ÉNERGIR INC.

ANNUAL INFORMATION FORM

Fiscal year ended on September 30, 2024

December 17, 2024

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Documents incorporated by reference

As of the date hereof, sections of the Management's Discussion and Analysis of Énergir Inc. dated November *, 2024 for the fiscal year ended on September 30, 2024 and the audited consolidated financial statements of Énergir Inc. for the fiscal years ended on September 30, 2024 and 2023, as detailed below, are specifically incorporated by reference into and form an integral part of this Annual Information Form. These documents may be downloaded from the SEDAR+ website at www.sedarplus.com.

CAUTIONARY NOTE REGARDING FORWARD-LOOKING STATEMENTS

To help investors better understand the future outlook of Énergir Inc. and Énergir, L.P. (*as these two terms are defined in the Glossary*) and thereby make more informed investment decisions, certain statements in this Annual Information Form may be forward looking, in particular statements that describe actions, activities, events, results or developments that Énergir Inc. or Énergir, L.P. expects or anticipates will or may occur in the future as well as other statements that are not historical facts. Such forward-looking information reflects the intentions, plans, expectations and opinions of Management (*as such term is defined in the Glossary*) regarding the future growth, operating results, performance and business prospects and opportunities of Énergir Inc. or Énergir, L.P. Forward-looking statements are often identified by words and expressions such as “plans,” “expects,” “is expected,” “budgeted,” “scheduled,” “estimated,” “seeks,” “aims,” “forecasts,” “intends,” “anticipates,” or “believes” or by statements that certain actions, events or results “may,” “could,” “would,” “might” or “will” be taken, occur, or be achieved, and other variants and similar expressions, as well as the negative or conjugated forms, as they relate to Énergir Inc. or Énergir, L.P. The forward-looking statements in this Annual Information Form include, among other things, statements on (i) the general development of the business; (ii) growth or profitability outlooks; (iii) certain decisions by regulatory agencies, as well as the terms and timing of those decisions; (iv) the competitive position, including the impact of the global economic conditions; (v) the governments' implementation of laws, regulations, plans and objectives for adapting to climate change, as well as the positioning of Énergir, L.P. and its subsidiaries in that regard; (vi) the distribution of RNG in Énergir, L.P.’s networks; (vii) the liquidity position and financing capability of Énergir Inc. and Énergir, L.P., (viii) new energy development and network development projects; (ix) Énergir, L.P.'s anticipated distribution payments; (x) the impact of geopolitical conflicts; and (xi) the impact of climate change on Énergir, L.P. and its material subsidiary, Green Mountain (*as such term is defined in the Glossary*) (collectively, the “**Corporations**”); the Corporations’ decarbonization strategy in order to mitigate the risks of climate change and to adapt to such changes and take advantage of opportunities as well as other information such as: quantitative scenarios issued by organizations forecasting several possible global GHG emission pathways by 2030-2050 and which the Corporations have relied on, scenarios that take into account the impact, over different timelines, of what the climate risks and opportunities identified in this Annual Information Form might have on the resilience of the Corporations’ business models (collectively, the “**Scenarios**”); the scenarios of Énergir, L.P. and Green Mountain, as they have been scaled for Quebec and Vermont; Énergir, L.P.’s Strategic vision of decarbonization for 2030-2050 (*as such term is defined in the Glossary*); Green Mountain’s Zero Outages Initiative; and the Corporations’ risk management processes and opportunities related to climate change. Such forward-looking statements reflect the current opinions of Management and are based on information currently available to it.

Forward-looking statements involve known and unknown risks and uncertainties and other factors outside the control of Management. A number of factors could cause the actual results of Énergir Inc. and Énergir, L.P. to differ significantly from historical results or current expectations, as described in the forward-looking statements, including but not limited to the general nature of the aforementioned: the terms of decisions rendered by regulatory agencies, uncertainty that approvals will be obtained by Énergir, L.P. and its regulated subsidiaries from regulatory agencies and interested parties to carry out all of their activities and the socio-economic risks associated with such activities, the competitiveness of natural gas and electricity in relation to other energy sources, environmental and social risks (including climate changes) and their repercussions on the conduct of Énergir, L.P.’s activities, whether these result from severe or chronic physical events or from political, regulatory, technological changes, including the evolving risk of cyberattacks and theft of identity or personal information, as well as legislative and market changes, uncertainty associated with the transition to a low-carbon economy and the implementation by governments of constantly evolving measures, plans, laws or regulations relating to the environment and climate change, the reliability or costs of natural gas and electricity supplies, the integrity of the natural gas and electricity transportation and distribution systems, the evolution and profitability of development projects, the ability to complete attractive acquisitions and the related financing and integration aspects, the ability to complete new development projects, the ability to secure future financing, the availability and cost of labour as well as Énergir, L.P.'s ability to recruit and retain key resources, general economic conditions, the impact of inflation, interest and exchange rate fluctuations, the repercussions of an epidemic or pandemic outbreak or other public health crisis, a potential U.S. or Canadian tax reform, the impact of a war or other geopolitical conflicts and other factors described under Item 10.2.6 *Risk Factors relating to Énergir Inc. and Énergir, L.P.* of this Annual Information Form (which are incorporated by reference from the Énergir Inc. Management’s Discussion and Analysis for the fiscal year ended on September 30, 2024) and in subsequent Énergir Inc. quarterly Management’s Discussion and Analysis that could report on changes in these risk factors. Although the forward-looking statements contained herein are based on what management believes to be reasonable assumptions, Management cannot assure investors that actual results will be consistent with these forward-looking statements. Assumptions underlying the forward-looking statements contained in this Annual Information Form include, among others, the assumptions that no unforeseen changes in the legislative and regulatory framework of energy markets in Quebec and in the United States will occur, that the applications filed with the various regulatory agencies will be approved as submitted, that natural gas prices will remain competitive, that the supply of natural gas and electricity will be maintained or will be available at competitive costs, that no significant event will occur outside the ordinary course of business, such as a calamity (including any that might result from the impact of climate change), a major service interruption or a cyberattack, that Énergir, L.P. can continue to distribute substantially all of its adjusted net income, that Énergir Inc. will be able to present its information in accordance with GAAP beyond 2027 or, after 2027, will adopt the IFRS that permit the recognition of regulatory assets and liabilities, that the liquidity needs for Énergir, L.P.’s development projects will be obtained through a combination of operating cash flows, borrowings on credit facilities, capital injections from Énergir, L.P.'s partners and issuance of debt securities, and that the subsidiaries will obtain the required authorizations and funds needed to finance their development projects, in addition to the other assumptions described in this Annual Information Form. These forward-looking statements are made as of the date of this Annual Information Form, and Management assumes no obligation to update or revise them to reflect new events or circumstances, except as required under applicable securities laws. These statements do not reflect the potential impact of any unusual item or any business combination or other transaction that may be announced or that may occur after the date hereof. All forward-looking statements in this Annual Information Form are qualified by these cautionary statements. Readers are cautioned not to place undue reliance on these forward-looking statements.

Measurement Conversion

The data used in this Annual Information Form are stated in metric units. Metric unit equivalents in the imperial system, including their respective abbreviations, are:

Metric Units	Approximate Imperial Equivalent
Thousand cubic meters (10^3m^3)	35.31 thousand cubic feet (Mcf)
Million cubic meters (10^6m^3)	35.31 million cubic feet (MMcf)
Billion cubic meters (10^9m^3)	35.31 billion cubic feet (Bcf)
Gigajoule (Gj)	0.95 million BTUs (MMBTU)
Kilometer (km)	0.62 mile

Unless otherwise indicated, the term “dollars” means Canadian dollars in this Annual Information Form. If foreign currencies are translated into Canadian dollars, the foreign exchange rate used is the rate at the date of the event to which reference is made.

Unless otherwise indicated, the information in this Annual Information Form is as of September 30, 2024.

GLOSSARY OF TERMS

In this Annual Information Form:

2024 Financial Statements means the audited consolidated financial statements of Énergir Inc. for the fiscal years ended on September 30, 2024 and 2023 and the notes and external auditor's report related thereto.

2024 MD&A means the Management's Discussion and Analysis of Énergir Inc. for the fiscal year ended on September 30, 2024 dated November 25, 2024 and filed with the Canadian Securities Administrators.

2030 PGE means the Quebec government's 2030 Plan for a Green Economy.

Affiliates has the meaning assigned to such expression in the *Securities Act* (Quebec).

Audit Committee means the Audit Committee established by the Board.

Board means the board of directors of Énergir Inc., in its capacity as general partner of Énergir, L.P.

Boralex means Boralex Inc.

°C means degrees Celsius.

Carbon Neutrality[1] means a net GHG emissions balance of zero, in other words the anthropogenic CO_2 emissions are balanced by the anthropogenic sequestration of CO_2. In the context of a Carbon Neutrality approach, this presupposes first reducing one's GHG emissions as much as possible, and then increasing the number of carbon sinks allowing for sequestration (notably by using bioenergy with carbon capture, direct air carbon capture and carbon storage, reforestation).

CATS means the cap-and-trade system for greenhouse gas emission allowances established by the *Regulation respecting the cap-and-trade system for greenhouse gas emission allowances* (Quebec).

CDPQ means the Caisse de dépôt et placement du Québec.

CER means the Canada Energy Regulator (formerly the National Energy Board).

CGC means the Compensation and Governance Committee established by the Green Mountain Board.

CGEE Committee means the Corporate Governance, Ethics and Environment Committee established by the Board on October 18, 2022.

CNG means compressed natural gas.

CO_2 eq. means carbon dioxide (CO_2) equivalent.

Commercial Market means primarily commercial establishments, institutions and multiple occupancy rental units, and small and medium-size businesses.

COVID-19 means the global coronavirus disease pandemic that broke out in 2020.

CVPS means Central Vermont Public Service Corporation before the Merger.

Delayed Action Scenario means the 2°C or less by 2100 scenario compared to pre-industrial levels by delayed action published by the Bank of Canada.

DBRS means DBRS Limited.

Enbridge means Enbridge Inc.

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[1] The definition used is adapted from the report entitled *Trajectoires de réduction d'emissions de GES du Québec - Horizons 2030 et 2050* (Quebec's GHG emission reduction pathways - 2030 and 2050 horizons, updated in 2021). Dunsky (page 6): https://www.dunsky.com/wp-content/uploads/2021/09/Rapport_Final_Trajectoires_QC_2021.pdf

Enbridge Gas means Enbridge Gas Inc., a corporation resulting from the merger between Union Gas Limited and Enbridge Gas Distribution Inc.

Énergir Development means Énergir Development Inc., formerly known as Valener Inc.

Énergir Group means Énergir Group Inc.

Énergir Inc. means Énergir Inc., formerly known as Gaz Métro Inc.

Énergir, L.P. means Énergir, L.P., formerly known as Gaz Métro Limited Partnership.

Énergir Management means Énergir Management L.P., formerly known as Gaz Métro Plus Limited Partnership.

ESG pertains to environmental, social and governance factors.

FERC means the United States Federal Energy Regulatory Commission.

Form 51-102F6 means Form 51-102F6 of *Regulation 51-102 respecting Continuous Disclosure Obligations*.

GAAP means generally accepted U.S. accounting principles.

Gaz Métro LNG means Gaz Métro LNG 2013, L.P. or Gaz Métro LNG, L.P., depending on the context.

GHG means greenhouse gases.

Green Mountain means Green Mountain Power Corporation, the corporation resulting from the Merger.

Green Mountain Board means the Board of Directors of Green Mountain.

HR-SR Committee means the Human Resources and Social Responsibility Committee established by the Board on October 18, 2022.

IEA's Announced Pledges Scenario (IEA APS) means the Announced Pledges Scenario that aims for a reduction of less than 2°C compared to pre-industrial levels published by the International Energy Agency. This scenario is described at greater length in Item 4.10.2 *GHG Emissions Scenarios for Horizons 2030 and 2050*.

IFRS means the IFRS accounting standards.

Industrial Market means primarily large industrial businesses.

Interest, as the case may be, in a Non-regulated Energy Activity or a Permitted Economic Activity means (i) an investment therein by way of ownership of assets, securities or loans, and (ii) the indebtedness of a person other than Énergir, L.P. in respect thereof for which Énergir, L.P. is liable.

Intragas means collectively Intragaz Inc.; Intragas Holding, Limited Partnership; Intragas Exploration, Limited Partnership; Intragas, Limited Partnership and their respective subsidiaries.

KPMG means KPMG LLP.

Limited Partnership Agreement means the Énergir, L.P. Limited Partnership Agreement amended and restated on December 5, 2019, as more fully described under 1.2.3 *Key Elements of the Limited Partnership Agreement*.

LNG means liquefied natural gas.

LSR Plant means the natural gas liquefaction, storage and regasification plant of Énergir, L.P. located in Montréal, Quebec.

Management means the management of Énergir Inc., in its capacity as general partner of Énergir, L.P.

Ministry of Environment means the department responsible for the environment in Quebec.

Merger means the October 1, 2012 merger of CVPS with Green Mountain Power Corporation, as it existed before October 1, 2012.

MW means megawatts***.***

MYR Plan means Green Mountain's multiyear regulation plan in force since October 1, 2022.

Named Executive Officers has the meaning given to that term in Item 10.1.1 *Explanatory Note on Named Executive Officer Compensation Disclosure*.

NATEM means the North American TIMES Energy Model*.*

NDC means nationally determined contributions, i.e. the national climate action plans that countries are required to submit as part of the Paris Agreement.

NDC Scenario means the NDC Scenario, as described in greater detail in Item 4.10.2 i. – *Global Scenarios*.

Net Zero Emissions Scenario means the Net Zero Emissions by 2050 Scenario, as published by the International Energy Agency, limiting global warming to 1.5°C, as described at greater length in Item 4.10.2 *GHG Emissions Scenarios for Horizons 2030 and 2050*.

NNEEC means Northern New England Energy Corporation.

NNEIC means Northern New England Investment Company, Inc.

Non-regulated Energy Activity means any activity in the energy sector that is not a Regulated Energy Activity and that is directly or indirectly complementary to a Regulated Energy Activity carried on by Énergir, L.P., whether or not such Regulated Energy Activity is carried on in the same geographical territory, but excluding any oil and gas exploration activity.

Noverco means Noverco Inc.

Paris Agreement means the climate change agreement entered into following negotiations that took place during the 2015 United Nations Climate Change Conference held in Paris as part of the United Nations Framework Convention on Climate Change.

Permitted Economic Activity means any economic activity, other than a Regulated Energy Activity and a Non-regulated Energy Activity, excluding oil and gas exploration activity.

PNGTS means Portland Natural Gas Transmission System.

Price of Carbon means the economic tool which serves to internalize the costs of damages caused by GHG emissions into the market price of a product in order to direct individuals and society towards lower carbon choices. The simplest expression of carbon pricing is the carbon tax. CATS is a form of carbon pricing.

Régie means the Régie de l'énergie (Quebec) or, depending on the context, its predecessor, the Régie du gaz naturel (Quebec).

Regulated Energy Activity means any activity in the energy sector that is regulated by a regulatory authority, it being understood that any activity in the energy sector which, on August 12, 1991, was regulated by a regulatory authority is deemed to still be regulated.

Regulation 52-110 means *Regulation 52-110 respecting Audit Committees*, as amended from time to time.

Residential Market means primarily single-family dwellings, duplexes, triplexes and condominiums.

RNG means renewable natural gas.

S&P means S&P Global Ratings, a division of S&P Global Inc.

Status Quo Scenario means the CAT's Policies & Action Scenario resulting in 2.7°C warming by 2100, as described at greater length in Item 4.10.2 *GHG Emissions Scenarios for Horizons 2030 and 2050*.

Strategic vision of decarbonization for 2030-2050 means Énergir, L.P.'s strategy, with respect to its natural gas distribution activities in Quebec, on how it will adapt, within the 2030 and 2050 horizons, to the evolving energy context and the impacts of climate change, as described at greater length in Item 4.10.3 *Resiliency of the Business Models* under the Énergir, L.P. section.

System Gas means natural gas supplied by Énergir, L.P. rather than by an independent supplier selected by the customer.

TCFD means Task Force on Climate-related Financial Disclosures.

TC Energy means TransCanada PipeLines Limited.

TQM means Trans Québec & Maritimes Pipeline Inc., as mandatary for TQM Pipeline and Company, Limited Partnership.

Transco means Vermont Transco LLC.

Transport Solutions means Gaz Métro Transport Solutions, L.P.

Trencap means Trencap L.P.

Under2 Coalition means the coalition of sub-national governments committed to limiting global warming to less than 2^{o}C.

Unit means an issued and outstanding unit of Énergir, L.P.

VELCO means Vermont Electric Power Company, Inc.

Vermont Gas means Vermont Gas Systems, Inc.

VPUC means Vermont Public Utility Commission.

Wind Farms 2 and 3 means the wind farms of Wind Farms 2 and 3 GP located on private lands of the Seigneurie de Beaupré owned by the Séminaire de Québec.

Wind Farms 2 and 3 GP means the Seigneurie de Beaupré Wind Farms 2 and 3 General Partnership.

Wind Farm 4 means the wind farm of Wind Farm 4 GP located on private lands of the Seigneurie de Beaupré owned by the Séminaire de Québec.

Wind Farm 4 GP means Seigneurie de Beaupré Wind Farm 4 GP.

ITEM 1 INCORPORATION AND INTERCORPORATE RELATIONSHIPS

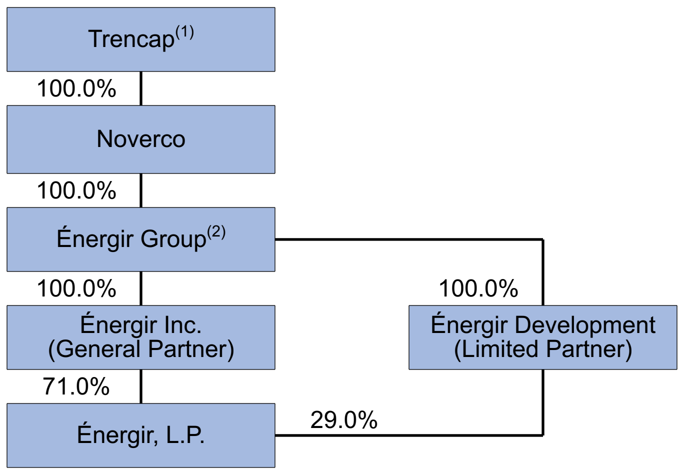
1.1 Incorporation and principal holders of Énergir Inc.

Énergir Inc. was incorporated under the name “Corporation de Gaz Naturel du Québec” and its English version “Quebec Natural Gas Corporation” pursuant to Part I of the *Companies Act* (Quebec) by letters patent dated June 15, 1955. Supplementary letters patent were subsequently issued to it on various occasions, principally to modify its share capital. On February 14, 2011, Énergir Inc. became subject to the Quebec *Business Corporations Act*.

The corporate name of Énergir Inc. (then known as Quebec Natural Gas Corporation) was changed to "Gaz Métropolitain inc." on October 4, 1969. It was changed to "Gaz Métro inc." on November 18, 2003, before finally being changed to "Énergir Inc." on November 29, 2017.

Énergir inc.'s head office is located at 1717 du Havre Street, Montréal, Quebec, Canada H2K 2X3.

The following diagram indicates the shareholdings of Énergir Inc. as at September 30, 2024:



(1) As at September 30, 2024, the general partner of Trencap was Capital d’Amérique CDPQ Inc., a subsidiary of CDPQ which, as a limited partner of Trencap, held 80.8956% of its units. Trencap's other limited partner, Fonds de solidarité des travailleurs du Québec (F.T.Q.), held 19.1044% of its units.

(2) On March 31, 2023, Noverco, the controlling shareholder of Énergir Inc., transferred to Énergir Group its investment in common shares of Énergir Inc., as well as the subordinated debentures issued by Énergir Inc., in exchange for an investment in common shares of Énergir Group and new subordinated debentures issued by Énergir Group under conditions identical to those transferred. Énergir Group is an exclusive subsidiary of Noverco and, since the above-mentioned date, holds a 100% interest in Énergir Inc.

1.2 Énergir, L.P.

Énergir, L.P. is a limited partnership formed on October 1, 1987 pursuant to the laws of the Province of Quebec under the name “Gaz Plus and Company, Limited Partnership.” Its corporate name has been changed a few times, most recently on November 29, 2017 to become “Énergir, L.P.” Énergir, L.P.’s principal place of business is located at 1717 du Havre Street, Montréal, Quebec, Canada H2K 2X3.

Énergir Inc. has acted as the General Partner of Énergir, L.P. under the Limited Partnership Agreement. As at the date of this Annual Information Form, Énergir Inc. held nearly 71.0% (147,059,718 Units) of the 207,135,638 Units, and the remainder were held by Énergir Development (60,075,920 Units, representing a little more than 29.0% of the Units).

1.2.1 Historical Background

The following table describes the principal amendments to the Limited Partnership Agreement:

Date	Events
August 5, 1991	The original Limited Partnership Agreement of Énergir, L.P. (then known as Gaz Plus and Company Limited Partnership) was amended and the name was changed to "Gaz Métropolitain and Company, Limited Partnership."
September 30, 2010	In connection with a transaction, the Limited Partnership Agreement was amended so as to, among other things, grant Énergir Development (then known as Valener Inc.) certain rights regarding governance and its growth prospects.
October 25, 2019	The Limited Partnership Agreement was amended following the indirect acquisition of all of issued and outstanding shares of Énergir Development (then known as Valener Inc.) by Noverco on September 27, 2019 for the purposes, among other things, of removing certain rights granted to Énergir Development (then known as Valener Inc.) in 2010 regarding governance and its growth prospects.
December 5, 2019	The Limited Partnership Agreement was amended to remove Gaz Métro Plus Inc. following the redemption and cancellation, by Énergir, L.P., of all of the Units held by Gaz Métro Plus Inc.

