



## **FISCAL YEAR ENDING December 31, 2022**

*The purpose of this Management Discussion and Analysis (MD&A) is to provide the reader with a written explanation of Six Nations of the Grand River Development Corporation's (SNGRDC) financial performance as assessed through the eyes of Senior Management. Although this disclosure is not required by any corporate charter or by-law, the Board of Directors and Management feel that sharing this level of detail is an important undertaking to demonstrate commitment to be open and accountable to the community.*

*This document is segmented into three sections: (1) Factors of Significance, (2) General Commentary, and (3) Economic Interest - Status Reports.*

*Embedded within the document are frequent references as follows:*

- *The corporation's sole shareholder is the Six Nations Elected Council (SNEC);*
- *"CFS" refers to the Consolidated Financial Statements for the twelve-month period ending December 31, 2022 audited by KPMG LLP (KPMG);*
- *Excerpts and cross references to the Consolidated Financial Statements; and*
- *'Current year' means 2022 (January 1, 2022 to December 31, 2022) and 'future year' means the 2023 calendar year (January 1, 2023 to December 31, 2023).*

*This document is most effective when reviewed alongside the CFS for year ended December 31, 2022.*



## MISSION

To achieve economic self-sufficiency without compromising our values

## VISION

A healthy community for today and the faces yet to come.

## GUIDING PRINCIPLES

The Six Nations of the Grand River Development Group shall adhere to our collective responsibility as Ogwehoweh; a distinct people who live within the delicate balance of the natural world.

The Six Nations of the Grand River Development Group shall demonstrate a respect for our collective rights and responsibilities, recognizing that our collective wellbeing is maintained by our sovereignty.

Our ohdrihwagwaíhsq:ʔ (integrity) and success relies on our consistency in demonstrating these principles in a way that is ogeht (openness) and accountable for our actions and inactions.

At the forefront of our minds are these principles, which guide our actions and decision-making:

### **Ga'nigohi:yo (Peace)**

As we hold a position of responsibility to our community, we must play an active role in promoting peace and well-being (sgé:nq: senqhdqnyqh), demonstrated through gédéq (compassion), fairness, responsiveness, and gahsgyáq:nyq:ʔk (encouragement).

### **Respect for the Natural World**

We are all inter-connected and inter-related as people to the natural world. Maintaining this balance requires degaeyenawa'gqhó:gye' (cooperation), degakahsó:gweh (sharing), and protecting the integrity of the natural environment.

### **Future Members**

Our collective well-being includes future generations of our community. In our decision making, we are mindful that our sustenance is borrowed from the coming generations.

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## 1) FACTORS OF SIGNIFICANCE

*The following factors have been identified by Management as matters of significance that are not immediately evident in the Consolidated Financial Statements (CFS):*

### A) SNGRDC GROUP GOVERNANCE MODEL

*SNGRDC was launched as a community development corporation to generate wealth with the express purpose of investing to meet the current and future needs of the Six Nations of the Grand River Community.*

*SNGRDC's Governance Model illustrated in [Fig. 1 on page 25](#) outlines the inter-dependencies between the governing bodies of SNGRDC, which collectively form the 'SNGRDC Group', and the relationship with our sole shareholder.*

*Effectively, the SNGRDC Group is comprised of three independent Boards - the Board of Directors, Board of Trustees, and Advisory Committee. The Board of Directors oversees the President/CEO, who is focused on overseeing Management to generate income. The Six Nations of the Grand River Economic Development Trust (EDT) Board of Trustees re-invest surplus profits for the collective benefit of the Community in projects/needs that qualify under the Trust Distribution guidelines. Both the Board of Directors and the Board of Trustees are under the oversight of the Advisory Committee.*

*At year-end December 2022, SNGRDC and Six Nations of the Grand River Elected Council (SNEC) reached an agreement on a re-model of SNGRDC. The re-model has been centred on establishing an enhanced relationship with SNEC. The purpose of this new model is to find efficiencies in the operations of SNGRDC to better serve the Six Nations community and reach our goal of prosperity 100 by 2030. This new model was approved by both parties with an effective date of March 1, 2023.*

*As part of the re-model an amalgamated governance model was adopted. The amalgamation consisted of shifting from three governing boards, consisting of fifteen (15) different board members, to one consolidated board of directors comprised of nine (9) members. The Elected Chief will serve as an ex-officio (non-voting) member of the new board. The new model will utilize committees perform the previous functions of the Advisory Committee and Board of Trustees.*

*After seven years of success under the current model, the SNEC and SNGRDC are excited to launch this new model which is designed to provide better value to the Six Nations community.*

### B) SIX NATIONS ELECTED COUNCIL– SOLE SHAREHOLDER

*SNGRDC is a federal corporation originally approved for creation by SNEC on October 22, 2013 and incorporated on November 18, 2013. The development process included broad research (i.e., Harvard Project – American Indian Economic Development, other Indigenous Institutions) and expert legal advice in the areas of corporate and tax law. SNGRDC was launched after in-depth community engagement (We Gathered Our Voices project) which included 19 think tank sessions and over 30 SNEC resolutions. On May 28, 2015, SNEC ratified the launch and separation of SNGRDC.*

*As discussed in Section 1e below, SNGRDC is a Band empowered entity performing a function of government. The corporation's single shareholder is SNEC, where SNEC is a "Band" within the meaning of*

the Indian Act and is therefore legally recognized as public body empowered to create a community owned legal entity.

Although SNEC is the only shareholder, the governance of SNGRDC was designed to be apolitical in nature where business operations are carried out autonomously without political influence. That said, SNGRDC does engage in informal business meetings with SNEC to keep them informed of progress, hear concerns, and answer any questions presented on behalf of their constituents. [Refer to Fig. 1 on page 25](#) for an overview of SNGRDC governance structure, including the role maintained by SNEC.

The SNGRDC Group, including all Management and staff recognize the importance of working harmoniously with SNEC and all community stakeholders; all parties recognize the need to align our efforts to ensure we are coordinated and focused on achieving the best possible value for the entire community.

SNGRDC rights, responsibilities, and communication obligations vis-a-vis our shareholder is fully captured in a Management Agreement executed on August 11, 2015; the agreement had an initial 5-year term (expiring in 2020) however the agreement automatically renews annually thereafter. As part of the SNGRDC re-model, a new 15-year Management Agreement will become effective as of March 31, 2023.

#### C) ACCOUNTING FRAMEWORK (NPO, PART III)

Typically, 'for-profit' corporations are focused on increasing shareholder value, whereas not-for-profit (NPO) entities focus on creating value for a specific mission or cause. When viewed holistically, the efforts of the SNGRDC Group are NPO orientated as economic returns flow to the community as a beneficiary and not directly to the shareholder. Given this orientation, Management, with the assistance of our auditors KPMG, have determined that NPO (Part III) accounting framework is the most appropriate for SNGRDC (refer to the CFS pgs. 5-9 for further discussion on accounting policies).

