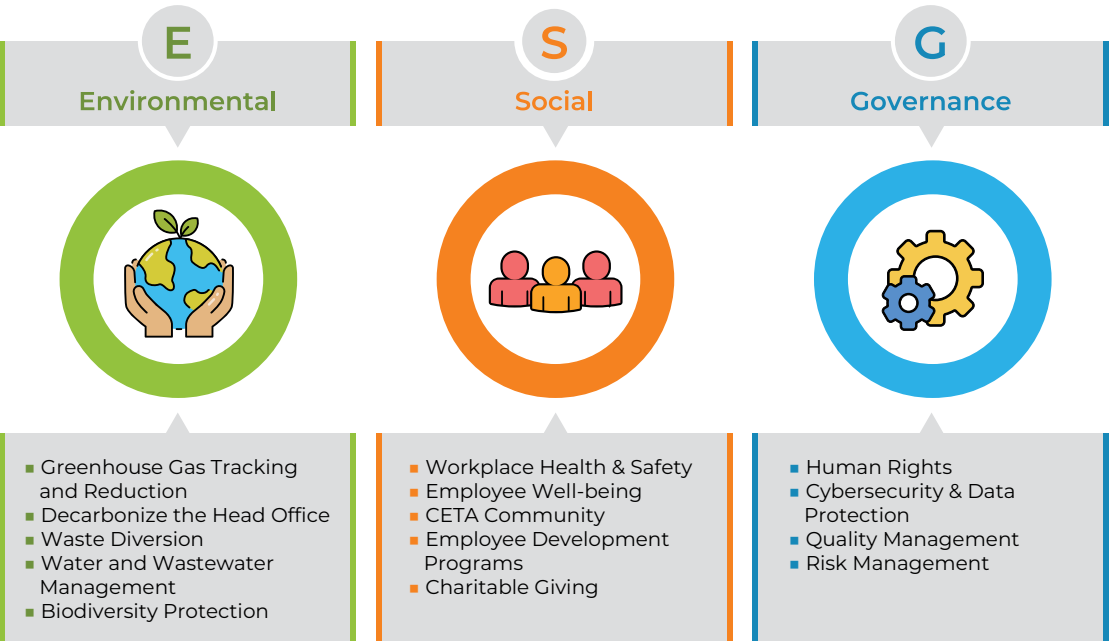
As a leading general contractor in the Canadian construction industry, Kenaidan recognizes the global call to action to address climate change. We recognize the need to actively mitigate its impacts to safeguard our triple bottom line—protecting the natural environment and resources, supporting employee welfare, and fostering long-term business prosperity.

In alignment with the Paris Agreement and UN Sustainable Development Goals, Kenaidan is dedicated to operating responsibly and sustainably in all aspects of our business. This will be achieved by integrating ESG (Environmental, Social,

and Governance) principles into our daily operations, enhancing positive environmental outcomes, fostering social well-being and ensuring long-term value creation. Through these efforts, we aim to effectively manage the risks and opportunities presented by climate change while driving meaningful progress towards building a more sustainable future.

This year, Kenaidan is proud to release 14 ESG factors that we have determined to be financially and impactfully material to our triple bottom line. We will continue to monitor and review our ESG factors in the years to follow.

## ESG Commitments



Upon thoroughly evaluating the indicators for each of the UN SDGs, we have determined that Kenaidan’s business strategy aligns closely with six of these SDGs.



# Materiality

Kenaidan structures its sustainability program and reporting around the IFRS International Sustainability Standards Board (ISSB) framework, which prioritizes financial materiality. To further align with global reporting frameworks, Kenaidan has subsequently incorporated impact materiality into its sustainability program, resulting in a dual materiality perspective.

## Financial Materiality

The ISSB framework provides a list of financially material ESG factors for the construction industry. Kenaidan reviewed these industry-specific ESG factors alongside credible sources of climate science research to determine the exact ESG factors that would be pertinent to our business strategy. These ESG factors reflect the risks and opportunities that sustainability presents for our financial outcomes.

## Impact Materiality

Once our ESG factors were identified using financial materiality, we established key performance indicators (KPIs) for each factor based on impact materiality. This approach ensures that our business operations consider both the direct and indirect impacts we have on the environment, society, and the economy.



# Sustainability Framework & Timeline

**Scope**  
Kenaidan’s all-encompassing sustainability policy and program includes all our office locations and on-site operations (Ontario and British Columbia), and our Shop (owned equipment rental).

**Our Framework**  
Kenaidan follows the ISSB’s sustainability disclosure framework, released by the IFRS Foundation. This framework ensures comprehensive and transparent reporting on sustainability-related factors.

2023

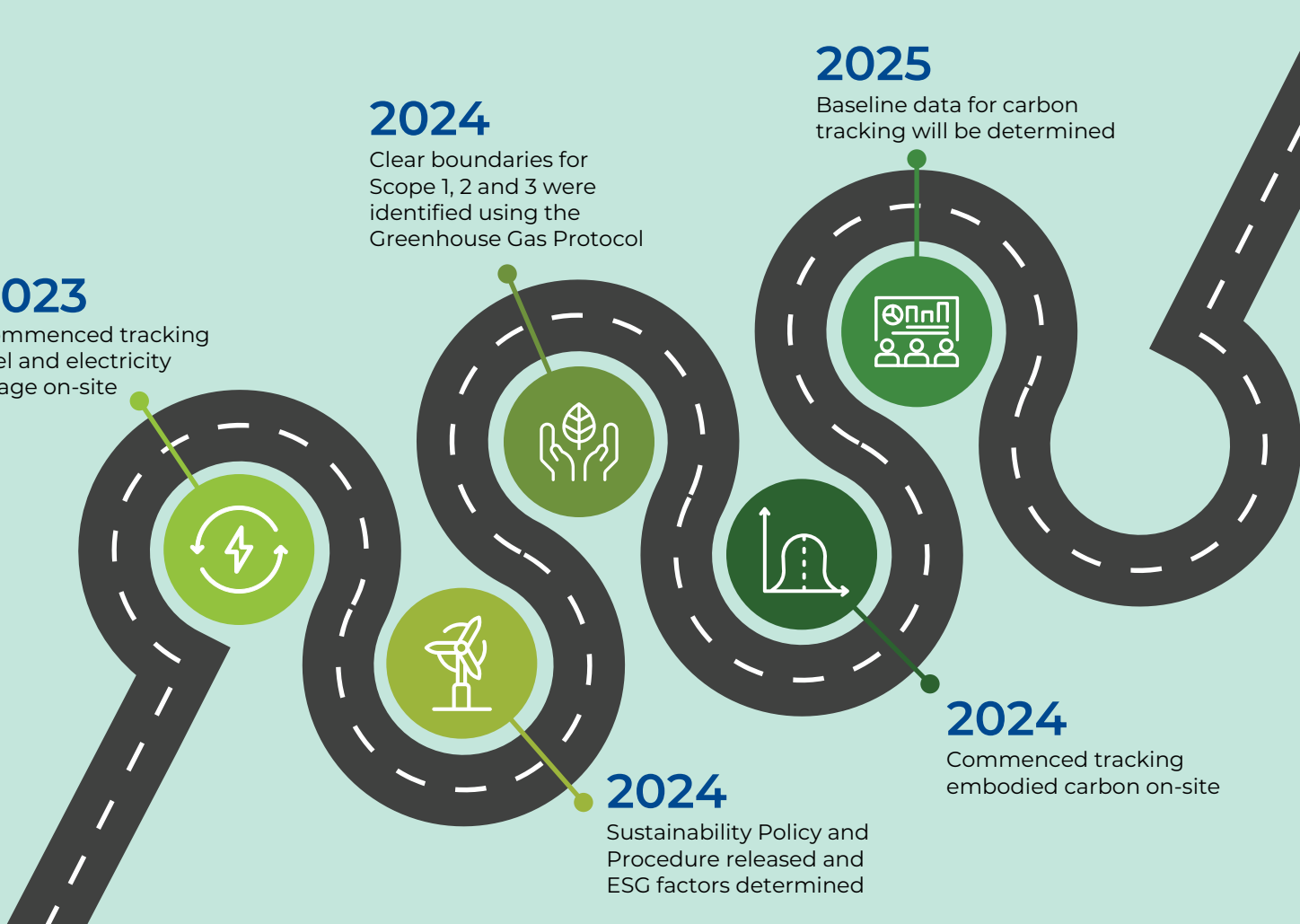
Commenced tracking fuel and electricity usage on-site

2024

Clear boundaries for Scope 1, 2 and 3 were identified using the Greenhouse Gas Protocol

2025

Baseline data for carbon tracking will be determined



2024

Commenced tracking embodied carbon on-site

2024

Sustainability Policy and Procedure released and ESG factors determined

## Governance

The Sustainability Team and executive management review the sustainability program annually to ensure alignment with business objectives and industry best practices.

## Strategy

Sustainability-related risks and opportunities are identified by evaluating our material ESG factors in relation to our business strategy. Each ESG factor is assigned significance and goals upon review.

## Risk Management

This year, ESG factors were qualitatively assessed against our financial performance to determine material risks. As our program evolves, a risk matrix will be developed to quantitatively identify and evaluate sustainability risks.

