

Six Nations Group

Management Discussion and Analysis

Preamble

As of the publication date of this Management Discussion and Analysis (MD&A) on May 20, 2026, Six Nations of the Grand River Development Corporation has begun operating under the name Six Nations Group. This MD&A reflects this recent change and refers to the organization as Six Nations Group, while the accompanying Financial Statements continue to reference Six Nations of the Grand River Development Corporation.

Fiscal Year Ending December 31, 2025

The purpose of this MD&A is to provide the reader with a written explanation of Six Nations Group's ("SNG" or the "Organization") 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) Portfolio – 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, 2025 audited by KPMG LLP (KPMG);
- Excerpts and cross references to the Consolidated Financial Statements; and
- 'Current year' means 2025 (January 1, 2025 to December 31, 2025) and 'future year' means the 2026 calendar year (January 1, 2026 to December 31, 2026).

This document is most effective when reviewed alongside the CFS for year ended December 31, 2025.

Six Nations Group

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 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 Group shall demonstrate a respect for our collective rights and responsibilities, recognizing that our collective wellbeing is maintained by our sovereignty.

Our ohdrihwagwaihso? (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?nigphi: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: senqhdonyqh), demonstrated through gedéq (compassion), fairness, responsiveness, and gahsgyáq:nyq:k (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?gohq:gye? (cooperation), degakahsq: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.

TABLE OF CONTENTS

1) Factors of Significance.....	4
A) SNG Group Governance Model.....	4
B) Six Nations Elected Council – Sole Shareholder.....	5
C) Management and Funding Agreement.....	5
D) Accounting Framework (NPO, Part III).....	6
E) Tax Mitigation Strategy	6
F) Portfolio/holdings.....	7
G) Financial Reporting Anomalies.....	8
H) Asset Reporting/Valuation.....	8
I) Annual Transfer Payments.....	11
2) General Commentary.....	12
A) Financial & Performance Highlights	12
B) Direct Economic Impact	14
C) Human Resources.....	15
D) Corporate strategy: Prosperity 100 by 2030.....	16
E) Strategic Planning Framework.....	16
F) Internally Restricted Reserves.....	18
G) Risk Management.....	19
H) SNG Governance	20
I) Community Engagement.....	21
3) Portfolio Status Report.....	22
A) Scorecard.....	22
B) Performance Outlook – Commitments.....	23
Figure 1 – Governance Overview.....	25

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) SNG GROUP GOVERNANCE MODEL

SNG 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.

On March 31, 2023, SNG and Six Nations of the Grand River Elected Council (SNEC) executed a 15-year Management Agreement. A key component of the Management Agreement was enhancing SNG's relationship with SNEC and to find efficiencies in the operations of SNG to better serve the Six Nations community and reach our goal of prosperity 100 by 2030.

SNG board of directors at its maximum is comprised of nine (9) members. The Elected Chief serves as an ex-officio (non-voting) member of the board. The Board of Directors drives strategy and oversees the President/CEO, who is focused on overseeing Management to generate income. SNG's Governance Model illustrated in Fig. 1 on page 25 outlines the inter-dependencies between SNG and the relationship with our sole shareholder.

The following committees were established to improve the efficiency and effectiveness of the Board and Directors:

Economic Development Trust Committee	Provides recommendations to the Board related to the oversight of the Six Nations of the Grand River Economic Development Trust (EDT) which re-invests surplus profits for the collective benefit of the Community in projects/needs that qualify under the Trust Distribution guidelines
Corporate Governance Committee	Provides recommendations to the Board related to corporate governance that will enhance corporate performance.
Board Development Committee	Provides recommendations to the Board regarding continuity of leadership on the Board, the competencies required of Board members, and determining the make-up and potential gaps in competencies required in current and potential Board members.
Finance, Investment & Audit Committee	Provides recommendations to the Board on new investment opportunities and approvals of the audited financial statements

B) SIX NATIONS ELECTED COUNCIL – SOLE SHAREHOLDER

SNG 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. SNG 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 SNG.

As discussed in Section 1e below, SNG 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 SNG was designed to be apolitical in nature where business operations are carried out autonomously without political influence.

SNG, including the Board, 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.

SNG rights, responsibilities, and communication obligations vis-a-vis our shareholder is fully captured in a Management Agreement executed on March 31, 2023.

C) MANAGEMENT AND FUNDING AGREEMENT

On March 31, 2023, SNG and SNEC commenced operating under a Management Agreement and Funding Agreement as noted above. One of the primary goals was to strengthen the relationship with the shareholder (SNEC) and to ensure SNG and SNEC are aligned in our pursuit of economic self-sufficiency for the Six Nations Community.

Management Agreement

The Management Agreement is a 15-year agreement between SNG and SNEC which captures the terms of the relationship and outlines the obligations of both parties. The agreement, among other things, includes Economic Development Parameters to provide guidance to SNG on the type of development activity that will be supported politically; the requirement for SNG 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.

