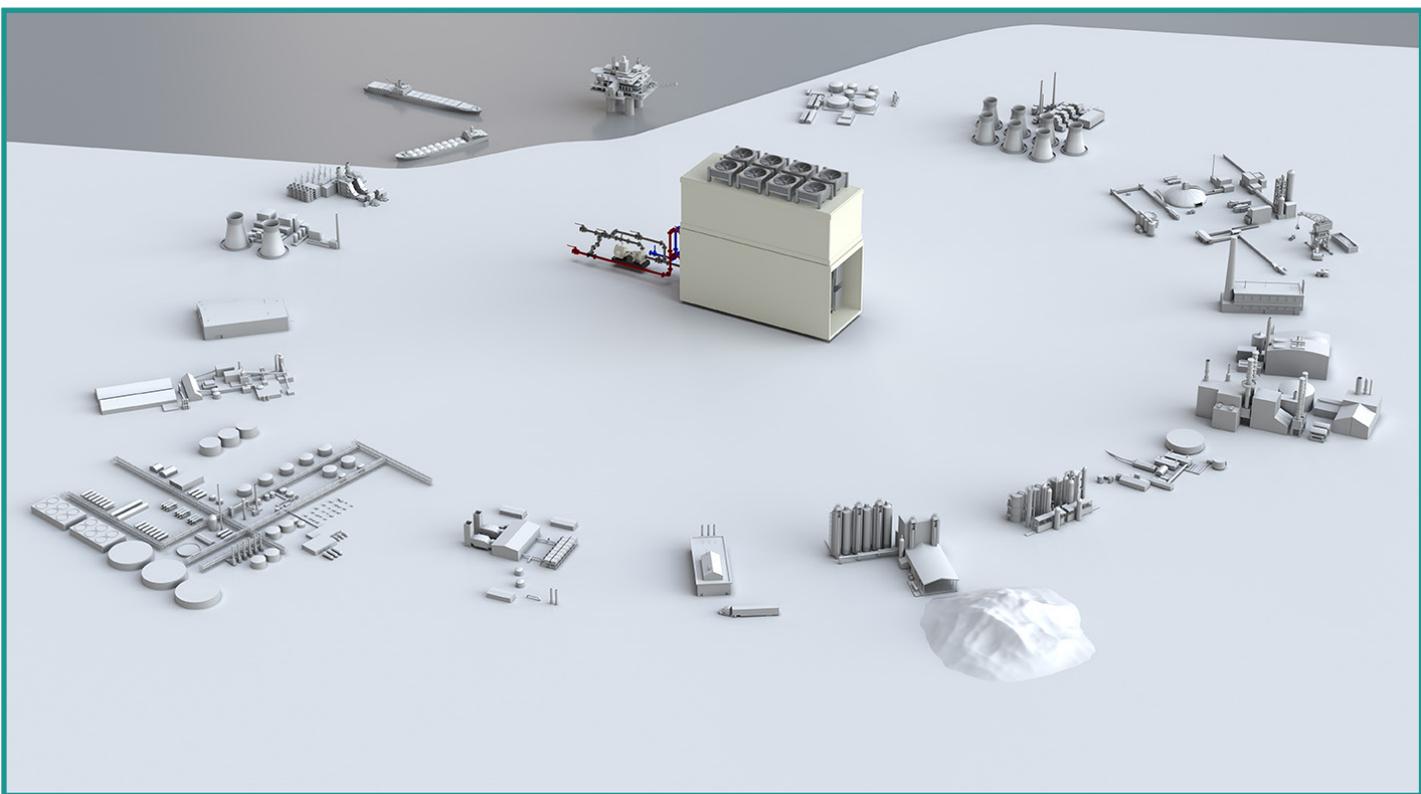


2021 ESG

REPORT



PHOENIX INDUSTRIAL
GROUP OF COMPANIES

Talent. Tempo. Technology.

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INTRODUCTION

1.1 About This Report

Welcome to our first Environmental, Social and Governance (“ESG”) Report. Thank you for taking the time to learn more about The Phoenix Group of Companies (“Phoenix” or “Phoenix Group”) and our approach to ESG. Within this report you will find the following key information:

- » An update from our President.
- » An overview of Phoenix, including our services, markets, and customers.
- » An overview of our approach to ESG (highlighting strengths and gaps) and an introduction to our new ESG Program.
- » Highlights and information from our first sustainability materiality assessment.
- » A deeper dive on how we are currently managing the “E,” “S” and “G” in our Environmental, Social and Governance sections.

1.2 A Message from our President

“We are very excited and proud to release Phoenix Industrial Group of Companies’ first ESG report. The building blocks of our company are centered around our Core Values; “Visibility, Value, Accountability”. Similarly, our focus on ESG has been equally important. Keeping our employees safe, ensuring environmental awareness, building partnerships with Indigenous communities, and upholding a strong commitment with governing bodies, has always been our primary focus and the core of our business. The need to continue expanding our ESG portfolio has never been more important, and I am happy to say that we are committed to be a leader in ESG Innovation.

Over the last few years, we have enhanced our corporate depth, have become an employer partner with the Canadian Center for Diversity and Inclusion, and solidified our patents on our First-Of-Kind Thermovoltaics technology with our subsidiary company, National Thermovoltaics Inc. We have also introduced a carbon accounting system that is fully integrated with our finance software that will allow our clients more granular detail of reporting metrics related to carbon used on any given project. This level of detail will be paramount on future projects, as the “worlds supply chain continues to develop this modern metric, globally.”

The last few years have been challenging. Thankfully, combined with a strong team of individuals and robust policies and procedures, we have persevered and will continue to weather the storm as we guide ourselves through the pandemic and into 2022.

As we head into our 27th year in business, I am excited and intrigued for the future. We have come so far in the midst of uncertainty, and I am confident that the road ahead has significant opportunities for our growing team. Our ESG program will help us lead the way, and we have an amazing team of individuals to carry it through”.

Sincerely,



Jim Adams
President

1.3 About The Phoenix Group

The Phoenix Group is a world-class industrial contractor providing integrated, end-to-end services and products for clients in sectors such as oil and gas, power management, energy, and more. For over 25 years, the Phoenix Group has delivered sophisticated solutions for complex industrial projects, regardless of size or location. Our team provides results-driven management systems to ensure project success.