#### D) TAX MITIGATION STRATEGY

The basic tenet of our tax mitigation strategy is SNGRDC is a wholly owned subsidiary of SNEC which under the Income Tax Act is considered a public body performing a function of government. Thus, SNGRDC is a 'Band empowered entity' and is exempt from tax pursuant to Section 149(1)(d.5) of the Income Tax Act. The function SNGRDC provides is Economic Development.

The following considerations reinforce our position:

##### i) **Master Trust**

SNGRDC utilizes a Master Trust vehicle to hold and manage community interests in Community Benefit Agreements (CBA's). The Master Trust is organized as an entity within the governance umbrella to ensure all holdings and interests are managed transparently, comply with CBA's, and align with our overall tax strategy. Ultimately, community benefit proceeds are transferred annually from the Master Trust to the Six Nations of the Grand River Economic Development Trust (EDT) for the use and collective benefit of the community (where the Six Nations community is the ultimate Beneficiary).

**ii) Tax Planning**

*In 2014, in anticipation of the launch of SNGRDC, our tax advisors made application to Canada Revenue Agency (CRA) seeking an advanced ruling on the tax-exempt nature of the activities and structure organized under our corporate umbrella. In support of our application, our tax lawyer (Howard Morry of Pitblado LLP), provided SNGRDC with twelve (12) separate legal opinions supporting our asserted exemption from applicable taxes.*

*On July 27, 2016, CRA issued bulletin [2016-064503117](#), which clarifies that First Nation development corporations, structured like SNGRDC, no longer need to obtain an advanced tax ruling as they are deemed to be a public body performing a function of government. This bulletin was verified by and between our tax lawyer and the Income Tax Directorate of CRA on November 21, 2016.*

*Management remains satisfied that our tax planning strategy is sound – this position is supported by the independent vetting conducted by our audit firm, KPMG, who have concluded that SNGRDC is ‘more likely than not’ exempt based on the merits of our structure. As a result, SNGRDC is no longer pursuing a CRA tax ruling.*

**E) DISTINCT REVENUE STREAMS/ HOLDINGS**

*SNGRDC engages in three (3) distinct streams of revenue generation. Generally, the determining factors of how assets are held within SNGRDC is based on the geographic location of the project, the type of business activity, and the treatment of the asset as prescribed within the Income Tax Act.*

*These streams are identified as Nation Enterprises, Economic Interests, and Trust Entities.*

**i) Nation Enterprises**

*Nation Enterprises include economic development activity and operations taking place on Six Nations Reserve No. 40 lands. Nation Enterprises are generally un-incorporated entities managed by SNGRDC on behalf of the community. These operations require no special tax planning as the income generated is exempt by virtue of being conducted on-reserve (example: Six Nations Bingo).*

**ii) Economic Interests**

*These activities reflect investments made in activities taking place outside of Six Nations Reserve lands (example: Grand Renewable Energy Park). Economic Interests are primarily pursued due to attractive return on investment and alignment with our Guiding Principles (refer to Page 2).*

**iii) Trust Entities**

*These holdings are held as subsidiaries of the Master Trust and are held in individual sub-trusts which serve as flow through vehicles to provide insulation from corporate tax. The income is exempt from corporate tax as the funds ultimately flow directly to the beneficiary (the Six Nations Community) via the EDT. Examples of these holdings include the receipt of royalty payments as described within previously negotiated Community Benefit Agreements (example: Capital Power and Dufferin Wind).*

## F) FINANCIAL REPORTING ANOMALIES

The following are anomalies that are non-recurring in nature:

### i) **Revenue - Economic Interests**

*Niagara Region Wind Farm (FWRN LP):*

*On October 18, 2021, 9710612 Canada Limited refinanced its equity loan; as a result, the financial reporting for the investment changed where we now report the Gross distributions as opposed to Net distributions as in prior years. The current year (2022) is the first full year this change will be reflected in our financial statements.*

*In 2022, FWRN distributed a total of \$11,067,000 to 9710612 Canada Limited. Of this amount, certain anomalies occurred, the first being a \$2.8M 'true-up' payment from 2021 energy production; the second being an error in accounting that incorrectly distributed \$2M where those proceeds should have been retained for future payables. When adjusted the revenue attributed to 2022 energy production is \$6,267,000, which is very favourable to a budget expectation of \$3,788,400. The favourable variance of ~\$2.5M is attributable to favourable wind resource throughout the year.*

### ii) **COVID-19**

*In March 2020, the COVID-19 outbreak was declared a pandemic by the World Health Organization and had a significant financial, market and social dislocating impact. The pandemic has had a significant impact on the SNGRDC's operations, including a prolonged closure of its Bingo Operations and the delay in the opening of Chiefswood Park. During 2022, SNGRDC accessed an amount of \$872,597 (2021 - \$1,379,659) through the Canadian Emergency Wage Subsidy program. Furthermore, in April 2020 the Force Majeure provision in the SNGRDC's Management Agreement was invoked and resulted in the settlement of the rental obligations for an amount less than the contracted amount. Consequently, certain of the revenues and expenses are not comparable on a year over year basis.*

## G) ASSET REPORTING/VALUATION

*As previously noted, SNGRDC and SNEC are parties to a 'Management Agreement' which outlines, among other things, the rights SNGRDC has secured to enable the continued operations of Nation Enterprises. The tangible capital assets (land and buildings) housing our Nation Enterprises are assets that are held by, and reported on, Six Nations Elected Council's balance sheet. As a result, SNGRDC reports no value for these types of assets (Example: Oneida Business Park, Bingo Hall, Gathering Place, etc.), however SNGRDC is responsible for investing in and maintaining lands and buildings within our control.*

### i) **Capital Assets (Leasehold Improvements)**

*SNGRDC is responsible for maintaining and investing in leasehold improvements and capital replacements. As of December 31, 2022, SNGRDC had a net book value (NBV) in capital assets of*

\$12,196,136 (\$12,182,348 - December 31, 2021). This amount reflects the aggregate expenditure on capital assets since SNGRDC's inception (refer CFS, Note 7, pg. 12).

In the period a total of \$1,541,329 (\$2,129,741 – December 31, 2021) was invested in capital assets (refer CFS, Statement of Cash Flows, Pg. 4). The top three (3) largest expenditures were:

Chiefswood Park Pavilion	\$136,710
Chiefswood Park Glamping Units	\$115,276
Chiefswood Park Washroom	\$103,376

**ii) Investments in Economic Interests**

Investments in Economic Interests are valued using the not-for-profit accounting framework (refer to 1a above) where the value is reported at cost. Typically, the cost method applies when an ownership interest is below 25% or the investment is made into a limited partnership structure where SNGRDC has limited influence/control over operations. For Joint Ventures (JV), such as the Aecon – Six Nations (A6N) JV, the asset value is reported using the equity method proportionate to our interest in the JV, which in this case is 51%.