2025 Joint Strategic Review

A review of the Management Agreement is contemplated on the second anniversary of the swearing in ceremony of the SNEC. The intent is to confirm the agreement continues to achieve its intended purpose. A review of the agreement is underway with the SNEC as the sole shareholder.

Funding Agreement

A 15-year Funding Agreement was executed between SNG, SNEC and the EDT. SNEC will receive a minimum annual funding commitment from the EDT for the next 15 years. The annual commitment is 40% of SNG's post audit free cash or \$1.4M, whichever is greater. On average this annual commitment is the equivalent of the allocations SNEC departments previously received via the EDT application 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.

D) 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 SNG 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 SNG (refer to the CFS pgs. 5-11 for further discussion on accounting policies).

E) TAX MITIGATION STRATEGY

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

The following considerations reinforce our position:

i) Master Trust

SNG 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 CBAs, 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 SNG, 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 SNG 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 SNG, 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 SNG is ‘more likely than not’ exempt based on the merits of our structure. As a result, SNG is no longer pursuing a CRA tax ruling.

Investments in off-reserve activities and businesses will increase in the future as SNG pursues its growth strategy. While every effort is made to maintain a tax-exempt status for all investment activities there may be opportunities where a taxable entity and the incurrence of taxable income cannot be avoided.

F) PORTFOLIO/HOLDINGS

SNG portfolio spans four (4) distinct streams noted below. Generally, the determining factors of how assets are held within SNG 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.

i) Wholly-Owned Operations (previously referred to as Nation Enterprises)

Nation-owned businesses managed by Six Nations Group, generate revenue and employment within the community. This includes economic development activity and operations taking place on Six Nations Reserve No. 40 lands and are generally un-incorporated entities managed by SNG. These operations require no special tax planning as the income generated is exempt by virtue of being conducted on-reserve (example: Six Nations Bingo). It is important to note that while the operations are wholly-owned by SNG, the land and buildings housing these operations are owned by SNEC.

ii) Investment Portfolio (previously referred to as Economic Interests)

Equity investments across sectors such as energy and real estate, generating long-term returns and diversifying revenue. These activities reflect investments made in activities taking place outside of Six Nations Reserve lands (example: Grand Renewable Energy Park). Primarily pursued due to attractive return on investment and alignment with our Guiding Principles (refer to Page 2).

iii) Majority-Owned Ventures (previously referred to as Partnerships)

Businesses with a majority interest, working with partners to deliver projects and services while generating revenue and economic benefit (example: A6N General Partnership).

iv) Strategic Relationships (previously referred to as Trust Entities)

Collaborative relationships with organizations aligned with our values and priorities, supporting future opportunities and growth.

These holdings also include subsidiaries of the Master Trust held in 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).

G) FINANCIAL REPORTING ANOMOLIES

Revenue –Development Fees

With certain projects, the Organization negotiates development fees. These development fees when recorded as revenue are non-recurring in nature with variable amounts dependent on the nature of the Project. In 2024, the Organization received a \$6,000,000 development fee from Boralex Inc. related to the Hagersville Battery Energy Storage Project which was recorded as part of the Economic interest revenue.

H) ASSET REPORTING/VALUATION

As previously noted, SNG and SNEC are parties to a Management Agreement which outlines, among other things, the rights SNG 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, SNG reports no value for these types of assets (Example: Oneida Business Park, Bingo Hall, Gathering Place, etc.), however SNG is responsible for investing in and maintaining lands and buildings within our control.

i) Capital Assets (Leasehold Improvements)

SNG is responsible for maintaining and investing in leasehold improvements and capital replacements. As of December 31, 2025, SNG had a net book value (NBV) in capital assets of \$10,093,001 (\$11,070,820 - December 31, 2024). This amount reflects the aggregate expenditure less depreciation on capital assets since SNG's inception (refer CFS, Note 8, pg. 16).

In the fiscal year a total of \$652,918 (\$782,701 - December 31, 2024) was invested in capital assets (refer CFS, Statement of Cash Flows, Pg. 4). The top five (5) largest expenditures were:

Chiefswood Park Furnishings & Renovations	\$167,088
Old Water Treatment Plant conversion to Office Space	\$137,368
HVAC Maintenance – Gaming & Administrative	\$63,207
Gathering Place Furnishings & Renovations	\$47,307
Technology/Hardware Upgrades	\$63,207

ii) Investments

Investments 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 SNG has limited influence/control over operations.