Phoenix has been a recognized leader in workplace safety and quality for large-scale construction projects across western Canada since 1995. Safety is without a doubt, one of our strongest ESG focus areas. We have offices and fabrication facilities located in Nisku, Whitecourt, Fort McMurray, and Kitimat to provide more comprehensive service coverage for our clients. Phoenix has the DNA and requisite experience to take on large capital projects, turnarounds, and facility maintenance.

1.3.1 Meet the Phoenix Group of Companies

Phoenix is built to deliver quality and innovation in an industry typically slow to adopt change. Our teams of experts aim to change that by redefining what success looks like with every project we deliver. The Phoenix Group is made up of the following companies:



Phoenix Industrial Maintenance Ltd.

Integrated, end-to-end contracting services for the industrial construction industry, including workforce planning, project management, fabrication, modularization, onsite installation



Yahtue Industrial Ltd.

In-depth knowledge of Aboriginal practices for the oil and gas industry, including construction and construction management, quality assurance and quality control, and maintenance service



Medika North Inc.

Medika North is an Indigenous-owned-and-operated occupational health testing and consulting company that specializes in customized health and safety services including audiometric testing, hearing tests, wellness programs, mask fitting, and more



National Thermovoltaics Ltd.

Innovative solutions to first-of-a-kind challenges in thermovoltaic energy that go beyond traditional engineering and design to anticipate and deliver solutions to accelerating worldwide energy transformation



Phoenix Pulp & Paper Ltd.

Created to meet the demand for maintenance, shutdowns, and plant upgrades in the pulp & paper energy sector. Able to rapidly deploy teams of skilled tradesmen at a moment's notice to your facility, supporting successful execution and future value.



Milestone Scaffolding Ltd.

Cost-effective scaffolding solutions for projects of any size, Milestone Scaffolding sets the gold standard for thorough front-end planning and 3D modeling, taking safety and efficiency to new height

Phoenix Group Company

ESG Highlight

Phoenix Industrial Maintenance Ltd.



Construction services for critical energy infrastructure

Yahtue Industrial Ltd.



Indigenous owned and operated industrial construction

Medika North Inc.



Indigenous owned and operated health and safety company

National Thermovoltaics



Waste heat to power energy efficiency solution

Phoenix Pulp & Paper Ltd.



Leading safety performance

Milestone Scaffolding Ltd.



Leading performance on safety management - COR certified



1.3.2 Our Core Values

Health, Safety & Environment

- » At Phoenix, Health, Safety, and the Environment have and always will be a priority. Through a strong corporate culture of open communication, pre-project planning, field participation, and the development of leading indicators, we have solidified a vision that encourages safety throughout all corporate units.

Visibility

- » We use auditable earned value-based progress reporting that aligns with invoicing and financial reporting, providing our clients with the ability to measure each dollar invested.
- » We use clear and consistent communication with all project partners to ensure an open and honest dialogue and eliminating surprises.
- » We maintain one of the highest levels of integrated project visibility in the industry.

Value

- » We bring continuous improvement to project execution and field level efficiency through the investment and partnerships in processes, technology, and people.
- » We work with clients to ensure project technologies and processes bring value. We understand the challenges clients face in implementing project technologies in the field and we work with them to create sustainable solutions.
- » We have a track record of delivering the highest levels of productivity, while maintaining low overhead, safety performance and delivering on quality.

Accountability

- » Your project is our project; we work closely with clients and customers to ensure that the project comes in on budget regardless of the contract model.
- » Client audits are encouraged and supported throughout all phases of the project to review progress and conformance of contract terms and project procedures. We are an ISO 9001:2015 certified organization.
- » We hold our executive, management, and employees accountable. The safety of our people, protection of the environment, quality of services and fiscal responsibility is expected of ourselves, our clients, and the communities that we operate in.

1.3.3 Services

The Phoenix Group provides comprehensive industrial contracting and construction services on a variety of projects. With our services ranging from pre-planning strategies to modular product solutions, Phoenix consistently delivers exceptional results under budget and on time, regardless of size or scale.

We have an established practice of aligning with our clients and their goals at the onset of every project. This simple guiding principle has enabled us to develop and deliver cost-effective solutions that truly address the core challenges our clients face today.

We employ innovative software and methodologies to help mitigate any potential risks and reduce unnecessary costs—increasing the lifetime value of a project for both clients and their stakeholders.



Fabrication

In-house fabrication services for tailored, integrated project support across industries



Modularization

Single-source supplier of top-quality modular products for any project size



Construction

Management and execution of large-scale projects for industrial use cases



Maintenance

Site maintenance and process management for enhanced quality control



Turnarounds

Exceptional organization and coordination of all aspects of turnarounds



Project Management

In-depth industry knowledge from trusted experts at your disposal



Financial Oversight

Valuable analysis and management of project financial health to maintain security



Risk Mitigation

Current analysis of risk factors to create better mitigation strategies for your project



Work Face Planning

Effective planning services to adequately prepare project stakeholders across teams



Material Management

Expert management of all project materials requirements to keep you on budget and on schedule



Procurement Logistics

Seamless supply chain logistics to help get the right products to the right people at the right time

PROJECT DELIVERED - HIGHLIGHTS



Northwest Redwater Partnership & Tecnicas Reunidas Canada Unit 50 & 60 Module Install

Facility



CNRL Underflow Pump Houses

Facility



Nexen Kinosis

Facility



Laricina

Boilers



CB Nebraska at CNRL Kirby

Boilers



EIT at Devon Jackfish 3

Boilers



JACOS Hangingstone Expansion

Boilers



MEG Energy Pad C

Facility



MEG Energy Stonefell

Terminal

Innovation

The Phoenix Group of Companies has been recognized as a leader in innovation within our industry for three decades. From advanced software used in forecasting and recruiting initiatives, to creative strategies employed for our pre-site planning, Phoenix is constantly adapting modern technologies and methodologies to better serve our clients.

- » Expedited turnaround times
- » Advanced recruiting system reaching 9,000+ tradespeople
- » Collaborative communication
- » Consistent reporting accuracy
- » Advanced technology and software
- » Enhanced strategic planning
- » Continuous learning environment

1.3.4 Our Markets and Customer Base

We are proud to serve industrial sectors in western Canada including petrochemical, renewable energy, power generation, and more. Our leadership excellence in safety and quality extends to all project stakeholders, and our integrated approach to project management ensures collaboration at every level.

We are also proud to serve a vast network of clients to develop cost-effective processes and procedures to meet their demands across Western Canada.