1.2.2 Intercorporate Relationships

Énergir, L.P. is a leading energy distributor in Quebec and, through subsidiaries, in Vermont that engages in natural gas distribution activities in Quebec and holds subsidiaries.

The only material subsidiary of Énergir, L.P. as at September 30, 2024 is Green Mountain, incorporated in Vermont, of which Énergir, L.P. indirectly holds 100% of voting rights attaching to all voting securities.

Énergir, L.P.'s natural gas distribution activity in Quebec and Green Mountain's electricity distribution activity in Vermont accounted for approximately 86.0% of Énergir, L.P.'s consolidated assets as at September 30, 2024 and for approximately 92.0% of its consolidated revenue for fiscal year 2024.

1.2.3 Key Elements of the Limited Partnership Agreement

The following text summarizes the Limited Partnership Agreement. A complete copy of the Agreement is available on the SEDAR+ website at www.sedarplus.com.

1.2.3.1 General

Pursuant to the Limited Partnership Agreement, Énergir Inc. has the exclusive power and authority to administer, manage, control and operate the business of Énergir, L.P. and to hold all the rights to its assets, as more fully described under Item 3 *NARRATIVE DESCRIPTION OF ÉNERGIR INC.'S CORE BUSINESS*.

1.2.3.2 Business of Énergir, L.P.

The Limited Partnership Agreement stipulates that Énergir, L.P. shall only carry on Regulated Energy Activities, Non-regulated Energy Activities and Permitted Economic Activities, except that:

i. the total interest held by Énergir, L.P. in Non-regulated Energy Activities and in Permitted Economic Activities shall not represent more than 10% of its total non-consolidated assets; and

ii. the total interest held by Énergir, L.P. in Permitted Economic Activities shall not represent more than 5% of its total non-consolidated assets.

Énergir, L.P. calculates these ratios on the basis of its non-consolidated financial statements.

As at September 30, 2024, Énergir, L.P.'s Interests in Non-regulated Energy Activities and in Permitted Economic Activities totalled $150.2 million, representing 2.3% of its non-consolidated assets, and Énergir, L.P. did not have any Interests in Permitted Economic Activities. Over each of the past three fiscal years, Non-regulated Energy Activities and Permitted Economic Activities represented about 2% of its consolidated net assets.

The Limited Partnership Agreement also provides a pre-emptive right in favour of Énergir Development and Énergir Inc. and establishes the distribution practices stated in Item 6.2.1 *Income distribution*. It also stipulates that Énergir, L.P. shall carry on its activities until September 30, 2090, unless it is dissolved before, and that its capital shall consist of an unlimited number of units, the general partner being responsible for their issuance.

ITEM 2 GENERAL DEVELOPMENT OF THE BUSINESS

2.1 Énergir Inc.

As explained under Item 3 *NARRATIVE DESCRIPTION OF ÉNERGIR INC'S CORE BUSINESS*, Énergir Inc.'s main activity consists in acting as general partner of Énergir, L.P. The main events and conditions that have influenced the general development of Énergir Inc.'s business over the last three fiscal years are the financing activities described in Item 10.2.4 *Material Contracts*.

2.2 Énergir, L.P.

As described in Item 4 *NARRATIVE DESCRIPTION OF ÉNERGIR, L.P.'S FIVE MAIN BUSINESS SEGMENTS,* Énergir, L.P. has five main business segments: (i) Energy Distribution, (ii) Transportation of Natural Gas, (iii) Electricity Production, (iv) Energy Services, Storage and Other, and (v) Corporate Affairs.

An outlook on the business, the mission and the strategy of Énergir, L.P. can be found in section A) *Overview of Énergir Inc. and Other* on pages 3 to 11 of the 2024 MD&A.

Main Events and Conditions

In the course of each fiscal year, a number of events and conditions influence the general development of Énergir, L.P.'s business. Following are the main events and conditions that have influenced such development over the last three fiscal years:

Regulatory Framework		
Natural Gas Distribution in Quebec		
Rate of Return and Incentive		
2024	2023	2022
▪ In November 2023, Régie decision approving the 2024 rate case presenting, among other things, an average rate base of $2.672 million, a $53 million increase over the 2023 rate case, and an 8.90% rate of return on the deemed common equity as approved in October 2022. For fiscal year 2024, the overall rate increase is 2.7% for all services.	▪ In November 2022, Régie decision approving the 2023 rate case presenting, among other things, an average rate base of $2,619 million, a $236 million increase over the 2022 rate case, and an 8.90% rate of return on the deemed common equity as approved in October 2022. For fiscal year 2023, the overall average rate increase is 6.0%.	▪ In November 2021, Régie decision approving the 2022 rate case presenting, among other things, an average rate base of $2.383 million, a $96 million increase over the 2021 rate case, and an 8.90% rate of return on the deemed common equity as approved in November 2019. For fiscal year 2022, the rate case approved by the Régie provided for an overall rate increase of 15.59% for all services.
—	—	▪ In March 2022, Régie decision approving the regulatory framework determining certain terms and conditions as regards setting rates for fiscal years 2023 to 2025; renewing the methods for sharing fiscal-year-end shortfalls and overearnings and for revenue decoupling mechanism; and authorizing proposed adjustments to the setting of operating expenses.

Regulatory Framework		
Electricity Distribution in Vermont		
2024	**2023**	**2022**
▪ Green Mountain's base rate of return for fiscal year 2024 was set by the VPUC at 9.58%.	▪ Green Mountain's base rate of return for fiscal year 2023 was set by the VPUC at 8.57%.	▪ Green Mountain's base rate of return for fiscal year 2022 was set by the VPUC at 8.57%.
—	—	▪ In August 2022, the VPUC decided to approve, with minor adjustments, a new multi-year regulation plan determining the regulatory framework that Green Mountain will use to set rates and establish services for three years starting October 1, 2022.

Energy Distribution, Market Developments		
Price of Natural Gas and Market Position in Quebec		
2024	**2023**	**2022**
▪ In fiscal year 2024, the low natural gas prices seen in 2023 dropped even further due to milder than usual winter weather and high storage levels. Even though natural gas production has slowed down slightly since the spring of 2024, total levels remain relatively high thanks to additional transportation capacity in the U.S. Higher summer temperatures stimulated the demand for natural gas, pushing up power generation for air conditioning. The frequency of injections into storage was lower than anticipated. However, inventories remained high at the end of the winter in 2023-2024, and should remain so until early next winter.	▪ In fiscal year 2023, the decline in natural gas prices seen since the end of 2022 continued throughout summer 2023 despite warm weather, which drove demand for the natural gas used in power generation to record highs in the United States. With resilient natural gas production, this demand had a greater impact on storage levels, which nevertheless remained above historical averages. Despite the lower prices and a slowdown in drilling activity, natural gas production levels remain high. Although we cannot yet rule out a decline in natural gas production, forecasts from the main organizations seem to be increasingly discounting this scenario.	▪ In fiscal year 2022, although the price for natural gas rose sharply in North America, it remained markedly lower than global prices. Since April 2022, prices climbed to reach levels above the averages of the last decade. Throughout the summer, the use of natural gas to produce electricity exceeded historical averages. From April 2022 to August 2022, U.S. demand for natural gas rose 5.4%, while natural gas production in the U.S. rose 3.6%, an increase that is lower than that for demand. This gap between production and demand contributed to limiting the quantities of natural gas injected into storage and pushed natural gas prices up in fiscal year 2022.
▪ Overall 0.1% drop in natural gas deliveries in Québec. This decrease is mainly due to reduced consumption in the industrial market.	▪ Overall 0.9% drop in natural gas deliveries in Québec. This decrease, mainly in the commercial and residential markets, comes mainly from less favourable economic conditions.	▪ Overall 2.6% increase in natural gas deliveries in Quebec as a result of the following: in the Commercial Market: stronger consumption due mainly to less stringent COVID-19 public health restrictions in fiscal year 2022 and, in the Industrial Market: increased consumption, more specifically in the energy production sector.

Energy Distribution, Market Developments		
Price of Electricity and Market Position in Vermont		
2024	**2023**	**2022**
▪ Electricity prices remained stable throughout fiscal year 2024.	▪ The volatility in electricity prices settled throughout most of fiscal year 2023, returning to more normal levels compared to the previous fiscal year.	▪ Electricity prices far more volatile for most of fiscal year 2022 explained as follows: the price of electricity in New England is strongly correlated to the price of natural gas, which increased in fiscal year 2022, and the availability of LNG was significantly impacted by the war in Ukraine.

Financing Activities		
Énergir, L.P.		
2024	**2023**	**2022**
▪ Issuance, on March 22, 2024, of 6,521,739 new Units at a price of $23.00 per Unit, for total proceeds of approximately $150.0 million, issued to Énergir Inc. and Énergir Development, on the basis of their respective holdings.	▪ Issuance, on June 2, 2023, by way of private placement, of first mortgage bonds for an amount of $400.0 million, secured by a hypothec on the assets of Énergir, L.P., the proceeds of which issuance were used to repay existing debts and for the general purposes of Énergir, L.P.	▪ Issuance, on September 27, 2022, by way of private placement, of first mortgage bonds for an amount of $200.0 million, secured by a hypothec on the assets of Énergir, L.P., the proceeds of which issuance were used to repay the existing debts and for the general purposes of Énergir, L.P.
▪ Disposal, on August 15, 2024, of PGNTS Units through the intermediary of NNEIC, an indirect subsidiary of Énergir Inc., for a gross amount of approximately $462.0 million.	▪ Issuance, on January 31, 2023, of 9,260,869 Units at a price of $23.00 per Unit, for total proceeds of approximately $213.0 million, issued to Énergir Inc. and Énergir Development on the basis of their respective holdings.	▪ A new credit agreement was entered into on July 13, 2022 between Énergir Inc., Énergir, L.P. and their banking consortium. This agreement provides for a secured revolving credit facility of $800.0 million expiring in July 2027 and replacing the credit facility set up in March 2012 by Énergir Inc., as borrower, and Énergir, L.P., as guarantor. Énergir, L.P. became the sole borrower under the credit agreement starting in September 2022. The agreement is guaranteed by a universal hypothec on all assets of Énergir, L.P.
—	—	▪ Issuance, on July 13, 2022, of an information circular for the issuance of short-term notes (also called commercial paper) up to an amount of $800.0 million, backed by the previously described credit agreement.
—	—	▪ Issuance, on February 9, 2022, by way of private placement, of first mortgage bonds for an amount of $325.0 million, secured by a hypothec on the assets of Énergir, L.P., the proceeds of which issuance were used to repay the existing debts and for the general purposes of Énergir, L.P.

Financing Activities		
Green Mountain Power		
2024	**2023**	**2022**
▪ Bond purchase agreement entered into on May 30, 2024, resulting in the issuance, by way of private placement, of a series of first mortgage bonds for an aggregate principal amount of US$75.0 million.	▪ Bond purchase agreement entered into on June 14, 2023, resulting in the issuance, by way of private placement, of two series of first mortgage bonds for an aggregate principal amount of US$75.0 million, namely a series of US$40.0 million and a series of US$35.0 million.	▪ Bond purchase agreement entered into on September 23, 2022, resulting in the issuance, by way of private placement, of two series of first mortgage bonds for an aggregate principal amount of US$60.0 million, namely a series of US$25.0 million and a series of US$35.0 million. (1)

(1) While the bond purchase agreement was entered into in fiscal year 2022, this series was issued during fiscal year 2023, namely on December 1, 2022.

Additional information regarding main developments in Énergir, L.P.'s business can be found in section D) *Segment Results* on pages 17 to 25 of the 2024 MD&A.

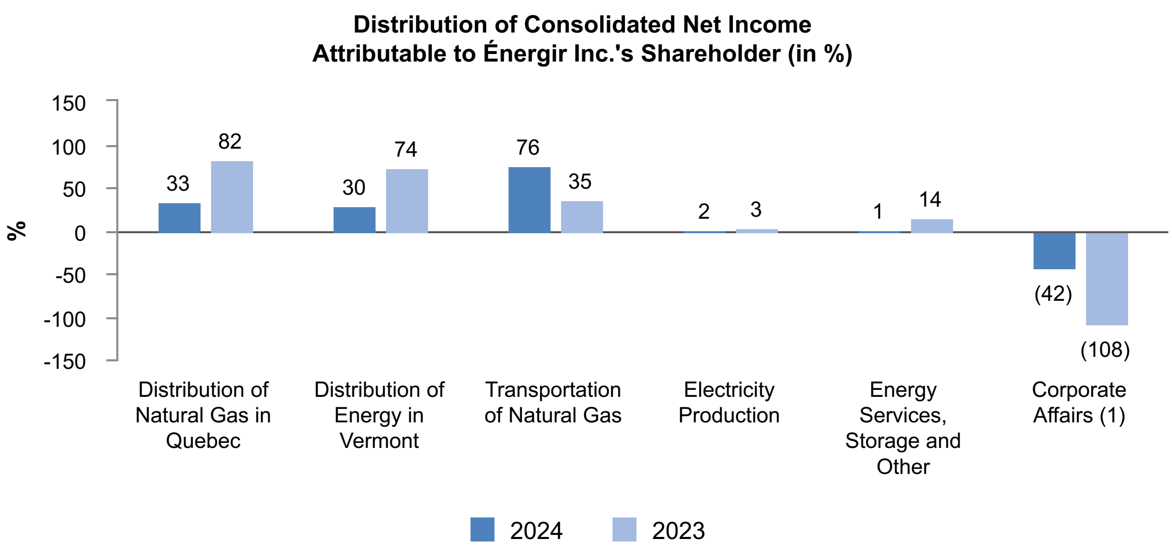
ITEM 3 NARRATIVE DESCRIPTION OF ÉNERGIR INC.'S CORE BUSINESS

Énergir Inc. agreed not to conduct any activity and not to acquire any property, security or asset except those acquired or held in its capacity as general partner of Énergir, L.P. and those held by Noverco at the time of its amalgamation with Énergir Inc. or acquired in replacement thereof, and other assets the cost of which does not exceed 1.0% of its total consolidated assets. As at September 30, 2024, Énergir Inc. was in compliance with this obligation.

Énergir Inc. also agreed that it would not assume any liabilities, except (i) those related to borrowings destined to be relended to Énergir, L.P., (ii) the subordinated debentures and (iii) any other debt for an aggregate amount that does not exceed 1.0% of its total consolidated assets, the whole as defined in the trust deeds. As at September 30, 2024, Énergir Inc. was in compliance with this obligation.

3.1 Consolidated Net Income by Business Segment

The following diagram indicates the distribution of consolidated net income attributable to the shareholder of Énergir Inc., which mainly holds a 71.0% interest in Énergir, L.P. and acts as its General Partner. For more information on the consolidated net income by business segment for Énergir Inc., see Note 24 titled *Segment Information* to the 2024 Financial Statements.



(1) The Corporate Affairs segment includes interest on the subordinated debentures of the shareholder.

The consolidated net income attributable to the partners of Énergir Inc. for fiscal year 2024 included a $188.8 million favourable impact of the disposal of NNEIC's units in PNGTS and the $14.3 million unfavourable impact of a tax withholding, deducted at source, on dividends paid. For additional information on this transaction, please refer to the 2024 MD&A. Had it not been for these items, which are excluded from the ongoing operations, the distribution of consolidated net income attributable to the partners of Énergir Inc. for fiscal year 2024 would have been as follows: Distribution of Natural Gas in Quebec, 85.0%; Distribution in Vermont, 77.0%; Transportation of Natural Gas, 26.0%; Electricity Production, 4.0%; Energy Services, Storage and Other, 4.0%; Corporate Affairs, -96.0%.

ITEM 4 NARRATIVE DESCRIPTION OF ÉNERGIR, L.P.'S FIVE MAIN BUSINESS SEGMENTS

With more than $11 billion in assets, Énergir, L.P., on a consolidated basis, is a diversified energy business whose mission is to meet the energy needs of approximately 540,000 customers and the communities that it and its subsidiaries serve in Quebec and Vermont in an increasingly sustainable way. Énergir, L.P. is the largest natural gas distribution company in Quebec; through its joint ventures, it also generates electricity from wind power. And through its subsidiaries and other investments, Énergir, L.P. has a presence in the United States, where it generates electricity from hydraulic, wind, and solar sources; it is also the largest electricity distributor and the sole pipeline natural gas distributor in the State of Vermont. Énergir, L.P. values energy efficiency and invests its resources and continues its efforts in innovative energy projects such as RNG, LNG and CNG. Through its subsidiaries, it also provides a variety of energy services. Énergir, L.P. strives to become the partner of choice for those seeking a better energy future.

Energy Distribution	Natural Gas Transportation	Electricity Production	Energy Services, Storage and Other	Corporate Affairs
énergir 100%	TQM 50%	PARCS ÉOLIENS de la Seigneurie de Beaupré 25.5%	GazMétro LIQUEFIED NATURAL GAS 58%	NORTHERN NEW ENGLAND ENERGY CORPORATION 100% (3)
VGS 100%	PORTLAND NATURAL GAS TRANSMISSION SYSTEM (1)		GazMétro TRANSPORT SOLUTIONS 100%	
GREEN MOUNTAIN POWER 100%	CHAMPION PIPELINE 100%		énergir Management 100%	
			énergir urban heating and cooling 100%	
			Intragaz (2) 100 %	
Regulated Activities	Regulated Activities	Non-regulated Activities	Regulated (Intragas) and Non-regulated Activities	Non-regulated Activities

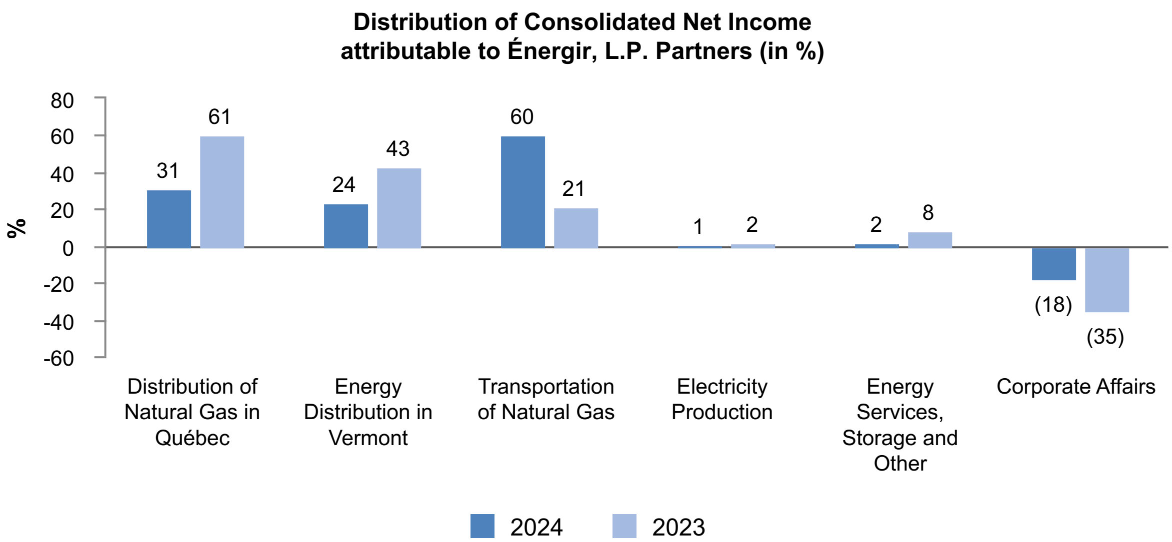
(1) In August 2024, Énergir Inc., through its indirect subsidiary NNEIC, disposed of its units in PNGTS. For additional information on this transaction, refer to section D) *Segment Results* of Énergir Inc.'s 2024 MD&A for the fiscal year ended September 30, 2024, available on SEDAR+ at www.sedarplus.com under the profile for Énergir Inc.

(2) In December 2022, Énergir Inc., through its indirect subsidiary Gaz Métro Holding Inc., acquired the shares and units held by joint venturer Engie Québec Inc. in Intragas. For additional information on this transaction, refer to Note 5 to Énergir Inc.'s consolidated financial statements for the fiscal years ended September 30, 2024 and 2023.

(3) In previous annual information forms of Énergir Inc., the percentage indicated was 96%, although it should have been 100%. This percentage was corrected in this Annual Information Form to now read 100%. Indeed, Énergir, L.P. holds a 96% interest in NNEEC, while NNEEC Québec Inc., a subsidiary wholly owned by Énergir, L.P., holds a 4% interest therein.

Some of the more specific elements of this activity, such as energy distribution, are described in detail below. For more information about this activity and any development thereof, refer to Énergir Inc.'s MD&A for the fiscal year as at September 30, 2024, which should be read in conjunction with the consolidated Financial Statements for the fiscal years ended September 30, 2024 and 2023 (available on the SEDAR+ website at www.sedarplus.com).

4.1 Consolidated Net Income by Business Segment



The consolidated net income attributable to the partners of Énergir, L.P. for fiscal year 2024 included a $266 million favourable impact related to the disposal of NNEIC's investment in PNGTS. For additional information on this transaction, please refer to the 2024 MD&A. Had it not been for these items, which are excluded from the ongoing operations, the distribution of consolidated net income attributable to the partners of Énergir, L.P. for fiscal year 2024 would have been as follows: Distribution of Natural Gas in Quebec, 64%; Distribution in Vermont, 49%; Transportation of Natural Gas, 17%; Electricity Production, 3%; Energy Services, Storage and Other, 3%; Corporate Affairs, -36%.

