

ANNUAL SUPPLY CHAINS ACT REPORT

Introduction

Wataynikaneyap Power GP Inc., acting in its own capacity and in its capacity as general partner of Wataynikaneyap Power LP (Wataynikaneyap Power, we, us, our), is pleased to provide its annual report under the *Fighting Against Forced Labour and Child Labour in Supply Chains Act* (Act) for the year 2025.

This report describes steps we have taken to prevent and reduce the risk that forced labour or child labour is used at any step of the production of goods imported into Canada. The term “modern slavery”, when used in this report, includes forced labour and child labour.

Structure, Operations, and Supply Chain

Structure and Operations

Wataynikaneyap Power is a licensed transmission company equally owned by 24 First Nations (51%), in partnership with Fortis Inc. and other private investors (49%). To connect remote communities to the electrical grid, Wataynikaneyap Power owns and operates approximately 1,742 kilometres of transmission lines and 22 substations in northwestern Ontario.

Supply Chain

The regulated utility industry is highly capital intensive and requires continuous investment in critical infrastructure. Therefore, our supply chain reflects the requirement for timely and cost-effective sourcing of goods that are necessary to support the operation, maintenance, and expansion of electricity infrastructure.

Public utilities have an obligation to serve and are responsible for ensuring safe and reliable utility service. When severe weather or other forces damage utility infrastructure and cause service outages, there is a public expectation that service will be restored as soon as possible. This service obligation means that we must maintain stores of inventory for critical system components (e.g., poles, wires, transformers) to enable timely service restoration, as well as to support routine system maintenance.

Many goods required are specialty products unique to utility operations. Certain components of electric systems can only be sourced from a small number of suppliers around the world, or even a single supplier. In these cases, utilities have limited opportunities to choose between qualified suppliers. Examples include power transformers and battery storage solutions.

Policies and Due Diligence

We began to update our policy and compliance framework to address this subject area more fully, including developing a new *Vendor Code of Conduct*, which would supplement our *Code of Conduct* which addresses human rights at a general level. A draft *Vendor Code of Conduct* was developed and is expected to be approved and implemented following further internal review.

We will endorse a risk-based approach to assessing the likelihood of human rights abuses in our supply chains, considering the scope, location, and nature of a supplier’s activities and associated risks, as well as the human rights conditions in the countries where goods are

produced and sourced. We will also establish expectations regarding the role of our suppliers in seeking to reduce the likelihood of human rights abuses in our supply chains.

Due Diligence

Prior to selecting a vendor, we typically vet a group of vendors for product quality, reliability, reputation, cost effectiveness, and timeliness. Competitive bidding processes are often used, including requests for proposals. Through these processes, we gather information on the prospective suppliers, which may include their labour and operating practices.

This vetting may be aided by reference to resources publicly available through reliable and reputable third-party sources such as Walk Free's Global Slavery Index, the Responsible Sourcing Tool, and the U.S. State Department's Trafficking in Persons Reports.

Vendors we engage with on a recurring basis or have long-term contractual relationships with are also subject to continued oversight and monitoring, including through onboarding and contract renewal activities.

Assessing Modern Slavery Risks

Many goods required for our operations are specialty products used in utility infrastructure. The manufacturing of these products relies on skilled labour, which serves to reduce the risk of modern slavery. Risks of modern slavery in relation to these specialized finished goods and components may be highest in earlier stages of our supply chain, such as raw material extraction.

China, India, and South Korea are major world suppliers of electrical transformers through various international distributors. The United States has taken steps to increase domestic manufacturing of critical power grid components, including transformers, to support energy security and reduce reliance on foreign sourced goods.

Walk Free provides a ranking those imports into Canada that are perceived to carry the highest modern slavery risk. Among the goods listed are electronics, garments, and textiles. We consume a range of these products including electronics for security and control systems, diagnostic equipment, personal computers, and specialized garments and personal protective equipment required to ensure the safety of our employees.

Our processes to assess and manage modern slavery risk in our supply chains continue to mature. We expect this to be an incremental, multi-year process, as we gain more knowledge, experience, and capability in this area. As we progress, we anticipate gaining deeper insight into the risks of our larger direct suppliers and their upstream supply chains, as well as the modern slavery risks of our smaller suppliers.

Remediation Measures

We did not identify any instances of forced labour or child labour in our supply chains in 2025; therefore, no remediation measures have been taken.

Training

Our *Code of Conduct* is the foundational governance policy document which provides our employees with guidance on ethical business conduct. It addresses a wide range of topics, including respect for human rights. Training in identifying and mitigating modern slavery risks is primarily provided to employees who are directly involved in supply chain management. We also share supply chain best practices among affiliate companies through a Supply Chain Group subcommittee. Specific modern slavery training activities vary and are based on assessment of the modern slavery risks arising from operations as well as employee roles and responsibilities.

Assessing our Effectiveness

We continue to assess opportunities to enhance our existing frameworks, including initiatives aimed at enhancing insight into modern slavery risks within our supply chains. As our program continues to evolve and mature, we may develop formal mechanisms to assess the effectiveness of our actions taken to address the risks of modern slavery.

Attestation

This report has been approved by the Wataynikaneyap Power Board of Directors in accordance with the Act.

In accordance with the requirements of the Act, and in particular section 11 thereof, I attest that I have reviewed the information contained in the report for the entity or entities listed above. Based on my knowledge, and having exercised reasonable diligence, I attest that the information in the report is true, accurate and complete in all material respects for the purposes of the Act, for the reporting year listed above.

Full name: Frank McKay

Title: Chair of the Board

Date: May 29, 2026

Signature: 

I have the authority to bind Wataynikaneyap Power.