The Investments in Economic Interests as of December 31, 2022 increased to \$63,579,831 (\$62,388,372 – December 31, 2021). The net change of \$1,191,459 is largely attributable to:

- A6N equity pickup of \$896,422, which increased our 51% JV interest in A6N to \$1,655,548, (CFS, Note 5, Pg. 12)
- Warrants in 3DATX were exercised in the amount of \$295,037 (CFS, Note 21(a), pg. 20)
- Creation of SNGR QM LP, a 51% joint venture partnership with a QM Environmental-an environmental remediation, hazardous material abatement, demolition, emergency management, emergency response and water treatment service provider

The 2022 equity pickup from the A6N JV of \$896,422 reflects a slight deterioration in performance relative to the prior year (CFS Note 5, Pg. 12).

As reported in prior years, SNGRDC Management believes the market value of our Economic Interests are considerably higher when assessed using Fair Market Valuation (FMV) – where an asset's value is determined by market factors that includes an investment's cash flow projection. To gain insight into the FMV of assets, in 2017 SNGRDC retained an independent third-party firm to conduct a Valuation of Assets under Canadian Institute of Chartered Business Valuators - Standard No. 110 methodology.

Although the report is restricted by the authors and not available for public disclosure, the summary of findings are as follows:



	TEV	Net Debt	Equity	Six Nations' %	FMV to Six Nations		
					20 years	25 Years	30 Years
Nanticoke Solar	22,812	-	22,812	10%	1,169	1,199	1,309
Gunn's Hill Wind Farm	67,965	39,841	28,124	10%	3,290	3,320	3,378
Grand Renewable Energy - Wind	526,479	342,754	183,725	10%	17,394	18,372	19,564
Grand Renewable Energy - Solar	771,977	582,243	189,734	10%	18,840	18,973	19,064
Niagara Region Wind Farm	851,683	782,286	69,397	50%	10,384	12,964	15,964
					51,077	54,829	59,280
					Low	Mid	High
SNGR Utilities LP	3,500	(70)	3,570	51%	1,438	1,693	1,948
SNGR Benefit Trust - Capital Power	-	na	na	na	3,912	4,206	4,533
SNGR Benefit Trust - Dufferin Wind Farm	-	na	na	na	2,355	2,446	2,544
SNGR Benefit Trust - Port Ryerse Wind Farm	-	na	na	na	96	101	105
BGI Solar	1,486	-	1,486	15%	213	223	234
Oneida Business Park	3,027	-	3,027	90%	2,132	2,278	2,433
Haldimand Land - NextEra Energy Project	-	na	na	na	4,956	5,141	5,336
Haldimand Land - Assignment of land lease payment	-	na	na	na	6,164	6,454	6,767
<b>Total</b>	<b>2,248,929</b>	<b>1,747,054</b>	<b>501,875</b>		<b>72,343</b>	<b>77,371</b>	<b>83,179</b>

Note: The above TEVs and implied multiples in this table are based on the mid-point of the value range.

In 2017, the Total Enterprise Value (TEV) of assets participated in is \$2.25B, where SNGRDC holds between 10% – 90% ownership interest which translates into FMV ranging between \$72.3M (at 20 years) and \$83.2M (at 30 years).

As reported in prior years, SNGRDC Management believes the valuation of the Niagara Region Wind Farm (FWRN LP) is much higher than the stated 20-year FMV of \$10,384,000 especially when the cost method values the asset at \$30,262,273 (refer CFS, Note 5, pg. 11). The deviation reflects circumstances which were impacting the early operation of FWRN LP, these included energy curtailment, operational hurdles, system settings, and poor wind production vs. modelling.

The chart above does not include the recent investments in the Niagara Reinforcement Line Project, Nanticoke Solar, and 3DATX. These investments represent an additional \$18.2M of investment in Economic interests. When needed, Management will commission an updated fair market valuation of all current Economic Interest holdings.

### iii) Long-Term Receivables

In 2022, SNGRDC has long-term receivables which total \$1,297,647 (CFS, Note 4, pg. 10). These receivables were advanced on the following terms:

County of Brant – SNGRDC advanced a convertible loan to the County in the amount of \$193,500 bearing interest at 9.189%; the placement is convertible to a 15% ownership interest in a roof top solar placement located within the Brant Business Park. On March 16, 2023, SNGRDC provided notice to Brant County of its intention to convert the loan into equity.

A6N JV Equipment Purchase – On November 17, 2021, SNGRDC entered into a lease arrangement with A6N, where A6N pays SNGRDC \$68,000 for the first 6 months and \$13,000 for every subsequent month in exchange for the exclusive use of \$1,145,000 in construction equipment acquired by SNGRDC on behalf of A6N. This equipment was purchased using cash on hand.

## H) SUBSEQUENT EVENT

*On March 31, 2023, SNGRDC and SNEC commenced operating under a new Management Agreement and Funding Agreement as contemplated by the re-model of SNGRDC as noted above. One of the primary goals was to strengthen the relationship with the shareholder (SNEC) and to ensure SNGRDC and SNEC are aligned in our pursuit of economic self-sufficiency for the Six Nations Community. The enhanced structure consists of four main areas; an updated 15-year management agreement; a new long-term funding agreement; divestiture of properties; and an amalgamated governance model of SNGRDC.*

*The governance also shifted from three governing boards, consisting of 15 different board members, to one consolidated board comprised of 9 members plus the Elected Chief or their designate as a non-voting member. This new model will utilize committees to carry out for the former function of the Advisory Committee and Economic Development Trust. Consolidating the current model into one board will result in cost savings.*

### **Management Agreement**

*The management agreement is a 15-year contractual agreement between SNGRDC and SNEC and captures the terms of the relationship and outlines the obligations of the parties. The agreement, among other things, includes Economic Development Parameters to provide guidance to SNGRDC on the type of development activity that will be supported politically; the requirement for SNGRDC to comply with community engagement standards; the terms of a new head lease arrangement between the parties; and a structured process to conduct joint strategic reviews, dispute resolution processes, and other administrative matters.*

### **Funding Agreement**

*SNEC will receive a minimum annual funding commitment from the EDT for the next 15 years. The annual commitment is 40% of SNGRDC's post audit free cash which is, on average, an equivalent the allocations SNEC departments previously received via the existing EDT process.*

*This will provide funding certainty to SNEC and its departments so they can plan for the long-term needs of the community. Eliminating the EDT application requirement for the SNEC saves resources and time of both the SNEC and the EDT which results in financial savings.*

*The funding agreement provides parameters in which the SNEC can utilize the funds. Funding must be directly tied to a community need as outlined in the 2019 Community Plan. The SNEC will be subject to reporting and disclosures, keeping in line with the current EDT funding agreements. As part of the auditing process, the SNEC will produce an annual report detailing where the funds were directed.*

*SNEC will no longer be eligible to apply for EDT funding. This will enable the EDT to streamline their focus towards other general applicants and grassroots level initiatives.*

## **Divestiture**

*When SNGRDC separated from SNEC in 2015, all the properties and operations that fell under the Economic Development department were transferred to SNGRDC. At that time, SNGRDC entered into a management agreement to manage these properties and operations on behalf of the SNEC.*

*Certain properties under management could not be developed due to political factors which are beyond the control of SNGRDC. As such, below is a list of properties that have been transitioned back to SNEC:*