4.2 Regulatory Framework

4.2.1 Distribution Segment

Quebec

Énergir, L.P.'s natural gas distribution activity in Quebec is regulated by the Régie. The Régie's primary role is to set or modify the rates and conditions for the supply, transportation, storage and delivery of natural gas by a distributor. The Régie also performs other functions, including overseeing the activities of a distributor, determining its rate of return, authorizing investments, reviewing consumer complaints, and setting the conditions for the installation of a distributor's facilities in municipalities.

Within its territory, as a corollary to its exclusive right to operate a natural gas distribution system and to transmit and deliver by pipeline natural gas intended for consumption, Énergir, L.P. has the obligation to supply and deliver natural gas to anyone who requests it, and to deliver natural gas that some users have chosen to purchase from a third party. However, under certain conditions, the *Act respecting the Régie de l'énergie* (Quebec) allows the distributor to apply to the Régie to be exempted from the requirement to deliver natural gas or to provide service to a consumer.

Bill 69, which the Government of Québec tabled in June 2024, intends to amend the *Act respecting the Régie de l'énergie* (Quebec) by favouring, among other things, the integrated management of energy resources and the deployment of renewable energy projects. Final adoption of the act is expected to take place in fiscal year 2025. Additional information regarding the regulatory framework and the main decisions by the Régie, particularly in connection with the 2024 rate case, can be found in section D) *Segment Results* on pages 19 and 20 of the 2024 MD&A.

In November 2024, the Government of Quebec announced the implementation of new rules to govern the use of natural gas in the buildings sector. The aim is to plan the withdrawal of fossil fuels for building heating and ensure an orderly transition towards renewable energies, while being mindful of Quebec's energy supply capacities. The rules apply to both new and existing residential, commercial and institutional buildings. The approach, designed in collaboration with energy distributors, would see significant modifications made to two existing regulations, namely:

- *Regulation respecting oil-fired heating appliances*: by expanding its scope, this regulation would prohibit the installation of natural gas heating appliances in new residential buildings of less than 600 m² and of three floors or less, the aim being to prioritize electrification; and

- *Regulation respecting the quantity of gas from renewable sources to be delivered by a distributor*: the changes made to this regulation would raise the obligation of gas distributors to gradually reduce the quantity of fossil natural gas delivered to residential, commercial and institutional consumers. By 2040, distributors would therefore have to raise the percentage of RNG in existing buildings supplied with natural gas until such supply is 100% renewable. The announcement of this new guidance is consistent with Énergir, L.P.'s plan as set out in its Strategic Vision of Decarbonization for 2030-2050.

Vermont

Green Mountain is regulated by the VPUC. Electricity rates are reviewed and approved annually by the VPUC and are established using a cost-of-service method under a multi-year alternative regulation plan, which enables Green Mountain to establish its revenues to recover the costs it expects to incur to serve customers, excluding certain items not included in rates. The annual review and approval of base rates by VPUC includes forecasted supply costs and retail revenue projections; these costs and projections are then adjusted each quarter based upon actual sales and actual supply costs using the current rate adjustment mechanisms. On October 9, 2023, Green Mountain also filed for approval a request to the VPUC for its Zero Outages Initiative as a follow-on to its previously approved climate plan. This is part of the climate planning and resiliency work now incorporated into Green Mountain's MYR Plan, which has been in force since October 1, 2022. In October 2024, after the close of the fiscal year, the VPUC approved the work on this initiative. For more information, see Item 4.9.2 - *Green Mountain*, more specifically sub-section b) *Climate Plan and Zero Outages Initiative*.

Vermont Gas is regulated by the VPUC. The rates for its activities are established using a cost-of-service method, under a multi-year alternative regulation plan, which enables Vermont Gas to establish its revenues so as to recover the costs it expects to incur to serve its customers, excluding certain items not recovered in rates, and provides an opportunity to earn a reasonable rate of return on the rate base.

Additional information regarding the regulatory framework and the main decisions by the VPUC, particularly in connection with the 2024 rate case, can be found in section D) *Segment Results* on pages 21 to 23 of the 2024 MD&A.

4.2.2 Natural Gas Transportation Segment

In Canada, interprovincial transportation activities and transportation activities beyond the limits of any province are regulated by the CER; in the United States, interstate transportation activities are regulated by the FERC. Until August of 2024, Énergir, L.P. owned financial interests in three natural gas transportation enterprises, namely TQM, Champion Pipe Line Corporation Limited and PNGTS. On August 15, 2024, Énergir Inc., through its indirect subsidiary NNEIC, closed the sale of its units in PNGTS. For additional information on this transaction, please refer to section D) *Segment Results* on page 24 of the 2024 MD&A.

The activities of TQM are regulated by the CER. Annual rates are calculated using a formula that includes a fixed cost component and a cost component that is fully recoverable from or repayable to customers. Under this method, TQM can determine the optimal capital structure that would better reflect its economic reality and business risks. For additional information on the regulatory framework of TQM, please refer to section D) *Segment Results* on page 24 of Énergir Inc.'s 2024 MD&A.

The activities of Champion Pipe Line Corporation Limited are regulated by the CER with respect to revenue determination, tolls, construction and operation of its network. Its rates are based on the annual cost of service, which includes, among others, a specified rate of return on equity as well as operating expenses, taxes and amortization. The deemed equity ratio is established at 46.0% for fiscal year 2024 (46.0% for fiscal year 2023); its authorized rate of return was 8.35% for fiscal year 2024 (8.33% for fiscal year 2023).

4.2.3 Other Segments

The activities of the electricity production, energy services and corporate affairs segments are not regulated with respect to rates except for the activities of Intragas, Limited Partnership, which are regulated by the Régie and whose rates are set using the cost-of-service method.

4.3 Energy Distribution Segment

The Energy Distribution Segment includes the natural gas distribution activities in Quebec carried on by Énergir, L.P. and in Vermont carried on by Vermont Gas and the electricity distribution activities in Vermont carried on by Green Mountain.

It should be noted that energy distribution activities are subject to seasonal fluctuations, with most natural gas and electricity demand occurring, depending on the type of energy, during the winter heating season and the summer air conditioning season.

4.3.1 Distribution of Natural Gas in Quebec

a) Natural Gas Supply Situation

Additional information regarding the natural gas supply situation can be found in section B) *Conditions in the Energy Market and for Énergir, L.P.* on pages 11 to 13 of the 2024 MD&A.

b) Direct Purchases

Énergir, L.P.'s customers can purchase their own natural gas directly from a supplier of their choice. In that case, direct purchase customers generally entrust Énergir, L.P. with the responsibility of transporting the natural gas from the designated supply location up to the territory covered by its exclusive distribution right. Some customers assume responsibility for transporting the natural gas to Énergir, L.P.'s distribution system. During fiscal year 2024, direct purchases accounted for approximately 60.5% of all volumes delivered to Énergir, L.P.'s customers, compared to approximately 59.8% during the previous year.

c) System Gas

System Gas deliveries accounted for approximately 39.5% of all deliveries during fiscal year 2024, compared to approximately 40.2% during the previous fiscal year. Énergir, L.P. supplies System Gas to customers who do not choose to obtain such gas themselves directly from another supplier.

To service its System Gas customers, Énergir, L.P. has annual supply contracts with a number of suppliers. The prices that Énergir, L.P. pays are determined using a recognized published index established on the basis of the prices for a particular period at the Empress (Alberta), Dawn (Ontario) or Henry (Louisiana) hubs, as the case may be, to which a premium, negotiated by the parties, is added. Énergir, L.P. also buys natural gas on a spot basis to adapt to demand fluctuations and the operating conditions of its system.

During fiscal year 2024, Énergir, L.P. acquired 28.0% of the natural gas required to service its System Gas customers at the Empress Hub (Alberta) (compared to 31.6% during the previous fiscal year), 58.6% at the Dawn Hub (Ontario) (compared to 64.2% during the previous fiscal year), 12.1% at the Parkway Hub (Ontario) (compared to 3.0% during the previous fiscal year) and 1.3% in Quebec(2) (compared to 1.3% during the previous fiscal year).

d) Transportation

Other than the two gas pipelines operated by Champion Pipe Line Corporation Limited, the only two pipelines that supply Énergir, L.P. are owned by TC Energy and TQM, the latter being a subcontractor to TC Energy. Despite this situation, Énergir, L.P. built up a diversified transportation capacity portfolio in terms of maturities and points of origin. Most transportation capacities in the portfolio will be available until October 31, 2026. Énergir, L.P. has the transportation capacities required to carry the natural gas of all of its customers. Consequently, during fiscal year 2024,

(2) The natural gas acquired in Quebec was essentially refined biogas and RNG.

nearly 90.6%[3] of the transportation capacities targeted by the various transportation contracts were for supplies from the Dawn Hub (Ontario) and approximately 9.4%[4] for supplies from the Empress Hub (Alberta).

The transportation contracts are not directly linked with a particular source of natural gas supply. Not linking transportation contracts with natural gas supply allows Énergir, L.P. flexibility in obtaining its own natural gas supply.

To transport natural gas up to the territory covered by its exclusive distribution right, Énergir, L.P. has transportation contracts:

- with Enbridge Gas to transport the natural gas from Dawn (Ontario) up to the Parkway Hub (Ontario) and TC Energy to transport the natural gas from the Parkway Hub (Ontario) up to the territory covered by its exclusive distribution right; or
- with TC Energy to transport the natural gas from the Empress Hub (Alberta) up to the territory covered by its exclusive distribution right.

Énergir, L.P. also has transportation contracts obtained on the secondary market between Dawn (Ontario) and the territory covered by its exclusive distribution right.

Énergir, L.P. may also sign spot contracts with suppliers for gas deliveries directly to the territory covered by its exclusive distribution right as a complement to its own transportation capacity, primarily during the winter period.

For more information regarding the transportation of natural gas, see sections B) *Conditions in the Energy Market and for Énergir, L.P.* and D) *Segment Results* on pages 11 to 13 and 17 to 26 of the 2024 MD&A.

e) Storage Required by the Natural Gas Distributor

Natural gas distribution is a seasonal activity, with most natural gas deliveries occurring in winter. Moreover, during the winter months, daily demand for natural gas fluctuates with the temperature. As such, Énergir, L.P. uses storage facilities to:

- take delivery of natural gas on favourable terms during the off-peak (summer) period with a view to withdrawing it and distributing it in winter;
- balance demand and deliveries of natural gas on a daily basis;
- mitigate the risk of a natural gas supply shortage; and
- effectively manage the cost of natural gas during the winter months.

For this purpose, Énergir, L.P. has natural gas underground storage contracts in Dawn (Ontario) with various expiry dates. Énergir, L.P. also has two long-term natural gas storage service contracts with Intragas, Limited Partnership (part of Intragas). Peak winter demand is supplied by the LSR Plant.

The transportation and storage contracts referred to under Items d) and e) above are more fully described under Item 10.2.4.2 *Operating Contracts (Énergir, L.P.)*.

(3) Capacities required to transport the System Gas and natural gas of direct purchase customers. Direct purchase customers must deliver their gas to Énergir, L.P. at the Dawn Hub (Ontario).
(4) Capacities required to transport the System Gas.

f) Market

Normalized Deliveries

For fiscal years 2024 and 2023, normalized deliveries of natural gas in Quebec (for normal temperatures and wind velocity) and revenues were as follows:

Normalized Natural Gas Deliveries in Quebec and Revenues Generated								
	Deliveries ($10^6 m^3$)		% of Gas Delivered by Market		Revenues (millions of $)		% Revenues by Market	
	2024	**2023**	**2024**	**2023**	**2024**	**2023**	**2024**	**2023**
Industrial Market								
Firm service	3,561.6	3,632.2	57.6	58.7	530.9	656.0	33.8	33.2
Interruptible Service	376.5	317.5	6.1	5.1	35.4	55.9	2.3	2.8
Commercial Market	1,642.6	1,642.9	26.5	26.5	686.2	866.0	43.7	43.9
Residential Market	604.4	601.2	9.8	9.7	316.8	397.9	20.2	20.1
Total	**6,185.1**	**6,193.8**	**100.0**	**100.0**	**1,569.3**	**1,975.8**	**100.0**	**100.0**

In fiscal year 2024, normalized natural gas deliveries therefore dropped 0.1% compared to the preceding fiscal year. This decrease, seen mainly in the industrial markets (more specifically in the metallurgy sector), is compensated by a slight increase in the construction sector in fiscal year 2024.

Note that in fiscal year 2024, Énergir, L.P. granted its customers nearly $46,829,075 to carry out energy efficiency projects. These projects generated a 50,472,274 m^3 savings in natural gas and helped prevent the emission of 97,008 tonnes of GHG.

g) System Operations

Énergir, L.P.'s primary objective with regard to its system operations is to provide continuous safe natural gas supply to all customers. To do so, constant efforts are made to ensure that its facilities are protected through effective system maintenance and improvement programs.

This year, the annual preventive maintenance program was fully completed. In addition, municipal and other infrastructure rehabilitation again resulted in major improvement work on Énergir, L.P.'s system. This work was in addition to Énergir, L.P.'s other planned activities designed to keep its system in good condition.

Consistent with the deployment of its action plan to implement a proactive asset management approach, Énergir, L.P. gave priority to actions on assets deemed most likely to have a significant impact on its operations or customers in fiscal year 2024. In its 2025 rate case, Énergir, L.P. anticipated investments of up to $60.1 million, not including major projects, for the continued implementation of this asset management approach.

In the last several years, Énergir, L.P. has noted the occurrence of new natural events, and that these types of events are becoming more frequent (e.g., floods, ice storms, thaw-freeze events triggered by temperature fluctuations, landslides) or more intense (e.g., heavy rain, flooding and extreme heat waves). These events in all likelihood result from climate change.

Accordingly, when Énergir, L.P. reviews its procedures, processes, emergency measures plan and system maintenance and improvement programs, it takes into consideration what impact these new natural events might have on its network and the operation thereof.

Énergir, L.P. has also stepped up its efforts to increase its employees' awareness of the prevention rules associated with such events.

With regard to the third-party damage prevention program, Énergir, L.P. continued its sensitization efforts with the main intervenors, including municipalities, excavation contractors, the Régie du bâtiment and the Commission des normes, de l'équité, de la santé et de la sécurité du travail (CNESST). Énergir, L.P. is also actively involved in Info-Excavation's work to promote best practices in this area.

Moreover, Énergir, L.P. complies, among other things, with that portion of standard CAN/CSA-Z662 "Oil and Gas Pipeline Systems" that pertains to the implementation of a documented safety and security and loss management system (SSLMS) in order to ensure personal safety and the protection of property and the environment. The SSLMS was integrated into Énergir, L.P.'s Process Safety Management System (PSMS). Énergir, L.P. elected to have its system audited by an independent auditor every three years. A new certificate attesting that Énergir, L.P.'s system complies with the requirements of this standard was obtained from the Bureau de normalisation du Québec (BNQ) in February 2022. The next external audit of this system is planned for next year.

h) Development Projects

Additional information regarding Énergir, L.P.'s development projects in the area of natural gas distribution in Quebec can be found in section D) *Segment Results* on page 23 of the 2024 MD&A.

4.3.2 Distribution of Electricity and Natural Gas in Vermont

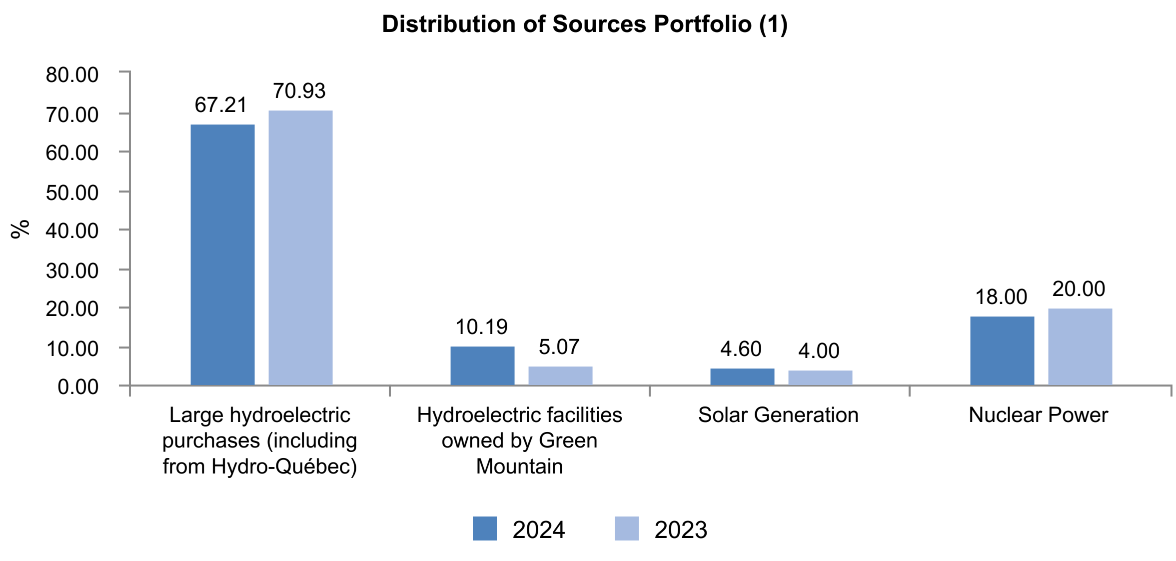
Green Mountain, a wholly owned subsidiary of NNEEC, is the largest electricity distributor in the State of Vermont in the United States. Green Mountain generates, transports, distributes, purchases and sells electricity in Vermont and provides services relating to electric distribution in that State. Green Mountain also transports electricity in the State of New Hampshire and generates electricity in relatively small quantities in the States of New York, Maine, Massachusetts, New Hampshire and Connecticut.

Vermont Gas, also a wholly owned subsidiary of NNEEC, is the sole natural gas distributor in the State of Vermont and provides other energy-related services, including services to increase energy efficiency through weatherization and equipment upgrades.

4.3.2.1 Green Mountain

a) Supply Sources

Green Mountain's territory covers approximately two-thirds of the State of Vermont's geographic area. Although it produces part of the electricity it distributes, Green Mountain meets most of its customer demand through a series of short- and long-term contracts. Its supply portfolio includes various generation sources, the main ones being hydroelectricity, nuclear, other renewable sources such as solar power and regional system energy purchases.[5] The following chart illustrates the breakdown of Green Mountain's supply sources for fiscal years 2024 and 2023:



(1) The data in this graph reflect the treatment of supply sources that were subject to retained or retired RECs (as defined and explained under Item 4.9.2 e) *Renewable Energy Programs and GHG*) and other carbon free-generation attributes. Accordingly, the amount of electricity attributable to the various sources would be different without consideration of the RECs or other attributes. Data for fiscal year 2024 are subject to further review under the RES (as defined and explained under Item 4.9.2 e) *Renewable Energy Programs and GHG*) for renewability and carbon contribution from generation supply sources. The above chart for 2024 is based on calendar year 2023 reporting and on information filed with the VPUC in August 2024. Calendar year 2024 data will be reviewed and compiled next year and filed with the VPUC in August 2025.

Green Mountain met essentially all of its load requirements in fiscal year 2024 through its contracts (the most significant of which are described in section 10.2.4 *Material Contracts),* owned generation and other power supply resources. Green Mountain's contracts and resources significantly reduce Green Mountain's exposure to volatility in wholesale energy market prices.

[5] Regional system energy purchases include primarily short-term contracts with various parties in the normal course of business, as well as purchases in the real-time power market to balance open power positions.

Additional information regarding Green Mountain's strategic partnerships and innovative products and services can be found in section D) *Segment Results* on pages 22 to 24 of the 2024 MD&A.

b) Market

The following chart illustrates the breakdown of Green Mountain's customers by deliveries in terms of gigawatt hours ("**GWh**") and revenues generated during fiscal years 2024 and 2023:

Electricity Deliveries and Revenues Generated								
	Deliveries (in GWh)		% of GWh Delivered by Customer Class		Revenues (millions $ US)		% of Revenues by Customer Class	
	2024	2023	2024	2023	2024	2023	2024	2023
Residential Customers	1,591.6	1,541.3	39.0	38.3	346.8	320.1	47.2	46.2
Small & Medium Consumption Commercial & Industrial Customers	1,463.5	1,435.8	35.8	35.7	275.4	257.0	37.4	37.1
High Consumption Commercial & Industrial Customers	1,024.7	1,046.3	25.1	25.9	110.5	112.3	15.0	16.3
Other Customers	3.7	3.7	0.1	0.1	2.9	2.8	0.4	0.4
Total	**4,083.5**	**4,027.1**	**100.0**	**100.0**	**735.6**	**692.2**	**100.0**	**100.0**

The quantity of electricity delivered by Green Mountain can vary significantly in response to seasonal changes in weather or unusual or severe temperatures. Unlike Énergir, L.P., for the purposes of regulatory accounting, Green Mountain does not have a temperature and wind normalization mechanism, and its deliveries therefore vary based on actual temperature and other weather factors. Green Mountain's MYR Plan, in effect since October 1, 2022, including the revenue decoupling mechanism therein, mitigates some of the effects of deviations in the sale of electricity resulting from weather conditions and temperatures that are outside a utility's control.

c) System Operations

Green Mountain's primary goal with its system operations is to provide reliable, safe, cost-effective, carbon-free and increasingly distributed renewable energy solutions for its customers. For fiscal year 2024, Green Mountain delivered its capital asset management plan in the amount of US$85.5 million with projects targeted to improve the reliability and resiliency of its system, including overhead line storm hardening, overhead to underground line conversion, distribution sectionalizing, projects using self-healing technology that automatically detects faults and reroutes power to quickly restore the service to customers.