Meet Our Customers

DOW Chemical	Cenovus Energy
InterPipeline	Petro China
Suncor Energy	Japan Canadian Oil Sands
NorthWest Refinery	Devon Canada
Canadian Natural Resources	COOEC Canada
Imperial Oil	CNOC
Shell Canada	Husky Energy
Conoco Phillips	Express Integrated Technologies
Nexen Energy	MEG Energy
Harvest Energy	EnCana
Penn West Petroleum	TransAlta
ALPac	



RENEWABLE ENERGY

Establishing environmentally sound practices that support both safety and performance



THERMAL

Delivering valuable support and sophisticated solutions for thermal energy project sites



OIL SANDS

Progressive management and planning solutions for oil sands project sites



POWER GENERATION

Reducing carbon footprint and overhead costs for power generation projects



NATURAL GAS

Decades of established experience delivering quality projects that match the rigorous demands of the natural gas industry



PETROCHEMICAL

Timely industry insights on markets trends for an always-evolving resource sector



PULP + PAPER

Top-quality services and dedicated support for pulp and paper manufacturing sites



HYDROGEN

Technical and management support for hydrogen energy projects



FIRST-OF-KIND PROJECTS

Future-forward solutions and first-of-kind concept projects that challenge the status quo

1.4 ESG Adoption at Phoenix

Respect for our natural environment, people, communities is not new at Phoenix. Keeping our people safe and well and keeping others safe and well is one of our greatest focus areas and strengths. We are an open and transparent organization because we believe in the value this brings to our clients and to ourselves; it keeps us accountable. We are supportive of the concept of ESG as we believe it allows us to “rake the leaves” and highlight our strengths in ESG. Furthermore, we welcome an understanding of our gaps, which will allow us to increase our focus in those areas and improve.

1.4.1 Our Purpose and Role in Society

Phoenix was born out of a desire to serve our communities through provided solutions and services for industry, which in turn allows us to ‘put back’ into the community. Phoenix plays to our leadership team’s strength and expertise in construction, but Phoenix is about much more than construction. We also believe one of our greatest strengths is our commitment to our values. We believe all our business activities should be transparent and visible so we are held accountable, and we can work collaboratively to improve problems. We cannot stress our goal of ‘zero loss’ enough; safety is of the utmost importance to us. At the end of the day, we want all our employees, contractors, and clients to go home safely. We understand that communities need support, and it is not just about giving money (something we do as well), but it is also about generating economic opportunities for under-represented groups. Medika North and Yahtue, both female Indigenous run Phoenix businesses, are fitting examples of this philosophy.

1.4.2 Highlights of ESG at Phoenix

Some of our notable ESG highlights, across Phoenix, includes:

- » Our track record of safety performance.
- » Our track record of delivering quality.
- » Our Standard Operating Procedures that ensure we procure highest quality materials.
- » Our new Phoenix business focused on waste heat to power - National Thermovoltaics.
- » Our Phoenix businesses, Medika North and Yahtue, both are female Indigenous run businesses.
- » Awareness that we need to understand and improve on diversity and inclusion - in 2021 we joined the Canadian Centre for Diversity and Inclusion (“CCDI”).
- » Our new carbon accounting solution, which will help clients account for the supply chain GHG impact of all the parts, products and materials that are used in the construction of their facilities or replacement components (e.g., a boiler).

We are proud of these highlights and our ESG strengths, but we also appreciate that we are not perfect. An organized approach to ESG is new at Phoenix. This is one of the reasons why we decided to undertake our first Sustainability Materiality Assessment, which is highlighted in the next section.

1.5 Sustainability Materiality Assessment

To support our understanding of ESG in our sector, for Phoenix, for our customers, for broader society and the environment, we conducted our first Sustainability Materiality Assessment in 2021. This assessment was informed by thorough review of our peers, both locally, domestically and globally, review of stakeholder identified ESG issues in our sector, review of leading sustainability reporting frameworks and links with materiality (Sustainability Accounting Standards Board and the Task Force on Climate-Related Financial Disclosures), review of ESG Rating Agency ESG focus areas for peers in our sector, and finally we ourselves also assessed the importance of the top 25 identified key ESG focus areas. We will continue to update our materiality assessment as necessary and use it to guide the evolution of our ESG program and reporting over the coming years.

1.5.1 Identified Key Sustainability or ESG Focus Areas

Our assessment helped us identify twenty-five key ESG focus areas, which are specific to our sector. We recognize that all these focus areas are of interest to our stakeholders, but in varying degrees.

Economic	Environment	Social	Governance
Clean Technology Adoption	Air Quality	Community Relations	Anti-corruption
Economic Growth	Ecological Impacts / Biodiversity	Diversity and Inclusion	Business Ethics
Product Design & Lifecycle Management	Energy Management	Health and Safety	Company Values
Project Highlights	GHG Emissions, Strategy & Risk	Human Capital & Labour Practices	Critical Incident Risk management
	GHG Reduction Targets	Human Rights	Governance
	Water Management	Indigenous Partnerships & Reconciliation	Materials Sourcing & Efficiency
	Waste Management		Mgmt of the Legal & Regulatory Environment
			Product Quality & Safety

Table 1: Phoenix Sustainability Materiality Assessment - Issues Identified

Our identified top ten sustainability or ESG focus areas are listed below. Through our materiality assessment we were able to determine which areas were more important to stakeholders, peers, customers, and investors. These findings reaffirmed some of our existing ESG focus areas, but also educated us on areas to expand our ESG focus.

TOP 10 Issues Identified

Community Relations

Company Values

Diversity and Inclusion

Governance

Health and Safety

Human Capital & Labour Practices

Indigenous Partnerships & Reconciliation

Product Design & Lifecycle Management

Product Quality & Safety

Project ESG Highlights

Table 2: Top 10 Sustainability or ESG Focus Areas Identified

1.5.2 Lessons from our Materiality Assessment

We were pleased to know that all the top ten issues are being addressed by Phoenix, but to varying degrees. Many of our findings were of no surprise to us. For example, our strong focus on health and safety, human capital development and practices, community relations, governance, values, Indigenous partnerships, product quality and safety and ensuring we highlight our projects positively was reaffirmed through the assessment.

However, areas that support our further focus and understanding include:

» Diversity and Inclusion

We have learned a great deal about diversity and inclusion over the last few years. This year we became members of the Canadian centre for Diversity and Inclusion (CCDI) to help us foster our understanding. The materiality assessment reaffirmed our increasing focus in this area.

