

Fighting Against Forced Labour and Child Labour in Supply Chains Act, SC 2023, c 9

Annual Report for

Corix Infrastructure Inc.

for the 12-month period ending December 31, 2023

May 30, 2024

1. Background on Corix Infrastructure Inc.

From January 1, 2023, to December 31, 2023 (the “**Reporting Period**”), Corix Infrastructure Inc. (“**CII**”)¹, through controlled operating subsidiaries provided essential services to customers in Canada. None of CII’s controlled subsidiaries providing such services is, on a stand-alone basis, an entity as defined under the *Fighting Against Forced Labour and Child Labour in Supply Chains Act* (the “**Act**”). While none of the Canadian operating subsidiaries controlled by CII during the Reporting Period are considered entities as defined under the Act, CII is filing this report out of an abundance of caution as it is not clear whether CII is engaged in any of the activities under Section 9 of the Act. It is likewise unclear whether CII has a reporting obligation under the Act.

CII and its controlled subsidiaries (collectively, the “**Corix Group of Companies**”) provided district energy utility services, electric distribution services, natural gas and propane distribution services, water and wastewater services to customers in Canada and the United States. The Corix Group of Companies was a leader in water and wastewater infrastructure solutions for small to medium-sized communities across North America and had dual headquarters in Canada and Chicago, Illinois. The Corix Group of Companies’ water business (the “**Corix Water Business**”) provided safe, reliable, and cost-effective water and wastewater services to approximately 800,000 individuals in the United States and Canada. The Corix Water Business owned and operated approximately 385 water and 310 wastewater systems in 18 U.S. states and two Canadian provinces. The Corix Group of Companies district energy business (described below) provided thermal energy and other utility services to more than 200,000 individuals, with the Corix Group of Companies collectively delivering utility and related services to more than 1,000,000 individuals across North America.

The Corix Group of Companies also owned and operated 11 thermal, or district energy systems in Canada and Cleveland, Ohio (the “**Corix District Energy Business**”). District energy systems deliver thermal energy in the form of hot water, steam, chilled air and chilled water to commercial and residential customers. The Corix District Energy Business served buildings located in business and university campuses, for example, Simon Fraser University and the University of British Columbia. Following the Merger and related restructuring transactions described in footnote 1, the Corix District Energy Business continues to operate using the “Corix” trade name, but is no longer controlled by CII.

During the Reporting Period, the Corix Group of Companies employed about 900 people, with approximately 150 employees in Canada and the remaining employees based in the United States. Of the 900 employees, approximately 800 people were employed in the Corix Water Business and approximately 100 were employed in the Corix District Energy Business during the Reporting Period. Of the 800 employees engaged in the Corix Water Business, about 700 were based in the United States during the Reporting Period.

(a) **Structure**

¹ On April 1, 2024, Corix Infrastructure (US) Inc., which entity was a CII controlled subsidiary during the Reporting Period, merged with SW Merger Acquisition Corp. (the “Merger”), and change its name to Nexus Water Group Holdings, Inc.

CII is a corporation organized under the laws of British Columbia with a financial year end of December 31. As described above, CII controls subsidiaries who provided district energy utility services, electric distribution services, natural gas and propane distribution services, water and wastewater services. To reiterate, CII's controlled subsidiaries are not entities as defined under the Act.

(b) Activities

CII understands that, for the purpose of the Act, the provisioning of water and wastewater services, the distribution of electricity, natural gas and propane, and the production and delivery of thermal energy in the form of steam, chilled air and hot and cold water constitute "goods." In this regard, and solely for the purposes of reporting under the Act, CII, through its subsidiaries, was engaged in the production and sale of goods within the meaning of the Act during the Reporting Period.

(c) Supply Chains

CII has not engaged in mapping the supply chain that supported operations during the Reporting Period. However, generally speaking, the supply chain supporting operations during the Reporting Period consisted of:

- Nationally recognized suppliers providing infrastructure products, such as boilers, chemicals, concrete, generators, meters, pipes, pumps, transformers, and wires used in the production and treatment of water, distribution and transmission of potable water, the collection, treatment and disposal of wastewater and residuals, the production, distribution and transmission of thermal energy, and the distribution of electricity.
- Local contractors providing services related to the infrastructure industry, including legal and regulatory advisors, engineering services, construction services and repair services.

2. Our Policies and Due Diligence Processes

During the Reporting Period, CII did not maintain any policies or conduct due diligence processes designed to address the conduct subject to the Act.

3. Assessed Risk in our Business and Supply Chains

See Section 1(c).

4. Remediation Measures Taken by CII

CII did not take any measures to remediate forced labour or child labour during the Reporting Period.

5. Employee Training

CII did not take any measures to educate or train employees to recognize forced labour or child labour during the Reporting Period.

6. Assessment of Effectiveness

CII did not take any measures to assess the effectiveness in ensuring that forced labour and child labour are not being used in its business and supply chains during the Reporting Period.

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.

	<p><i>Shawn M. Elicegui</i></p> <hr/> <p>Shawn M. Elicegui Former Chief Legal Officer & EVP, Risk Management I have the authority to bind CII.</p>
--	--