Green Mountain also has an integrated, long-term vegetation management program, pole and overhead line inspection program and underground damage prevention program. As part of Green Mountain's underground damage prevention program, Dig Safe® notifies participating utilities of plans to excavate in areas where underground facilities may be present, and Green Mountain's contractors locate Green Mountain's underground facilities in response to each request at the time it is made. Green Mountain also has formalized its practices for inspecting overhead (as mentioned above) and underground distribution equipment and conducts aerial patrol of its entire sub-transmission system every spring, summer and fall, and after major storms, to locate, assess and fix any damage. The summer aerial patrol includes an infrared scan of the sub transmission and substation facilities.

Given the climate changes that are causing an increase in the frequency and severity of storms, Green Mountain has taken steps to make the grid safer, more resilient and more reliable. To address these climate changes and their impact, over the past ten years, Green Mountain has been consistently investing capital in important resiliency projects to harden and modernize the system. Examples include hardening the system against disruptive events by moving sections of the system closer to the roadside, making them more accessible; and enhancing storm restoration and forecasting capabilities. Green Mountain also has encouraged and invested in local, distributed generation and distributed energy sources such as battery backup systems. Incorporating the climate plan goals and objectives into Green Mountain's MYR Plan furthers Green Mountain's ability to make these important investments.

As also noted below in section 4.9.2 b), in October 2023, Green Mountain filed the Zero Outages Initiative with the VPUC to significantly accelerate storm hardening and climate resilience work by investing additional capital to increase the quantity of spacer cable and tree wire on overhead lines; the conversion of other overhead lines to underground installation; the use of automated controls; and the implementation of community and customer storage solutions. In October 2024, the VPUC approved proceeding with work on this initiative.

d) Energy Efficiency

Efficiency services to customers are primarily provided through an energy efficiency utility, which is financed through a separate charge on electric bills. As part of the third tier of the RES, Green Mountain works with its customers and the efficiency utility to find opportunities to replace fossil fuel use with efficient smart electrification in areas such as building heat and transportation. Additionally, Green Mountain may provide custom incentives for efficiently electrifying business processes that were previously dependent on fossil fuel, such as the installation of machinery and equipment that run on electricity rather than fuel oil and the installation of line extensions to replace diesel generators.

e) Equity Interest in Transco and VELCO

As of September 30, 2024, Green Mountain owned a 77.44% ownership interest in Transco directly and through its indirect ownership interest in VELCO, which owns a 3.55% interest in Transco and a 38.80% interest in VELCO. Green Mountain currently receives an approximate 11.78% annual return on these investments from Transco and VELCO, which rate of return is approved by the FERC. The amount of this return is applied to Green Mountain's regulated retail cost of service to benefit its customers.

VELCO is Vermont's state-wide electricity-transmission-only company which owns and operates all of the major electricity transmission facilities in Vermont. Transco owns the high-voltage electricity transmission system in Vermont, enabling electricity transmission service to over 17 electricity distributors in Vermont and two in New Hampshire. It also supplies electricity to New England through ISO-NE, which manages power generation and transmission operations in that region. VELCO is the manager of Transco and owns and operates (through its wholly owned subsidiary, Vermont Electric Transmission Company, Inc.) a transmission line used to transmit electricity purchased by the New England electricity distributors from Hydro-Québec. VELCO and Transco are regulated by the FERC when it comes to rate-setting and financing.

f) Nuclear Investments

Green Mountain has a 1.73% ownership interest in Unit #3 of the Millstone Nuclear Power Station, a 1,229 MW nuclear generating facility located in Waterford, Connecticut. Green Mountain has the right to a share of the output of Unit #3 corresponding to its percentage ownership interest.

Dominion Energy Nuclear Connecticut, Inc. is the lead owner of Millstone Unit #3 with approximately 93.47% of the plant ownership. As a partial owner, Green Mountain has the obligation to fund its ownership percentage share of decommissioning of this plant. There is an external trust fund dedicated to funding these costs. If a need for additional decommissioning funding is necessary, Green Mountain will be obligated to resume contributions to the trust fund, based on its ownership share.

Green Mountain also has a small minority ownership interest in three decommissioned nuclear power plants: 2.00% ownership interest in Maine Yankee Atomic Power Company, 2.00% in Connecticut Yankee Atomic Power Company and 3.50% in Yankee Atomic Electric Company. These plants have been permanently shut down for many years and are completely decommissioned except for the Independent Spent Fuel Storage ("**ISFSI**") at each location.

4.3.2.2 Vermont Gas

Vermont Gas obtains nearly all of its natural gas supply from Canada. During fiscal year 2024, Vermont Gas had 16 base load supply contracts that provided the majority of Vermont Gas' firm natural gas supply. Numerous other suppliers provided spot supply on an as-needed basis. The price of Vermont Gas' base load supply contracts is generally indexed to recognized, liquid market points.

4.4 Natural Gas Transportation Segment

Énergir, L.P. owns financial interests in two natural gas transportation enterprises, namely TQM and Champion Pipe Line Corporation Limited.

Énergir, L.P. owns a 50.0% indirect interest in TQM, which operates a gas pipeline in Quebec that connects upstream with that of TC Energy and downstream with that of PNGTS and the Énergir, L.P. system.

Champion Pipe Line Corporation Limited, a wholly owned subsidiary of Énergir, L.P., operates two gas pipelines that cross the Ontario border and supply Énergir, L.P.'s distribution network in northwestern Quebec.

In August 2024, Énergir Inc., through its indirect subsidiary NNEIC, disposed of its units in PNGTS. For additional information on this transaction, please refer to section D) *Segment Results* of Énergir Inc.'s 2024 MD&A for the fiscal year ended September 30, 2024, available on SEDAR+ at www.sedarplus.com under the profile for Énergir Inc.

4.5 Electricity Production Segment

This segment consists of the non-regulated electricity production activities related to Wind Farms 2 and 3 and Wind Farm 4.

4.5.1 Wind Farms in Quebec

Wind Farms 2 and 3:	**WIND FARMS LOCATED ON THE PRIVATE LANDS OF THE SEIGNEURIE DE BEAUPRÉ** IN PARTNERSHIP WITH ÉNERGIR DEVELOPMENT AND BORALEX	**Wind Farm 4:**
126 WIND TURBINES **272 MW** OF INSTALLED CAPACITY		**28** WIND TURBINES **68 MW** OF INSTALLED CAPACITY

Wind power is a renewable energy source that releases no air emissions when generating electricity. It is sought after for these reasons, and is also complementary to hydroelectricity because it serves as a back-up energy source that often reaches its maximum potential during periods of extreme cold and high winds.

Additional information regarding Wind Farms 2 and 3 and Wind Farm 4 can be found in section *A) Overview of Énergir Inc. and Other* on page 10 of the 2024 MD&A.

4.6 Energy Services, Storage and Other

4.6.1 Energy Services and Other

Énergir, L.P., through its subsidiaries, (i) sells natural gas as fuel for the heavy transportation market; (ii) continues to develop LNG marketing and production activities and to market CNG; and (iii) operates the Montréal Thermal Plant, which supplies heat and air conditioning to the downtown area. The activities related to energy services are not regulated.

4.6.2 LNG

Énergir, L.P., through its subsidiary Gaz Métro LNG, is engaged in the development of LNG production and commercialization activities. Gaz Métro LNG's goal is to structure the LNG offer and ensure the marketing of the LNG produced using the LSR Plant's infrastructure. The various initiatives of Gaz Métro LNG include:

- developing a market for LNG as marine fuel;
- using LNG as an alternative to fuel oil or propane in the industrial and mining markets;
- selling LNG to a U.S. broker that then resells it to customers during peak periods; and
- developing the U.S. market: canvassing for new customers and maintaining existing contractual relations.

The objective of Transport Solutions, a wholly owned subsidiary of Énergir, L.P., is to develop the market for natural gas (both compressed and liquefied) as a fuel in the heavy transportation market and as an alternative to diesel fuel. It is Quebec's leader in this field, offering integrated LNG refuelling services in the industrial, road and maritime sectors. It also provides industrial customers LNG equipment maintenance services. Transport Solutions also plays a key role in the operation of LNG refuelling stations for the transportation industry between Lévis and Mississauga.

4.6.3 Énergir urban heating and cooling

Énergir, chaleur et climatisation urbaines, s.e.c., an indirect wholly owned subsidiary of Énergir Management, owns and operates three separate steam, hot water and cool water networks that are used to meet the heating, hot water and air conditioning needs of office towers, shopping centres, hotels, railroad stations, campuses and prestige apartments. Its network extends over 4.8 kilometers and services 1.8 million m^2 of commercial area in downtown Montréal.

4.6.4 Storage

On December 31, 2022, Énergir Inc., which held a 60% interest in Intragas, acquired, through its indirect subsidiary Gaz Métro Holding Inc., the shares and units held by joint venturer Engie Québec Inc., and now therefore holds all of the shares and units of Intragas. The purpose of this acquisition is to continue enhancing Intragas' storage activities and to pursue business growth through future development projects. For additional information, refer to Note 5 to Énergir Inc.'s consolidated financial statements for the fiscal years ended on September 30, 2024 and 2023.

Intragas, whose rates are approved by the Régie, operates the only two underground natural gas storage facilities in Quebec in the service area of Énergir, L.P., which is Intragas' only customer. Intragas sets its rates using the cost-of-service method.

4.7 Corporate Affairs Segment

Among other things, this segment includes all of Énergir, L.P.'s activities that cannot be directly attributed to other sectors, such as the costs incurred to finance the interests held and the development costs of various projects.

4.8 Competitive Position

4.8.1 Distribution of Natural Gas in Quebec

Natural gas consumption is influenced by a number of factors, including temperature fluctuations, technological innovations and energy efficiency initiatives. Following a significant decrease in the price for the natural gas molecule, the price of natural gas dropped in 2024 compared to 2023. Natural gas remains a competitive source of energy in Quebec. For the commercial and institutional markets, natural gas remains the most competitive form of energy.

In the residential market, natural gas and electricity are mainly competing with each other for heating. In fiscal year 2024, customers heating their dwellings with natural gas, in most cases, paid less than they would have paid had they opted for electric heating. However, natural gas's competitive position is currently unfavourable compared to high-efficiency equipment, such as heat pumps.

MARKETS	ALTERNATIVE ENERGY	COMPETITIVE ADVANTAGE (1)
Industrial (2)	Electricity(3)	Favourable by 54%
Example: large enterprises in the petrochemical and metallurgy industries	No. 6 fuel oil	Favourable by 67%
Commercial and institutional (4)	Electricity	Favourable from 39 to 57%
Examples: hospitals, schools, restaurants	No. 2 fuel oil	Favourable from 58 to 73%
Residential heating(5)	Electricity	Favourable from 12 to 33%
	Electric heat pump	Unfavourable from -91 to -53%
	No. 2 fuel oil	Favourable from 52 to 61%

(1) QDA savings and savings based on prices in fiscal 2024.
(2) Cost savings in this segment may vary depending on, among other things, the type of rate chosen, the level of volumes consumed and the term of the contract of a given customer. For example, the data provided in the table reflects a customer that consumes $10^7 m^3$ at firm service on an annual basis. This customer consumes electricity at rate L.
(3) The industrial customer used for the competitive position example consumes electricity at rate L.
(4) Cost savings in this segment may vary depending on, among other things, the level of volumes consumed.
(5) Using high-efficiency equipment.

4.8.2 Energy Distribution in Vermont

In Green Mountain's market, competition can take several forms. At the wholesale level, in New England, a detailed competitive market framework was implemented that has resulted in bid-based wholesale competition of power suppliers rather than prices set under cost of service regulation. At the retail level, in addition to electricity, customers have energy options such as wood, propane, natural gas or oil for heating and water heating. There also exists the potential for municipalities located in Green Mountain's service territory, with the citizens' approval, to form and operate municipally owned utilities.

In addition, self-generation, demand-side management programs and cogeneration can lower network electric sales by displacing supplied electric demand within Green Mountain's service territory and potentially reducing the customer base over which Green Mountain costs are spread, driving up costs for remaining customers. As of September 30, 2024, approximately 311 MW of self-generation was installed on behalf of Green Mountain's customers, compared to approximately 294 MW in fiscal year 2023. This represented approximately 10% of Green Mountain's total deliveries in fiscal year 2024, compared to approximately 9% in fiscal year 2023. While self-generation technologies can lower Green Mountain's sales thereby increasing rates for customers, this trend may be partially offset by innovative energy transformation initiatives through RES (as defined and explained under Item 4.9.2 e) *Renewable Energy Programs and GHG*), including the setting of goals for energy transformation projects. Green Mountain has undertaken a series of initiatives to help customers decarbonize and satisfy RES' goals through investing in storage, efficient electrification, and integrated energy services. Green Mountain's MYR Plan also mitigates some of the effects on its net income of deviations in the sale of electricity resulting from self-generation, demand side management programs, and cogeneration. The VPUC also issues updated net metering rates and rules, most recently, in the spring of 2023, including minor modifications to its rate structure periodically that further mitigate its impact.

Despite the recent volatility in the energy markets, natural gas has a competitive advantage when compared with other energy sources for Residential, Commercial, and Industrial customers in Vermont Gas' service territory. Electricity continues to evolve as a potential source of competition in the heating or domestic hot water markets, supported by Vermont's energy policy, which sets GHG reduction requirements of 40% by 2030 and 80% by 2050 as compared to 1990.

4.8.3 Competitive Position Distribution and Other Segments

The transportation of natural gas, electricity production, energy services, storage and corporate affairs segments are not competitively positioned on the market since they aim mainly to support the operations of Énergir, L.P. in the natural gas distribution segment in Quebec and to fulfill the public good certificate granted by the VPUC as to natural gas distribution and distribution of electricity in Vermont.

4.9 Environmental Protection

4.9.1 Énergir, L.P.

a) Environmental Policy

Under its environmental policy, Énergir, L.P. has committed to showing leadership, rigour and determination in pursuing its environmental actions in its activities related to the Quebec natural gas distribution pipeline system and the LSR Plant. It is committed to doing likewise with its customers and the general public in a context of sustainable development.

This environmental policy presents Énergir, L.P.'s commitments regarding the implementation of various actions in three areas: (i) prevention of pollution and protection of the environment, (ii) contribution to the fight against climate change and the decarbonization of the energy distributed and of its activities, and (iii) close ties and collaboration between stakeholders as well as positive influence on communities. The policy also states that Énergir, L.P. is committed to maintaining and improving the regular disclosure of its environmental performance.

b) ISO 14001 Standard

Since 2000, Énergir, L.P. has had an ISO 14001-certified environmental management system (the "**Environmental Management System**").

In order to maintain its certification, in February 2024 Énergir, L.P. had an independent auditor perform a maintenance audit of its Environmental Management System using the 2015 version of the standard. Based on the results of that audit, it maintained its ISO 14001 certification.

As part of the Environmental Management System, Énergir, L.P. has identified those of its activities that could have an impact on the environment. It has adopted and implemented a number of procedures to manage the main environmental impacts that could arise from its activities and to ensure compliance with its obligations under applicable laws and regulations. These procedures concern, among other things, the storage and handling of hazardous substances, the management of contaminated soil, the recovery and management of waste, the quantification of GHGs, and applications for environmental authorizations. he Environmental Management System makes it possible to set environmental goals and targets, monitor the results achieved and favour the development of coherent environmental strategic guidelines, among other things.

In addition to the annual audit by an independent auditor, internal audits are performed annually in accordance with ISO 19011 "*Guidelines for auditing management systems*" in order to verify whether certain elements of the Environmental Management System are compliant. Moreover, environmental compliance audits are performed to ascertain the extent of the activities' legal compliance.

Finally, a report on the performance of the Environmental Management System is submitted annually to Management. Following its review of this report, Management approves any adjustment or change of direction to be made to the environmental policy, the objectives and targets, or other elements of the Environmental Management System.

c) Environmental Management Site

Before Énergir, L.P. assumed ownership in 1957 of the land where its head office is located, at 1717 Du Havre Street in Montréal, Quebec, a manufactured gas plant had operated there. The operation of that plant resulted in the contamination of the land. Énergir, L.P. and the Ministry of Environment have entered into an agreement for the environmental management of the land that requires Énergir, L.P. to (i) more precisely define the extent of the contamination and (ii) continuously monitor the contaminants in the land to ensure, among other things, that they are confined to the cadastral boundaries of the land.

Environmental management of the site includes, in particular, supervising the movement of high-density contaminants, groundwater contaminant levels downstream from the property, if necessary, and monitoring building air quality. The reports and analyses conducted under this agreement are submitted annually to the Ministry of Environment. Consequently, Énergir, L.P. invested approximately $420,000 between 2022 and 2024 to, among other things, manage and monitor the contaminant confinement work. Of this total amount, $60,000 is reserved for activities linked with the operation of the pumping well installed in 2023 following a leak in a water conduit of the City of Montreal in 2022 on du Havre Street. The decision was made to build and commission this pumping well to accelerate the reduction of water levels in the central part of the site, therefore allowing for a gradual return to the conditions that existed prior to the leak.

d) Climate Change and GHG

Under its environmental policy, described under Item 4.9.1 a) *Environmental Policy*, Énergir, L.P. must, among other things, reduce its own GHG emissions. Énergir, L.P. has therefore set itself the objective of reducing its GHG emissions in the context of its natural gas distribution activities and in keeping with Quebec's 2030 target. Quebec, in its 2030 PGE, more fully described below, set itself an emission reduction target of 37.5% below 1990 emission levels by 2030.

In calendar year 2023, Énergir, L.P.'s energy-related direct and indirect GHG emissions totalled 56,465 tonnes of CO_2 eq.,[(6)] which represents a 29.8% reduction in fossil emissions compared to 1990 levels.

Compared to 2022 emissions, this is a reduction of 2,946 tonnes of CO_2 eq. This reduction is due mainly to a drop in the emissions produced by the LNG tanks at the LSR plant, a reduction in the use of two compressors, as well as the purchase of natural gas from renewable sources (GRS) to meet the needs of some delivery stations and heat all of the buildings in its system.

This total does not include the biogenic CO_2 emissions linked with the combustion of GRS, which are estimated at 3,203 tonnes of CO_2 eq.[(7)] According to the main GHG quantification conventions, such as ISO 14 064-1 (Specification with guidance at the organization level for quantification and reporting of greenhouse gas emissions and removals), biogenic CO_2 emissions must be quantified and reported separately. It is said that the biogenic CO_2 of RNG does not contribute to the rise in atmospheric concentrations of CO_2, as it was previously fixated by plants and is part of the short carbon cycle.

Furthermore, in order to reduce GHG emissions attributable to the natural gas it distributes, Énergir, L.P. has (i) identified or taken measures, such as its energy efficiency programs, its dual energy offer and the increased quantity of RNG injected in its system, and (ii) implemented an initiative to measure, monitor and report (the fossil gas supply) for the purposes of improving the traceability of its natural gas supplies (by, among other things, purchasing natural gas directly from specific producers) and favouring producers who demonstrate they have adopted some of the best practices to reduce the impacts of their operations, notably in terms of methane emissions.

The goal of Énergir, L.P.'s third-party damage prevention program, described at greater length in Item 4.3.1. g) *System Operations*, is also to reduce GHG emissions.

To address climate change risks and opportunities and fulfill its decarbonization ambitions by 2050, Énergir, L.P. developed its Strategic vision of decarbonization for 2030-2050 outlining, among others, four initiatives. These four initiatives are described at greater length in Item 4.10.3 *Resiliency of the Business Models* under the Énergir, L.P. section.

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(6) All Énergir, L.P. GHG emissions figures under Item 4.9.1 d) *Climate Change and GHG* include (i) its GHG emissions, (ii) GHG emissions caused by fugitive emissions and breakdowns, and (iii) emissions resulting from Énergir, L.P.'s vehicle fleet and buildings, even though such emissions did not need to be included in the GHG emissions report to the Ministry of Environment for calendar year 2023. These figures, however, do not include GHG emissions from Énergir, L.P.'s customers.

(7) The emissions calculation method changed slightly in calendar year 2023 as regards the processing of biogenic CO_2 emissions.

2030 PGE

The 2030 PGE guides the Quebec government's actions as it relates to climate change until 2030, the goal being to help it achieve the GHG emission reduction target that the government set for itself for 2030, namely 37.5% below 1990 emissions levels. The 2030 PGE's implementation plan details the concrete climate action to be taken by the various ministries and public agencies. It is updated annually to systematically cover the five following years. Consequently, in its 2024-2029 implementation plan, the government will step up its investments in the fight against climate change. It now plans to invest $10 billion over five years, $1.7 billion of which will be used to support the decarbonization of industries and $1.5 billion to enhance the sustainability of buildings (including $1.0 billion to reduce GHG emissions by using renewable energies other than electricity). For example, funding of the *Chauffez vert* and EcoPerformance programs will continue to support the owners of residences and businesses that are interested in switching from a 100% natural gas heating system to one that runs primarily on electricity, or converting oil heating systems to systems operating on renewable energy. Also in the buildings sector, the waste heat recovery program has been enhanced thanks to an additional $181 million that will allow for the capture and delivery of thermal wastes to replace the use of fossil energy. What is more, it was announced that the Renewable Natural Gas Production Support Program had received $305 million. Énergir, L.P. is closely monitoring the implementation of the priorities defined in the 2030 PGE and its first action plan to determine how these will impact its growth prospects and competitive position, where applicable. With the Strategic vision of decarbonization for 2030-2050, Énergir intends to contribute to a 30.0% total reduction in GHG emissions for natural gas used in the building sector by 2030 compared to 2020 levels, which is in keeping with the 2030 PGE's targets of achieving a 50.0% reduction in building sector emissions by 2030. For more information on the Strategic vision of decarbonization for 2030-2050, please refer to Item 4.10.3 - *Resiliency of the Business Models* of Énergir, L.P.

e) ESG

In fiscal year 2024, Énergir, L.P. continued to make progress on its ESG roadmap. These topics represent the company's ESG priorities that are integrated in the strategic planning and implemented by senior management and the Board.