» Product Design and Lifecycle Management

Typically, we order parts, products, and materials on behalf of our clients to ensure we can construct what they are trying to build or replace. Hence, we do not have considerable influence over design and lifecycle management, but we also appreciate that we will need collaborate with clients to ensure infrastructure becomes more sustainable throughout its lifecycle.

1.5.3 Our new ESG Program

We are supportive of increased ESG adoption in society. We understand that many of ESG focus areas are not new, rather they are just being ‘called out’ and elevated in importance to help solve the problems we have today.

Due to this importance, we are excited to provide an overview of our newly developed ESG Program. The development of this program was informed by our existing focus on ESG, findings from our materiality assessment and evaluation from our leadership team. The program is designed to guide us and ensure a leading focus on ESG.

Taking Care of People	Project Quality	Indigenous Partnerships	Sustainable by Design and Lifecycle Management	Transparency and Visibility
Health and safety focus on “zero loss”	Project Controls - ISO Certified processes throughout construction process	Seek opportunities to partner with Indigenous businesses	Seek opportunities to work on clean energy solutions	Maintain leading professional certification and standards, such as ISO 9001
Treat our employees fairly and equitably	Workface Planning	Support local Indigenous communities	Advance National Thermovoltaics, our waste to heat power solution	Workface Planning
Invest in our people and communities with education and donations	Leading-Edge Software/Value Reporting System		Understand the lifecycle impact of parts, products, materials, and facilities we support to ensure their sustainability	Leading-Edge Software/Value Reporting System
Increase our focus on diversity and inclusion			“Zero loss” or impacts to the environment	Advance GHG accounting solution for clients

ENVIRONMENT

Phoenix places a strong focus on environmental management and performance. Highlights of our environmental management include:

- » Environmental Management System compliant to ISO 14001 Standards.
- » Zero reportable spills through over 25 years in business.
- » Migratory Bird Protection/Relocation and Wildlife Management Program compliant with Provincial Regulators in western Canada.
- » Emissions Control Practices to reduce corporate carbon footprints.
- » Waste Management Protocols focused on ‘Repurpose, Reduction, Reuse & Recycling.’

2.1 Diversifying our Business with Clean Energy Services

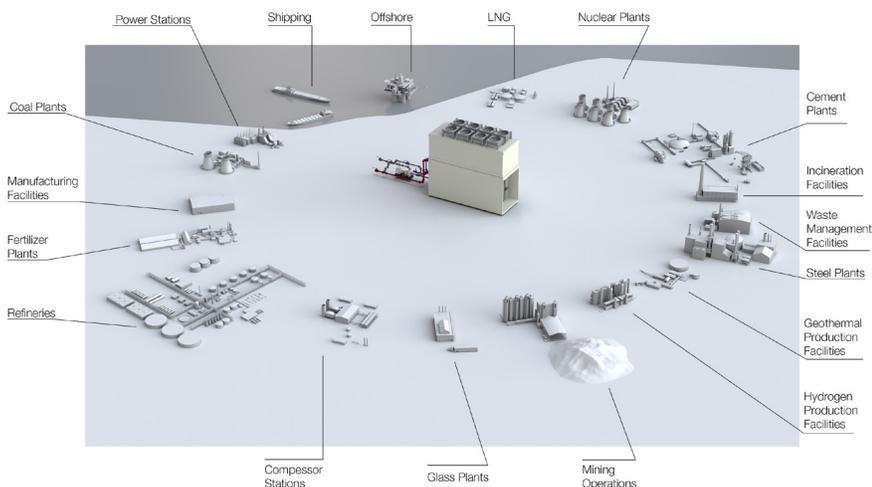
Our traditional customer base is in oil and gas, and we expect to continue to serve this customer base into the future. We also see opportunities arising from energy transition and shifts to new energy solutions, such as renewable energy and our breakthrough Thermovoltaics solution.

2.1.1 National Thermovoltaics - An Energy Efficiency Solution to Waste Heat

National Thermovoltaics (“NTV”), a Phoenix company, has pioneered a safe heat to power solution. Globally, industry faces a massive, existential waste heat problem. Single use heat is one of our planet’s most undervalued resource. As we demand even more energy, waste heat can become one of our strongest energy efficiency solutions to counter growth in energy demand. Historic thermoelectric technologies have been overly complex and carry significant operational risk. Furthermore, technology has been limited by economics and concerns. NTV’s modular solid-state systems are not only more efficient than existing solutions but offer unmatched density and scalability. NTV’s architecture features industry leading controls design, cyber

security certification, tamper monitoring and location tracking. Through novel material science and advanced engineering, NTV’s innovations yield thermal efficiencies and scale not formerly thought possible.

Canada is committed to being a global clean energy leader, working towards a 90 per cent non-emitting electricity grid by 2030. NTV will make a positive impact, providing clean power from waste heat. Our first-of-a kind demonstration unit will be complete and ready for install Q1 2022 and we plan for commercialization by Q3 2022.





2.1.2 Renewable Energy

We have recently supported new renewable energy projects in Alberta with leading renewable energy companies such as TransAlta Corporation. We supported the construction of more than thirty wind turbines in southern Alberta with TransAlta. We will continue to seek opportunities to expand our focus into renewable energy.

2.2 Climate Change Management

Although climate change falls further down our materiality assessment, we recognize its impact to our global environment and the impact it is having on the oil and gas sector.

Supply Chain Carbon Accounting

Our new carbon accounting program is designed to address the supply chain GHG impact of parts, products and materials used in construction. By accounting for the GHG our customers can also account their scope three emissions and begin to understand which materials are more GHG intensive. This provides the catalyst to understand how design changes can be made to ensure a lower carbon footprint.

2.3 Product Design and Lifecycle Management

Ideally, sustainable construction is grounded in the practice of creating a healthy environment that's based on ecological principles. Leading sustainable goals include reducing the industry's impact on the environment by utilizing sustainable development practices, employing energy efficiency, and taking advantage of green technology.

At Phoenix, we build on behalf of clients. To simplify this, in a way we are like Lego builders. Our clients design the Lego, and we construct it for them, ensure it is constructed on time and on budget, and with minimal impact on the environment and to people (during the construction phase). Then we ensure the asset (e.g., a boiler) works as it should, that it is designed to be safe (as planned) and when we are confident it achieves function, quality, and safety, then the client is ready to manage their constructed and well-functioning industrial asset on their own.