## Metrics & Targets

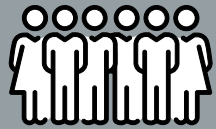
Key Performance Indicators (KPIs) are established for each ESG factor and are regularly measured and monitored to track progress and impact.



# Sustainability Steering Committee

The Sustainability Steering Committee is a focused group driving Kenaidan's commitment to sustainable construction practices and aligning our operations with the company's ESG goals. By providing strategic guidance and fostering collaboration across departments, the committee ensures we proactively address environmental, social, and governance challenges while delivering long-term value for our company.

In 2024, our Steering Committee has grown by  
**200%**



“

We’ve had many of the pieces of sustainability for many years, but it’s been truly rewarding to see our departments come together and unite those pieces into a cohesive sustainability program.

Derek Beharry, EP  
Director, Environmental and Quality Services  
Management Sponsor



“

We are thrilled to integrate sustainability into our strategy, recognizing it as a vital component of our long-term success. By embracing the principles of sustainability, we aim to reduce our environmental footprint and create lasting value for both our business and the planet.

Aaraby Mohanathas, MSc. CAN-CISEC  
Environmental and Sustainability Advisor  
Chairperson




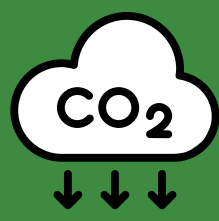
# Sustainability Highlights


An overview of Kenaidan's 2024 milestones, broken down by our ESG pillars.

**90%** Company-wide Average Environmental Compliance Rate Across 13 Categories

 **7** Projects Commenced Tracking Embodied Carbon

 **101.4 T** of CO<sub>2</sub>e offset with Darkwoods Forest Carbon Project and RECs


Kenaidan Head Office will be **Zero Carbon by 2035** 

**94.8%** waste diversion on our Projects 

 **COR Certified** in ON and BC

**17%** of employees are enrolled in development plans / education programs 

Charitable organizations we donated to **64**

 **Remaining compliant and adherence to 3 ISO Programs:**  
ISO 9001: Quality Management  
ISO 45001: Health and Safety Management  
ISO 14001: Environmental Management

**41** Continuous Improvement Opportunities received

**14** ESG Factors integrated into Corporate-wide Sustainability Policy



# Environmental

Eglinton GO Station Accessibility Upgrades

Completion Date: July 2024



OVERVIEW

ENVIRONMENTAL

SOCIAL

GOVERNANCE

# Environmental Management System

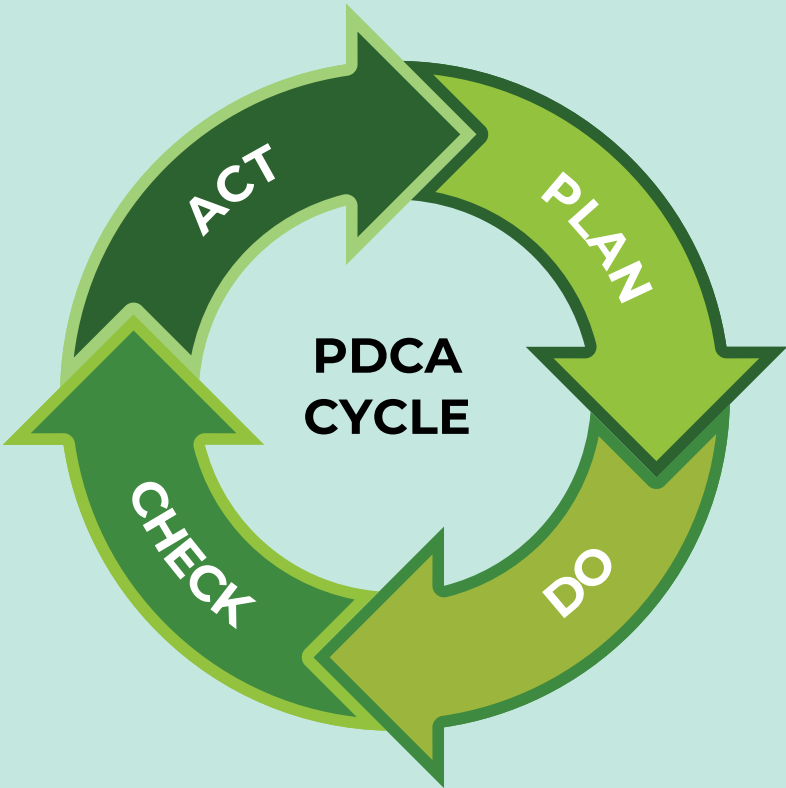
Kenaidan's Environmental Management System (EMS) was developed in 2009 and simultaneously achieved its ISO 14001 certification. Over the years the program has grown to account for legislative changes, industry best practices, new and improved environmental products utilized on construction sites, and our ever-growing client requirements.

Following the ISO 14001 standard, the components of Kenaidan's Environmental Management System include the following:

- **Environmental Policy:** provides the overarching guidelines and principles that define what our program aims to achieve corporately.
- **Environmental Planning:** detailed actions to address risks and opportunities associated with each environmental aspect, contract and legal requirement.
- **Legal Compliance Obligations:** includes mandatory laws, regulations, and permits and voluntary commitments that govern how we manage our environmental impacts.
- **Environmental Aspects:** elements of our activities or services that have an impact on the environment directly or indirectly.
- **Objectives & Targets:** specific goals established on a yearly basis to improve its environmental performance.
- **Training & Awareness:** training employees, subcontractors, stakeholders about environmental issues and providing the proper training and development of environmental personnel to achieve the intended goals.
- **Communication:** sharing information internally and externally to inform and engage our employees, clients and general public about various environmental obligations and initiatives.
- **Emergency Preparedness & Response:** our preparedness and response to environmental emergencies that pose a threat to the environment or public health.
- **Environmental Inspections:** conducted to ensure compliance with laws, regulations, internal program and client requirements focused on identifying potential environmental risks, non-compliance issues and opportunities for improvement.
- **Environmental Operations:** site-based activities on our projects which follow the environmental procedures and processes.
- **Monitoring & Measuring:** tracking, reporting and assessing environmental performance to ensure compliance with our EMS.

## Plan-Do-Check-Act (PDCA) Cycle

With continuous improvement, we have continually advanced our environmental program and have expanded the Environmental Department. This means we have more environmentally trained personnel on our sites to provide direct support, coordinate with environmental consultants and technicians, conduct internal inspections, participate in external inspections, and track and report for Clients.



# Operations: Waste Management

## Importance of Waste Management

Improper waste disposal can harm the environment by polluting waterways, the air, and soil, threatening biodiversity and human health. Effective waste management conserves resources, protects our natural environment, and ensures worker safety by reducing accidents and health risks.

## Waste Management on Site

On Kenaidan construction sites, waste management starts before mobilization with a thorough project assessment to identify waste types. A Waste Management Plan is subsequently created to set clear objectives and targets for waste disposal and management as