Énergir, L.P. has implemented an action plan internally so as to gradually align the presentation of its sustainability information with the new standards of the International Sustainability Standards Board (ISSB). Until the ISSB standards are formalized in Canada by the Canadian Sustainability Standards Board (CSSB), Énergir will continue to disclose its information in keeping with the TFCD principles, while preparing itself for the future legislation of the Canadian Securities Administrators.

Since 2021, Énergir, L.P. also published an annual Climate Resiliency Report, which is prepared in line with the framework prescribed by the TCFD. This report presents the climate-related risks and opportunities specific to Énergir, L.P. and its main subsidiaries, as well as climate-related strategy, governance and risk management. It also provides an assessment of the business model's resilience. Énergir, L.P. expects to publish is next Climate Resiliency Report in the second quarter of fiscal year 2025, which will be available on Énergir, L.P.'s website at https://energir.com.

In addition, Énergir, L.P. publishes financial and extra-financial indicators based on the guidelines set out in the Global Reporting Initiative that address the priority concerns identified by Énergir, L.P.'s internal and external stakeholders. These indicators are published annually on a tracking platform available at https://energir.metrio.net.

No element relating to the sustainability performance, including the sustainability report and the Climate Resiliency Report, has been incorporated herein.

f) Legislative Framework

Federal

In April 2021, the Government of Canada announced its commitment to reduce its GHG emissions by 40 to 45.0% below 2005 levels by 2030. This is the context in which the *Act respecting transparency and accountability in Canada's efforts to achieve net-zero greenhouse gas emissions by the year 2050* was assented to on June 29, 2021. Pursuant to this law, Canada's Minister of the Environment must set national targets for the reduction of GHG emissions for 2035, 2040 and 2045 to achieve carbon neutrality in 2050. These targets must be set no later than by December 1, 2024, 2029 and 2034, respectively. The Government of Canada's target for 2035 is a 45-50% reduction in GHG emissions from 2005 levels.

In June of 2022, the *Clean Fuel Regulations* came into force in Canada. The regulations require gasoline and diesel producers and importers to lower the carbon intensity of the gasoline and diesel they produce or import into Canada.

Although Énergir, L.P. is not subject to these regulations, it would like to take advantage of them for the benefit of its customers, notably the possibility afforded by these regulations to create compliance credits resulting from the use of RNG as a replacement for fossil natural gas. To that end, Énergir, L.P. filed a request before the Régie in December of 2022 asking that the valuation of compliance credits provided for in the regulations be treated in the regulated model and included in the fixing of the RNG rate. In March of 2024, the Régie handed down a decision dismissing Énergir, L.P.'s request on the grounds, among others, that the *Act respecting the Régie de l'énergie* does not grant it the power needed to include the costs and revenues generated by the valuation of compliance credits in Énergir, L.P.'s natural gas supply rate. Énergir L.P. filed a request to have this decision reviewed, which was stayed at its request when *Bill 69, An Act to ensure the responsible governance of energy resources and to amend various legislative provisions* was tabled before the Quebec National Assembly, given that one of the bill's provisions would allow Énergir, L.P. to use compliance credits for the benefit of its customers. These regulations complete the *Greenhouse Gas Pollution Pricing Act*, which does not apply to Quebec because the province has adopted a CATS, as described at greater length in Item 4.9.1 f) i. *Cap-and-Trade System for Greenhouse Gas Emission Allowances (CATS)*.

Additional information regarding the *Clean Fuel Regulations and* Énergir, L.P.'s request to the Régie can be found in section D) *Segment Results* on page 20 of the 2024 MD&A.

As part of the fight against GHG emissions and climate change, the federal government announced, on March 29, 2022, its 2030 Emissions Reduction Plan. The plan describes how Canada intends to reduce GHG emissions by 40 to 45% vs. 2005 levels by 2030. Énergir, L.P. is closely monitoring the development and implementation of this action plan to determine how it will influence its growth prospects and competitive position. The plan provides, among other things, for a cap and reduction for GHG emissions in the oil and gas industry at the pace and on the scale needed to become carbon neutral by 2050. In this context, the federal government published, on November 20, 2022, a proposal to amend the *Regulations Respecting Reduction in the Release of Methane and Certain Volatile Organic Compounds (Upstream Oil and Gas Sector),* which has been in force since January 1, 2020, so as to reduce these emissions by at least 75% vs. 2012 levels by 2030. The draft *Regulations Amending the Regulations Respecting Reduction in the Release of Methane and Certain Volatile Organic Compounds (Upstream Oil and Gas Sector)* were therefore published on December 16, 2023. Note that, under these regulations as currently in force, some of Énergir, L.P.'s facilities must, among other things, meet standards regarding the quantity of methane released into the atmosphere in the course of its activities and perform three inspections annually to detect leaks.

To date, and subject to the above, there are no other federal regulations compelling Énergir, L.P. to reduce its GHG emissions.

Provincial

i. Cap-and-Trade System for Greenhouse Gas Emission Allowances (CATS)

The Government of Quebec implemented CATS which, since January 1, 2014, is connected with California's cap-and-trade system for greenhouse gas emission allowances.

As such, Énergir, L.P.:

(1) is required to report to the Ministry of Environment (i) its own GHG emissions; (ii) fugitive GHG emissions and GHG emissions caused by damage; and (iii) the GHG emissions of its customers (other than those customers that are themselves emitters subject to the CATS, that are attributable to the use or combustion of natural gas for their establishments covered by the system) resulting from the use or combustion of the natural gas distributed by Énergir, L.P.;

(2) is required to have an independent ISO 14065-accredited auditor verify annually its GHG emissions, fugitive GHG emissions, emissions caused by damage and the GHG emissions of its aforementioned customers pursuant to the ISO 17011 program;

(3) is required to cover the GHG emissions verified by its auditor.

The CATS is subject to a compliance period of three years, with the exception of the first such period which was two years. Therefore, the fourth CATS compliance period began on January 1, 2021 and ended on December 31, 2023. No later than by November 1 after the end of each relevant compliance period, every entity subject to the CATS must have at least as many emission allowances in its compliance account as its GHG emissions verified by the independent auditor (as indicated above) during the compliance period in question. Énergir, L.P. satisfied its obligations for the fourth compliance period, which ended on December 31, 2023.

ii. Duties

Every energy distributor, including Énergir, L.P., must pay an annual contribution to finance the energy transition measures. Initially paid to Transition énergétique Québec (TEQ) then to the ministère de l'Énergie et des Ressources naturelles, it is now paid to the Minister of the Environment, the Fight Against Climate Change, Wildlife and Parks since the *Act respecting the environmental performance of buildings* was sanctioned and came into effect on March 27, 2024. Under the applicable regulations, the annual contribution is payable in four instalments, on March 31, June 30, September 30 and December 31 of each year. The contribution paid by Énergir, L.P. during fiscal year 2024 was \$15,774,984, compared to \$15,785,113[8] for fiscal year 2023.

As explained above under Item 4.3.1. f) a) *Normalized Deliveries*, under the *Act mainly to ensure effective governance of the fight against climate change and to promote electrification*, the annual contribution described above is maintained and must now be paid to the Minister of the Environment, the Fight Against Climate Change, Wildlife and Parks.

In fiscal year 2024, the environmental protection requirements did not have any material financial or operational impact on (i) Énergir, L.P.'s property, plant and equipment acquisitions, (ii) Énergir, L.P.'s consolidated net income and (iii) Énergir, L.P.'s competitive position, with the exception, in particular, of the impact of the coming into force of the CATS, which affected the competitive position, as previously described under this item. However, the costs associated with the environmental protection requirements cannot be easily identified separately as they are embedded in Énergir, L.P.'s system maintenance and development programs. Except for the CATS and the related compliance costs, as described under this item, in Management's view, the environmental protection requirements will not have any material financial or operational impacts in fiscal year 2025.

4.9.2 Green Mountain

a) Environmental Policy

Green Mountain is committed to environmental action, awareness and accountability in all its business practices and operations. Green Mountain has in effect certain procedures, plans, and guidelines applicable to environmental matters adopted in the normal course of business. Green Mountain also actively seeks out opportunities to minimize the impacts of all wastes resulting from its activities through reduction, reuse and recycling.

Green Mountain's by-laws include a requirement that the board of directors consider the environment and how to use energy as a force for public interest in the board of directors' decision-making process. This is one of the requirements for Green Mountain to be eligible for certification as a "Certified B Corporation" pursuant to the requirements and performance standards of B Lab. The recertification process occurs every three years, and Green Mountain was last recertified in November 2021. Green Mountain is engaged in the next recertification process as of the end of September 2024 and expects to file its application for recertification early in fiscal year 2025.

b) Climate Plan and Zero Outages Initiative

The authorization granted by the VPUC to Green Mountain to file a climate plan allowed it to propose resiliency expenditures in addition to base capital plan and targeted operational and maintenance expenses that already are robust in order to address the impacts of climate change.

The climate plan approved by the VPUC on September 24, 2020, had two interrelated goals, which were to (1) harden Green Mountain's grid and restoration response in the face of increasing frequency of storms driven by the climate crisis to better serve customers; and (2) better prepare the grid to serve as the backbone for Vermont's aggressive goals to cut greenhouse gas emissions and transition off fossil fuels. These goals helped customers by targeting the interrelated needs of reliability and resiliency. The climate plan allowed Green Mountain to invest up to US\$14 million per year for fiscal years 2020, 2021 and 2022, in addition to capital investments allowed under the MYR Plan, in projects that Green Mountain would not have pursued but for the need to respond to more frequent and damaging storms, as well as changing weather patterns and environmental conditions driven by climate change. Climate planning and resiliency work was incorporated into the MYR Plan and the IRP. Green Mountain's 2023 fiscal year base rate filing for rates effective October 1, 2022 and the MYR Plan that is in effect through fiscal year 2026 incorporate climate plan projects in the approved capital investment amounts.

In addition, in October 2023, Green Mountain presented a Zero Outages Initiative to the VPUC to significantly accelerate this work to create a resilient system by 2030 so that customers do not experience outages; the specific request was to invest additional capital of up to US\$280 million to increase storm hardening of lines, including underground installations, automated controls, and community and customer storage solutions. After review, in

[8] The amounts are set by orders-in-council of the Government of Quebec.

October 2024 the VPUC approved an initial investment for transmission and distribution storm hardening, including undergrounding and controls, of up to $150 million. This additional investment will occur through fiscal year 2026 and is in addition to the approved capital investments under the MYR Plan. The specific projects covered by this enhanced investment will be reviewed in subsequent base rate filings. The Zero Outages Initiative may be expanded to include additional resilience investments and storage upon request, and may be renewed in Green Mountain's subsequent regulation plan and rate review for fiscal years 2027 through 2030.

c) Legislative Framework

Green Mountain's operations and facilities are subject to U.S., state and local laws, regulations and permits regarding the environment.

Green Mountain is also required to obtain and comply with many different permits and certificates, issued by federal, state and local authorities that govern its operations and facilities. Many of these permits contain terms and conditions that are designed to protect the environment.

d) Environmental Matters relating to Green Mountain

Green Mountain has been cited as being potentially liable for polluting land on which a manufactured gas plant that ceased operations in 1966 was located. In 1999, a settlement protocol was signed between the U.S. Environmental Protection Agency ("**EPA**") and the enterprises involved (including Green Mountain). It included an action plan to restore the site and a cost-sharing method. This action plan was approved by the VPUC in 2001 and has generally proven effective, except for a portion of the contaminated area, for which the EPA mandated the installation of an additional remedial device.

For fiscal year 2024, Green Mountain incurred approximately US$318,937 related to such site, compared to approximately US$322,678 for fiscal year 2023. The fiscal year spending includes ongoing monitoring which continues to confirm that the site remedy is adequate. In fiscal year 2024, there was continued interest in business development on adjacent property. The EPA and State of Vermont reviewed and concluded the corrective action plan provided by the developer interested in the site, did not address all potential impacts to the site; subsequently, the development project was cancelled as it was determined the cost would be too high to address additional potential impacts. The EPA's Five Year Review, which was most recently issued in December 2021,[9] encourages Green Mountain, government organizations and non-government organizations to ensure future recreational use of the site is protective of human health and is consistent with the site remedy. EPA monitored the review of the proposed business development of the adjacent property, and it is expected they will provide additional oversight next fiscal year as the project proceeds through development and review. The VPUC has agreed that the costs incurred to date by Green Mountain can be recovered in rates over a period of 10 to 20 years. If future outlays exceed the provisions already recorded on the books, new requests to recover such amounts in rates will be submitted to the VPUC.

e) Renewable Energy Programs and GHG

Renewable Energy Standard and Renewable Energy Certificates

Green Mountain is subject to the State of Vermont's policy encouraging the development of renewable energy sources in the State of Vermont as well as the purchase of renewable power by the State's electricity distributors. The Vermont Department of Public Service's "Comprehensive Energy Plan" sets a goal to have 90.0% of the State of Vermont's energy needs come from renewable sources by the year 2050. In 2020, the State of Vermont passed the Global Warming Solutions Act, described below, requiring certain GHG reductions across all energy use sectors by 2025, 2030 and 2050.

Additionally, the Vermont renewable energy law establishing a mandatory Renewable Energy Standard ("**RES**") for Vermont utilities specifically requires that retail electricity providers: (1) have a minimum amount of renewable electricity in their supply portfolios; (2) support relatively small (less than 5 MW) new renewable energy projects connected to the Vermont grid; and (3) invest in projects to reduce fossil fuel use for heating and transportation. The renewable energy sources requirements under this new law began in 2017 and increase in quantity thereafter. In fiscal year 2024, Vermont enacted updated RES requirements, requiring Green Mountain to be 100% renewable on an annual basis by 2030. The updated RES increases the amount of small, in-state, new renewable energy projects, requires a percentage to be met with new renewables overall (capable of being delivered to the region), and maintains the fossil fuel reduction

[9] The EPA issues a review of the project every five years ("**Five Year Review**"). In late December 2021, the EPA issued its fourth Five Year Review for the project and concluded the site remedy continued to function as intended, and the review did not identify any information questioning the effectiveness of the remedy.

requirements. The new requirements apply in calendar year 2026 and beyond, updating the prior requirements set forth in the RES.

Green Mountain met or exceeded all three tiers of its calendar year 2023 RES obligations, as reported to the VPUC in August 2024. Green Mountain expects to meet the calendar year 2024 goals and is also well-positioned to comply with the new RES requirements.

Green Mountain has an increasing number of renewable energy sources in its long-term supply portfolio. Over the years, these have been developed thanks to Vermont's former Sustainably Priced Energy Enterprise Development Program (commonly referred to as "**SPEED"**) and, more recently, Green Mountain's own commitment to the development of renewable energy resources. Under RES, only energy sources that are represented by Renewable Energy Certificates ("**RECs**") which are retained and retired by the utility for the purpose of meeting RES requirements may be counted toward each utility's requirements. Renewable energy sources produce RECs, and a REC represents evidence that one megawatt hour of electricity was actually generated and delivered within the New England region from an eligible source.[10] While Green Mountain can purchase and sell RECs, in order to qualify as renewable energy sources under RES, a sufficient number of RECs that correspond to Green Mountain's resource requirements must be retained and retired. As required by statute, the VPUC commenced a rulemaking proceeding for the RES in which it addressed, among other issues, the types of RECs or environmental attributes that may satisfy the RES. Specifically, the VPUC determined that Hydro-Québec environmental attributes are eligible for RES compliance regardless of whether they are purchased with energy. Energy purchased under the contract with Hydro-Québec Energy Services (U.S.) Inc. described below under Item 10.2.4.5 *Operating Contracts (Green Mountain)* includes environmental attributes, but Green Mountain also purchases environmental attributes under separate contracts with Hydro-Québec Energy Services (U.S.) Inc., tied to transmission rights rather than energy. The latter contracts remain in effect through 2025, so the VPUC determination that Hydro-Québec environmental attributes need not be purchased with energy in order to comply with the RES is favourable for customers.

Many states in Green Mountain's surrounding geographic region have adopted renewable portfolio standards that require electricity distributors in those states to produce a certain amount of energy from renewable sources. Green Mountain is not subject to renewable portfolio standards in other states. Green Mountain currently sells RECs from its sources to these surrounding states to help reduce net power costs for the benefit of customers. The sale of RECs totaled approximately US$16.8 million in fiscal year 2024, compared to approximately US$15.4 million in fiscal year 2023. The value and volume of RECs available to sell depends on several factors.[11] For fiscal year 2024, the price was about $3/REC higher than fiscal year 2023, and premium REC volumes were up overall, due to higher energy generation and REC supply.

Green Mountain's future revenue from the sale of RECs is uncertain due to the intermittent nature of production from the renewable energy sources and variation in the market prices for RECs. In addition, Green Mountain's ability to sell RECs, and the level, type and price of such RECs, in the future will decrease in order to use these RECs to satisfy the recent changes in RES described above, that apply in 2026 and later years.

The third tier of the RES establishes annual compliance goals tied to Green Mountain's support for projects and measures that reduce fossil fuel consumption by Green Mountain customers in order to address climate change. The goals are set and measured in megawatt hours that are roughly equivalent to RECs. Green Mountain primarily meets these goals (1) with residential programs, focused on replacing fossil fuel heating with cold climate heat pumps, and replacing fossil fuel-based transportation with electric vehicles; and (2) by supporting projects for commercial and industrial customers that remove or reduce fossil fuels from heating, diesel generation, compression and other industrial processes. Many of these projects leverage beneficial electrification, which not only reduces fossil fuels, but improves operations and cuts costs for participating businesses and builds load that benefits all Green Mountain customers through lower costs. Custom Commercial and Industrial projects seek to support customers' fossil fuel reductions with cost effective measures so non-electrification strategies are also considered. These efforts, which began in 2017, have supported projects that will offset over 1.2 million lifetime tonnes of CO_2. Calendar year 2024 projects are forecast to offset an additional 286,000 lifetime tonnes of CO_2.

Global Warming Solutions Act

On September 22, 2020, the Vermont Legislature passed Act 153, also known as the Global Warming Solutions Act ("**GWSA**") which set forth several GHG reduction requirements for the State to meet. The Act requires reductions in Vermont's GHG emissions tied to three time periods: 2025, 2030, and 2050. Pursuant to the State's membership in the United States Climate Alliance and commitment to implement policies to achieve the objectives of the Paris Agreement, Vermont is required to reduce its GHG emissions by no less than 26% below 2005 GHG emission levels by

(10) RECs can be sold and traded independent of the underlying energy source, and their owner can claim to have purchased renewable energy.
(11) These factors include the year the RECs were issued, the type and location of the renewable energy source, and the relationship of supply and demand.

January 1, 2025. The first climate plan under the GWSA was released in December 2021 and a revised version is being developed by the Climate Council, an appointed body created by the GWSA, due to be released in July 2025. State rulemaking for vehicle emissions tied to the climate plan occurred over the past year; Vermont continues to follow California emissions standards for vehicles and adopted California's most recent update, through what is known as Advanced Clean Cars II rulemaking, to phase out most internal combustion light duty, passenger, truck and SUV sales from manufacturers by 2035. Further rulemaking and legislation to implement the GWSA's mandated reductions are expected to occur in the upcoming years.

Other programs

As part of Vermont's Net Metering Program, Green Mountain is required to offer its customers a rate that gives them monetary credits against their retail bills for renewable generation produced by the customer's net metering system. The credits can vary depending on the date that the net metering system was commissioned.

Furthering the goals of state energy policy and Green Mountain's commitment to solar development and energy storage, Green Mountain has constructed and commissioned five projects that pair utility-scale solar with battery storage and four utility-scale solar projects.

Under a new program created pursuant to the federal *Inflation Reduction Act* ("**IRA**"), Green Mountain received approval for a shared solar tariff program to bring the benefits of community solar to low- and moderate-income customers. The shared solar tariff program matches income eligible customers with newly developed solar projects receiving tax credits or grants provided by the IRA to reduce participating customers' bills. The shared solar tariff program will be available to all low-income residential customers at or below 185% of the federal poverty level, which is the eligibility threshold for low-income utility programs set by Vermont statute. Customers may participate in both the shared solar tariff program and Green Mountain's Energy Assistance Program.

4.10 Climate Change

4.10.1 Climate Change Risks and Opportunities

To structure its understanding of the risks and opportunities related to climate change based on the recommendations of the TCFD, a common methodology is used for Énergir, L.P. and Green Mountain.[12] The table below therefore presents the physical and transitional risks and opportunities for Énergir, L.P. and Green Mountain, and specifies how they would manifest themselves and what the potential financial repercussions would be.

To assess the potential financial impacts, an analysis was carried out and is updated every year based on one or several of these measures, namely the impact on capital cost, net profit, rate of return and the impact on rates.

Considering that the risk manifestations mainly have favourable or unfavourable economic repercussions on the competitive position of Énergir, L.P. or Green Mountain, the tables also present some of the risks and opportunities, as well as the assessment of the impact of these risks on their competitive position and on customers' rates.

Three levels of impacts have been retained, and the perspective chosen is that of the 2030 and 2050 horizon, knowing that some of these risks could have different repercussions over the longer term.

[12] In accordance with the securities regulatory requirements, this item excludes information relating to Vermont Gas.