When we source materials on behalf of our clients, we have approved vendor lists and these vendors are of the highest quality. We have a Standard Operating Procedure to source the highest quality materials, which ensures both quality and often safety. We are (Phoenix and its clients) willing to pay a premium to ensure both.

A large majority of the clients and industrial assets we build have environmental impacts, such as GHG emissions, air emissions and a land footprint. We are immensely proud of the sectors we serve and commend their exemplary environment record on key environmental issues, and their transparency and ambition to improve in other areas, such as on GHG emissions. We are becoming increasingly aware of the value chain impact of our business, or the lifecycle impact and we will continue to look for ways to introduce and support sustainable practices.

For example, we are taking steps to support our clients by understanding the GHG impacts in the supply chain, which helps our clients account for the GHG emissions and make improvements. One way we are currently supporting clients in the supply chain is through the procurement of E-certified valves. E-certified valves do not allow for any venting of methane, which is the second most abundant GHG and a key issue for the oil and gas industry. We are also diversifying into new areas, such as renewable energy, which on lifecycle basis has an overall far lower environmental footprint than oil and gas. Our Thermovoltaics business is also a fitting example of how we are embracing sustainable practices.

Phoenix Industrial's 40 acre module yard has a large span of high mast halogen lighting. In 2022, we have purchased a new LED system for installation in our yard.

2021 ESG
Report



SOCIAL

People are the backbone of our company and in our communities. Our ESG focus to date has centred on a relentless focus to keep people safe. In addition, treating our employees, clients, and stakeholders with respect, partnering with Indigenous businesses, and giving back in our communities are also major focus areas for Phoenix.

3.1 Health and Safety

At Phoenix, we believe our people are our greatest resource, and we work tirelessly to provide world-class safety programs for our team. We invest in the success and wellbeing of our people both today and in the future. Our five-year safety performance record or Total Recordable Incident Rate (TRIR) is 0.36. TRIR is one of the most important safety metrics to highlight historical performance.

A Foundation of Safety – A Core Value Approach

Regardless of the size or location of the project, the health and safety of the people involved is the most critical factor. Workplace safety does not happen by accident. From start to finish, safety is our top priority. Industry training programs, strict health & safety guidelines, and in-house mentorship programs help us foster a work environment that supports and enhances the wellbeing of our people.

Safety Risk Management

Phoenix applies Safety Risk Management at all stages of a project, beginning the process at conception and then through execution and into turnover. The process follows:

- » Identifying and mitigating the hazards through Safety Planning, Hazard Assessment & Emergency Response Planning, and providing measurable Leading & Lagging Indicator trending & analysis to help in future project planning.
- » Employee and client involvement at the concept phase of the intended scope of work with Safety Management Plan, Project Hazard Assessment, Waste Management, Emergency Response Planning and Client Standard Review.
- » Employee and client involvement at the field planning level with Site Safety Professionals, Fall Management Plans, Job Hazard Assessments, Audits, Supervisor Training and Codes of Practice.
- » Employee and client involvement at the work front with Safety Meetings & Communication, Worker Task Hazard Assessments, In-House Training Programs, Site Inspections and Mentorship.
- » Providing measurable statistics and data throughout a project and upon completion, including fourteen leading indicators, all possible lagging indicators and over one hundred trending and analysis factors.

Safety Training and Education

At Phoenix, we offer robust programs for our employees and clients to ensure safety standards are met with current regulation wherever projects are taking place. These programs include:

1. Risk Management Program
2. Project Inspection & Audit
3. Leading and Lagging Indicator Analysis
4. Measuring & Monitoring
5. Training & Engagement
6. Behavioral Management Program

These programs have been used to manage over twenty-five subcontractors on a single project.



Our Safety Program Visualized

STANDARDIZED TRAINING

As an organization, we have a fully implemented safety program. We provide rigorous training to ensure everyone understands all risks and challenges involved.

MENTORSHIP PROGRAM & BEHAVIORAL ASSESSMENT SYSTEM

All “green hands” are assigned a mentor to help them become accustomed to their new environment and to establish safe work practices.

ONSITE SAFETY SUPPORT

Our safety specialists are onsite throughout every project to ensure both stakeholders and team members are kept safe during each stage of construction and project work.

EMPLOYEE CONTRIBUTION

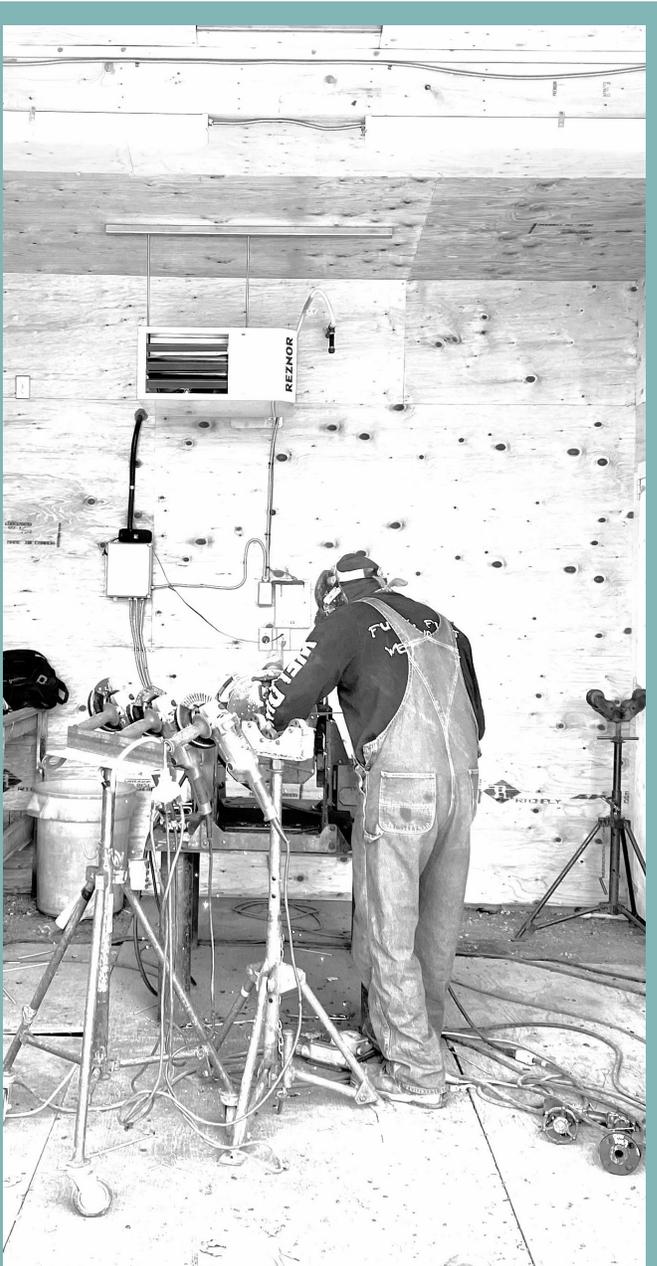
Encouraged and respected at all times through our established reporting processes and weekly safety consultations.