- *Oneida Business Park – undeveloped lands (current building will continue to be managed by SNGRDC)*
- *431 West Street, Brantford*
- *Former School #5 & Former School # 7*
- *Port Maitland property*
- *A6N Yard (former Martin Bus Property); A6N is re-locating to the Oneida Business Park*
- *Old Internet towers – Mohawk Road, Chiefswood Road and Cayuga Road*

*In addition to above, Six Nations Tourism – including the Her Majesty’s Royal Chapel of the Mohawks and Chiefswood National Historic Site, have transitioned to the SNEC. This transition will allow for greater funding opportunities through grants which are not currently available to Six Nations Tourism as a subsidiary of SNGRDC. Six Nations Tourism will remain located in Chiefswood Park and continue to collaborate closely with SNGRDC on tourism related offerings.*

### **I) ANNUAL TRANSFER PAYMENTS**

*The Board of Directors approved a \$4,237,511 distribution to EDT for period ending December 31, 2022 (\$1,800,000 – December 31, 2021) (refer to CFS, Statement of Earnings, pg. 2). EDT will subsequently transfer \$3,390,009 to SNGR pursuant to the new funding allocation under the SNGRDC re-model.*

*One of the key elements of the re-model included a guaranteed minimum annual funding commitment to SNEC from the EDT for the next 15 years. The annual funding commitments are comprised of SNGRDC’s post audit cash, as follows:*

- *50% payable to Six Nations of the Grand River Development Corporation – to be utilized for future investment and growth opportunities (\$4,237,511.26 - 2022)*
- *40% (or \$1,400,000 whichever is greater) payable to SNEC - to be used to address Community Plan priorities, by way of EDT annual transfer (\$3,390,009.02 - 2022)*
- *10% to be retained by EDT- to be used for investment in community priorities outside SNGR departments (\$847,502.25 - 2022)*

*Under the new amalgamated governance model, the duties of the previous EDT Board of Trustees will be undertaken by a committee of the Board of Directors. This committee is tasked with issuing a call*

*for funding applications and are also responsible for assessing and approving any funds for re-investment into community needs and priorities. Once funds are approved for community investment, the recipients will typically have until December 31, 2023 to expend the funds.*

## 2) GENERAL COMMENTARY

*SNGRDC received a clean, 'unqualified' audit opinion for the year ending December 31, 2022, along with an unqualified opinion for the Six Nations of the Grand River EDT.*

*With the December 31, 2022 allocation, the SNGRDC is extremely pleased that since inception in 2016, the organization as transferred a cumulative total of \$21.92 M to the EDT to help fund community needs and priorities. This community re-investment has been funded entirely by the development activities of SNGRDC and are an example of what can be achieved through the execution of sound planning.*

### A) FINANCIAL & PERFORMANCE HIGHLIGHTS

*Consolidated total revenues for the period ending December 31, 2022 was \$42,152,314 (\$22,419,162 – December 31, 2021) with direct expenses of \$27,276,728 (\$16,117,698 - December 31, 2021) resulting in excess revenues over expenses before distributions of \$15,772,008 (\$7,293,302 – December 31, 2021) as shown in the CFS, Statement of Earnings on pg. 2.*

*It is important to note that Equity income decreased in 2022 to \$896,422 compared to \$991,838 in 2021. This equity income reflects our 51% ownership interest, however these funds are not distributed in cash but rather retained to fund future growth.*

#### **i) Economic Interests**

*The total value of Economic Interest assets is \$63,579,831 (\$62,388,372 – December 31, 2021) which together produced SNGRDC revenues of \$18,484,879 (\$10,215,192 - December 31, 2021) refer CFS, Note 5, pg. 12 in the current period.*

*The sale of energy production through power purchase agreements with Ontario accounts for ~91% of Economic Interest revenue, these contracts are valid for 20 years from the commercial operation date of the project. All 3<sup>rd</sup> party financing associated with investments in Economic Interest projects has been structured to ensure all debt will be fully retired before the expiry of power purchase agreements.*

*In 2020, the A6N JV's Management and Executive Committee successfully re-evaluated work streams and focused resources on projects that align with its skill set to yield improved project margins. As a result, a significant improvement in A6N's profitability was realized in 2021 relative to prior years. While 2022's financial performance was not at the same level as 2021 it was still a significant improvement from earlier years. Since inception A6N has generated \$121M in Revenue (\$22.5M – 2022) and \$51.3M in payroll (\$8.3M – 2022). A6N's current workforce is 96% Indigenous.*

#### **ii) Nation Enterprises**

*Nation Enterprises revenues improved in 2022 after being heavily impacted by the COVID-19 pandemic; our on-reserve businesses generated a total of \$22,059,119 (\$10,669,752 – December 31, 2021).*

*Years 2022-2020 were severely impacted by the pandemic when on March 16, 2020, SNEC directed the closure of our Nations Enterprises – most notably Six Nations Bingo. These closures continued to impact our operation throughout 2022. In 2022, SNGRDC took a gradual approach to re-opening our on-nation operations, as of year-end, most notably, Six Nations Bingo is yet to be operating at pre-covid programming due to lasting impacts*

of the closure and re-staffing the business. Six Nations Bingo is responsible for generating 96.3% of Nation Enterprise revenue. The performance of Six Nations Bingo resulted in operating income of \$280,688 (-\$1,235,399 – December 31, 2021). The organization was able to resume the funding to the Gaming Sponsor Program (\$200,000) after incurring Gaming License Fees (\$66,200), debt payments (\$555,363), rent (\$436,283), and other fixed expenses.

The single largest expense associated with Nation Enterprises was the payment of Bingo prizing which accounted for approximately 80% of the 'General, operating, and administrative expenses' (see CFS, Statement of Earnings, pg. 2).

The total core funding received from Indigenous Services Canada ("ISC") accounted for 2.3% of SNGRDC total revenues. There was also an additional \$495,815 of non-recurring grant revenue from Indigenous Services Canada included in total revenue to cover loss of Gaming Revenue from December 2020 to November 2021. The Canada Emergency Wage Subsidy also provided \$872,597 to help offset our labour cost and keep as many people as possible employed from the lasting impacts from covid.

### **Management Agreement – Nation Enterprises**

Pursuant to our Management Agreement with SNEC dated August 11, 2015, SNGRDC is responsible for remitting annual rent payments to SNEC for the undisturbed use of Nation Enterprise property; the total amount payable for 2022 under the agreement is \$702,287.

The following properties are included in the Management Agreement and are classified as Nation Enterprises for the purposes of financial reporting:

- ✓ Six Nations Bingo
- ✓ Gathering Place by the Grand
- ✓ Tourism building
- ✓ Chiefswood National Historic Site
- ✓ Her Majesty's Royal Chapel of the Mohawks
- ✓ Oneida Business Park
- ✓ A6N Utilities
- ✓ Former School # 5
- ✓ Former School # 7
- ✓ Three internet towers – Cayuga, Mohawk, and Pauline Johnson Road
- ✓ Port Maitland and West Street
- ✓ Chiefswood Park & Cabins

Under the new Management Agreement effective March 31, 2023, the following properties are no longer managed by SNGRDC: Chiefswood National Historic Site, Her Majesty's Royal Chapel of the Mohawks, Former School #5 and 7, Port Maitland and West Street.