Please note that in this table, the electricity-related risks apply solely to Green Mountain, and that the gas-related risks apply solely to the natural gas distribution activities in Quebec.

Low impact on rates | Moderate impact on rates | Potentially significant impact on rates

Risks			Sensitivity to horizon 2030	Sensitivity to horizon 2050	Potential financial impacts	Opportunities
Transition Risks	**Political and legal**	▪ Increase in the price of carbon	Moderate	Low	▪ Increase in service costs (implementation of specific measures to reduce the carbon footprint) reflected in customers' rates ▪ Decrease in demand for fossil natural gas resulting in particular from increased compliance costs (e.g. CATS)	▪ Increased demand for RNG and energy services ▪ Increased demand for natural gas from certified suppliers eligible for measuring, monitoring and reporting initiative regarding fossil gas supply ▪ Policies, regulations and financing conducive to RNG and hydrogen development ▪ Injection of low-carbon hydrogen in the gas network; ▪ Diversification of renewable energy sources ▪ Energy efficiency in offices, electrification of certain vehicle fleets, reduction at the source, re-use, recycle and repurpose of resources used ▪ Achievement of the 100% renewable supply targets (Green Mountain's 2030 target) ▪ Reduction of emissions with a renewable electricity supply (Green Mountain)
		▪ More aggressive decarbonization goals	Potentially significant	Low		
		▪ More restrictive regulation of existing products and services	Moderate	Low		
		▪ Inconsistency between the regulatory framework and business objectives	Low	Low		
		▪ Exposure to GHG emissions litigation or non-compliance with GHG emission reduction regulations	Low	Low		
	Technological	▪ Lesser efficiency of natural gas technologies compared to alternative energy solutions	Low	Low	▪ Decrease in demand for fossil natural gas (resulting from the use of comparatively more efficient equipment and electro-technology) ▪ Stranded investment costs in technologies that do not favour the achievement of our objectives	▪ Development of complementary energy services (energy expertise, storage assets, fuel, low-carbon hydrogen) ▪ Increase in the offer of energy efficiency programs ▪ New clean technologies to decarbonize the energy distributed
		▪ Technological advances that facilitate decarbonization for customers	Low	Low		
		▪ Unsuccessful investments in new technology	Low	Low		

Low impact on rates Moderate impact on rates Potentially significant impact on rates

Risks			Sensitivity to horizon 2030	Sensitivity to horizon 2050	Potential financial impacts	Opportunities
	Market-related	▪ Change in customer behaviour that favours energy sources with lower fossil GHG emissions ▪ Increase in supply cost			▪ Decrease in demand for fossil natural gas ▪ Lower share on certain markets that could have an impact on the distribution of revenues from Énergir, L.P.	▪ Dual energy offer for Quebec customers (Énergir, L.P.) ▪ Diversification of renewable energy sources including solar energy from sites of varied sizes (from residential rooftops to those of larger sites)(Green Mountain) ▪ Sharing program for peak electricity periods with customers
	Reputational	▪ Increased stakeholder concern about GHG emissions			▪ Reduced or more difficult access to financing (resulting from the consideration of environmental (including GHG emissions), social and societal criteria in the financing of projects or businesses) ▪ Decrease in demand for fossil natural gas	▪ Greater demand for our low-carbon solutions

<table>
<tr><td colspan="3">● Low impact on rates</td><td colspan="2">● Moderate impact on rates</td><td colspan="2">● Potentially significant impact on rates</td></tr>
<tr><th colspan="3">Risks</th><th>Sensitivity to horizon 2030</th><th>Sensitivity to horizon 2050</th><th>Potential financial impacts</th><th>Opportunities</th></tr>
<tr><td rowspan="2">Physical risks
(for more on this, please refer to the sub-section below, Physical Risks.)</td><td>Acute</td><td>▪ Increased severity of extreme weather events (floods, landslides, freeze/ thaw cycles).</td><td>●</td><td>●</td><td rowspan="2">▪ Lower revenues relating to a decreased energy distribution capacity (resulting, for example, from breaks in the supply chain);
▪ Increased operating costs (maintenance and repairs, including labour, equipment and potential environmental damage, insurance premiums and costs related to the negative impacts on the workforce);
▪ Increase in required investments (more resilient construction or more frequent repairs);
▪ Reduced insurability of assets located in "high risk" areas;
▪ Changes in demand due to milder winters and hotter summers.</td><td rowspan="2">▪ Investment in network resilience projects;
▪ Zero Outages Initiative (this initiative is described at greater length in Item 4.9.2 b) Climate Plan and Zero Outages Initiative); (Green Mountain)
▪ Recognition of the added value of gas assets owing to their resiliency to climate changes.</td></tr>
<tr><td>Chronic</td><td>▪ Changes in precipitation patterns and extreme variations in meteorological profiles;
▪ Rise in average temperatures.</td><td>●</td><td>●</td></tr>
</table>

Physical Risks

The physical risks have a different influence depending on the nature of the activities. Indeed, electricity production and distribution activities, which rely on assets that are mostly above ground, are more sensitive to certain risks such as storms affecting transmission lines and variations in precipitation that may also affect electricity generation. Wind, hours of sunshine and extreme cold can also impact wind and solar electricity generation. The gas network, which is mostly underground, can be more significantly impacted by landslides, forest fires or floods. Énergir, L.P. remains proactive in ensuring the resilience of its networks.

Climatic variations will undoubtedly have an impact on peak periods and the seasonal nature of consumption. We can therefore expect a greater need for electricity for air conditioning during hot seasons, and lower volumes of natural gas for heating during milder winters.

In Vermont's electricity production, transmission and distribution sector, the impact of climate crisis continues to be felt, taking on the form of the increased frequency and severity of service interruptions that result in higher repair costs. To curb the ever-increasing storm-related costs, but also to minimize the impact of outages on the communities that depend on its services, Green Mountain has created the Zero Outages Initiative, which offers targeted investments designed to significantly increase its infrastructure's local resiliency to storms and other meteorological phenomena. The following tables describe the potential impact of certain physical risks likely to affect the production, transmission and distribution of electricity in Vermont, as well as the attenuation and adaptation strategies that were adopted.

Acute climate risks	Potential impacts	Type of asset concerned	Adaptation strategies
Storms (rain/snow)	▪ Damage to power lines ▪ Damage to substations and power plants ▪ Impact of debris on equipment ▪ Falling poles or lines ▪ Localized flooding due to storm sewer obstruction ▪ Large hailstones causing property damage ▪ Increased risk of vehicle accidents and therefore damage to poles	▪ Customer residences and businesses ▪ Distribution, transmission and substation lines ▪ Spillage from hydroelectric power station basins and flooding of facilities and in cities downstream ▪ Inaccessibility for staff assigned to repairs and emergencies	▪ Regular maintenance of vegetation ▪ Bundling and covering of cables, relocation of cross-country lines to the edge of the roads ▪ Reinforcing and strengthening of power line infrastructure ▪ Development of emergency response plans for faster repairs ▪ Replacement of aging assets, covering of conductor equipment and burial of distribution lines
Landslides	▪ Landslides damaging power lines and substations ▪ Disruption to the electricity supply in hilly and mountainous regions	▪ Distribution, transmission and substation lines ▪ Transportation and communication infrastructure	▪ Implementation of slope stabilization measures ▪ Regular geotechnical assessments and checks
Forest fires	▪ Damage to power lines, substations and transmission towers ▪ Smoke and ash affecting air quality and the operation of power plants	▪ Customer residences and businesses ▪ Distribution, transmission and substation lines ▪ Inaccessibility for staff assigned to repairs and emergencies	▪ Creation of firebreaks around critical infrastructure ▪ Development of evacuation plans and emergency response procedures ▪ Use of fire-resistant materials for equipment and structures ▪ Use of extensive air filtration systems to limit the impact of smoke particles on our facilities

Acute climate risks	Potential impacts	Type of asset concerned	Adaptation strategies
Drought	▪ Reduction in hydroelectric power generation and availability of water ▪ Increased risk of forest fires in dry weather ▪ Impact on ability to effectively operate facilities	▪ Customer residences and businesses ▪ Distribution, transmission and substation lines ▪ Spillage from hydroelectric power station basins and flooding of facilities and in cities downstream ▪ Inaccessibility for staff assigned to repairs and emergencies	—
Floods	Severe flooding can: ▪ Limit access to water for power generation ▪ Restrict or prevent access to substations and other critical infrastructure ▪ Damage infrastructure ▪ Flood substations ▪ Damage underground cables ▪ Waterlog equipment	▪ Customer residences and businesses ▪ Distribution, transmission and substation lines ▪ Spillage from hydroelectric power station basins and flooding of facilities and in cities downstream ▪ Inaccessibility for staff assigned to repairs and emergencies	▪ Improvement of facility design to accommodate larger overflows ▪ Relocation of critical infrastructure away from flood-prone areas ▪ Renovation of infrastructure to withstand water damage ▪ Installing flood barriers and levees ▪ Implementing real-time flood monitoring and warning systems

Chronic climate risks	Potential impacts	Adaptation strategies
Extreme cold	▪ Equipment malfunction and freezing of power lines during cold spells ▪ Increased energy demand for heating in cold weather, putting strain on the grid	▪ Installing heating systems for critical equipment and infrastructure
Extreme heat	▪ Overheating of transformers and equipment ▪ Reduced efficiency of electricity generation ▪ Increased wear and tear on equipment and cables ▪ Impact on employee health and well-being	▪ Development of heat stress resiliency plans and implementing early warning systems
Precipitation	▪ Flooding in low-lying areas ▪ Landslides and debris flows ▪ Increased maintenance due to corrosion and vegetation	▪ Improvement of drainage systems to deal with increased precipitation ▪ Development of sediment control measures ▪ Regular inspection of infrastructure to detect damage

In the natural gas transmission and distribution sector, the system is essentially an underground infrastructure, and is therefore less exposed to climate events than an overhead system associated with electricity transmission and distribution. While not entirely protected, the associated risks and costs are lower and some adaptation measures are often an integral component of asset maintenance plans. However, climatic hazards can result in infrastructure access restrictions when access to public roads is reduced or interrupted (for example, the presence of trees or debris on the road following a storm), and can also have an impact on the quality of working conditions for workers, who are exposed to increasingly extreme temperatures (heat waves or cold periods), adding to the complexity of interventions.

The following table describes the potential impact of certain physical risks identified as being likely to affect this sector, as well as the mitigation and adaptation strategies that have been adopted.

Climate risks	Potential impacts	Type of asset concerned	Adaptation strategies
Floods	▪ Service interruptions for certain customers ▪ Increased maintenance, inspection or repair costs (limited access to certain zones for work) ▪ Health, safety and security issues for staff	▪ Distribution and transmission lines ▪ Access barriers/control stations	▪ Relocation of infrastructure that is repeatedly impacted ▪ Post-flood inspection programs to identify probable or potential damage ▪ Change in the design of certain elements to accept higher water levels
Landslides	▪ Segments of the system subject to being deformed to the point of rupture due to physical constraints ▪ Leaks ▪ Service interruptions for certain customers	▪ Pipes in dangerous zones	▪ Identification of zones most at risk and assessment of the need for corrective or detection measures (e.g., monitor ground movements or civil works to mitigate or eliminate the risk) ▪ System inspection activities described in integrity management programs
Forest fires	▪ Segments of the system subject to damage by intense heat ▪ Increased maintenance, inspection and repair costs (limited access to certain zones for work) ▪ Service interruptions for certain customers	▪ Delivery points in more remote northern regions ▪ Access barrier/control station ▪ Main line/valve terminal	▪ Agreement with service providers for fire detection and emergency response for strategic infrastructure ▪ Vegetation management

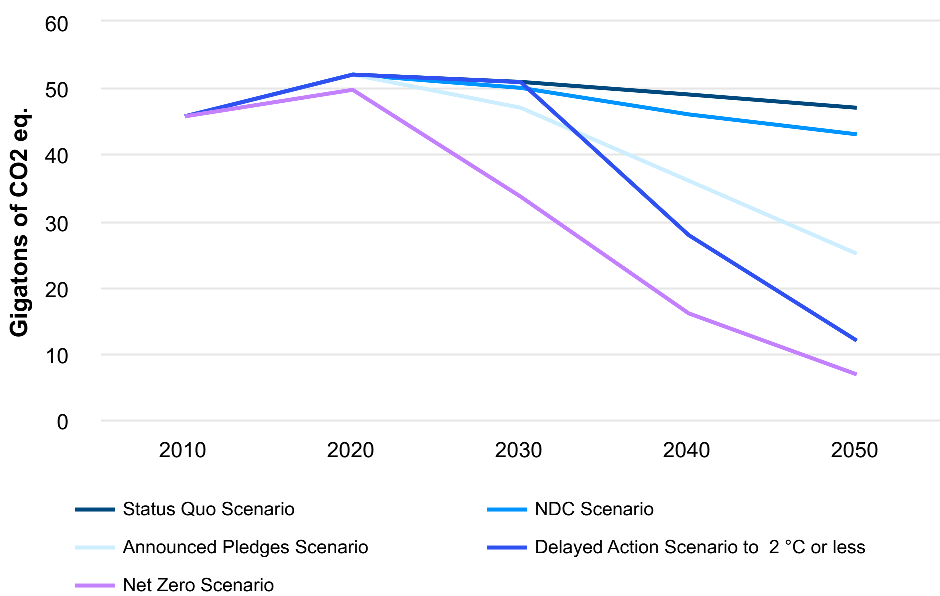
4.10.2 GHG Emissions Scenarios for Horizons 2030 and 2050

i. Global Scenarios

In order to better assess the potential impact of the climate change risks and opportunities (described more fully under Item 4.10.1. *Climate Change Risks and Opportunities*) on the resiliency of its business model and over short-term, medium-term and long-term timelines, Énergir, L.P. relied, in line with TCFD recommendations, on five quantitative scenarios from independent agencies that predict several possible global GHG emission pathways in the 2030-2050 timeframe. The use of these scenarios allows Énergir, L.P. and Green Mountain to analyze the impacts of climate change on the resilience of their business models over different time horizons. The scenarios used are not GHG emissions forecasts. They represent a range of possible futures with respect to GHG emissions. While other scenarios are available or forthcoming, the scenarios used in this Annual Information Form have the advantage of proposing a range of possible futures that are for the most part distinct from each other.

These scenarios are described below.

GHG emissions on global scale, depending on the scenarios used (expressed in gigatons of CO2 eq.)



Status Quo Scenario

The Status Quo Scenario represents a future in which the fewest actions are taken to limit global warming. The physical risks for this scenario are greater than for other scenarios described below in the second half of this century, as no additional measures are taken to reduce GHG emissions. The GHG emissions pathway of the Status Quo Scenario on a global scale was updated in the 2023 Annual Information Form with the new data taken from Climate Action Tracker. (13)

NDC Scenario

The NDCs embody the commitments of each Paris Agreement signatory country,(14) to reduce their national GHG emissions and adapt to the effects of climate change. Every five years, each signatory country must establish, disclose and update the successive NDCs it plans to make at the national level. As a signatory of the Paris Agreement, Canada has submitted an NDC plan that came into effect in 2016. The NDC plan was subsequently revised in 2017, and in 2021. The United States submitted an NDC plan in April 2021. This scenario is therefore evolving in line with the new NDCs announced by various countries over time.

(13) Climate Action Tracker is a non-profit climate science and policy institution based in Berlin, Germany.
(14) Among other things, this agreement seeks to limit any rise in the planet's average temperature way under 2°C compared to pre-industrial levels, and to continue taking action to limit the rise in temperature to 1.5°C compared to pre-industrial levels. This agreement came into effect on November 4, 2016.

This scenario previously took both NDCs and other commitments into consideration, but was amended in 2024 to only take NDCs into account, and this based on data taken from the Climate Action Tracker. Compared to its previous iteration, this scenario now leads to a higher level of warming (2.5^{o}C).

Announced Pledges Scenario (replacing the Sustainable Development Scenario)

Since 2022, the International Energy Agency's (IEA) Sustainable Development Scenario (SDS) is no longer updated in the World Energy Outlook. It has been replaced by the Announced Pledges Scenario (APS).

The Announced Pledges Scenario (APS) is designed to reflect the additional climate and energy commitments made by governments (beyond the policies they have already implemented) but that have not yet taken on the form of concrete action. This scenario includes recent announcements of decarbonization and long-term carbon neutrality goals, and is associated with a global warming of 2.1^{o}C by 2100 (based on data taken from the Climate Action Tracker) compared to pre-industrial levels.

To align with good practices advocating the use of frequently updated climate scenarios published by recognized entities, the IEA's Announced Pledges Scenario (APS) therefore replaces the Sustainable Development Scenario.

Delayed Action Scenario

The Delayed Action Scenario represents a future where countries fail to meet their NDC commitments between 2020 and 2030, and then take more stringent mitigation measures to limit warming to 2^{o}C or less compared to pre-industrial levels. Measures are delayed until 2030 and require significant catch-up between 2030 and 2050. As a result, GHG reductions after 2030 and the associated transition risks are much greater.

The Delayed Action Scenario was updated during a general review of the Bank of Canada scenarios in 2022. The nature of the scenario remains the same as the one originally published in 2020, that is, the status quo defined by the Bank of Canada is followed until 2030, when drastic measures are put in place to limit global warming to 2°C by 2100 compared to pre-industrial levels. This scenario relies, among other things, on the carbon price exceeding US$1,000 per tonne of CO_2 eq. in 2050 to realize the targeted GHG reductions. Compared to the previous pathway published in 2020, the pathway of this scenario has been modified so that it reaches a similar level of emissions to the previous version for the 2030 horizon, except that this scenario now anticipates more emissions by 2050 (11.9 gigatonnes CO_2 eq. compared to 9 gigatonnes CO_2 eq. in 2020).

Net Zero Emissions Scenario

The Net Zero Emissions Scenario represents a transformation of the global energy system to achieve global carbon neutrality by 2050 and limit the global temperature increase to 1.5^{o}C or less compared to the pre-industrial era. It also maintains economic growth.

In this scenario, declining final energy demand, the rapid deployment of more energy-efficient technologies, electrification and the rapid growth of renewables play a central role in reducing GHG emissions across all sectors. Emerging fuels and technologies, such as hydrogen and hydrogen-based fuels, bioenergy and carbon capture and storage, also play a major role, especially in sectors where emissions are often the most difficult to abate.

Published on October 16, 2024, the latest version of the International Energy Agency's (“IEA”) World Energy Outlook updates the emissions pathway of the Net Zero Emissions Scenario. The emissions will have increased by 3% in 2030 compared to the 2023 edition of the scenario.

In that regard, key changes to the Net Zero Emissions Scenario assumptions are as follows:

- 75% of the GHG reductions for 2050 come from technologies that already exist, namely an increase of 10% compared to the assumption used in 2021;
- A 17% reduction in global natural gas consumption by 2030 and 77% by 2050 compared to 2020. This corresponds to reductions of 6% and 1.5%, respectively, greater than those anticipated in 2023;

The current and announced policies so far do not allow the realization of the Net Zero Emissions Scenario.

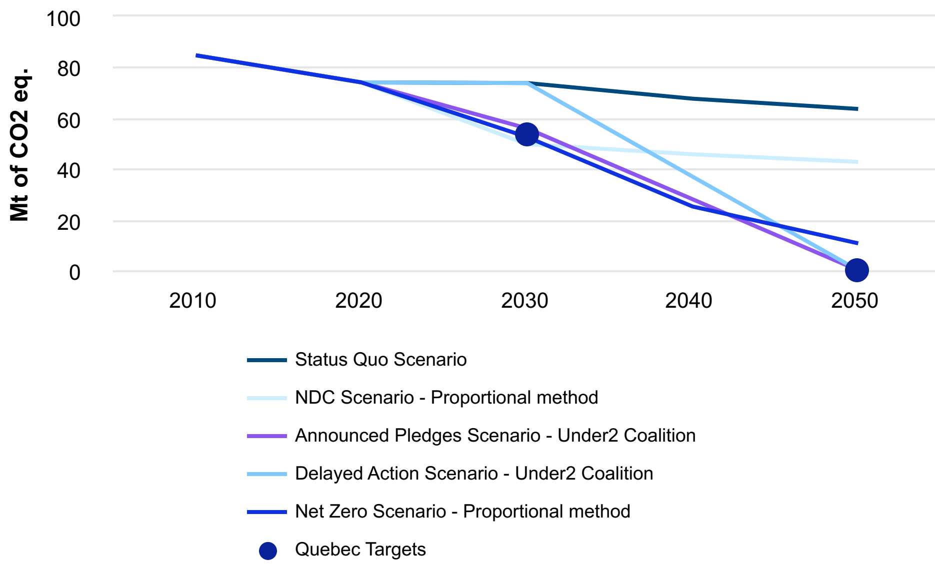
ii. Quebec-Wide Scenarios

To ensure that its Strategic vision of decarbonization for 2030-2050 enables its resiliency by 2050, Énergir, L.P. used the scenarios presented under Item 4.10.2 i. *Global Scenarios* above, having scaled them to the province of Quebec.

Quebec has its own policies and regulations and has made political commitments to combat climate change that influence possible future pathways for GHG emissions.

The following graph presents the possible GHG emission pathways according to the scenarios used as they apply to Quebec. It also presents Quebec's targets in 2030 and 2050. To update the pathways for Quebec, we use the same base year for all global scenarios, i.e. 2020, given that some global scenarios for more recent years have not been updated.[15]

Possible annual GHG emission pathways according to the scenarios used as they apply to Quebec (expressed in million tonnes of CO_2 eq.)