BEHAVIORAL ASSESSMENT SYSTEM

Proactively establishes indicators that are shared with employees to establish solutions for all safety issues.

EXTERNAL PARTNER ENGAGEMENT

We provide independent safety support services on third-party projects to help elevate the development and awareness of safety protocols within our industry.



In the event an accident occurs, Phoenix's in-house case management system allows us to monitor the recovery of employees and to create an efficient return to work plan. Our case management system is managed by knowledgeable and experienced safety personnel who understand the regulations of the Workers Compensation Board. The safety team includes a licensed Emergency Medical Responder (EMR), which ensures all employees have continual assistance as required.

Safety Certifications

As part of the Phoenix Industrial commitment to safety we are certified to the following standards:



COR

(Certificate of Recognition - ACSA)

ISO

9001:2015

COMPLYWORKS

AVETTA

ISNETWORLD

3.2 Our People

Our staff are well-respected within industry, and each bring a rich history of skillful and successful execution to our industrial construction projects. Phoenix has established a trusted reputation with clients repeatedly thanks to the dedication and expertise of our incredibly talented team.

We are a family run business, which lends itself to fostering a sense of family and community in our organization. Phoenix offers a flat organization model which allows for more accountability, faster decision making and an overall more efficient execution strategy.

Mentorship

We recognize the long-term value of investing in the next generation of industry professionals by providing ongoing mentorship and training. Every employee new to the industry is assigned an in-house mentor from Phoenix to help them become established in their new environment and develop safe work practices from day one. Features of this program for new employees includes:

- » Receiving ongoing in-house support
- » Training with experienced professionals
- » Support establishing proper workplace habits
- » Support discovering career opportunities
- » Work in a safe, inclusive environment
- » Building rewarding connections

3.2.1 Diversity and Inclusion

This year we became members of the Canadian Centre for Diversity and Inclusion (CCDI) to help us foster our understanding of diversity and inclusion. Although we take both issues very seriously, we appreciate that we need to understand more and engage our workforce to understand how we can measure diversity and inclusion to establish a benchmark from which we can target improvement. In 2022, we will be engaging further with CCDI to help us with the process.



3.3 COVID-19 Impact and Management

At Phoenix Industrial we worked hard to develop necessary policies, procedures and plans to get ahead of the risks associated with the COVID-19 pandemic. Our priority is to maintain safety for the 380 employees and subcontractors we have currently working across five ongoing project sites both client and owned.

Our COVID-19 risk mitigation efforts have included:

Supply Chain/Material Management – We leveraged international markets to secure top of the line Personal Protective Equipment (PPE), cleaning supplies and sanitizer, ensuring adequate workplace hygiene standards are met.

Sanitation/ Covid-19 General Safety Measures

- » Cleaning supplies and sanitizer were procured to maintain safety for the 380 employees and subcontractors we had working across five sites both client and owned.
- » FLIR- E75 Thermal Imaging Devices were procured to monitor body temperature to record for the purposes of potential exposure of Covid-19 and ensure contact tracing.
- » We procured a 2-year supply of critical COVID management items such as: N95 respirators, 3M silicone ½ masks with p100 cartridges and exhalation valve filtering, gloves, goggles, face shields, bleach, viral killing wipes, and cleaning agents to reduce virus spreading potential.
- » We installed motion sensor towel machines and soap dispensers, in-car wash facilities, as well as elbow operation crash doors and sanitizing stations at entrances/ exits to reduce touching of surfaces. For restrooms, urinals were limited to six feet separation with routine sanitization checks and cleaning and wipe-downs from staff.

Communication – We implemented a weekly meeting between Health, Safety and Environment (HSE) and all department managers to assess, plan and execute our COVID risk management efforts.

COVID Screening Checklist – We developed a checklist that workers would respond to daily and announce if they or their close contacts were experiencing symptoms, had travelled to at risk areas, had been in contact with COVID cases or were under AHS investigation themselves. Checklists are now filled in on mobile app daily by each person before attending site and the form automatically triggers the next steps in the process, contact tracing and required notifications based on the answers provided.

Work from Home – We reduced close contacts by sending all persons capable of working at home to an offsite arrangement.

Elimination of Close Contacts in Work Environment – We implemented procedures that on-site employees take breaks, eat lunch in their own vehicles, and restricted food runs for work related breaks. Tool crib interactions were always restricted to one person at a time with two-meter distance from attendants. Additionally, we mandated that tools were locked or designated per crew and were managed by Foremen to prohibit cross borrowing and possibility of contact spreading.

3.4 Indigenous Relations & Partnerships

Our partnerships with Medika North and Yahtue Industrial (both part of Phoenix) demonstrate our commitment to maintaining positive relationships with Indigenous business partners in Alberta.

Yahtue Industrial

Yahtue Industrial is an integrated construction, fabrication, and maintenance company located in the Regional Municipality of Wood Buffalo Region. The company specializes in industrial projects, software for planning, scheduling, risk-management and is the first and only privately-owned large scale construction company by an Athabasca Chipewyan First Nation (ACFN) member. Yahtue Industrial is driven to build relationships with local Industry Partners, connect the Indigenous community to various levels of employment and most of all give back to the community of Fort Chipewyan Alberta.

Medika North

Medika North is an Indigenous-owned and operated company specializing in occupational health testing and consulting, health surveillance testing, including audiometric testing, pulmonary function testing (PFT), quantitative mask-fit testing located in Fort McMurray, Alberta. Medika has been in operation since 2016 and was founded by an Athabasca Chipewyan First Nation Member, local to the Regional Municipality of Wood Buffalo (RMWB) with expertise as a Registered Nurse at Oil Sands sites. The Medika North Inc. team believes strongly in supporting local Indigenous business and working to create thriving and mutually beneficial relationships between industry and the people of the surrounding lands.