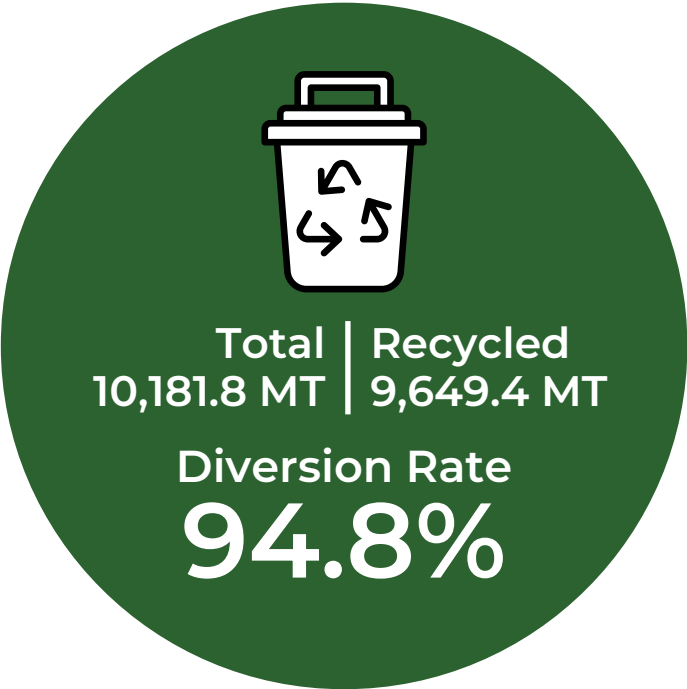
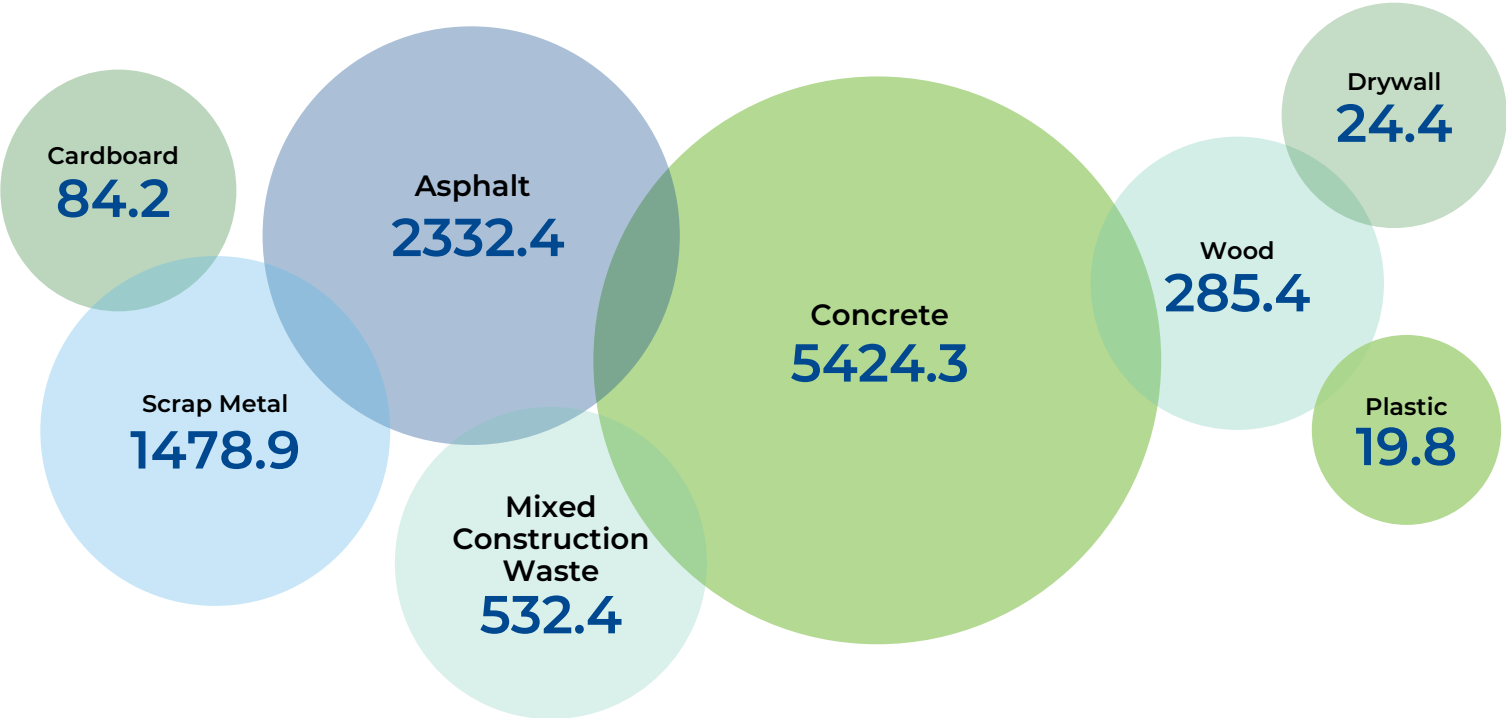
well as detailed procedures for how to achieve those goals. Designated bins are placed on-site for each waste stream and monitored to prevent contamination. Where feasible, materials may be reused on site. This proactive approach minimizes the environmental impact and promotes sustainability throughout the project.

## Concrete Diversion

Concrete now accounts for approximately 50% of the waste diverted on-site. This is a significant factor considering that cement, its primary component, contributes to roughly 7% of global carbon emissions.

## Ever-growing Diversion Rate

When we first launched our waste diversion program, our target was to divert 50% of job site waste from landfills. Since then, we have steadily increased our goal, setting more ambitious targets each year. Currently, we have set a goal of 85%. This ongoing growth reflects Kenaidan’s dedication to environmental responsibility and continuous improvement. We are proud to have a diversion rate of 94.8% in 2024, exceptionally exceeding our diversion rate goal.



# Operations: Water Resource Management

## Importance of Water Resource Management

Water resource management has become a critical issue due to the growing pressures of climate change and the shifting precipitation patterns we’re experiencing in the Greater Toronto Area (GTA). In the coming decades, the frequency and intensity of flash floods are only expected to rise significantly. Extreme weather and flooding can result in severe property damage, infrastructure disruption, and potential displacement of communities. Kenaidan recognizes the risks and has employed effective water management and flood mitigation strategies to protect people and property.

## Relevance to Kenaidan

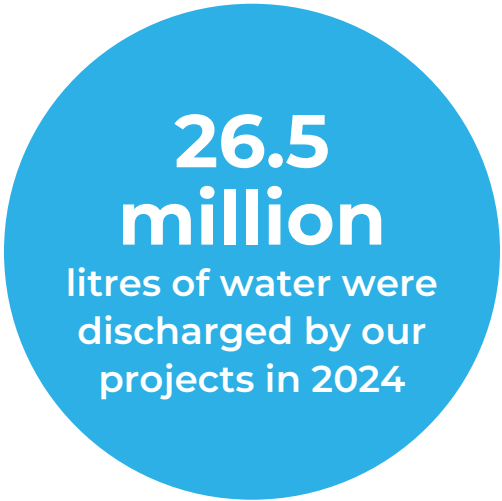
At Kenaidan, groundwater management is a top priority. We strictly adhere to government regulations and work closely with local municipalities and relevant authorities to ensure a responsible and thorough approach when groundwater is encountered on construction sites. To guide our efforts, we develop site-specific Groundwater Management Plans that outline the necessary procedures and best practices for effectively managing groundwater, ensuring compliance and minimizing environmental impacts.

## Authorities We’ve Collaborated With

- City of Toronto
- City of Vaughan
- York Region
- Halton Region
- Town of Collingwood
- City of Mississauga
- City of Surrey
- Fisheries and Oceans Canada

## Permits We’ve Worked With

- EASR
- Permit to Take Water
- Sanitary Discharge Permit
- Stormwater Management Discharge Permit
- Voluntary Project Review



# Operations: Biodiversity Protection

As a construction company, we encounter situations where we must implement biodiversity protection methods on our job sites while transforming the natural environment into the built environment.

Systems are implemented to reduce the impact of projects on biodiversity and habitat loss. During pre-mobilization stage, a comprehensive assessment of local flora and fauna, including an inspection for Species at Risk, is conducted to identify any high-risk species in the project area. Biodiversity protection

measures are then incorporated into the Project-Specific Environmental Plan to ensure that identified species are monitored throughout the duration of the project.

For example, a range of erosion and sediment control methods are implemented to protect aquatic biodiversity. Techniques such as silt fences, silt socks and turbidity barriers are strategically deployed to prevent runoff from entering waterways, effectively protecting aquatic habitats.

## Turtle Alert

At the Bloomington GO Station, amphibian migration tunnels were created to allow turtles and other critters to cross our project area unharmed.



Snapping Turtle (Chelydra Serpentina), Ontario Native Turtle



# Operations: LEED Projects Highlight

Kenaidan takes pride in building sustainable designs, having constructed twelve LEED-certified buildings over the past 15 years. Four achieved LEED Gold, including our design-built head office, and the remaining eight earned LEED Silver.



**Bramalea GO Station & Parking Structure**  
Year Completed: 2022  
Year Achieved LEED: Gold 2024



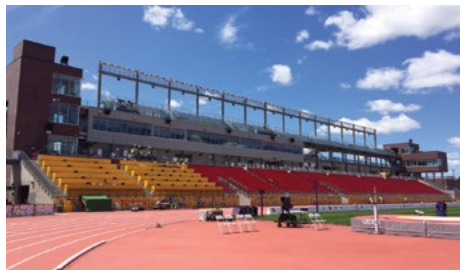
**Bloomington GO Station**  
Year Completed: 2021  
Year Achieved LEED: Gold 2023



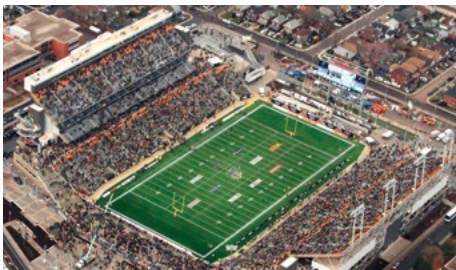
**Guildwood GO Station New Building and Platform Rehabilitation**  
Year Completed: 2018  
Year Achieved LEED: Silver 2021



**West Harbour GO Station**  
Year Completed: 2016  
Year Achieved LEED: Silver 2023



**York Lions Stadium**  
Year Completed: 2015  
Year Achieved LEED: Silver 2015



**Tim Hortons Field**  
Year Completed: 2015  
Year Achieved LEED: Silver 2015



**Kenaidan Head Office Building**  
Year Completed: 2015  
Year Achieved LEED: Gold 2017



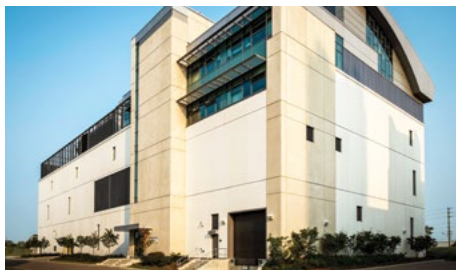
**Mattamy National Cycling Centre**  
Year Completed: 2015  
Year Achieved LEED: Silver 2015