### **iii) Master Trust Income**

The Master Trust received a total of \$1,480,794 (\$1,469,035 – December 31, 2021) of income which is attributed to Community Benefit Agreements that were negotiated on behalf of the Six Nations Community, including interest. Although not specifically itemized within the CFS, the Master Trust income includes a total of \$467,476 (\$468,322 – December 31, 2021) of lease payments received from the Province of Ontario in exchange

for use of South Cayuga land(s) to house the Grand Renewable Energy Park. NOTE: Master Trust is not the same as the Six Nations of the Grand River Economic Development Trust (EDT) (refer to Fig. 1 on page 25).

**iv) Tangible Impacts**

Although not reflected on our CFS, SNGRDC CEO was the primary negotiator in a Contribution Agreement between the Province of Ontario and SNEC for the GTA West Gaming Bundle. This agreement resulted in a total of \$4.5M per year to SNEC for the period Dec 2018 – Dec 2039.

SNGRDC and SNEC’s Consultation and Accommodation Process (CAP) Team previously negotiated post-secondary funding contributions within Community Benefit Agreements. A total of \$73,000/year is currently directed to community or related funding agencies. These contributions are expected to continue until 2036.

SNGRDC now tracks local vendor spending that occurs throughout our operations, the total for the year was \$1,595,551(\$2,358,933 – December 31, 2021)

**B) DIRECT ECONOMIC IMPACT**

The SNGRDC Board of Directors has identified Direct Economic Impact (“DEI”) as a key performance indicator. The calculation takes into consideration the key financial drivers that generate direct economic impact within the community. DEI has become a key metric in assessing company-wide performance.

The total DEI for the period ending December 31, 2022 is \$44.5M which represents a 31.7% increase versus 2021. These figures are calculated as follows:

	2022	2021
Profit Before Distributions	15,772,008	7,293,302
Payroll	12,273,981	11,699,485
Gaming Commission and Sponsor Program	200,000	50,000
Other Tangible Impacts*	6,170,112	6,932,933
Shareholder Lease & Debt Retirement	1,184,660	1,055,363
SUM	35,600,761	27,031,083
<b>DIRECT ECONOMIC IMPACT**</b>	<b>44,500,952</b>	<b>33,788,853</b>

\* Includes funds negotiated on behalf of community

\*\* Includes Economic Multiplier of 1.25x

Note: Economic Multiplier of 1.25x is a factor which estimates the true value of economic impact within the economy of measure. For example, payroll generates spending within a defined area which in-turn fuels economic growth leading to additional local spending. 1.25x is a very conservative factor used by economists.

**C) HUMAN RESOURCES**

As of December 31, 2022, SNGRDC had a staff compliment of 103 people (excluding A6N staff), of which 92 are full-time and 11 are contract, part-time and/or seasonal workers. Staffing levels continued to be impacted by COVID-19 related operational closures, resulting in a reduction of

28% of our workforce compared to pre-covid levels in 2019. Approximately 79% of SNGRDC labour force are members from Six Nations or other First Nations.

### **CEO Evaluation**

The Board of Directors supervises the CEO and as part of this responsibility the Board conducts an annual evaluation to assess the performance of the CEO. This process includes an Evaluation committee of Board members who conduct a 360 review of the CEO performance to, among other things, assess compliance of approved company policies, the achievement of strategic objectives, and evaluate leadership and management capability. Through this evaluation, the Board assigns annual deliverables and approves the CEO workplan to be assessed in the upcoming year.

### **Compensation program**

SNGRDC compensation program was implemented in October 2016 by the Board of Directors after engaging BDO Canada LLP to complete an independent Pay Structure and Compensation study. The salary grid identifies the minimum and maximum of all job classifications within SNGRDC, where the most senior positions are as follows:

Job Class		Min	Max
E1	President & CEO	145,000	231,979
E2	VP/ Executive Director	95,000	149,137
E3	Director	80,000	123,728

On October 27, 2021, the Board of Directors approved a 4.1%% Consumer Price Index (CPI) adjustment to the “Max” tier. NOTE: this adjustment did not result in wholesale changes to individual compensation - the approach ensures the compensation matrix remains competitive and accounts for inflation.

## **D) CORPORATE STRATEGY: AUTONOMY 150 BY 2030 TO PROSPERITY 100 BY 2030**

Beginning in 2018, SNGRDC Board and Management identified a Wildly Important Goal (WIG) of generating annual reoccurring Direct Economic Impact (DEI) of \$150,000,000.

# **AUTONOMY**

The word ‘autonomy’ was selected to signal of the transformative power \$150M in Direct Economic Impact (DEI) could have on current and future generations. Essentially, this magnitude of DEI will empower future leaders to potentially manage community affairs independently without influence from any external government(s).

Our WIG is utilized by management to develop annual management plans and tactical plans to ensure the organization remains focused on the goal.



*In 2022, Management engaged two (2) cohorts of voluntary employees to hear suggestions on how the organization might revisit the definition of Autonomy 150 x 2030.*

*The consensus was “Autonomy 150” is confusing and does not resonate well with team members (and likely the broader community). The word ‘autonomy’ is not easily understood nor was the method of calculating direct economic impact (the 150 goal). Therefore, it was suggested Autonomy 150 x 2030 be replaced with a phrase that is more relatable, meaningful, inspiring – creating a story that can be easily communicated and understood. The discussion also moved away from utilizing DEI as the defined goal largely because the drivers of DEI are also not easily accessible or easily calculated. The group gravitated towards Profit as a focal point of a new vision.*

*A re-defined goal, “Community Prosperity” with a goal of generating \$100M in Profit by 2030 was identified as a more relatable and easier to understand phrase. Therefore, this has become the new Wildly Important Goal for SNGRDC:*



*SNGRDC will continue to report on Direct Economic Impact, however it will not be the key metric utilized to inform our management planning. As part of the 2022 annual planning cycle, Management and the Board evaluated growth targets and set an interim goal of \$25M in profit for 2025.*

*Board and Management remain focused on pursuing our strategic plan which includes the following four (4) pillars of focus:*

**1. Joint Ventures & Partnerships**

*Leverage our reputation to attract top quality partners to gain access to new market opportunities*

**2. Investments & Development**

*Deploy capital to invest in diversified holdings, unlock verticals, and generate re-occurring revenue streams*

**3. Nation Enterprise**

*Maintain efficient management of on-reserve business operations, invest strategically to drive DEI*