Medika North Highlights

- » Medika North is certified as a 'Full Member' of the Northeastern Alberta Aboriginal Business Association (NAABA).
- » Medika North is a certified Aboriginal Business with the Canadian Council for Aboriginal Business (CCAB).
- » Medika North's President Robyn Villebrun was the recipient of the Regional Aboriginal Recognition Award (RARA) for Entrepreneur of the year (2018).
- » Medika North has the full support from Chief Allan Adam and Council Members of the Athabasca Chipewyan First Nation.

Medika North Community Relations

- » Supporter of the Father Patrick Mercredi High School's Aboriginal Entrepreneurship Business Class.
- » Indigenous students Post Secondary Education sponsorship in the Regional Municipality of Wood Buffalo.
- » Sponsor of the APPLE Schools (A Project Promoting Healthy Living for Everyone in schools).
- » Sponsor of the first ever Female Lacrosse Team in the Wood Buffalo.
- » Sponsor of the Northern Health Foundation.



Employee Spotlight – Robyn Villebrun

Robyn Villebrun is the President of two Phoenix Group Companies, Medika North and Yahtue Industrial. Robyn is a registered nurse (BScN) and early in her career worked in ER, community health and home care. In 2014 she completed a two-year occupational health program, which led her into an occupational health career, supporting companies such as Keyera and Suncor. She also has a passion for entrepreneurship and business and in 2016 she founded both Medika North and Yahtue Industrial. Medika North is an occupational health company. Robyn is a proud member of the Athabasca Chipewyan First Nation. Robyn was recently awarded “Top 50 Under 50” by Your McMurray Magazine.

How did you develop a passion business and entrepreneurship?

Independence was encouraged from an early age by my family. I was provided the freedom to learn and solve problems on my own, while also being included in important conversations about family, community, and business. There was no high school in the small community of Fort Chipewyan (that provided metric courses 10, 20, 30 level), where I grew up, and at an early age I left home and travelled to Fort McMurray for high school. I was passionate about holistic care and business from an early age and when choosing my undergraduate degree, it was a choice between nursing and business school. My family encouraged me to choose nursing as it was a skill I could always use.

What barriers did you face starting a business, and have faced running a business?

I had many people tell me I was not a ‘business’ person and because I was an Indigenous female registered nurse, what would I know about starting a business? Where would I even start? I was not phased by this, rather I was passionate about the possibility and potential. With a fake business plan in hand, I won an Indigenous entrepreneurship dragon’s den style competition, which got me access to free business coaching. Through coaching and additional counselling from my uncle, a successful businessperson, I identified the essential nature of health and reorientated my focus to an area that my uncle described as being ‘right in front of me’, occupational health. Soon after, I received a \$100,000 grant from the Government, which was an incredible gift, but the grant also came with ‘strings’ attached. These ‘strings’ were prohibitive to starting the business at the pace I wanted; time and resource is crucial when starting a small business.

In 2020, during COVID, flooding swept through Fort McMurray. The floods decimated the city and they wiped out our Medika North facility, including all our medical supplies. Not only were we being faced with a pandemic, the community, and our business was shattered. In a word, I felt defeated. The power of collaboration, problem solving, and community brought Medika, any myself, back to life. I called many of my competitors to barter. For example, I traded use of my well-trained staff for a lease of a facility and use of their medical equipment. Bit by bit, we brought Medika back and in over a year we grew the business significantly.

Through hard work and support from Phoenix, Division 26 Inc, and multiple contractors we built one of the only offsite COVID-19 therapy clinics in western Canada from the ground up (outside of the Military). Our team was given two to four weeks to execute, and it was flawless. From construction to custom medical protocols, to training and maintenance. Overall, it was a lot of time from all our leadership team in planning, implementation and evaluation and auditing, but it was a huge success story for Medika and the community.

How do you think Medika and Yahtue exemplify sustainability adoption and support Phoenix's broader adoption of sustainability as a core focus?

Phoenix is a family run business, and how family links with sustainability may be hard to grasp, but perhaps this story might help people understand how the family nature of Phoenix supported myself. My brother-in-law works for Phoenix, and he listened and supported my business ideas from an early stage. After I identified the concept of occupational health and had received money from the Government, I was struggling with how to move forward, given the extent of the work involved that was tied to the funding. It was Phoenix who stepped in to help me fund and start Medika North. Despite being an industrial construction company, they saw the value in the business, saw the passion and desire I had for health care and business, and they value community and family. A new partnership was born, and today we still lean on each other for support.

Medika is a health care company, it is about helping keep people safe, keeping work environments safe, and it is about helping people in need. Bringing an Indigenous holistic approach to health care, also lends itself to education on traditional Indigenous knowledge and breaking down barriers that exist in society.

Yahtue, which means Deer in Dene, the official language spoken by the Chipewyan people, is an Indigenous construction company. The goal of the company is to bring improved economic and personal benefits in local Indigenous communities, as well as providing an efficient and safe service to out clients.

Would you be able to share any traditional Indigenous education or teachings with the audience?

Health care is about more than treating the specific ailment. At Medika North we take a holistic and Indigenous based medicine wheel approach. We treat many patients for something specific, such as a broken foot, but we also check in on our patients mental and spiritual health. Often, we find that our patients also require some additional mental or spiritual guidance to help ensure that their healing journey is holistic, or more systemic.

3.5 Community Relations

At Phoenix, we care about making a difference in the province of Alberta. Phoenix strives to promote “good working relationships” with members of the community and believes our employees are the basis of this success. Highlights of our community involvement include:

- » Little Warriors Foundation
- » Whitecourt Chamber of Commerce
- » Whitecourt Community Park
- » West Paddle Rodeo
- » RCMP’s Anthony Gordon Memorial Golf Tournament
- » AADAC Newspaper Column
- » Weekend to End Breast Cancer Walk
- » Kids Hospital Program
- » Local Food Bank & Christmas Hamper Program (annual fundraisers)
- » Whitecourt and District Boys and Girls Club
- » Canadian Cancer Society’s Relay for Life – Fort McMurray
- » Edmonton Community Drug Alert
- » Compassion House Foundation
- » Fort Saskatchewan Food Bank

During the Fort McMurray fires, Phoenix gathered and transported multiple loads of supplies to Fort McMurray to assist and support the victims of the fires.

Supporting Education

Phoenix works with the Alberta Apprenticeship Board to provide foundational training for tradespeople looking to enter the industry. At Phoenix, we additionally provide continuous learning opportunities to tradespeople with onsite experience training practices.