**Coquitlam Water Supply UV Disinfection Facility**  
Year Completed: 2014  
Year Achieved LEED: Gold 2015



**Erindale GO Station & Parking Structure**  
Year Completed: 2013  
Year Achieved LEED: Silver 2015



**Duffin Creek WPCP Dewatering Building**  
Year Completed: 2012  
Year Achieved LEED: Gold 2013



**Richmond Speed Skating Oval**  
Year Completed: 2008  
Year Achieved LEED: Silver 2010



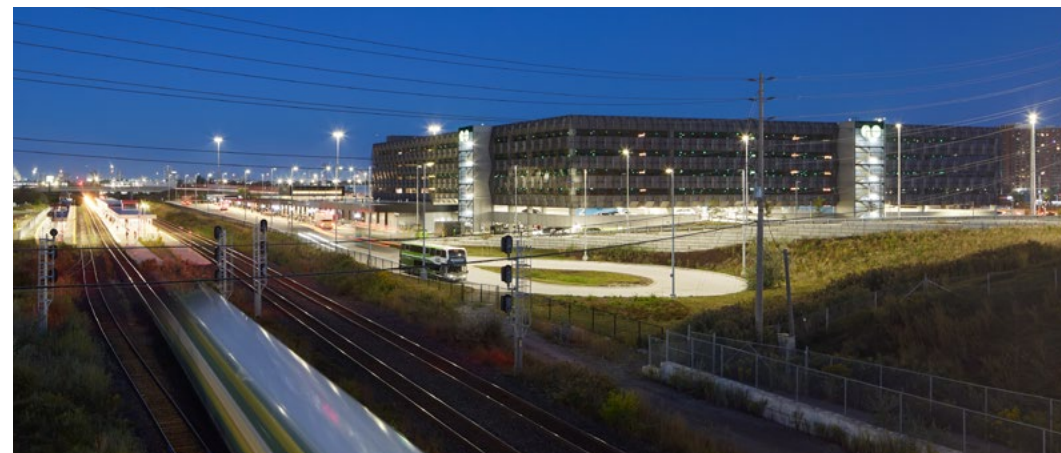
## Project Highlight: Bramalea GO Station & Parking Structure

The Bramalea GO Station & Parking Structure achieved LEED Gold certification in April 2024 through the Canada Green Building Council, recognizing its commitment to sustainable design and construction. This prestigious certification highlights the station's exemplary performance in environmental stewardship and human health.

### Key sustainable features include:

- **Solar Panels:** A grid-tied solar panel array on the parking garage roof generates sufficient energy to power the entire station.
- **Energy Efficiency:** Energy-efficient LED lighting is installed throughout the tunnels, platforms, and parking areas, significantly reducing energy consumption.
- **Water Efficiency:** The station achieved a 35% reduction in indoor water use by installing low-flow fixtures and incorporating drought-tolerant species in the landscaping to minimize water consumption and maintenance needs.
- **Electric Vehicle Charging:** The parkade is equipped with infrastructure to support electric vehicle charging stations, promoting cleaner transportation options.
- **Materials and Resources:** Sourced products with Health Product Declarations (HPD), Cradle to Cradle (C2C) certifications, or Declare labels, and used BIFMA-certified furniture, which met emissions and content standards for all low-emitting materials, enhancing indoor air quality and earning innovation points.
- **Waste Management:** During construction, 95% of waste was diverted from landfills through recycling and repurposing initiatives. Salvaged concrete was transformed into materials for future construction, such as road barriers and building blocks.

These efforts contribute to reduced energy consumption, lower operating costs, and a smaller carbon footprint, making the Bramalea GO Station & Parking Structure a model for sustainable transit infrastructure.





## Project Highlight: Lower Don Enabling Works Package 3

### Scope of Project

The Lower Don Enabling Works Package 3 (LDEW3) consists of a series of early works activities to support the delivery of the Ontario Line Subway in the Lower Don Area.

The LDEW3 includes the following works:

- Construction of a cut and cover tunnel and portal structure;
- New bridge carrying the Ontario Line guideway over the Don River and Don Valley Parkway;
- Emergency Services Building (ESB) adjoining the portal structure;
- New Hydro One Network Inc. (HONI) transmission tower; and
- Relocation of the GO Lakeshore East and Richmond Hill tracks, including necessary track signal and infrastructure.

### This project has a vast environmental scope with 88 identified environmental aspects:

- **Air Quality:** Real-time continuous (24/7) air quality monitoring at two receptor locations within the vicinity of the project area. Air quality and dust mitigation measures include water application, dust screens, wheel wash station and use of a beet juice dust suppressant.
- **Noise and Vibration:** Continuous (24/7) noise monitoring at seven (7) receptors within the vicinity of the project area. Mitigation measures implemented include broadband back up alarms for vehicles, no idling of vehicles, silencers and noise barriers walls.
- **Erosion and Sediment Control/Stormwater:** Implementing ESC measures to prevent stormwater runoff after rainfall events, and erosion from construction activities using various erosion and sediment controls ie. silt socks, fence, rock structures, check dam structure, riprap, and drain inlet protection.
- **Flood Contingency:** Implementing measures to minimize environmental and health & safety impact working within floodplain area with erosion and sediment control measures and through yearly monitoring of the TRCA flood plain land monitoring point.
- **Salt Management:** Road salt for deicing of vehicle roadways and pedestrian pathways use during winter in accordance with applicable regulatory requirements/standards to reduce environmental impact.
- **Soil and Excavated Materials:** Removal (26,000m<sup>3</sup> in 2024), storage, handling, and disposal of excavated materials associated with construction activities according to applicable regulatory requirements/standards which is documented on specialized tracking software.
- **Groundwater/Dewatering:** One treatment facility for the treatment of groundwater/wastewater prior to discharge to the City of Toronto Sanitary/Sewer system.
- **Waste Management:** Designated bins for metal, wood and mixed materials waste.
- **Spill Prevention:** Use of containment trays for fueled equipment and controlled products, secured storage of fueled equipment and controlled products away from storm drains and water ways.
- **Wells:** 23 monitoring wells decommissioned to date within the project area.
- **Vegetation Protection:** Protected tree species outside of the project area with snow fence.
- **Biodiversity Protection:** Buffer protection installed to protect bird species/nestlings, and a fish relocation occurred to re-locate aquatic species outside of our in-water works area.
- **Cultural Heritage:** 1,856 abutment stones from the original rail crossing at the Lower Don River were relocated to an offsite storage site for the duration of the project.

# Kenaidan Head Office: LEED Gold Certification

Kenaidan's office in Mississauga, Ontario, proudly achieved LEED Gold certification in 2017. This milestone reflects Kenaidan's dedication to sustainability and environmental stewardship.

The Derrycrest office building, which Kenaidan built with a strong focus on sustainable practices, features the following sustainability highlights:

- **Sustainable Sites:** The building earned points for alternative transportation options and reducing the heat island effect. This includes providing bike storage, EV charging stations, close proximity to public transportation routes, and using reflective roofing materials to minimize heat absorption
- **Green Landscaping:** The landscape design integrates the building with the surrounding natural area using a selection of hardy, drought-resistant, salt-tolerant, and low-maintenance native species, along with a raised planter berm featuring seasonal planting.
- **Energy and Atmosphere:** The building's predominantly glass façade maximizes natural light, reducing the need for artificial lighting. It is equipped with energy-efficient LED fixtures, advanced lighting controls, and sensors to minimize energy consumption.
- **Materials and Resources:** Regional materials were prioritized to reduce transportation emissions, and 100% of the wood used was FSC-certified.
- **Waste Management:** The project focused on diverting construction waste from landfills through comprehensive waste management, recycling a significant portion of construction debris, and using materials with recycled content.

These features collectively underscore Kenaidan's commitment to creating a healthier, more sustainable environment. This achievement not only highlights Kenaidan's leadership in sustainable construction but also sets a benchmark for future projects.



# Kenaidan Head Office: Zero Carbon Transition Plan

**Our goal is to achieve a zero-carbon target for the head office by 2035.**

Kenaidan's corporate office Energy Benchmarking and Decarbonization Plan outlines a comprehensive strategy to transition off gas usage while maximizing the current value of existing equipment.

Key strategies include implementing Energy Conservation Measures (ECMs) such as:

- **Replacing Fluorescent Lighting Fixtures with LED Lighting:** This upgrade will significantly reduce energy consumption and improve lighting efficiency.
- **Upgrading the Building's Electrical Infrastructure:** Enhancing the electrical systems to support more efficient energy use and accommodate future sustainable technologies.
- **Transitioning Off Gas Usage:** Phasing out gas usage on equipment such as gas condensing boilers, while maximizing the value of existing equipment to reduce greenhouse gas emissions.

The equipment will be replaced once it meets its natural intervention point, anticipating the implementation of the ECMs is planned to start in 2030 to achieve full electrification by 2035. The plan projects a 25% reduction in total energy consumption and a 79% reduction in greenhouse gas emissions intensity (GHGI) after implementing the ECMs.



# Kenaidan Head Office: Carbon Offsets & Net-Zero

## Kenaidan Head Office

The Kenaidan Head Office achieved zero carbon emissions for 2024. This milestone builds on the energy conservation efforts already in place within our LEED Gold-certified building. To address emissions from existing equipment and electricity consumption, Kenaidan purchased carbon offsets and Renewable Energy Certificates (RECs) to neutralize the remaining emissions. Carbon offsets were applied to equipment-related emissions, while RECs ensured a zero-carbon balance for electricity consumption. These strategic purchases reinforce Kenaidan’s commitment to sustainability by mitigating its carbon footprint and supporting renewable energy development and conservation initiatives. Additionally, we are proud to announce that our office has earned the CaGBC’s Zero Carbon Building – Performance certification, solidifying our commitment to achieving zero carbon.