**4. Human Capital**

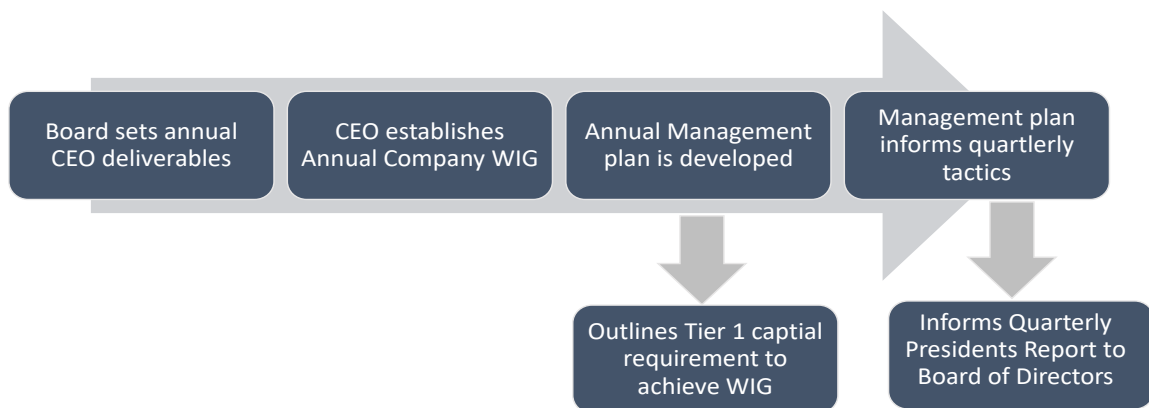
*An outcome of Pillars 1-3. and represents investment into our future through skills and capacity development. Growth is achieved through job creation and training.*

## E) STRATEGIC PLANNING FRAMEWORK

*The planning framework synthesizes various streams of intelligence and information to ensure SNGRDC is aligning its resources to achieve the goals prescribed by the Board of Directors. The key focus of intelligence gathering is the assessment of historical performance, progress against the approved management plan, and evaluation of market trends. These findings are then used to devise an updated management plan and identify the financial resources (operating budget and capital requirements) needed to be successful.*

### **Strategy formulation and Tier 1 Capital Planning**

*The process begins with the Board assessing the annual performance of the CEO. As an outcome the Board prescribes specific deliverables to be achieved in the upcoming year. The deliverables then cascade through the Management team who collectively develop management plans, budgetary requirements and Tier 1 capital needs to achieve our goals.*



*Tier 1 capital identifies the amount of funds needed by Management to execute the business plan. The Tier 1 Capital allocation for 2022 was \$2,349,143, the approved this amount for use in 2023. Among other things Tier 1 capital includes funding for capital investments, leasehold improvements, equipment upgrades and certain operating expenses.*

*In Q4 of each year, a strategic planning summit is held where Management presents the draft management plan, funding requirements, and seek guidance from the Board of Directors for upcoming priorities.*

### **Tier 2 Capital planning**

*In Q4, the Management team also develops a list of “Tier 2” capital requirements.*

*This process requires departments to submit funding requests to senior management. These requests are evaluated based upon (a) alignment with our strategic plan, (b) ability to generate profit, and (3) funding to manage risk. The Board is made aware of these potential projects, but they do not approve any allocation for Tier 2 projects, rather the list functions a means to potentially allocate Tier 1 funding slippage or as a potential projects to pursued upon receipt of grant funding.*

## Annual Budget and Management Plan

The SNGRDC Management team utilizes a “rolling forecast” financial budgeting model which provides a continuous 12-month outlook using real time information to keep our financial outlook current. Beginning in Q4, Management evaluates business trends for the current year and use this data to update the rolling forecast to develop what then becomes of the Operating budget for the upcoming year.

The Management plan is developed in response to deliverables assigned by the Board, this is a tactical plan by each department, it includes capital requirements and is designed to accompany the 12-month operating budget for the upcoming year.

The Management plan and annual budget allocations require Board of Directors approval pursuant to the Matters Reserved for the Board policy.

Our robust strategic planning process ensures that SNGRDC efforts are well planned, aligned to achieve our strategic goals, and carefully assessed against competing opportunities.

### F) INTERNALLY RESTRICTED RESERVES

The Board of Directors and Management have established a future restricted reserve totalling \$15,816,116 (\$10,412,936 – December 31, 2021) which includes: a debt service reserve for upcoming debt obligations of \$2,238,224, funding needed to advance Tier 1 capital projects in the amount of \$4,558,281, and a Growth Fund Reserve of \$8,027,027 (which includes the \$3,789,515 approved by the Board and the \$4,237,511 that is due pursuant to the Management Agreement dated March 31, 2023). In 2021, the Board established a “Post Pandemic Relief Reserve” of \$3,131,551 which is now included in the Growth Fund. In addition, an ‘other commitment reserve’ of \$992,583 was established to set aside funds to meet prior commitments.

The net change in the Debt Service reserve primarily relates to the 2021 refinanced of debt associated with the investment in FWRN LP (Niagara Region Wind Farm) where \$2,000,000 was required to be prepaid on June 30, 2022.

	2022	2021
<b>Future debt reduction and re-investment reserves:</b>		
Debt service reserve	\$ 2,238,224	\$ 4,476,363
Capital projects reserve	4,558,281	2,739,972
Growth Fund reserve	8,027,027	–
Post pandemic relief reserve	–	3,131,551
Other commitments	992,584	65,050
	<b>15,816,116</b>	<b>10,412,936</b>
<b>Current period investment reserves (deficit):</b>		
Intercompany reserve and contributed surplus	4,010,457	7,821,113
Restricted operating reserve	1,000,000	1,000,000
Transferred net debt (note 2)	(709,866)	(709,866)
	<b>4,300,591</b>	<b>8,111,247</b>
	<b>\$ 20,116,707</b>	<b>\$ 18,524,183</b>

As a further risk mitigation measure, the Board of Directors have elected to maintain a restricted operating reserve of \$1,000,000 (\$1,000,000 – December 31, 2021).

*The Intercompany reserve and contributed surplus in the amount of \$4,010,457 is attributed to a capital contribution by SNEC in the amount of \$12,500,000 offset by the aggregate amount of equity in the corporation that has not been invested in capital projects, economic interest projects and held for reserves. A portion of this amount is held in working capital due to the timing of collecting receivables and making payments on accounts payable. The amount has been internally restricted by the Board of Directors for the purpose of meeting future operational needs and to achieve the guiding principles of SNGRDC as previously outlined.*

## G) RISK MANAGEMENT

*On a quarterly basis, the SNGRDC Management team assesses operational risk at the divisional level. Operational risks are gathered, causes identified, response plans developed, and timeframes to address/manage are implemented. The top areas of concern for each division are then captured on a risk register and reported to the Board of Directors. The Board selects key risks and directs the Management team to devise mitigation plans for each. The risk register approach is designed to ensure risks with High Probability and/or High Impact are identified, reported, and proactively managed wherever possible.*

*As an ongoing best practice, Management conducts significant independent due diligence on investment decisions involving partners or activities requiring debt financing. Where possible, SNGRDC negotiates capacity funding agreements with potential partners to provide SNGRDC with financial resources needed to pay for independent legal advice and financial due diligence.*