The scenarios used for Status Quo Scenario come from reports produced by Dunsky Energy Consulting for Quebec and Vermont, and are based on a modelling of the NATEM-Canada energy optimization model in the case of Quebec, and an earlier version of a similar modelling for Vermont. These scenarios have been developed across jurisdictions of interest, so no scaling is required.

For scenarios scaled according to the Under2 Coalition methodology, the methodologies for Quebec and Vermont were harmonized to facilitate understanding. This is why the Sustainable Development Scenario curve reaches net zero emissions in 2050.

As mentioned in Item 4.10.2 i. *Global Scenarios* above, these scenarios are not projections but are used to analyze Énergir, L.P.'s risks and opportunities related to climate change from different angles.

Scenarios	Description of the impacts on Énergir, L.P.
Status Quo	According to the Status Quo Scenario developed for Quebec, the natural gas volumes distributed by Énergir, L.P. should drop by 2030 and up to 2050, as they are closely linked to the Price of carbon, which will be rising significantly up to 2050. The increase in global temperatures could reach 3.4°C in 2100 compared to pre-industrial levels. It is therefore expected that climate change would further affect Énergir, L.P.'s physical assets.
NDC	Compliance with GHG emission reduction policies and achievement of GHG emission reduction targets would result in significant changes to Énergir, L.P.'s traditional business model. Some of Énergir, L.P.'s markets are expected to be significantly impacted, specifically the building heating market, where lower GHG emitting alternatives are available. Because the physical impacts of climate change over the next decade are driven by past emissions, some of the physical effects of climate change would be felt without reaching the significant impacts of the *Status Quo* Scenario. A global warming above 2°C is nevertheless expected to result in significant physical impacts.

[15] Quebec, 2022, RAPPORT SUR LA CIBLE DE RÉDUCTION DES GES 2020 - Québec rend public le rapport sur la cible de réduction de GES 2020 (in French only).

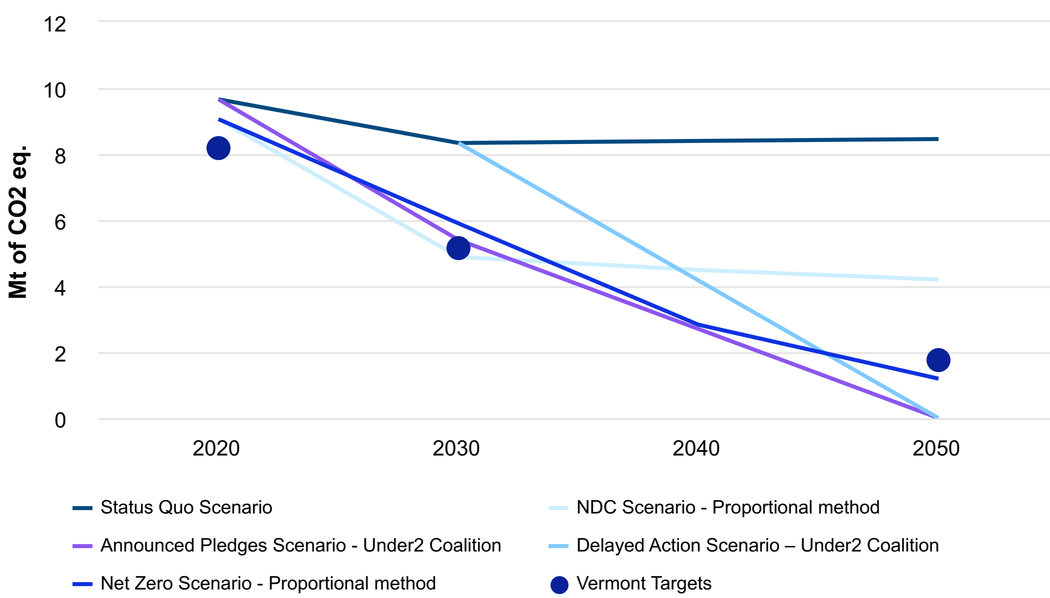
Scenarios	Description of the impacts on Énergir, L.P.
Announced Pledges and Delayed Action	The physical impacts of climate change would be the same for these two scenarios, but they are expected to affect Énergir, L.P. at different times and in a more or less significant way. Énergir, L.P. should therefore be less affected by the physical impacts of climate change after 2040. In the Announced Pledges Scenario, the energy transition would already be underway and continuing gradually through to the 2030 and 2050 horizons. In this scenario, Énergir, L.P. would have to continuously deal with sustained transition risks. Note that Quebec's targets are aligned with the pathway presented in this scenario. In the Delayed Action Scenario, the possibility of a shock (an abrupt change in policies after 2030 affecting Énergir, L.P. directly or the operations of its customers) is foreseeable. In this case, the adaptation of Énergir, L.P.'s business model in order to manage the risks associated with this transition could represent a significant challenge. These scenarios are consistent with limiting the temperature rise to 2ºC or less by 2100 compared to pre-industrial levels.
Net Zero Emissions	Énergir, L.P. will have to deal continuously with sustained short-term transition risks. While the decarbonization effort will be major for all sectors of the economy by 2030 to limit temperature to 1.5°C compared to the pre-industrial era, this scenario imposes increased transition risks for Énergir, L.P. but creates conditions conducive to the implementation of its decarbonization solutions. Despite limiting temperature increases, physical risks are still expected, but are mitigated by prompt and concerted action. The current and announced policies so far do not allow the realization of the Net Zero Emissions Scenario.

ii. <u>Vermont-Wide Scenarios</u>

In order to interpret the meaning of the global scenarios presented under Item 4.10.2 i. *Global Scenarios* above for Green Mountain, they have been scaled to the jurisdiction of Vermont.

The scaling of the NDC Scenario for Vermont reveals higher GHG emissions in 2050 due to the changes made to this scenario that were explained in Item 4.10.2 i. *Global Scenarios*. These emissions should exceed 4 million tonnes of CO_2 eq. in 2050, though they were estimated at close to 3 million tonnes in 2021. Once again, the pathway by 2030 remains unchanged.

Possible annual GHG emissions pathways according to the scenarios used as they apply to Vermont (expressed in million tonnes of CO2 eq.)



The above-mentioned scenarios may have the following impacts:

SCENARIOS	DESCRIPTION OF IMPACTS
	GREEN MOUNTAIN
Status Quo	Distributed volume would remain relatively stable beyond 2030. Global temperatures could rise by 3.4°C; in such a case, climate change would be likely to affect certain physical assets such as hydroelectric assets (increase in water level and volume, especially during very intense rainfall events), transmission and distribution (accelerated vegetation growth rates, stress on trees resulting from rising temperatures, isolated flooding episodes) of Green Mountain.
NDC	Compliance with Vermont's GHG emission reduction policies and the achievement of Vermont's GHG emission reduction targets would result in significant changes to the current traditional business model of Green Mountain. Because physical impacts of climate change over the next decade are driven by past GHG emissions, at least some of their above-mentioned physical effects would be felt even if the NDC Scenario materializes. A global warming above 2°C would nevertheless have significant physical repercussions.
	Some markets would be affected, such as building heating and transportation, for which less emissive alternatives are available through electrification. These changes would benefit Green Mountain customers by increasing the load and reducing the pressure on rates.
Announced Pledges and Delayed Action	The physical impacts of climate change would be the same, but they are expected to affect Green Mountain customers at different times and in a less severe way. In both scenarios, global warming is limited to 2°C or less by 2100 and therefore the assets and customers of Green Mountain would be less disrupted by climate change after 2040.
	In the Announced Pledges Scenario, the energy transition is underway and is faster, but stable by the 2030 and 2050 horizons. Green Mountain would benefit from this.
	In the Delayed Action Scenario, the actions needed to limit global warming to 2°C do not occur until a sharp change in policies after 2030. In this case, managing Green Mountain's portfolio and operating activities to maintain a clean, cost-effective and reliable energy system would be key to helping its customers.
Net Zero Emissions	Despite limiting temperature increases, physical risks are still expected, but are mitigated by prompt and concerted action.
	Green Mountain customers would reap maximum benefits from the Net Zero Emissions Scenario through greater load growth, thus reducing pressure on rates. While the decarbonization effort will be major for all sectors of the economy by 2030 to limit the temperature to 1.5°C compared to the pre-industrial era, this scenario imposes increased transition risks, but creates very favourable conditions for the implementation of its decarbonization solutions. The current and announced policies so far do not allow the realization of the Net Zero Emissions Scenario.

4.10.3 Resiliency of the Business Models

Énergir, L.P.

To address climate risks and opportunities, as more fully described under Item 4.10.1 *Climate Change Risks and Opportunities*, Énergir, L.P. developed a Strategic vision of decarbonization for 2030-2050, which allows it to remain relevant in terms of climate change.

In order to achieve its Strategic vision of decarbonization for 2030-2050, Énergir, L.P. aims to guide customers towards the best energy solution in their journey to decarbonization, and to develop new low-carbon activities, namely to sell and commercialize a decarbonization approach. To do this, Énergir, L.P. is relying on the value that its infrastructure and gas energy can bring to Quebec's energy ecosystem. Énergir, L.P. is convinced that gas energy and its infrastructure will maintain their value in the long term.

To make the energy it distributes as carbon neutral as possible, Énergir, L.P. is focusing on various initiatives, which will be discussed in detail in the following sections:

1. Increasing energy efficiency efforts;
2. Converting natural gas users to the electricity-natural gas dual-energy solution;
3. Accelerating RNG injection;
4. Developing low-carbon growth vectors.

In 2050, Énergir, L.P. should distribute approximately 50% less gas energy by concentrating on where it has value and where gas distribution infrastructure contributes the most to Quebec's energy ecosystem. The industrial market will represent 73% of these residual volumes.

In order to contribute to the achievement of its own decarbonization targets, but also of those set out in the Quebec government's 2030 PGE, in particular the target to reduce the GHG emissions of heating buildings by 50% by 2030 compared to the 1990 level, Énergir, L.P. primarily targets some of the GHG emissions of its customers that come from the use of natural gas for the heating of air and water in the buildings sector (residential, commercial and institutional markets). In addition to ensuring consistency with the 2030 PGE, the priority given to the decarbonization of the buildings sector by 2030 is based on the fact that the technologies that help reduce GHG emissions from this sector are technically and commercially viable. As a result, uncertainty about the decarbonization of this sector is lower. With the initiatives presented below, Énergir, L.P. anticipates that the energy distributed through its system will become carbon neutral if the assumptions projected by Énergir, L.P. become a reality.

Énergir, L.P. updated its decarbonization pathway for the industrial sector for 2050. This forecast is clearly influenced by the intrinsic decarbonization ambitions of its large industrial customers, the regulatory context and the evolution of the overall technological context. The updated forecast of possible GHG emission reductions makes it possible to integrate the new consumption data of Énergir, L.P.'s customers, as well as the latest changes in the cost-of-service estimates that directly influence Énergir, L.P.'s competitiveness. This update also reflects changes in Énergir, L.P.'s external business environment, such as evolving energy prices, the Price of Carbon pursuant to the regulations in effect, restrictions on the use of natural gas and other relevant factors. Énergir, L.P. recognizes that significant developments in new energy sectors will be required to achieve its Carbon Neutrality target for the energy sold to its customers by 2050 in a manner consistent with a pathway limiting temperature rise to 1.5°C. by 2100 compared to pre-industrial levels.

Énergir, L.P.'s industrial customers are very heterogeneous, and many decarbonization strategies and technologies will be needed to achieve carbon neutrality.

The Strategic vision of decarbonization for 2030-2050 is based on the four following initiatives:

(1) Increasing energy efficiency efforts

Énergir, L.P. has set itself the target of helping its customers, through its various energy efficiency programs (as described more in detail under Item 4.3.1 f) *Normalized Deliveries*), to cumulatively avoid one million tonnes of CO_2 eq. GHG emissions between 2020 and 2030.[16]

Énergir, L.P. aims to maintain this accelerated pace over the long term. To this end, Énergir, L.P. should be launching several strategies to enhance its current offering while promoting new and increasingly efficient technologies and favouring the integration of digital intelligence. To do so, it is developing marketing strategies and communication campaigns to maximize customer participation in its energy efficiency programs and offer new energy services.

(2) Converting natural gas users to the dual-energy electricity-natural gas solution

In a May 2022 decision, the Régie approved Hydro-Québec and Énergir, L.P.'s joint application to offer a shared dual-energy electricity-natural gas solution to existing natural gas customers in the residential sector. Hydro-Québec therefore pays Énergir, L.P. a GHG contribution recognizing the gas network's value during winter peak demand periods and allowing a significant portion of distribution revenues to be maintained. The Régie decision acknowledges that it is in the public interest that regulated entities assume their responsibilities by contributing to the economy's decarbonization in a context of climate crisis. An application to review this Régie decision has been filed. In a decision rendered on February 22, 2023, the Régie, without questioning the merits of dual-energy, partially allowed the applicants' grounds, in particular as regards the challenge of the possibility that the GHG contribution paid by Hydro-Québec is an expense that can be incorporated into the revenue required of Hydro-Québec for fixing its rates. This Régie decision, however, is currently subject to an application for judicial review before the Superior Court of Québec. It is important to note that dual energy continues to be offered, and that Hydro-Québec has paid Énergir, L.P. the GHG contribution. With dual energy, the two leading energy distributors are therefore working to considerably reduce the natural gas consumption (and, consequently, GHG emissions) of over 100,000 customers currently using natural gas for heating purposes. The dual-energy project is counting on a pragmatic approach that could help save Quebec society considerable amounts of money while accelerating the decarbonization of heating buildings. Achieving these goals will be further facilitated by Énergir, L.P.'s new alignments, which target a requirement that new customers in the buildings sector opt for a 100% renewable solution, either by covering their needs with a supply of 100% RNG or opting for dual-energy by combining electricity and RNG.

Gaseous energy, when used in the right place and at the right time, represents an important asset in Quebec that not only relieves the pressure on the capacity and electricity energy balance[17] in winter, but contributes to resiliency at an advantageous cost. When the gas used in conjunction with electricity is RNG, this decarbonization strategy proves to be a win for society. These findings remain valid regardless of the market of the energy consumer, whether it is the

[16] This target covers the period from October 1, 2020 to September 30, 2030, and covers all of the markets served by Énergir, L.P. and takes into account the contribution of its Energy Efficiency Programs.
[17] Energy and capacity are two ways of measuring energy. Energy is expressed in kWh, while capacity is expressed in kW. Energy is the product obtained when capacity is multiplied by the length of time of use. Capacity will vary depending on the activities carried on.

buildings sector or the industrial sector. This is why Énergir, L.P. has worked jointly with its partners Hydro-Québec and the Quebec government to expand eligible markets to larger buildings, and is examining options that could help its industrial customers achieve decarbonization in a way that is optimal for them, as well as for Quebec society.

(3) Accelerating injection of RNG

Énergir, L.P. aims to commercialize increasing volumes of RNG to its customers annually. Énergir, L.P.'s goal is to have RNG represent at least 10% of the annual volumes sold by 2030, which would equate to an annual reduction of approximately one million tonnes of CO_2 eq. of fossil GHG emissions.

In the course of its fiscal year 2024, Énergir, L.P. achieved its obligation under the *Regulation respecting the quantity of gas from renewable sources to be delivered by a distributor,* which was 2%. In November 2024, the Government of Quebec announced a framework for the use of natural gas in the buildings sector, as described at greater length in Item 4.2.1 *Distribution Segment*. Énergir, L.P. also signed four new RNG supply contracts, three of which should begin injecting into the network in fiscal year 2025. Énergir, L.P. is well on its way to achieving the next regulatory obligation, namely 5% RNG during its fiscal year beginning October 1, 2025 (approximately 306 million cubic meters). The signed contracts, taken as a whole as at the fiscal year end of 2024, represent a potential contractual volume of 303 Mm^3 by 2025-2026, namely 99% of the estimated volumes needed to reach this regulatory obligation.

Use of RNG

In order to meet the 2030 PGE targets, as well as Énergir, L.P.'s commitments relating to the buildings sector, Énergir, L.P. believes that the consumption of RNG in this sector is a must because RNG in buildings brings great value to the energy ecosystem with respect to the decarbonization of the economy. The contribution of RNG to reducing the impact on peak electricity periods, when RNG is used as dual energy in the buildings sector, is on average nearly eight times greater than its use in the industrial sector. This is due to the small quantity of RNG required during peak periods when used as dual energy in buildings, compared to the larger quantities required when it is used throughout the year in industries, outside of peak periods and even in the summer. Énergir, L.P. anticipates that evolving market conditions, as well as growing environmental concerns, should stimulate demand in the industrial sector in the medium and long term.

(4) Developing low-carbon growth drivers

Energy efficiency, RNG and complementarity with the electric grid are vectors for maintaining customers and revenue for Énergir, L.P. in a decarbonization context. Moreover, the diversification of its operations in Quebec would also allow Énergir, L.P., through subsidiaries and affiliated companies, to achieve medium- and long-term growth. For example, Énergir, L.P. is currently evaluating certain opportunities in the development of district energy loops, as well as the expansion of services offered to customers, more specifically the installation of geothermic systems. In addition, diversification could also take the form of more upstream involvement in the RNG sector, through the intermediary of an Énergir, L.P. affiliate, the development of the low-carbon hydrogen sector as a source of energy supply, and the geothermal sector, which resembles its traditional activities while offering a renewable, economical and efficient solution.

Resilience of Énergir, L.P.'s Business Model

Énergir, L.P. believes that the achievement of the four initiatives of its Strategic vision of decarbonization for 2030-2050 is consistent with an emissions reduction pathway that is aligned with the Government of Quebec's targets. To achieve a more ambitious pathway that would limit global warming to 1.5°C, Énergir, L.P. recognizes that it will need to make additional sustained efforts, such as accompanying its customers on their path to decarbonization.

Consequently, this pathway would ensure the viability of the business model by focusing on value creation rather than on the volume of natural gas distributed, while the quantities of natural gas distributed could be maintained or slightly reduced by 2030 and then decrease more markedly by the 2050 horizon. At the same time, the increasing volumes of RNG distributed by 2050 would reduce exposure to higher carbon taxation.

Ensuring the resilience of Énergir, L.P.'s business model is a complex task. The business model will have to ensure that it maintains competitive rates and preserves revenues and profits, at a time when the volumes distributed are expected to decrease and the integration of new sources of renewable energy will be more expensive. With the initiatives set forth in its Strategic vision of decarbonization for 2030-2050, Énergir, L.P. expects to ensure this resiliency.

Several elements are considered when calculating the competitive position's evolution, especially the evolution of cost of service, as well as the evolution of electricity rates. These elements are updated on an ongoing basis. These projections show that the energy solutions Énergir, L.P. offers should remain globally competitive.

The measures to ensure Énergir, L.P.'s resilience by 2050 are based mainly on the following premises:

1. In most markets, Énergir, L.P. expects that until 2050, RNG should provide a competitive energy solution compared to electricity. RNG is expected to remain less expensive from a societal perspective[18] than most solutions involving conversion to electricity: RNG draws its main value from being interchangeable with fossil natural gas, which means existing infrastructures can be upgraded and offer the same flexibility to meet Quebec's demanding seasonal needs. Moreover, RNG is a low-impact option that allows Énergir, L.P.'s customers to decarbonize their activities without requiring modifications or investments.
2. Hydro-Québec should be facing major challenges in terms of the growth of renewable or low-carbon source tools for meeting the needs generated by the heightened seasonal demand profile that comes with Quebec's rigorous climate, and of resiliency, notably with the greater presence of intermittent renewable energy in its supply portfolio. Énergir, L.P. believes that the rate signals sent by Hydro-Québec will be strong and stable over time (much like the dual energy rate) so as to encourage lower electricity consumption at the most critical times, as such a reduction will be of great value to the power grid in both the buildings and industrial sectors.
3. The reduction in revenues associated with the estimated decrease in the natural gas volume distributed in 2050 could be offset by initiatives that allow Énergir, L.P. to maintain its revenues, such as support for energy efficiency or the implementation of the joint dual-energy program with Hydro-Québec, as these two actions are more fully described above.

Maintaining Énergir, L.P.'s competitive position is indeed important. A decrease in the distributed volume coupled with an increase in costs (Price of Carbon, integration of renewable energy sources) induces upward pressure on rates. To limit this pressure over time and maintain a competitive energy supply, Énergir, L.P. must therefore focus on value-added activities. Maintaining a competitive energy supply is an essential element of Énergir, L.P.'s business model. Indeed, natural gas distribution activities in Quebec are regulated, as described at greater length in Item 4.2 *Regulatory Framework*.

If Énergir, L.P. is to succeed in its approach to decarbonize the power it distributes by 2050, continued efforts will need to be made to perfect its solutions and identify others in order to maximize the achievement of its targets.

Green Mountain

To address climate risks and opportunities, Green Mountain's Path to 100% Renewable and Zero Outages Initiative (described at greater length in Item 4.9.2 b) *Climate Plan and Zero Outages Initiative)* have one priority: customers – how best to serve them in a cost-effective and reliable way in this time of climate change, and how to offer them the latest available technologies. Green Mountain is providing clean, cost-effective, and reliable power, as more and more customers choose strategic electrification. For these purposes, Green Mountain has adopted a proactive and detailed climate plan with ambitious goals - some exceeding Vermont's regulatory requirements - to achieve 100% carbon-free electricity supply on an annual basis by 2025 and 100% renewable supply by 2030. In fact, Green Mountain's objective of having a 100% carbon-free portfolio has been achieved four years early. In the course of its fiscal year 2024, Green Mountain's annual electricity supply portfolio is 100% carbon free and 80% renewable (through direct sourcing, the retirement of RECs[19] or a combination of both).