## Carbon Offset Credits

The carbon offset credits purchased were generated by the Darkwoods Forest Carbon Project in British Columbia. This project delivers climate, community, and biodiversity benefits by acquiring and managing 54,850 hectares of commercial timberland for ecological conservation. By preventing emissions associated with logging under a “business-as-usual” scenario, the project preserves significant carbon stocks already stored in the forest’s trees, soil, and vegetation, preventing their release into the atmosphere. Additionally, it enhances carbon sequestration by allowing trees and vegetation to continue growing, absorbing CO<sub>2</sub> through photosynthesis, and increasing carbon storage in their biomass. The project also enhances biodiversity by conserving large, fully functional natural ecosystems and critical habitats for key endangered species.

## RECs

The Green-e certified Renewable Energy Certificates (RECs) were purchased from the largest wind farm in Canada, located in Quebec. Purchasing and retiring RECs not only achieves a zero-carbon balance for the electricity used at the head office in 2024 but can also support the growth of renewable energy projects in North America. By contributing to clean energy generation, RECs help supply the North American power grid with sustainable electricity, reducing reliance on fossil fuels and avoiding associated carbon emissions.



# Kenaidan Head Office: Circular Procurement

Circular initiatives begin with purchase and procurement. Recognizing the circular life cycle of products, from office procurement to project sites, the team has developed a comprehensive circular purchasing guideline. The guideline includes a list of products evaluated through sustainable criteria, such as product design, materials, and end-of-life considerations. The procurement cycle is guided by the principles of purchasing less, purchasing smarter, and maximizing the use of quality goods. It also includes

a thorough supplier evaluation process to ensure that every purchase decision prioritizes products with lower environmental impacts.

The guideline starts with a needs assessment, followed by evaluating products and suppliers against sustainable criteria. This approach ensures that every purchase decision is guided by sustainability principles. The integration of this guideline helps to minimize environmental impacts from procurement,

promote resource efficiency, and support continual improvement.

At our self-serving kitchenettes, Kenaidan has procured everyday circular items – such as certified compostable coffee cups and wooden stirrers that are approved from the offices waste vendor and accepted in the organics bin.

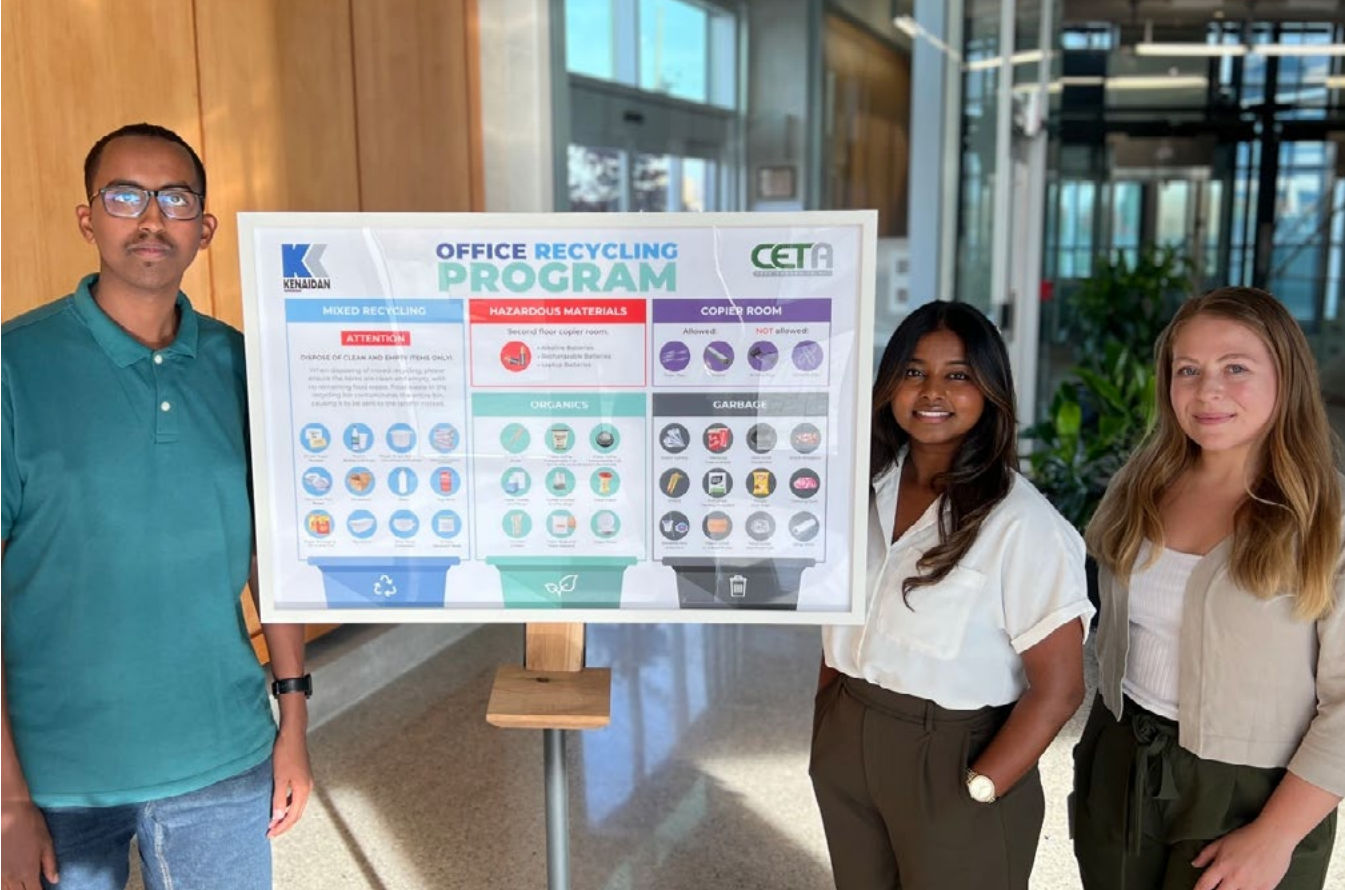


# Kenaidan Head Office: Waste Management

At our head office, we are committed to advancing and implementing waste management best practices to elevate our environmental performance. With a corporate-wide target of achieving a minimum 75% waste diversion rate, our efforts focus on redirecting waste generated on-site away from landfills through enhanced collection systems for recyclable and compostable materials.

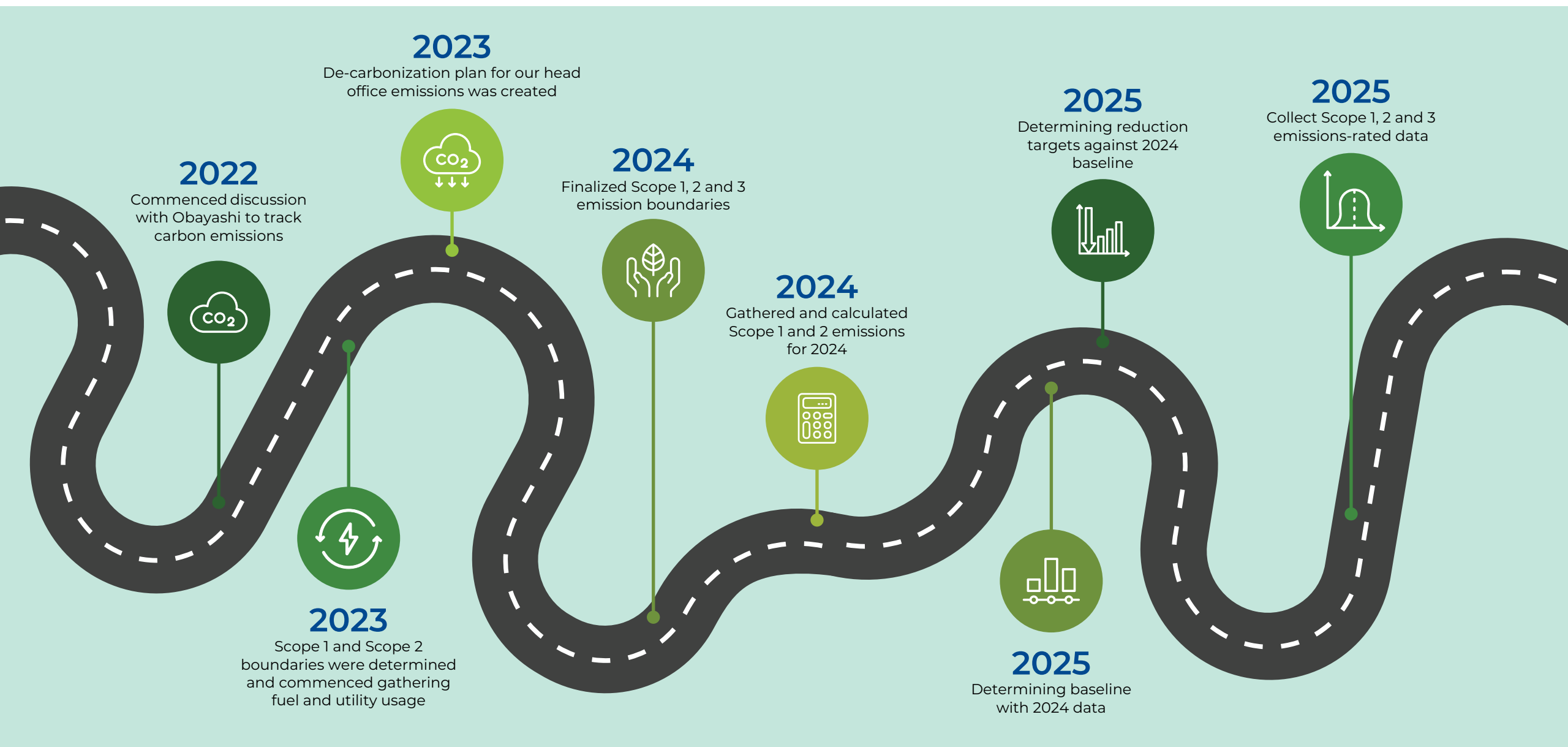
Recognizing the profound environmental impact of landfill waste, we have established comprehensive programs for organics, mixed recyclables, e-waste, shredded paper, and batteries. Our verified third-party partners ensure these materials are responsibly processed, reinforcing our commitment to sustainability. By prioritizing responsible recycling and waste diversion, we are not only reducing our environmental footprint but also promoting a culture of sustainability within our office operations.