Investments as of December 31, 2025, increased to \$79,546,662 (\$68,361,246 – December 31, 2024). The net change of \$11,185,416 is largely attributable to:

- During 2025, the Organization’s investment cost in the Hagersville Battery Storage project increased by \$10,022,055, representing the Company’s capital contribution to the Project. The Organization owns a 50% interest in Hagersville Battery Storage Inc., which was acquired in February 2023.
- In September 2025, the Organization invested \$1,000,000 in Dynamis Real Estate Partners IV Limited Partners (“DCP”). DCP is Canadian private equity firm that is developing and constructing a ambient and cold storage logistics facility in Brantford, Ontario. Construction will be conducted in two phases and will be completed by September 2027
- In July 2025, the Organization committed \$500,000 to the Seven Generations Growth Fund, a fund managed by Hungerford Properties. The Fund was established to invest in indigenous real estate opportunities throughout Canada. As at December 31, 2025, the Organization has advanced \$25,000 of the \$500,000 commitment
- In May 2025, the Organization further invested \$138,310 in 3DATX Corporation to maintain its 6.94% interest. If the investment had not been made, the Organization’s interest would have been diluted.
- In May 2025, the Organization partnered with Civeo Corporation, a publicly listed entity and established Civeo Six Limited Partnership to pursue opportunities in the integrated facilities management sector in Canada.

iii) Long-Term Receivables

In 2025, SNG has long-term receivables which total \$10,841,129 (CFS, Note 5, pg. 10) includes \$10,066,042 included under the current portion of long-term receivables. These receivables were advanced on the following terms:

Lynx Equity Limited – On November 22, 2024, \$10,000,000 was loaned to Lynx Equity Limited through a term loan agreement. Lynx is a private equity firm that specializes in buying small to medium sized businesses from owners looking to retire. Interest on the term loan is payable monthly at a rate of 10% per annum. In 2025, the Organization recognized \$1,000,000 of interest income related to this loan. The loan originally matured on November 22, 2025; on October 22, 2025, the Organization exercised its option to extend the maturity date for an additional 12 months.

Nanashakes Inc. – On August 7, 2024, \$350,000 was loaned to Nanashakes Inc. through a convertible promissory note. Nanashakes Inc. is a private company in the business of developing delicious and healthy ice cream alternatives that are naturally sweetened. The promissory note accrues interest at a rate of 7% per annum, compounded annually and matures on August 7, 2027. The promissory note can be converted into Preferred Shares at any time before the maturity in the event of a Qualified Equity Financing (go-public transaction) based upon a prescribed formula in the loan agreement.

A6N JV Equipment Purchase – On November 17, 2021, SNG entered into a lease arrangement with A6N, where A6N pays SNG \$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 SNG on behalf of A6N. This equipment was purchased using cash on hand.

17504382 Canada Corporation – On October 14, 2025, the Organization advanced \$40,000 to a newly incorporated entity established by a consortium of Indigenous economic development corporations to pursue opportunities on a National scale. The purpose of the advance was to provide initial working capital. The loan is unsecured, does not bear interest and is due on December 31, 2026.

The following scorecard has been developed to provide a snapshot of performance for each Long-Term Receivable that is held by SNG. The stop light pattern below signals any areas of concern.

Asset	Investment	Commercial Operation Date	Current Loan Principal	Accrued Interest	Indicator
Lynx Equity Limited	\$10,000,000 Loan at 10% interest	November 2024	\$10,000,000	\$26,042	
Nanashakes Inc.	\$350,000 Loan at 7% interest	August 2024	\$350,000	\$32,994	

Aecon Six Nations (A6N)	\$1,383,000 Loan at 7.58% interest	November 2021	\$389,893	\$2,199	
17504382 Canada Corp.	\$40,000 non-interest bearing Loan	October 2025	\$40,000	\$nil	

I) ANNUAL TRANSFER PAYMENTS

As aligned with the terms of the Funding Agreement, the EDT will receive a distribution in the amount of \$3,267,345 for period ending December 31, 2025 (\$2,918,362 – December 31, 2024) (refer to CFS, Statement of Earnings, pg. 2). EDT will subsequently transfer \$2,613,876 (\$2,334,690 – December 31, 2024) to SNEC pursuant to the funding allocation under the Funding Agreement.

One of the key terms of the Funding Agreement included a guaranteed minimum annual funding commitment to SNEC from the EDT for the next 15 years. The annual funding commitments are comprised of SNG’s post audit cash, as follows:

- 50% payable to Six Nations Group – to be utilized for future investment and growth opportunities (\$3,267,344 – 2025, \$2,918,362 – 2024)
- 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 (\$2,613,876 – 2025, \$2,334,690 – 2024)
- 10% to be retained by EDT- to be used for investment in community priorities outside SNEC departments (\$653,469 – 2025, \$583,672 – 2024)

The Economic Development Trust 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, 2026 to expend the funds.