*Currently, all holdings under our corporate umbrella are held in independent special purpose corporations – this strategy helps insulate holdings from cross exposure to risk. As a result, SNGRDC controls several corporations under its corporate umbrella, which are disclosed on the CFS, Note 1, pg.6:*

9374264 Canada Limited – Nanticoke Solar LP  
9211560 Canada Limited – Gunn's Hill LP  
7539223 Canada Limited – Grand Renewable Wind LP  
8490341 Canada Limited – Grand Renewable Solar LP  
9250492 Canada Limited – SN Solar Developments LP  
9710612 Canada Limited – FWRN LP  
11100726 Canada Limited – Niagara Reinforcement LP  
11456784 Canada Limited – Oneida Energy LP  
11937855 Canada Limited – 3DATX Corporation  
12419700 Canada Limited – Thrive  
SNGR Trustee Services Inc.  
SNGR Wind Project 1 Trustee Inc.  
SNGR Community Benefits Trustee Inc.  
SNGR Utilities Trustee Inc.  
SNGR Solar Project 1 Trustee Inc.  
Six Nations of the Grand River GP Inc.  
SNGR Utilities LP  
SNQM General Partner Inc  
SNGR QM LP

## H) SNGRDC GOVERNANCE

*in 2022, the SNGRDC Governance Group included an independent Board of Directors along with an independent Advisory Committee. Both governance groups are composed of five (5) community members made up of both off and on reserve representation. The Elected Chief of Six Nations Elected Council serves as an ex-officio (non-voting) member of the Advisory Committee and is not entitled to remuneration. All other members of the governance group are compensated as follows:*

Rates	Member	Chair
Regular Board & Committee Meetings- under 4 Hours	\$150.00	\$200.00
Regular Board & Committee Meetings - over 4 Hours	\$300.00	\$400.00

*As summarized in the CFS Note 19, Pg. 19, the total corporate governance expense for 2022 was \$120,803 (\$55,842 – December 31, 2021).*

December 31, 2022	Board of Directors	Advisory Committee	Total
Honoraria	\$ 32,500	\$ 25,400	\$ 57,900
Professional fee	26,790	–	26,790
Sponsorships Given	8,690	5,000	13,690
Computer software/licenses	6,819	6,819	13,638
Insurance	2,039	2,039	4,078
Meetings	617	392	1,009
Advertising and promotion	365	365	730
Legal fees	63	1,481	1,544
Internal Catering	60	60	120
Promotion	–	1,304	1,304
	\$ 77,943	\$ 42,860	\$ 120,803

*Refer to <https://sndevcorp.ca/snqrdc-group/> for additional information along with new Board of Directors bios. Note: the governance expense associated with the Board of Trustees for 2022 are reported separately in the Economic Development Trust audit.*

*Note: SNGRDC Governance model has changed effective March 31, 2023, please refer to [section 2, h](#) above.*

## I) COMMUNITY ENGAGEMENT

*SNGRDC is committed to complying with SNEC’s Consultation and Accommodation Policy. In the event a development activity is deemed to require community consultation, our Management team secures SNEC approval to manage the engagement, and coordinates with the SNEC Consultation and Accommodation Process team (“CAP team”) to ensure the consultation occurs in compliance with approved policy.*

*Within the SNGRDC Group, the Advisory Committee assesses community engagement requirements and directs the Board of Directors to gather and report community concerns. This*

*approach ensures that any sensitive development activity does not occur without first being vetted by those outside of the Board of Directors. Moving forward under the SNGRDC re-model, a new Corporate Governance Committee will fulfil this responsibility in replacement of the Advisory Committee.*

*Once Community Consultation concludes, the Board of Directors will assess findings and develop a recommendation to seek the support of SNEC as outlined within the Consultation and Accommodation Policy.*

*Management has identified the need to continue to enhance the community engagement process. We remain hopeful that the community can find common ground to advance our economic objectives. In support of this effort, SNGRDC will continue to utilize the internet platform [www.snfuture.com](http://www.snfuture.com) to engage the Six Nations Community.*

*As part of the new Management Agreement as of March 31, 2023, SNGRDC also confirmed its commitment to comply with any Community Engagement Standards that may be developed by SNEC.*

### 3. ECONOMIC INTEREST STATUS REPORT

#### A) SCORECARD

The following scorecard has been developed to provide a snapshot of performance for each economic interest asset that is held by SNGRGC. The stop light pattern below signals any areas of concern.

Asset	Investment	Commercial Operation Date	Long term Debt	Gross Distribution \$	Indicator
Grand Renewable Wind 7539223 Cdn Ltd	\$6,799,000 10% ownership (cost method)	Dec 2014	\$0	\$1,898,000	
Grand Renewable Solar 8490341 Cdn Ltd	\$2,874,160 10% ownership (cost method)	March 2015	\$0	\$2,442,434	
Gunn's Hill Wind Farm 9211560 Cdn Ltd.	\$1,835,625 10% ownership (cost method)	Nov 2016	\$0	\$306,032	
Niagara Region Wind (FWRN) 9710612 Cdn Ltd	\$30,262,273 50% equity (cost method)	Nov 2016	\$27,351,206	\$11,067,000	
A6N SNGR Utilities LP	\$1,655,548 51% interest (equity method)	April 2015	\$0	\$0	
SN Solar Developments LP- JV OBP	\$1,682,294 90% ownership (equity method)	Sept 2015	\$282,510	\$24,364	
SN Solar Developments LP- JV BGI	\$146,250 15% ownership (equity method)	March 2015	\$0	Incl with OBP results	
Nanticoke Solar 9374264 Cdn Ltd	\$3,832,223 15% ownership (cost method)	March 2019	\$2,970,000	\$495,676	
Niagara Reinforcement 11100726 Cdn Ltd	\$11,943,000 25% ownership (cost method)	September 2019	\$0	\$1,743,724	
SNGR QM LP	\$1 51% ownership (cost method)	June 2022	\$0	\$0	
3DATX 11937855 Cdn Ltd	\$2,447,002 (6.31% share purchase)	March 2020	\$0	\$0	Note 1
Thrive/ Terraforma 12419700 Cdn Ltd	\$0	October 2020	\$0	\$0	Note 2

Note 1: The share purchase in 3DATX represents an investment which seeks to diversify SNGRDC holdings. 3DATX (<https://3datx.com/>) is a Buffalo New York based vehicle emissions testing company with



patented technology and intellectual property which is expected to revolutionize the periodic vehicle testing sector. The original share purchase of 1,111,111 shares also included 370,370 stock warrants. The stock warrants were exercised during 2021. The new share purchase (370,370 shares) also includes 123,333 additional warrants exercisable at \$1.80 USD/warrant. The additional warrants were exercised during 2022. (refer to CFS, Note 21a, pg. 20). SNGRDC has an exit strategy which will take place once 3DATX attracts a buyer to either merge or acquire the company.