In support of implementing the best waste management practices, in 2024, the Environmental Team launched a new waste program at the head office with a focus on education and awareness. The event featured interactive signage based on actual waste audit data, a fun sorting game, and key insights from our recent waste audit. Staff actively participated, engaging in meaningful conversations and friendly competition, making the event a huge success.



# Carbon Accounting Roadmap

Here's our carbon accounting timeline—follow our journey to track and reduce emissions!





## Scope 1, 2 and 3

# Greenhouse Gas Accounting Breakdown\*

1,800,112 kg CO<sub>2</sub>e

### Scope 1

- **On-site stationary combustion:** Combustion from controlled sources including natural gas, gasoline, diesel, propane, and biomass
- **On-site mobile combustion:** Combustion from owned and controlled vehicles, including business kilometers only
- **Stationary and mobile combustion from the Shop**
- **Head Office stationary combustion:** Natural gas usage from owned and controlled boilers
- **Head Office fugitive emissions:** Fugitive emissions from refrigerants for our owned and controlled boilers

95,170 kg CO<sub>2</sub>e

### Scope 2

- Electricity usage from owned or controlled equipment or operations at the head office
- Electricity usage at our Shop
- Purchased electricity at our sites
- **Regional office stationery combustion:** Natural gas usage

1,294,288 kg CO<sub>2</sub>e

### Scope 3

- **Embodied Carbon:** Concrete from Ontario and British Columbia

*\*Excluding our carbon offset credits and RECs.*





# Social

Trillium Health Partners M-Site Parking Garage at the Mississauga Hospital  
Completion Date: November 2024



# Health & Safety Culture

Safety is an integral part of Kenaidan’s construction processes and a key driver of our Core Values. By fostering a proactive approach to safety, we ensure a work environment that protects our employees, subcontractors, and clients while enhancing overall project success.

## Care Enough to Act (CETA)

Kenaidan recognizes the importance of employee empowerment programs to engage all workers in providing a safe environment to work in, which is at the heart of Kenaidan’s Care Enough to Act (CETA) program. This program instills in workers the freedom and discipline to observe and evaluate their peers’ behaviours and to encourage others to modify unsafe behaviours by using a peer-to-peer feedback process. This further enhances our corporate health and safety culture as it engages everyone’s participation, regardless of their role, contributing to the success of our health and safety performance. Through our Core Values Rewards Program, actions and behaviours that exemplify our CETA principles are recognized for their positive impact. Past recipients include craft workers that have taken time out of their personal schedule to offer training and guidance to young workers within the industry, offering industry best practices while promoting health and safety awareness.

CETA also extends itself to the community. Under its principles, CETA encourages our workforce to give back to surrounding communities, through such initiatives as neighbourhood clean-up programs; partnerships with MySafeWork which reaches out to local schools to encourage health and safety awareness and leadership; and CETA Build Projects where our workforce and industry partners volunteer their time and trade skills to help families, business and not-for profit organizations in need.



# Health & Safety Program

As part of our commitment to Health & Safety excellence and innovation, we have developed our Environmental, Health and Safety (EH&S) program based on over 50 years of project experience. Kenaidan is committed to keeping practical and effective measures in place to protect the Health and Safety of all workplace parties. Our policy, and program that supports it, helps to define and build on our strong safety culture, which encourages active participation from all levels, in turn, contributing to our success. Our policy relies on the active participation of each workplace party, from our executive team to the front-line worker, all working together to ensure that each and every person returns home safely and in good health at the end of each work day.

Our commitment is strengthened by the standards that drive our program. We have modelled our EH&S program on local and international standards that support and facilitate the continuous improvement and development of our program. Recognized and accredited under ISO 14001, ISO 45001 and the Certificate of Recognition (COR) 2020 program, our processes and controls exemplify the elements of the proven Health and Safety Program.



# Health & Safety Awards and Success Stories

## Safety Awards

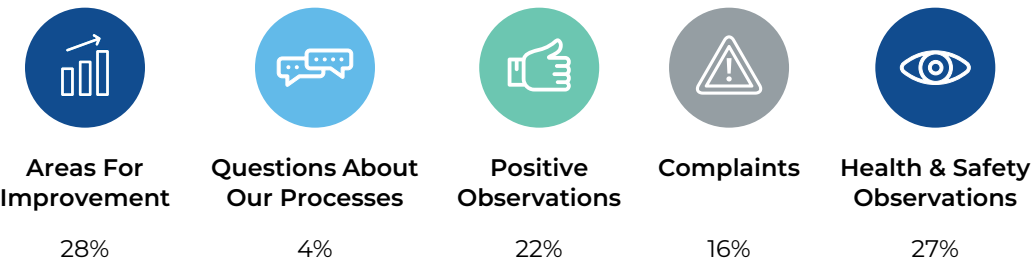
In 2024, Kenaidan was the recipient of the prestigious OGCA Leaders in Safety Award! This recognition, presented during OGCA's Leaders in Safety Day, highlights our unwavering commitment to health and safety. Kenaidan earned this recognition for achieving a record number of working hours without a loss-time injury.



## Success Stories

We've demonstrated program innovation excellence at our Lower Don Enabling Works Package 3 project. In order to encourage stakeholder participation and feedback, they implemented an electronic feedback system, that can be accessed throughout the active construction zones through a QR code. The feedback received can be entered in anonymously or stakeholders can disclose their identity for the opportunity to enter their candidacy into our feedback rewards program. As of December 2024, the pilot program, implemented in the summer of 2024, has yielded 115 responses.

The following is a break down of the feedback received:



This initiative has greatly improved the project's performance and influenced an evolving safety culture, experiencing that their voice matters and can make a difference in the lives of our project partners. We look forward to the continued success of this program.





# Employee Well-being & Kenaidan Strong



Kenaidan’s wellness program is built on 5 pillars. It is through the nurturing and strengthening of these pillars that we believe our team can continue to improve and achieve both personal and professional growth and success. Each year Kenaidan plans, coordinates and hosts various events, initiatives and programs which support our team in achieving both personal and professional growth, success and wellness.

## Physical

We believe regular physical activity improves quality of life. At our award-winning head office, Kenaidan provides gym facilities aimed at promoting physical health and fitness with convenience. Kenaidan also encourages physical well-being and healthy competition among our employees through various initiatives. Physical health is paramount as we understand the physical demands of our industry.

The following highlights some of the physical initiatives Kenaidan coordinates to encourage this pillar of wellness:

- Kenaidan Annual Triathlon
- Kenaidan Annual Golf Tournament
- Various community runs and walks for charity
- Various employee initiated sports teams, including hockey, basketball, volleyball and soccer

## Social

Healthy relationships are at the key to our success, and at the foundation of our Corporate Values.

We acknowledge that those professional relationships we have fostered over the years are strengthened through not just those professional interactions but also through the various social events that Kenaidan hosts throughout the year. Celebration of success is imperative. Barbecues and evening events at Scotia Bank Arena serve to acknowledge our team’s accomplishments while strengthening our social connection.

In 2024, Kenaidan proudly celebrated their 50<sup>th</sup> Anniversary hosting a company-wide gala, including various local musicians and photo stations set up to capture the special moments during the evening.

- The following are other examples of events and initiatives sponsored by Kenaidan to strengthen this pillar:
- Annual company-wide team building event
  - Pool and games night
  - Tuck Shop Tuesdays - providing staff with an opportunity to get out from behind their desks and connect with colleagues while have a tasty treat

## Mental

We believe that a healthy mind fosters resilience and productivity, both in the workplace and in

personal life. We also understand the stressors of our industry and the impacts they may have on our employees. Kenaidan promotes work-life balance through flexible working hours and remote working opportunities to reduce stressors such as commuting and long hours, giving our team more time with their loved ones.