2) GENERAL COMMENTARY

SNG received a clean, 'unqualified' audit opinion for the year ending December 31, 2025. In Fiscal 2025, SNG commenced consolidating the Six Nations of the Grand River Economic Development Trust (EDT). Consequently, 2024 amounts have been retroactively restated to ensure consistency in the comparability of financial information.

With the December 31, 2025 allocation, the SNG is extremely pleased that since inception in 2016, the organization has transferred a cumulative total of \$30.11M to the EDT to help fund community needs and priorities. This community re-investment has been funded entirely by the development activities of SNG 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, 2025 was \$49,097,428 (\$46,947,310 – December 31, 2024) with direct expenses of \$36,591,220 (\$35,375,803 – December 31, 2024) resulting in excess revenues over expenses before distributions of \$12,506,208 (\$11,571,507 – December 31, 2024) as shown in the CFS, Statement of Earnings on pg. 2.

i) Investments (Economic Interests)

Investment assets of \$79,546,662 (\$68,361,246 – December 31, 2024) produced revenues of \$16,107,380 (\$14,417,396 – December 31, 2024) refer CFS, Note 5, pg. 11 in the current period.

The sale of energy production through power purchase agreements with Ontario accounts for ~86% (~47% – 2024) of Economic Interest revenue, these contracts are valid for 20 years from the commercial operation date of the project. The increase in 2025 is primarily attributable to improved distributions from existing renewable energy projects and the commencement of Oneida Energy Storage operations. All 3rd party financing associated with investments has been structured to ensure all debt will be fully retired before the expiry of power purchase agreements.

The A6N Hydrovac division business improved in 2025, seeing an increase in clients versus previous years resulting in additional profits. As a result of this increase in business, a new manager was hired to head up the Hydrovac division.

A6N was involved in three main projects in 2025, the Darlington New Nuclear Project, the Hagersville Battery Storage Project and the York Battery Storage Project. The work at the Darlington New Nuclear Project resulted in approximately \$25 million in revenue and employed approximately 65 A6N employees at the site. 2025 was the strongest performing year to date for A6N from both a revenue and profitability standpoint.

Since inception A6N has generated \$229.59M in Revenue (\$186.48M – 2024) and \$76.0M in payroll (\$68.3M – 2024). A6N's current workforce is 48% Indigenous.

In 2025, the Oneida Energy Storage facility achieved commercial operation. SNG executed a Service Agreement with the Oneida project to undertake certain community level services related

to the project, including the development and allocation of funding to community initiatives. The 2025 allocations were:

Organization	Impact Used For	Donation
Ganohkwasra Family Assault Support Services	Shelter needs and Sonhatsi:wa needs	\$ 16,700
Six Nations Community Living (Ronatahskats)	Cultural programming, technology upgrades, and client needs	\$ 10,000
Six Nations Food Bank	Food assistance	\$ 15,000
Six Nations Police (PALS Program)	Sports equipment, program costs	\$ 10,000
Six Nations Polytechnic	Scholarship Funding	\$ 50,000
Six Nations Polytechnic Secondary School	Educational needs for STEM materials	\$ 10,000
Six Nations Social Services (Day Cares)	Day Care Items & After School Care Program	\$ 20,000
Six Nations Youth Council	Cultural & life skills workshops	\$ 5,000
SN Home and Community Care	Equipment replacement due to flood	\$ 15,000
SNGRDC Community Collaborators	Sponsorship - Program Costs	\$ 15,000
Red Barn Summer Camp	Registration costs, lunches, and canopies	\$ 8,000
Two Row on the Grand	Documentary support	\$ 5,000
Woodland Cultural Centre	Cultural outreach & annual smoke dance event	\$ 15,000
Total 2025 Oneida Impact Funding		\$ 194,700

ii) Wholly-Owned Operations (Nation Enterprises)

Nation Enterprises revenues in 2025 were \$29,287,858 (\$29,254,753 – 2024), remaining relatively stable year over year. While Bingo revenue and operating income have yet to return to the amounts generated pre-COVID, the organization continues to implement marketing initiatives to maintain and increase customer visits.

Six Nations Bingo is responsible for generating 88.0% (89.7% – 2024) of Nation Enterprise revenue. The performance of Six Nations Bingo resulted in operating income of \$600,199 (\$488,551 – December 31, 2024). The organization provided funding to the Gaming Sponsor Program \$337,000 (\$200,000 – December 31, 2024) after incurring Gaming License Fees \$105,000 (\$110,000 – December 31, 2024), debt payments \$92,560 (\$555,363 – December 31, 2024), rent to SNEC \$910,802 (\$448,000 – December 31, 2024), and other fixed expenses. During 2025, the debt was fully repaid and the loan payment reverted to a rent payment to SNEC.

The single largest expense associated with Nation Enterprises was the payment of Bingo prizing which accounted for approximately 82.8% (85% – 2024) of the 'General, operating, and administrative expenses' (see CFS, Statement of Earnings, pg. 2).