Note 2: The debt placement into Thrive/Terrafarma (“Thrive”) represents a calculated entry into the licensed cannabis industry in Canada. Thrive is based in Jarvis Ontario and employs a number of Six Nations members. In addition to the financing terms, the original placement of \$1,000,000 also included 876,678 stock warrants exercisable at a \$0.285/warrant on or before October 2024 (refer to CFS, Note 21b, pg.20). During 2021, an additional \$500,000 was placed and included an additional 937,500 warrants exercisable at any time prior to March 31, 2025 or a Change of Control, at an exercise price of 80% of the fair market value of TerraFarma common shares. On May 5, 2022, the loan was repaid in full (refer to CFS, Note 4, pg. 10).

## B) PERFORMANCE OUTLOOK – COMMITMENTS

### **Oneida Storage LP**

On June 13, 2018, SNGRDC entered a memorandum of understanding which was followed by a formal 50:50 Limited partnership agreement on November 7, 2019 between SNGRDC subsidiary 11456784 Canada Limited and NRStor Inc. (<http://nrstor.com/>).

The Oneida Energy Storage project is a utility scale battery facility providing grid balancing and capacity related services for the Ontario power grid. The project underwent a community investment review in 2021 and all project rated materials are located on the snfuture website:

<https://www.snfuture.com/projects/oneida-energy-storage/?portfolioCats=14>

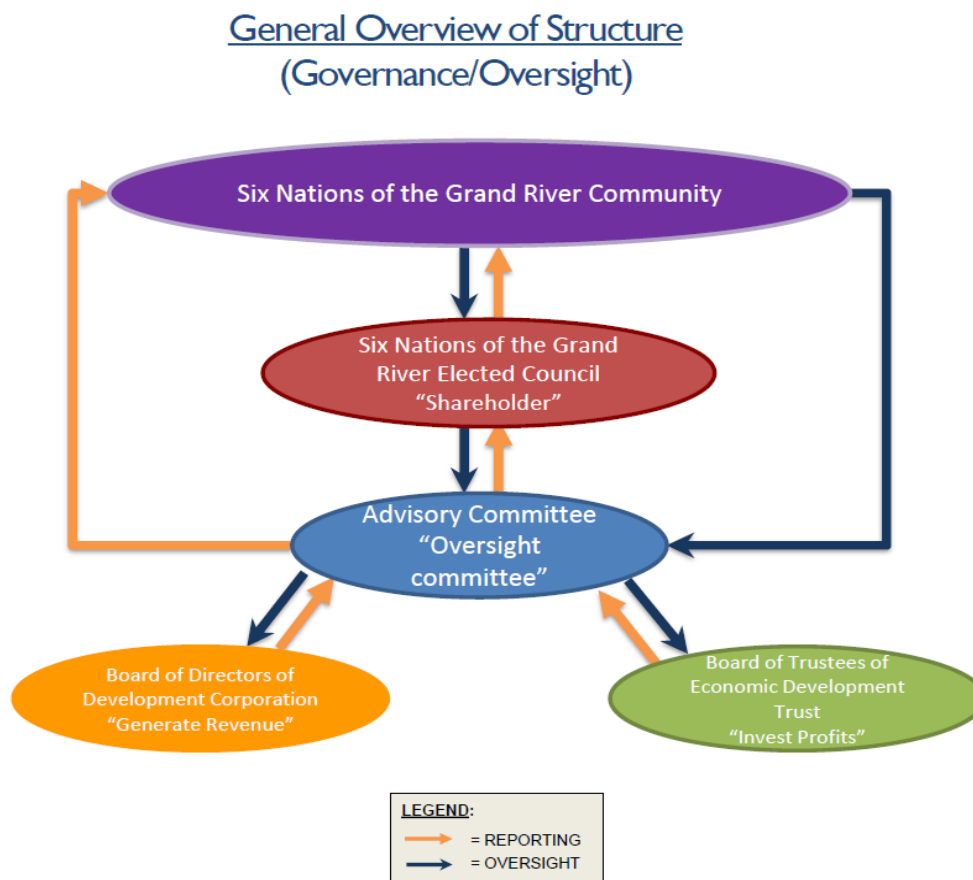
In 2022, the project advanced considerably, with SNGRDC investing \$327,603 in development costs, all of which are recoverable at financial close of the project which is planned to occur in Q2 2023. The project also secured a \$50M grant from Natural Resources Canada and a commitment from Canada Infrastructure Bank to provide debt financing for the project.

On December 21 2022, SNGRDC entered into a number of definitive agreements including an amended and restated Limited Partnership Agreement and Asset Transfer Agreement. Among other things, the definitive agreements enabled Oneida Storage LP to secure a contract for services with the Independent Electricity System Operator (Ontario) and sign a battery storage purchase agreement with Tesla.

Upon financial close, SNGRDC through special purpose entity 11456784 Canada Limited, is expected to hold ~10% equity ownership in the project at a direct cost of \$5M. Once the project is operational this ownership interest along with service-related fees are expected to generate ~\$2M per year in economic returns for the next 20 years.



FIGURE 1 – GOVERNANCE OVERVIEW



**Advisory Committee- ROLES AND RESPONSIBILITIES (Oversight Committee)**

- *Protect the interests of the Six Nations community by ensuring the pursuit of economic development opportunities is undertaken in a socially responsible manner*
- *Oversee the Board of Directors and the Economic Development Trust*
- *Vet, select and appoint the directors of the SNGRDC, the trustees of the Economic Development Trust and members of the Advisory Committee*
- *Determine annual revenue distribution (how much will be transferred to the Economic Development Trust for community distribution and how much will be used by the Board of Directors to be reinvested into future projects)*

**Board of Directors- ROLES AND RESPONSIBILITIES (Generate Revenue)**

- *Ensure that all businesses operate within the guidelines set out in the Statement of Economic Development Principles and the Statement of Community Needs and Priorities established by the Advisory Committee*
- *Oversee the CEO’s management of investments and assets*
- *Report and be accountable to the Advisory Committee on SNGRDC’s investments, annual business plans and the results of all operations*
- *Approve the annual business plan and budgets for SNGRDC and all associated entities*

**Board of Trustees-ROLES AND RESPONSIBILITIES (Invest Profits into Community)**

- Receive, review and score all completed Economic Development Trust (EDT) applications
- Determine the EDT guidelines for community distribution
- Determine how EDT funds will be reinvested into the community in accordance with the [Statement of Community Needs and Priorities](#) and the [Statement of Economic Development Trust Distribution Guidelines](#) established by the Advisory Committee

**Six Nations Elected Council-ROLES AND RESPONSIBILITIES (Sole Shareholder)**

- Ex Officio seat on the Advisory Committee
- Sole shareholder of SNGRDC (Coordinate through Shareholder Rep- Senior Administrative Officer)
- Authorize changes to corporate by-law, charters, principles, and Group Appointments
- Landlords for On-Reserve Buildings (i.e. Bingo Hall, Tourism, Oneida Business Park)

*Note: the model as depicted in Figure 1 was in effect until March 30, 2023. As of March 31, 2023, SNGRDC began operating under the new governance model as outlined in the Subsequent Event section of this MD&A.*