Through various program initiatives, we promote mental well-being:

- An enhanced Employee and Family Assistance Program was launched through Kii. The program provides support to our employees and their families with health or life challenges they may be facing
- Lunch'-n'-Learn and workshops
- Communications and videos
- Benefits aimed at encouraging & supporting mental wellness for our employees and their families

# Employee Well-being & Kenaidan Strong

## Community

Healthy communities contribute to the overall health and wellness of our families.

Kenaidan has been a long-time supporter of the City of Mississauga, Peel Region and surrounding communities. Whether it is through our Care Enough to Act (CETA) initiatives, which has brought our team and other industry partners together to enhance community services such as The Lighthouse for Grieving Children, or community tree planting and cleanup projects; Kenaidan is proud to give back to the communities that have supported its continued growth and success, with the goal of creating an environment of well-being.

Other community initiatives include:

- Direct involvement with various sports teams within our communities, offering coaching and volunteer services
- Supporting education through our scholarships at York University, including our multi-year pledge to build the Dr. Istvan Fogarasi Kenaidan Contracting Award; given to undergraduate students enrolled in the Civil Engineering program at the Lassonde School of Engineering
- Donations to over 64 Charities in 2024 including matching donations of time and money made by our employees to various Canadian Charities

## Financial

Planning for our future encourages stability and security. Kenaidan strives to ensure our employees are equipped with the financial knowledge and resources needed to protect their futures and their family's for generations to come.

- This includes procurement of a financial services consultant to deliver a series of on-line talks on 12 different topics including:
- Financial Literacy including debt and housing affordability
  - Home financing
  - Investments strategies
  - Retirement and estate planning



# Employee Development Programs

We believe that investing in our people is the key to our success. Our employee development programs are designed to foster growth, enhance skills, and strengthen talent retention. This ensures our team is equipped for both personal and professional success.

In 2024, we delivered over 150 hours of training, with a strong emphasis on leadership and interpersonal effectiveness. We offer three distinct curricula tailored to employees at different stages of their careers.

## Leadership College

Kenaidan’s Leadership College equips high-potential employees with the skills to advance into leadership positions. Through classroom training, hands-on projects, and mentorship, participants develop expertise in construction management, finance, leadership, and decision-making. The program features real-world case studies, cross-functional rotations, and coaching to provide a well-rounded understanding of our business.

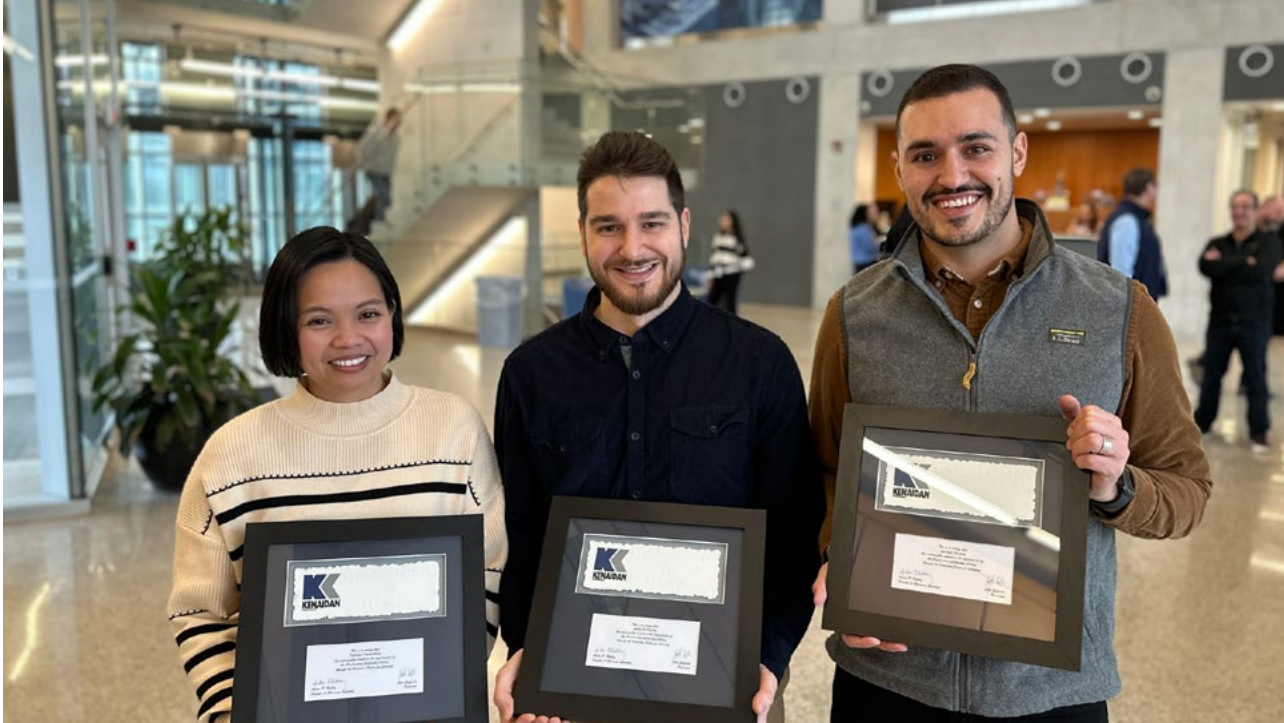
## Next Level Leaders

Our Next Level Leaders Program is a two-year initiative designed to equip high-potential employees with the skills and experience needed for senior leadership roles. Participants are selected through our Succession Planning Process, based on their experience, leadership skills, and interpersonal readiness to take on key leadership positions within the company. This commitment to leadership development has built a strong pipeline, with 68% of our leadership team promoted from within, ensuring our future leaders truly embody Kenaidan’s culture, values, and mission.

## Foremen in Training

As a self-perform general contractor, we prioritize Crew Leader Development, ensuring our teams are equipped to manage this critical part of our business. Through our Foremen in Training Program, 67% of our Crew Leaders have been promoted from within, reinforcing our commitment to growing talent internally.

By continuously investing in our people, we’re not just building structures, we’re building careers, leaders, and a stronger future for Kenaidan.



## Women in Leadership

Through our leadership development programs, we have seen a benefit to being able to promote women into leadership roles. Women leaders bring diverse perspectives and approaches to problem-solving, which can lead to more creative and effective solutions.



“

My time at Kenaidan over the past 22 years has been invaluable to my professional growth. I've had the opportunity to work on many exciting projects with fantastic teams, taking on various roles across different departments. Each experience brought new challenges that helped me develop new skills and knowledge. The support from my mentors and teammates, along with my participation in Kenaidan's Leadership College program, has been instrumental in my growth. Working here has made me a better leader and team player. I'm proud to be part of a company that values growth, collaboration, and innovation.

Andrea Mrezar  
Project Manager



“

Over the past decade at Kenaidan, I've had the opportunity to contribute to challenging and rewarding construction projects, which have pushed me to develop both technical and leadership skills. Collaborating with talented team members and learning from inspiring mentors has been invaluable. The company's internal Leadership College has played a significant role in honing my soft skills and preparing me to take on greater responsibilities, further propelling my development. Now, as a mentor myself, I take pride in guiding and supporting others, paying forward the knowledge and experience I've gained throughout my time at Kenaidan.

Rida Abdullah, P.Eng  
Project Superintendent



# Women in Leadership

The number of women leaders in our organization is growing steadily. Our commitment to increasing representation has led to year-over-year growth, and we are proud that 14% of our leaders are women.



“

My role has evolved alongside Kenaidan's growth. I started by administering lump-sum contracts that could be managed with a simple Excel breakdown. Today, I lead a team of Administrators responsible for a wide range of tasks on large-scale projects. The biggest influence on my role has been the advancement of technology and the evolution of project delivery methods. Design-build, progressive contract, and construction management projects require strong administrative support to ensure their overall success.

Sharon Bains  
Administration Manager



“

I joined Kenaidan 18 years ago as a General Accountant. Since then, I've taken on various roles across Accounting and Finance, gaining experience in different areas of the business. Now, as Director of Finance, I oversee all financial aspects of the company, provide strategic support to Executive Management, and ensure Kenaidan's financial health and compliance.

Several development programs at Kenaidan have had a significant impact on my career. I participated in the three-year Leadership College program, which gave me invaluable exposure to all areas of the business and provided mentorship opportunities. Later, as I moved into a senior management role, I took part in the Next Level Leaders program, which helped me think bigger and more strategically.

Oxana Kirichenko, CPA, CGA, B.Comm  
Director of Finance



# Charitable Giving

We are proud to support a wide range of charitable causes whenever possible. We encourage our staff to contribute both their time and resources to charitable organizations within our community. To further demonstrate our commitment, we match employee donations of either volunteer hours or financial contributions to registered Canadian charities, up to an annual maximum.

In addition, Kenaidan provides corporate sponsorships to various community sports teams and clubs, where employees actively contribute by volunteering their time and expertise in coaching roles.


Over the years, Kenaidan has had the privilege of supporting a variety of Canadian charitable organizations, including:

- Heart & Stroke Foundation
- Peel Children’s Aid Society
- Kids Up Front Foundation
- Covenant House
- Mississauga Food Bank

These organizations represent just a few of the causes Kenaidan has been proud to assist in making a positive impact on the communities where we live and work.