Management Agreement – Nation Enterprises

Pursuant to the Management Agreement with SNEC dated March 31, 2023, SNG is responsible for remitting annual rent payments to SNEC for the undisturbed use of Nation Enterprise property; the total amount payable for 2025 under the agreement is \$1,162,802 (\$700,000 – 2024).

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
- ✓ Chiefswood Park & Cabins
- ✓ SNG Head Office
- ✓ Oneida Business Park (building only)
- ✓ Three internet towers – Cayuga, Mohawk, and Pauline Johnson Road

iii) Master Trust Income

The Master Trust received a total of \$1,569,693 (\$1,423,963 – December 31, 2023) of income which is attributed to Community Benefit Agreements that were negotiated on behalf of the Six Nations Community. Although not specifically itemized within the CFS, the Master Trust income includes a total of \$457,982 (\$439,223 – December 31, 2024) 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

Also not reflected on our CFS, SNG 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.

SNG and SNEC's Consultation and Accommodation Process (CAP) Team previously negotiated post-secondary funding contributions within Community Benefit Agreements. In total, \$4.46M over the course of 20 years will be directed to community post secondary agencies. These contributions are expected to continue until 2036.

SNG tracks local vendor spending that occurs throughout our operations, the total for the year was \$798,131 (\$1,144,657 – December 31, 2024).

B) DIRECT ECONOMIC IMPACT

The SNG Board of Directors continues to use 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 organization-wide performance.

The total DEI for the period ending December 31, 2025, is \$39.9M which represents a 9.5% increase versus 2024. These figures are calculated as follows:

	2025	2024
Profit before distributions	12,506,208	11,579,538
Payroll	12,358,701	10,279,601
Gaming Commission and Sponsor Program	442,000	310,000
Other tangible impacts*	4,574,000	4,574,000
Shareholder lease & debt retirement	1,255,363	1,262,910
Local vendor spending	798,131	1,144,657
SUM	31,934,403	29,150,705
DIRECT ECONOMIC IMPACT**	39,918,004	36,438,381

* 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.

Since inception in 2015, SNG's total DEI impact to the Six Nations community has been \$334.8M.

C) HUMAN RESOURCES

As of December 31, 2025, SNG had a staff compliment of 119 people (excluding A6N staff), of which 64 were full-time and 55 were contract, part-time and/or seasonal workers. Approximately 64.7% of SNG labour force, and 100% of our Executive Leadership Team are members from Six Nations or other First Nations. 75% of our management team are female, and 6 of our 12 managers were trained and promoted internally into their roles. 8 of our current staff have been with SNG prior to 2015, 20 have been with the organization for 5 years or more.

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 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

As of March 28, 2023, the following compensation program was approved by the Board, with an effective date of April 9, 2023. The Board engaged a third party professional firm – Korn Ferry, to complete an independent Pay Structure and Compensation study. A salary grid was developed to identify the minimum and maximum of all job classifications within SNG; the values were approved by the Board and based upon the recommendations contained in the Korn Ferry compensation report. The most senior positions are as follows:

	MIN	MAX
President & CEO	\$184,000.00	\$276,000.00
CFO	\$ 157,600.00	\$236,400.00
Vice President(s)	\$136,000.00	\$204,000.00
Executive Directors	\$ 117,600.00	\$ 176,400.00
Directors	\$102,400.00	\$ 153,600.00

D) CORPORATE STRATEGY: PROSPERITY 100 BY 2030

In 2022, the Board and Management identified a Wildly Important Goal (WIG) of generating \$100M in Profit by 2030. This has become the new WIG for SNG:



SNG will continue to report on Direct Economic Impact, however it will not be the key metric utilized to inform our management planning.

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.

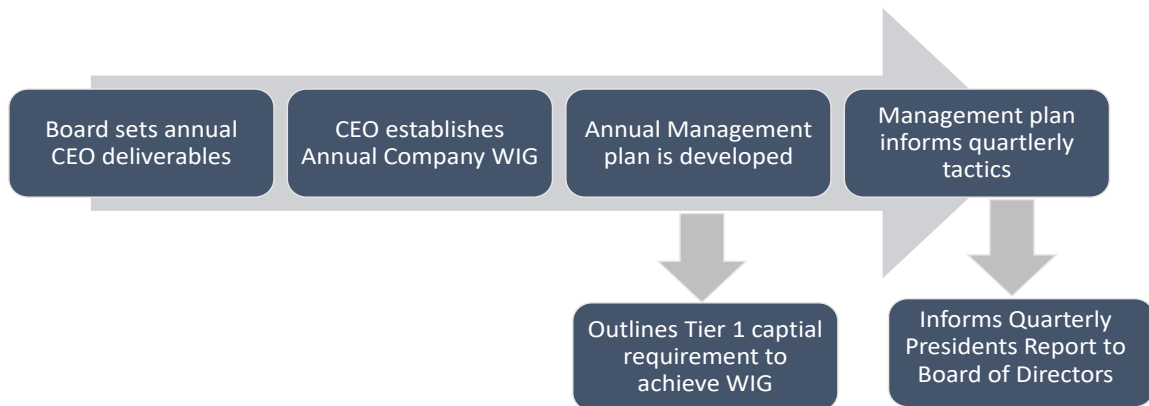
E) STRATEGIC PLANNING FRAMEWORK

The planning framework synthesizes various streams of intelligence and information to ensure SNG 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

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.