Phoenix has always believed that investing in our people and building relationships with our community partners is foundational to our continued success and crucial in building a better future for all.

We provide a range of onsite training programs in conjunction with our reputable industry partners, offer many opportunities for personal development in and out of the workplace, and regularly contribute to organizations and initiatives that positively impact our staff and the communities where we live and work every day.



GOVERNANCE

As a family-owned private company, our Governance practices differ to that of publicly traded companies, but this does not mean we do not take governance seriously. We pride ourselves on visibility or ensuring all our work, planning, scheduling, and billing is transparent for clients throughout all phases of a project. We also pride ourselves on accountability or ensuring that we hold ourselves accountable along each step of our projects and we do this through our project reporting. Our project reporting has been crucial to building and maintaining trust with clients from our initiation.

We believe our structure lends itself to being adaptive and nimble to help meet our customers needs; we have proved this over and over for our clients by meeting projects on time and under budget. Our internal processes are iteratively and exhaustively refined to reduce defects and disruptions to production runs.

Governance at Phoenix is focused on:

- » Quality control – ensuring all our work meets an elevated level of quality.
- » Industry certifications – ensuring we meet the highest levels of professional standards.
- » Membership associations – ensuring we stay relevant in our industry and up to speed on new developments.
- » Workforce planning – ensuring our projects move quickly and effectively.
- » Software – ensuring leading edge software supports efficiency and safety throughout a project.

4.1 A Culture of Quality

Quality control or ensuring our projects meet a high quality is a major cornerstone of our service philosophy and business practice. We have a Phoenix policy to consistently operate to the highest standards through the implementation of ISO 9001:2015 standards, including risk assessments at all phases as well as continual improvement efforts.

Our Quality Assurance / Quality Control or “QA/QC” Program guides our focus on ensuring we meet ambitious standards of quality. QA/QC defines the organization and systems used to ensure that all construction complies with all client specifications and governing codes. The focus and pillars of our QA/QC follows:



Client Success

Taking pride in a job well done, we believe quality control is more than certifications and designations. Phoenix works closely with internal and external partners to ensure the work we do exceeds expectations in line with business objectives.

Consistent Quality

Phoenix has developed comprehensive, company-wide quality control systems that ensure our clients receive consistently exceptional products and services that meet and, where possible, exceed customer expectations.

Infield Support

Our skilled QA/QC specialists are available onsite throughout your project to ensure that all team members and project partners adhere to required safety and compliance standards. The Phoenix Quality department encourages the full involvement of employees to develop their abilities for the benefit of the individual and the company.

Risk Management

Phoenix applies risk management in every stage of a project—from conception through execution and into progressive turnover. Our team proactively seeks opportunities to mitigate both known and unknown risks for clients to keep costs low, maintain project deadlines, and improve safety and productivity where possible.



4.2 Certifications

Our commitment to quality is more than lip service. At Phoenix, we can back up every one of our standards with industry-recognized certifications that hold our team accountable to the highest standards of excellence.

For example, our current Quality Control Program is registered under AQP-1476(S) with the Alberta Boiler Safety Association. This program defines organizational and system requirements to ensure that all construction complies with all client specifications and governing codes.

Our quality certifications are highlighted below.

Association	Services
Alberta Boilers Safety Association (ABSA)	Quality Control Program; pressure equipment safety (pressure vessels, boilers, direct fired heaters, indirect fired heater coils, pressure piping, fittings, and PQ testing of welders); welder qualification testing (AOQP); fabrication and modular facility safety (AQP)
American Petroleum Institute (API) / American Society of Mechanical Engineers (ASME)	Alter, construct, and repair of direct fired heaters
American Society of Mechanical Engineers (ASME)	Fabrication and assembly of pressure piping and power boilers; and manufacture of pressure vessels (class 1 and 2)
Canadian Standards Association (CSA)	Alter, construct, and repair of steam pipelines and alter, construct, manufacture, and repair of fittings
Canadian Welding Bureau (CWB)	Fusion welding of steel, aluminum
National Board of Boiler Inspectors (NBBI)	Boiler and pressure vessel inspection

4.3 Workforce Planning

Phoenix specializes in a particularly progressive approach to project work known as workforce planning, which provides clear, concise, up-to-date analytics to ensure greater accuracy in project planning from the get-go. The primary goal with workforce planning is to prepare onsite teams to avoid cost overruns from any inefficiencies that might happen due to errors in front-end planning, procurement, design, organization, construction, and maintenance. We do this through technology solutions, such as the use of real-time earned value reporting, lean project management forecasting and real-time project monitoring.

“Workforce planning is a holistic approach that focuses on getting the right things—funds, tools, resources, or information—to the right people at the right time,” says Paul Walsh, VP Business Development. “With proper planning and project scoping, Phoenix has helped many clients save money and improve productivity for large-scale construction projects. Our team is at the forefront of this progressive practice. We collaborate across teams and divisions to communicate progress, control costs, and ensure that multiple projects are operating efficiently while maintaining absolute visibility with our clients.”

4.4 Value Reporting System

Phoenix has embraced technology and has adopted leading edge software for planning, logging, billing, and scheduling, which supports project effectiveness and efficiency at all stages. Our Enterprise Resource Planning (“ERP”) software is a fully integrated ERP system that provides real-time data for ‘earned value’ throughout the entire lifecycle of a project. In addition, our software aids with project controls, estimating, finances, human resources, procurement and LEM generation. Highlights or benefits of this software includes:

- » Highly detailed cost and work breakdown structures for integrated scheduling and cost reporting.
- » Integrated project controls/finance software and systems that create stringent budget controls.
- » Providing up to date ‘real time earned value reporting’ every 24 hours.
- » Lean project management forecasting and real time project monitoring.
- » Advanced work packaging score carding system, which allows us to monitor key performance Indicators (KPI’s) against schedule and financial plans.

What is ‘Real Time Earned Value Reporting’

Using technology and software, we are able to create an ‘earned value’ report, daily, to show the client exactly where they are on a project from a scheduling to a cost perspective

4.5 Associations

We are proud members of the following associations:



Construction Owners Association of Alberta (COAA)



Canadian Council for Aboriginal Business



American Society of Mechanical Engineers (ASME)



Canadian Welding Association



Canadian Welding Bureau (CWB)



National Board of Boiler & Pressure Vessel Inspectors (NBBI)



PHOENIX INDUSTRIAL
GROUP OF COMPANIES