Every year, during the holidays, our site teams join in friendly competition to collect food, toys and toiletries for their respective local communities.





Hats off to our  
largest contributor this  
year – the Maple GO  
Station and Corridor  
Work team!



# Governance

Richview Reservoir & Pumping Station Rehabilitation

Completion Date: Underway





# Human Rights: Policy

Kenaidan is committed to upholding human rights at all levels of its operations, ensuring an environment where personal dignity is protected in accordance with the UN Guiding Principles on Business and Human Rights. Our policy outlines Kenaidan’s adherence to internationally recognized human rights standards, including the International Bill of Rights and the International Labour Organization’s Declaration on Fundamental Principles and Rights at Work. It applies to all entities within the Kenaidan Group and all stakeholders acting on their behalf worldwide.

Kenaidan strictly opposes child and forced labour, adhering to relevant laws and international standards. The company requires stakeholders to respect human rights, eliminate child and forced labour from their operations, and include these standards in contractual agreements. Management is responsible for fostering a respectful environment, addressing human rights violations, and ensuring timely resolution.

Employees are expected to follow policies protecting human rights and report any violations.

Stakeholders can confidentially report violations to Human Resources or other designated channels, with management committed to investigating issues promptly and confidentially. The policy protects against reprisals for good faith reporting of violations.



**Click here to read our Supply Chain Report on Fighting Forced Labour**

# ISO Certifications

Our Integrated Management System (IMS) is central to our commitment to regulatory compliance, strong governance, and sustainable growth. By integrating quality, environmental, and occupational health and safety management systems, our IMS ensures full alignment with international ISO standards and our company goals.



**ISO 9001: Quality Management System**  
Certified in 2000, ensuring the consistent delivery of quality products and services



**ISO 45001: Occupational Health & Safety Management System**  
Certified in 2008, committing to prevent workplace injuries and improve well-being of employees and stakeholders



**ISO 14001: Environmental Management System**  
Certified in 2009, demonstrating our commitment to reducing environmental impact and promoting sustainability

## Continuous Improvement and Auditing

Continuous improvement is essential for staying ahead in an ever-evolving business environment, ensuring that processes remain efficient and aligned with best practices. By constantly evaluating and enhancing practices, we can better meet emerging challenges, increase stakeholder satisfaction, and maintain long-term success. One of the ways we practice continuous improvement is through auditing and surveying.

In 2024 we:

- Conducted 43 audits, including 38 internal and 5 external audits
- Fulfilled the needs and expectations of interested parties by conducting annual surveys to gather actionable feedback
- Achieved a client satisfaction rate of over 85% consistently for the past 24 years

# Quality Management

Our Quality Team works closely in conjunction with our Project Teams and subcontractors to ensure that all construction activities meet the required quality standards, regulatory compliance, and project specifications. Their work is critical for delivering structurally sound and safe projects that meets the clients expectations.

Members of the Quality Team focus on establishing and maintaining processes that ensure construction activities are executed according to the construction quality plan. This involves developing and implementing construction quality management plans, conducting audits, and ensuring subcontractors, and suppliers follow standardized procedures and required submittals.

The Quality Team members are also involved with the coordination of inspecting and verifying that the work done on-site conforms to the established quality standards. This includes conducting participating and coordinating in regular inspections, tests, and review of material submittals, workmanship, and installations to ensure compliance with technical specifications and design requirements.

Collaboration between Kenaidan's Quality Team personnel and the rest of the Project Team is critical in order to address defects or deviations from the standards are identified and rectified in a timely manner. The Quality Team personnel plays a vital role in ensuring the longevity and functionality of the finished structure.

Obayashi Group has been celebrating and promoting Quality Week for the last 5 years and this year during the week of November 11-15<sup>th</sup>, Kenaidan participated in a number of engagement opportunities and activities that took place with personnel and external stakeholders to foster this team effort towards maintaining quality and continuous improvement. This included an introduction to Quality Week 2024 posted on Kenaidan's portal, sharing Obayashi's 2024 Quality Week Messages from President Hasuwa. An in-person presentation of the Quality Toolbox Talk – Building Trust was delivered to head office personnel and throughout the week to site personnel, crew members, and subcontractors across all locations in Ontario and British Columbia. An update on the Quality department was posted on Kenaidan's portal to share information on department growth, staffing, key initiatives, and statistics with an emphasis on positive changes for sustained operational efficiency. The week concluded with a wrap up of activities encouraging continued communication of inquiries and suggestions for enhancing and improving the Quality program.



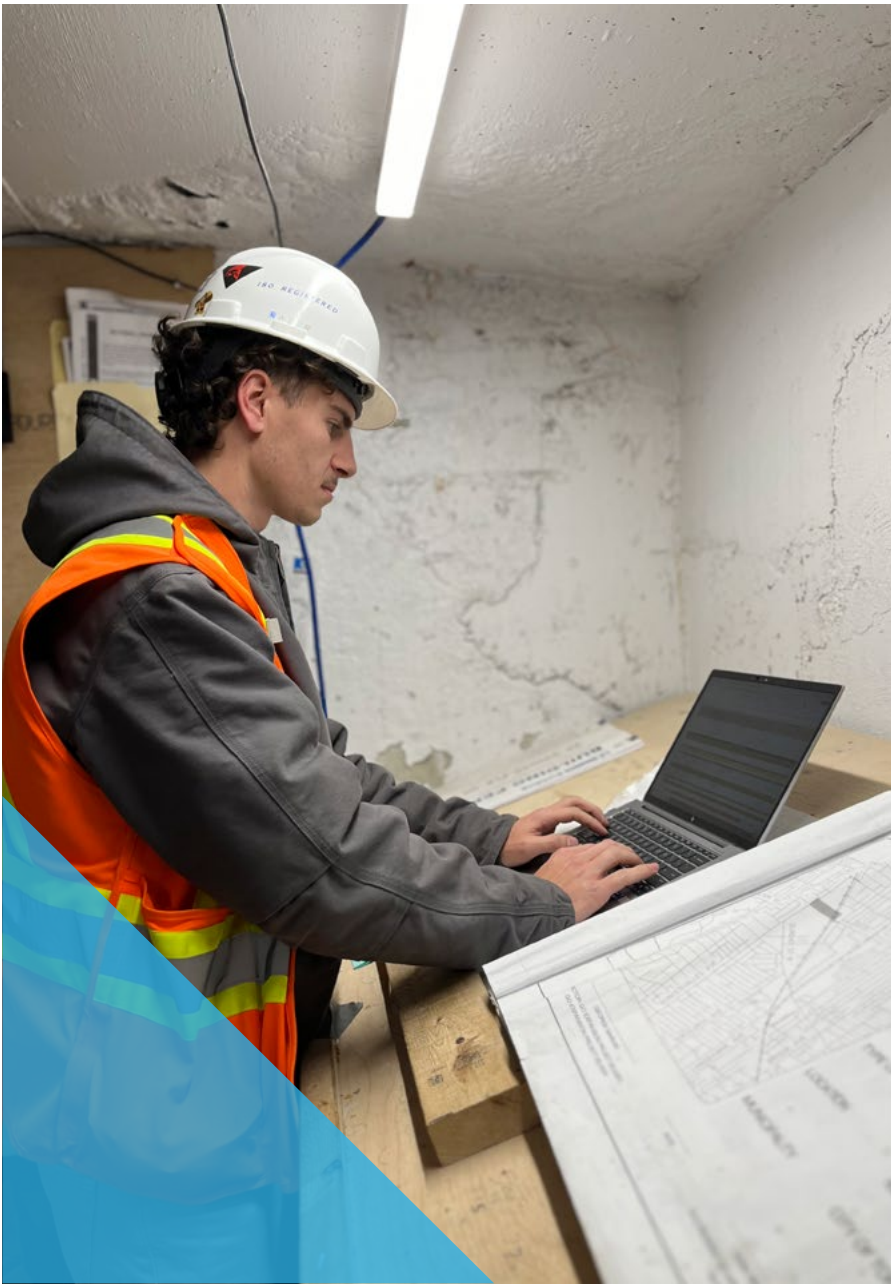
# Cybersecurity

Kenaidan recognizes the critical importance of cybersecurity and has implemented a comprehensive strategy to protect our organization. We have deployed state-of-the-art security technologies, including firewalls, intrusion detection systems, and encryption protocols, to safeguard our network and data.

Believing that our people are our first line of defense against cyber threats, we conduct regular training sessions and awareness programs to educate our employees about the latest cybersecurity practices and how to identify potential threats. Cybersecurity is a collective effort, and we work closely with our group companies to share knowledge, resources, and best practices, creating a unified front against cyber threats.

We are committed to staying ahead of emerging threats by continuously updating our security measures and adopting new technologies. Our proactive approach ensures that we are always prepared to combat the evolving cyber landscape.

As we continue to embrace new technologies and innovate in the construction industry, cybersecurity remains a top priority for Kenaidan. Our approach to cybersecurity not only protects our organization, but also reinforces our commitment to excellence and trustworthiness in the eyes of our clients and partners.





# Acknowledgements

Hats off to Team Kenaidan for our valuable contribution to our sustainability program. Our commitment to sustainability makes a real impact!

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