Among other things Tier 1 capital includes funding for capital investments, leasehold improvements, equipment upgrades and certain operating expenses. Under the new Management Agreement, all capital requirements are funded by SNG’s Growth Fund Reserve.

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

Annual Budget and Management Plan

The SNG 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 uses 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 SNG 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 \$29,581,724 (\$25,834,169 – December 31, 2024) which includes: a 12 month debt service reserve for upcoming debt obligations of \$6,051,610, a Growth Fund Reserve of \$17,169,357 (which includes \$3,267,344 that is due pursuant to the Funding Agreement), a Restricted working capital reserve of \$5,360,757 and a Restricted operating reserve of \$1,000,000.

	2025	2024
Future debt reduction and re-investment reserves:		
Growth fund reserve	\$ 17,169,357	\$ 14,605,373
Debt service reserve	6,051,610	3,070,316
Restricted operating reserve	1,000,000	1,000,000
Restricted working capital reserve	5,360,757	7,158,480
	\$ 29,581,724	\$ 25,834,169

The Growth Fund is utilized by the Organization for its strategic investments. The Growth Fund's inflows represent the Organization's allocation of surplus free cash (distributions received) generated and certain revenues designated for investment purposes. The following is a continuity of the annual fund balance:

	2025	2024
Balance, beginning of year	\$ 14,605,373	\$ 16,037,011
Annual Distribution (Surplus Free Cash)	3,267,344	2,918,362
Dynamis Real Estate Partners IV Limited Partners	(1,000,000)	–
Seven Generations Growth Fund Commitment (note 6)	500,000	–
Seven Generations Growth Fund Investment (note 6)	(25,000)	–
First Nations Acquisition Corp (note 5)	(40,000)	–
3Datx Investment (note 6)	(138,310)	–
Civeo6 (note 6)	(50)	–
Hagersville Battery Energy Storage Development Fee	–	6,000,000
Lynx Equity Loan (note 5)	–	(10,000,000)
Nanashake Convertible Debenture (note 5)	–	(350,000)
Balance, end of year	\$ 17,169,357	\$ 14,605,373

The restricted working capital reserve represents the funds established by the Organization to ensure sufficient liquidity to fund its operations.

The Board of Directors have elected to maintain a restricted operating reserve as further risk mitigation measure.

G) RISK MANAGEMENT

On an annual basis, the SNG 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, SNG negotiates capacity funding agreements with potential partners to provide SNG 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, SNG 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 – OBP, BGI & Adidas Solar
- 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 – Oneida Energy Service Level Agreement
- 14950844 Canada Limited – SN Impact 5359 Dundas LP
- 15338085 Canada Limited – Elora Battery Energy Storage
- 14069358 Canada Limited – Nanticoke H2
- 15801397 Canada Limited – Hagersville Battery Storage Inc.
- 16119867 Canada Limited – Hedley Battery Energy Storage
- 16592228 Canada Limited – Oxford Battery Energy Storage
- SNGR Trustee Services Inc.
- SNGR Utilities Trustee Inc.

Six Nations of the Grand River GP Inc.
 SNGR Utilities LP
 SNQM General Partner Inc
 SNGR QM LP
 17489072 Canada Ltd. – Queen’s Line Reliability Project LP.
 17489081 Canada Ltd. – Bloomfield Reliability Project LP
 17548991 Canada Ltd – Simcoe Battery Project LP
 17549059 Canada Ltd.
 SN Brant Real Estate 1 Inc.
 SN Hydroelectric 1 Inc.
 SN Sarnia Hydrogen Inc. – CPXP Devco 1 Inc.
 SNG Investment Holding Inc.
 SN Niagara Holdings GP Inc.
 SN Niagara Holdings Inc.
 SN Niagara Holdings LP

H) SNG GOVERNANCE

As of March 31, 2023, the Board of Directors is comprised of nine (9) community members. The Elected Chief of Six Nations Elected Council serves as an ex-officio (non-voting) member of the Board of Director and is not entitled to remuneration. In 2023, the Board of Directors commissioned a compensation analysis. The compensation analysis was completed by an independent professional firm, Korn Ferry. Based on the results of the Korn Ferry compensation analysis, the Board of Directors approved an annual board stipend remuneration model. Below are the approved amounts effective January 1, 2024:

Position	Amount
Board Chair	\$ 25,000
Board Member	\$ 15,000
Committee Chair	\$ 5,000
Committee Member	\$ 4,000

Note: Stipends are issued monthly and adjusted annually for cost of living.

As summarized in the CFS Note 18, Pg. 23, the total corporate governance expense for 2025 was \$233,712 (\$240,578 – December 31, 2024).

	2025	2024
Honoria	\$ 205,293	\$ 206,212
Professional fee	–	5,000
Computer software/licenses	16,071	19,760
Insurance	8,483	3,601
Meetings	3,576	1,216
Advertising and promotion	289	289
Other	–	4,500
	\$ 233,712	\$ 240,578

As summarized in the CFS Note 18, Pg. 24, the total corporate governance expense for 2025 for the Economic Development Trust was \$94,957 (\$97,202 – December 31, 2024)

	2025	2024
Administration service fees	\$ 70,000	\$ 70,000
Professional fees	12,375	11,240
Computer equipment and software	7,553	7,195
Office and miscellaneous	5,029	4,517
Honoria	–	4,250
	\$ 94,957	\$ 97,202

Refer to <https://sndevcorp.ca/about/board-of-directors/> for additional information along with Board of Directors bios.

I) COMMUNITY ENGAGEMENT

As part of the Management Agreement with SNEC, SNG confirmed its commitment to comply with any Community Engagement Standards that may be developed by SNEC.

In 2025, SNG was provided Community Engagement Standards (CES) which were developed and adopted by SNEC. SNG will conduct any required engagement in accordance with the CES.

SNG will continue to utilize the internet platform www.snfuture.com to engage the Six Nations Community.

3) PORTFOLIO STATUS REPORT

A) SCORECARD

The following scorecard has been developed to provide a snapshot of performance for investments held by SNG. 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	\$1,022,000	
Grand Renewable Solar 8490341 Cdn Ltd	\$2,874,160 10% ownership (cost method)	March 2015	\$0	\$1,948,240	
Gunn's Hill Wind Farm 9211560 Cdn Ltd.	\$1,835,625 10% ownership (cost method)	Nov 2016	\$0	\$282,349	
Niagara Region Wind (FWRN) 9710612 Cdn Ltd	\$30,262,273 50% equity (cost method)	Nov 2016	\$21,871,965	\$2,600,000	
Six Nations Aecon GP	\$1,640,554 51% interest (equity method)	April 2015	\$0	Funds are retained for future growth	
9250492 Canada Limited–OBP Solar	\$1,682,294 90% ownership (equity method)	Sept 2015	\$29,590	\$20,618	
9250492 Canada Limited–BGI Solar	\$146,250 15% ownership (equity method)	March 2015	\$0	Incl with OBP results	
9250492 Canada Limited–Adidas Solar	\$193,500 15% ownership (cost method)	October 2015	\$0	\$0	
Nanticoke Solar 9374264 Cdn Ltd	\$3,832,223 15% ownership (cost method)	March 2019	\$2,190,000	\$311,199	
Niagara Reinforcement 11100726 Cdn Ltd	\$11,943,000 25% ownership (cost method)	September 2019	\$0	\$1,370,250	
SNGR QM LP	\$1 51% ownership (cost method)	June 2022	\$0	\$0	
Oneida Storage 11456784 Cdn Ltd	\$4,705,314 10.3% ownership (cost method)	May 2025	\$5,346,486	\$3,174,814	
Hagersville Battery Storage 15803397 Cdn Ltd	\$10,022,105 50% ownership (cost method)	February 2026	\$10,022,055	\$0	

3DATX 11937855 Cdn Ltd	\$2,585,312 (6.94% share purchase)	March 2020	\$0	\$0	
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B) PERFORMANCE OUTLOOK – COMMITMENTS

Oxford Battery Energy Storage Project

On December 12, 2023, SNG and partner Boralex submitted a competitive bid on a new battery storage project to the Independent Electricity System Operator (IESO). The project is a 125MW battery storage facility to be located in the Township of South-West Oxford, Oxford County, Ontario. This project is utilizing aggregate-depleted land which minimises the environmental impact and repurposes nonarable land. The Project will connect to an existing Hydro One transmission line located north of the proposed Project.

On May 9, 2024 the IESO announced all successful bids to which Oxford Battery obtained a contract.

The project underwent a community investment review in 2024, and all project related materials are located on the snfuture website:

<https://www.snfuture.com/projects/oxford-project/?portfolioCats=14>

The earliest target date for commercial operation is December 2026. Upon financial close, SNG through special purpose entity 16592228 Canada Limited, is expected to hold 50% ownership in the project. Once the project is operational our ownership along with royalty fees are expected to generate ~\$1M per year in economic returns for the next 20 years.

Elora Battery Energy Storage System

On December 12, 2023, SNG and partner Aypa Power submitted a competitive bid on a new battery storage project to the Independent Electricity System Operator (IESO). The project is a 211MW battery storage facility to be located on rural land in in Wellington County of the Centre Wellington Township.

On May 9, 2024 the IESO announced all successful bids to which Elora Battery obtained a contract.

The project underwent a community investment review in 2024 and all project related materials are located on the snfuture website:

<https://www.snfuture.com/projects/elora-bess-project/?portfolioCats=14>

The earliest target date for commercial operation is May 2027. Upon financial close, SNG through special purpose entity 15338085 Canada Limited, is expected to hold 25% ownership in the project. Once the project is operational our ownership along with royalty fees are expected to generate ~\$1.2M per year in economic returns for the next 20 years.

Hedley Battery Energy Storage System

On December 12, 2023, SNG and partner Aypa Power submitted a competitive bid on a new battery storage project to the Independent Electricity System Operator (IESO). The project is a 211MW battery storage facility to be located in Haldimand County outside of Hagersville. It will be located on approximately 10 acres within the Hagersville Business Park, plus the interconnection line connecting to the Nanticoke transmission corridor.

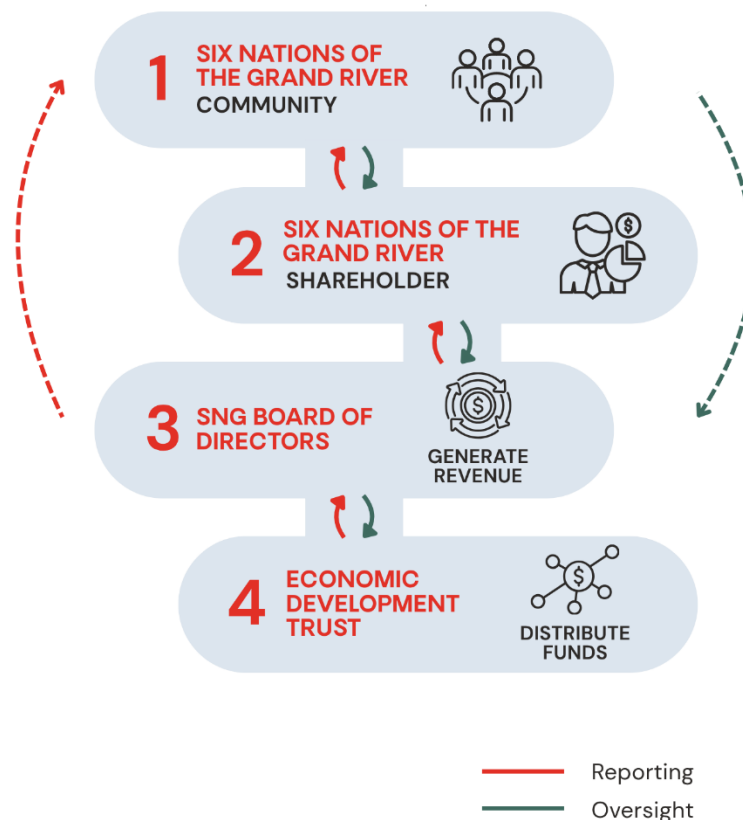
On May 16, 2023, the IESO announced all successful bids to which Hagersville Battery obtained a contract.

The project underwent a community investment review in 2023 and all project related materials are located on the snfuture website:

<https://www.snfuture.com/projects/hedley-bess-project/?portfolioCats=14>

The earliest target date for commercial operation is May 2027. Upon financial close, SNG through special purpose entity 16119867 Canada Limited, is expected to hold 25% ownership in the project. Once the project is operational our ownership along with royalty fees are expected to generate ~\$1.2M per year in economic returns for the next 20 years.

FIGURE 1 – GOVERNANCE OVERVIEW



ROLES AND RESPONSIBILITIES

Board of Directors

- Set the strategic direction of the company to drive long-term growth and value
- Oversee financial performance and ensure long-term profitability and sustainability
- Provide governance over the CEO's management of investments and organizational assets
- Ensure all entities operate in alignment with the Guiding Principles of SNG
- Review and approve the annual business plan, budgets, and major financial initiatives for SNG and its associated entities

Six Nations Elected Council – Sole Shareholder

- Ex Officio seat on the Board of Directors
- Sole shareholder of SNG (Coordinate through Shareholder Rep- Elected Chief)
- Authorize changes to corporate by-law, charters, principles, and Group Appointments
- Landlords for On-Reserve Buildings (i.e. Bingo Hall, Oneida Business Park)

Note: a list of Board of Director committees and their associated roles are listed on page 4 of this MD&A.