Because Green Mountain's supply portfolio is already low carbon, it is less exposed to the transition risks inherent to climate change. This is why Green Mountain is focusing on physical resilience risks to develop an energy system where generation is closer to interconnected customers and empowering for its customers, which requires:

- switching from a one-way energy system of centralized, fossil fuel-based generation transmitted through traditional electric poles and cables to a power generation system that is lower in GHG emissions, renewable and distributed with new possibilities for managing complex local and regional networks;
- switching from one-way electricity flowing from a central plant, to storage and delivery of a two-way flow between customers and Green Mountain. Green Mountain is deploying a large battery fleet across its network to reduce costs and carbon emissions and increase resiliency for customers;
- leveraging growing demand associated with strategic electrification to decarbonize the transportation and thermal power sectors, major sources of carbon pollution in Vermont; and
- continually improving the resiliency of the energy distribution system and customers' buildings through innovative programs and solutions, including battery storage and smart electric infrastructure in homes and businesses.

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(18) The concept of "cost from a societal perspective" refers to the concept of "total cost in resources," in other words all additional annual expenditures required comparatively to a benchmark configuration, to implement a measure, including those required on energy systems and by energy consumers.
(19) RECs each certifying that one megawatt hour of electricity was generated from an eligible renewable energy source.

Green Mountain is investing in energy distribution models that seek transformation to adapt to the evolving energy generation context in the following ways:

- leveraging many different resources (distributed energy resources) to manage the new, multi-directional grid with intermittent resources. Using battery storage to meet the need previously met by fossil-fuel generators and retiring these assets.
- establishing communities of decentralized power generation that are communications enabled to optimize the operating cost of the electrical system and the use of renewable and non-GHG-emitting energy generating sources.
- offering a diverse portfolio of innovative energy programs that promote measures consistent with Vermont's energy policy and appeal to the specific goals of each customer.

Green Mountain invests in resiliency and reliability measures to counter the effects of climate change on its system through its climate plan and Zero Outages Initiative, by:

- integrating evolving technology to underground parts of the distribution system to lead to a cost-competitive solution allowing for more burial of lines in locations with reliability issues, notably to reduce exposure of Green Mountain's assets to physical risks of climate change such as severe storms.
- better preparing Green Mountain's grid to serve as the backbone for Vermont's aggressive goals to cut GHG emissions and transition off fossil fuels.
- favouring the creation of resiliency zones to take a targeted approach to communities that have multiple resiliency challenges, including electric, communications and social vulnerability. This helps customers achieve ubiquitous broadband connectivity that is required to unlock innovative energy services that help cut costs and reduce GHG emissions through load management and control. Green Mountain successfully launched a broadband internet service deployment program to quickly help more Vermonters get connected at a lower cost. Green Mountain is deploying a federally funded major rollout.

The implementation of Green Mountain's roadmap set out in Path to 100% Renewable is, according to Green Mountain, consistent with the GHG emission reduction pathway described in the Sustainable Development Scenario or the Delayed Action Scenario described in Item 4.10.2 *GHG Emissions Scenarios for Horizons 2030 and 2050*. Green Mountain has set specific targets for itself that are either more stringent than those of the Under2 Coalition of which Vermont is a member, or in line with Vermont's stated objectives.

Green Mountain uses a scenario to assess its climate resilience in a pathway to limit the temperature rise to 1.5°C or less by 2100 compared to pre-industrial levels. It is important to clarify that, for the moment, neither Vermont nor the United States have adopted climate targets to align with this pathway. Green Mountain is aware that there are additional emission reductions that would have to be achieved, particularly in the next ten years, if Vermont were to adopt a more aggressive GHG emission reduction pathway than those limiting global warming to 2°C or less by 2100 compared to pre-industrial levels. This may have a positive impact on Green Mountain's customers, as the company is already well positioned to offer low-carbon solutions to Vermonters that will grow load, which will reduce the pressure on rates.

4.10.4 Climate Change Risk and Opportunities Management

Aware of their exposure to the climate change risks described in greater detail under Item 4.10.1 *Climate Change Risks and Opportunities*, Énergir, L.P. and Green Mountain have adopted a risk governance framework to facilitate the achievement of business objectives and strategies while promoting an organizational culture committed to managing risks in a proactive and efficient way. Risks, including those relating to climate change, are an integral part of the decision-making process.

The current integrated risk management process includes the evaluation of climate risks in the broader context of operations, strategy and asset management.

Énergir, L.P. and Green Mountain use the following risk management framework, which is an on-going process:

1. *Identification of risks.* This process includes monitoring climate change publications and data, examining sectoral documentation, complying with the applicable guidelines and standards, and considering the operational data.
2. *Risk assessment.* Methods for assessing risks are implemented to assess their probability of occurrence and potential impacts. In some cases, modelling and quantification are performed, particularly when transitional or physical risks require a more complete evaluation.
3. *Risk management and mitigation.* Global risk mitigation strategies based on risk assessment findings were developed to proactively address climate-related risks and improve their resiliency. Targeted studies were conducted to identify what adaptation measures will be needed to address specific physical risks, and could

lead to the implementation of resiliency hardening measures such as improving infrastructure and adopting adaptive management practices. Climate-related risks are also continuously monitored and prioritized.

4. *Reporting*. A consolidated dashboard that includes the activities of Énergir, L.P. and Green Mountain is used as a basis for semi-annual risk presentations to the Management Committee, the Audit Committee and the Board.

Corporate risks, including climate-related risks, are assessed at least twice per fiscal year.

4.10.5 Governance as it relates to Climate Change

Énergir, L.P.’s governance reflects its commitment to contribute to and support efforts to counter the impacts of climate change.

Risks and opportunities related to climate change are monitored by the Board and by Management. The Board oversees the management of Énergir, L.P.’s activities to ensure, among other things, the company’s financial health and resilience over the short, medium and long term. More specifically, it ensures that Management adopts a strategic planning process and periodically implements a strategic plan that addresses business opportunities and risks, among other things. It also ensures that Énergir, L.P.’s corporate strategy, including strategic orientations stemming from climate change issues, is deployed. It identifies and monitors Énergir, L.P.’s main risks and each year approves Énergir, L.P.'s integrated risk management plan, including climate risks. Twice a year it reviews management’s report on the integrated management of risks and opportunities and ensures the implementation of appropriate measures and management systems for such risks. An analysis of the energy, climate and physical transition risks is periodically presented to the Board and discussed.

The Board's mandate explicitly sets out the Board's oversight responsibilities where environmental, social and governance factors and corporate risks are concerned. The Board is supported by the following committees, which jointly oversee the effectiveness of Énergir, L.P.’s strategies and performance with respect to climate change risks and opportunities: the CGEE Committee, the HR-SR Committee and the Audit Committee following changes made to the Board committees' structure on October 18, 2022, December 15, 2022, and August 7, 2024.

The main responsibilities of the Board committees are described in Items 10.2.1.6 *Committees of the Board* and 10.2.2.1 *Relevant Education and Experience* and their mandates are available on Énergir, L.P.'s website at www.energir.com.

Since October 1, 2020, Énergir, L.P. amended its Long-Term Incentive Program for Executive Officers. The program, which tracks performance indicators, includes the following strategic indicator - the "Decarbonization effort - reduction of greenhouse gas (GHG) emissions." This indicator tracks GHG emission reductions in Quebec. For more information on this program, please refer to Item 10.1.3.7 *Long-Term Incentive Program.*

Énergir Inc.’s President and Chief Executive Officer manages Énergir, L.P.’s operations. He is ultimately responsible for strategic planning and ensuring that its initiatives cover risks and opportunities related to climate change. He is supported in his responsibilities related to Énergir's Affiliates by the Group Management Committee, which consists of certain members of Management as well as the presidents of Green Mountain and Vermont Gas. Under the leadership of the Executive Vice President, Quebec, the Management Committee of Énergir, L.P. (in which all sectors of Énergir, L.P. are represented) has developed the Strategic vision of decarbonization for 2030-2050 to guide Énergir, L.P.’s development. The vision’s alignments are regularly reviewed to take into account in particular emerging trends and ensure that they remain relevant. The Management Committee has established a framework in order to identify, assess and manage the various risks inherent to the industry in which Énergir, L.P. operates, including those related to climate change. These elements are also addressed during the Group Management Committee meetings of the Group.

Énergir, L.P. has adopted an internal governance structure that promotes the sound management of climate issues in establishing its objectives, strategies and actions across various levels of the organization. Thus, the offices of several vice presidents and the financial department support the Management Committee in its reporting to the Board and its committees. They are assisted by their respective teams, the ESG Leadership Committee and the collaborators of Énergir, L.P.'s various segments.

Green Mountain

Green Mountain is governed by the Green Mountain Board, which has the power to oversee the management of the business in support of the resilience of Green Mountain for its customers in the short, medium and long term. Green Mountain is managed by its President and Chief Executive Officer. Its corporate governance structure is comprised of the Green Mountain Board, two Board committees and its executive team.

The Green Mountain Board reviews Green Mountain's strategic goals with management, provides general advice and suggests general guidelines to Green Mountain's management. The Green Mountain Board currently maintains an audit committee and a CGC and carries out many of its responsibilities through these two committees.

- audit committee: assesses the steps management takes to minimize significant risks or exposures to Green Mountain, including climate-change related risk assessment and risk management policies.
- CGC: reviews developments related to corporate governance matters and management's short- and long-term goals to achieve good outcomes at lower cost to customers with reduced GHG emissions.

Green Mountain's long-term incentive program for executive officers is based on the monitoring of performance indicators and incorporate the following strategic environmental indicator, "decarbonization effort – reduction of greenhouse gas (GHG) emissions." This indicator tracks GHG emission reductions in Vermont.

ITEM 5 HUMAN RESOURCES MANAGEMENT

As at September 30, 2024, Énergir, L.P. had, on a consolidated basis, 2,391 regular and temporary employees. The following table provides specific information on such employees, broken down by segment.

Segment	Number of employees
Energy Distribution	2,335
➔ Énergir, L.P.	1,665
➔ Green Mountain	523
➔ Vermont Gas	147
Natural Gas Transportation[(1)]	0
Electricity Production[(2)]	0
Energy Services, Storage and Other	48
Corporate Affairs	8
Total	**2,391**

(1) This segment has no employees owing to the existence of services agreements.
(2) This segment has no employees owing to the existence of service contracts for the wind farms in Quebec.

A total of 1,271 employees of Énergir, L.P. and its subsidiaries are governed by collective agreements. The following table summarizes the collective agreements of Énergir, L.P. and its subsidiaries, including Green Mountain.

	Corporation	Employees	Number of employees	Term of the agreement	Comments
Energy distribution segment	Énergir, L.P.	Office workers (SEPB Québec, Fédération des travailleurs et travailleuses du Québec)	391	August 31, 2025	The collective agreement came into force on September 6, 2023.
		Representatives (SEPB Québec, Fédération des travailleurs et travailleuses du Québec)	34	September 30, 2026	The collective agreement came into force on December 1, 2023.
		Blue collar workers (Confédération des syndicats nationaux)	470	September 30, 2024	Negotiations to renew the collective agreement began in June 2024.
	Green Mountain	International Brotherhood of Electrical Workers (IBEW)	301	December 31, 2025	The collective agreement came into force on January 1, 2023.
	Vermont Gas System	International Brotherhood of Electrical Workers (IBEW)	53	May 31, 2025	The collective agreement came into force on October 1, 2023.
Energy service segment	Intragas	Syndicat des travailleuses et travailleurs d'intragaz	9	March 31, 2026	—
	Énergir urban heating and cooling, L.P.	Unifor	13	December 31, 2026	The collective agreement was renewed on May 2, 2024, with the possibility of a 2-year extension up to December 2028.

Énergir, L.P., its subsidiaries and joint ventures maintain good relations with their various unions and representatives. Management is of the opinion that relations with its employees are good. In fact, a survey on employee mobilization was conducted in September 2024 to measure progress since the last survey, conducted in September 2023. The results remain positive, showing employees to be highly committed and robust organizational health in a context of transformation and cultural evolution.

Énergir, L.P. wants to provide a discrimination-free workplace and has initiated an awareness campaign to ensure that everyone adopts non-discriminatory attitudes, language and practices. In addition, the corporate processes, including the talent acquisition process, are suitable for pursuing the improvements that were previously made to ensure the representation of women and a work-environment that is inclusive and free of unconscious bias, particularly in non-traditional occupations, and more specifically in positions involved in the operation of the gas system. The practice of systematically posting, internally and externally, positions not subject to a collective agreement implemented in 2023 and the corporate development program for all employees implemented in 2024 also respond to this issue.

Énergir, L.P. continually strives to carry out the initiatives of its action plan on equity, diversity and inclusion, such as the implementation, in fiscal year 2023, of an active governance structure, and the Board's approval of the Diversity, Equity and Inclusion in Employment Policy in fiscal year 2022. In 2024, the clarification and promotion of inclusive leadership, achieved by means of a training and joint-development sessions (assisted by managers) were some of the priorities of its action plan. The inclusion index measured in the last mobilization survey is higher than the comparative results obtained in 2023. Énergir, L.P. is also continuing to deploy its general psychological health plan that includes, among other things, a rehabilitation program, a psycho-social risk assessment process and an employee and family assistance program tailored to their needs.

In addition, Énergir, L.P. completed over the past few years a pay equity audit under the *Quebec Pay Equity Act*, which demonstrates that positions held by women are treated equally to those held by men. Énergir, L.P. has undertaken to establish an equal access employment program by January 2025.

The key to the success of Énergir, L.P., its subsidiaries and joint ventures lies partly in the specialized skills and knowledge required for operating and maintaining natural gas and electricity distribution systems. To improve the foreseeability of its labour needs and key competencies, Énergir, L.P. carries out a strategic workforce planning process. More specifically, to protect themselves against the risk of future shortages in such specialized job positions, Énergir, L.P. and some of its subsidiaries and joint ventures offer competitive direct compensation and benefit programs as well as the training needed to maintain and develop skills. For example, Énergir, L.P.'s École de technologie gazière (which is an in-house training centre that dispenses gas technology education to the gas industry's entire workforce, including to an outside clientele) continues to help prepare succession in Quebec's gas industry and its development. Furthermore, Énergir, L.P. and some of its subsidiaries and joint ventures have been implementing a succession plan to ensure the transfer of skills, which is updated annually.

ITEM 6 FINANCIAL INFORMATION

6.1 Énergir Inc.

6.1.1 Consolidated financial data

The consolidated financial data for the fiscal years ended on September 30, 2024 and 2023 can be found in the 2024 MD&A, which is to be read in conjunction with the 2024 Financial Statements, which are available on the SEDAR+ website at www.sedarplus.com under the profile for Énergir Inc.

6.1.2 Declaration of dividends

For the past three fiscal years, Énergir Inc. declared to its shareholder the following dividends in accordance with the amount of cash available for that purpose:

	Fiscal years ended September 30		
	2024	2023	2022
Dividends declared to the shareholder (in millions of $)	105.3	96.0	99.0

Following the transfer of Énergir Inc.'s common shares to Énergir Group, Noverco has undertaken to maintain Énergir Group's equity at no less than $10.0 million as long as the subordinated debentures issued remain outstanding. The amounts required at all times to respect this agreement may never exceed the balance of the shareholder's subordinated debentures, plus accrued and unpaid interest. The five series of subordinated debentures totalling $892.8 million will mature in 2057. The interest rates on all series of subordinated debentures are adjusted on October 1 of each year based on a pre-established formula.

6.2 Énergir, L.P.

6.2.1 Income distribution

Subject to satisfaction of the financial ratios set out in the trust deeds, the credit agreement and the note purchase agreements (as more fully described under Item 10.2.4.1 *Financial Contracts (Énergir Inc. and Énergir, L.P.)*), Énergir, L.P. intends to continue to distribute substantially all of its net income for a given fiscal year, in accordance with its past practice, and the Limited Partnership Agreement provides that Énergir, L.P. will distribute not less than 85.0% of its net income, excluding non-recurring items, subject to certain exceptions.

Énergir, L.P. occasionally reviews the level of its quarterly distribution in light of anticipated changes in net income, which largely depends on changes in the rate of return allowed by the Régie and other regulatory bodies, as well as on the profitability of its non-regulated activities.

The following table shows the distributions declared to Énergir, L.P.'s partners over the last three fiscal years:

	Fiscal years ended September 30		
	2024	**2023**	**2022**
Distributions declared to the partners (in millions of $)	635.90[(1)]	225.50	225.67

[(1)] The distributions declared in fiscal year 2024 include two special distributions to Énergir, L.P.'s partners totalling $388.9 million paid, inter alia, as part of the August 15, 2024 sale of PNGTS. For additional information on this transaction, refer to section D) *Segment Results* of 2024 MD&A.

6.2.2 Restrictions on Distributions and Issuance of Long-Term Debt under the Deeds Creating and Governing the Long-Term Debt

The deeds and agreements creating and governing Énergir, L.P.'s long-term debt, or long-term debt for which Énergir, L.P. is responsible, impose certain restrictions on the distribution of earnings and the issuance of long-term debt by Énergir, L.P. Under such deeds and agreements:

- Énergir, L.P. may not make any distribution to its partners if, after giving effect thereto, Énergir, L.P.'s ratio of its long-term debt:
    - would exceed 75% of total capitalization; and
    - Énergir, L.P. may not issue new long-term debt if, after giving effect thereto, its long-term debt would exceed 65% of total capitalization and its long-term debt interest coverage ratio would be less than 1.5.

Énergir, L.P. calculates these ratios on the basis of its non-consolidated financial statements.

6.3 Financial Management

Énergir, L.P.'s financial strength depends, among other things, on the availability of natural gas at competitive prices, customer demand, the regulatory framework and the capital structure. Its financial health also depends on the ability of Énergir, L.P. and Green Mountain to earn the return allowed by their respective regulators. These issues have already been discussed in Item 4 *NARRATIVE DESCRIPTION OF ÉNERGIR, L.P.'S FIVE MAIN BUSINESS SEGMENTS.*

Historically, given certain legislative restrictions, the financing strategy consisted of having Énergir Inc. borrow on capital markets and then lend the borrowed amounts to Énergir, L.P. under identical conditions. Given that such restrictions no longer exist, the financing strategy has been reassessed, and Énergir, L.P. amended its deed of trust during the quarter ended December 31, 2021 so that it could finance itself directly without Énergir Inc.'s intervention.

During the fiscal year ended September 30, 2024, Énergir Inc., Énergir, L.P. and Green Mountain were parties to the loan agreements and issued the bonds described in Item 10.2.4 *Material Contracts*.

ITEM 7 LEGAL PROCEEDINGS

Additional information regarding litigation involving Énergir, L.P. can be found in section K) *Additional Information* on page 43 of the 2024 MD&A, available on the SEDAR+ website at www.sedarplus.com.

ITEM 8 MARKET FOR SECURITIES, CAPITAL STRUCTURES AND TRANSFER AGENT AND REGISTRAR

8.1 Market for Énergir Inc.'s securities

Although Énergir Inc.'s common shares are not listed on any stock exchange or equivalent market, it is a reporting issuer under securities legislation because it has issued first mortgage bonds on the capital markets.

8.2 Énergir Inc.'s capital structure

Énergir Inc. can issue an unlimited number of common shares without par value. As at September 30, 2024, 2,977,158 shares were issued and outstanding. Common shares entitle Énergir Group to vote at any meeting of the shareholders of Énergir Inc., to receive any dividend declared by Énergir Inc., and to share in the remainder of Énergir Inc.'s property in the event of the winding-up thereof.

Énergir Inc. can also issue one or more series of preferred shares, the votes, privileges, conditions and restrictions of which will be fixed by the Board. As at September 30, 2024, no such preferred shares had been issued.

8.3 Credit ratings

Énergir Inc. and Énergir, L.P. receive solid credit ratings from S&P and DBRS.

		As at September 30
Énergir Inc.	**2024**	2023
Corporate (S&P/DBRS)	**A/A**	A/A
First mortgage bonds/secured senior notes (S&P/DBRS)	**A/A**	A/A
Énergir, L.P.	**2024**	2023
Corporate (S&P/DBRS)	**A/A**	A/A
First mortgage bonds (S&P/DBRS)	**A/A**	A/A
Commercial paper (S&P/DBRS)	**A-1(mid)/R-1(low)**	– /R-1(low)

The rating agencies S&P and DBRS reconfirmed, in December 2023 and May 2024, respectively, the credit ratings assigned to Énergir Inc. At that time, the rating agencies also reconfirmed the credit rating of Énergir, L.P.

The corporate credit ratings assigned to Énergir Inc. and Énergir, L.P. by S&P and DBRS, and the ratings assigned to the first mortgage bonds and the commercial paper represent an assessment, by the credit rating agencies, of Énergir Inc. and Énergir, L.P.'s ability to meet their financial commitments. The ratings are based on certain assumptions with respect to Énergir, L.P.'s future return and capital structure that may or may not be realized.

S&P's ratings for long-term debt instruments range from a high of AAA to a low of D. Ratings from AA to CCC may be modified by the addition of a plus (+) or minus (-) sign to show relative standing within the major rating categories. According to S&P's rating system, debt instruments rated A are somewhat more susceptible to the adverse effects of changes in circumstances and economic conditions than debt instruments in higher-rated categories. However, the obligor's capacity to meet its financial commitments is still strong.

DBRS's ratings for long-term debt instruments range from a high of AAA to a low of D. The assignment of a "high" or "low" designation within each rating category indicates relative standing within that category. The absence of a "high" or "low" designation indicates that the rating is in the "middle" of the category. The "high," "middle" and "low" grades are not used for the AAA and D categories. According to DBRS's rating system, debt instruments rated A are characterized as satisfactory credit quality. Protection of interest and principal is still substantial, but the degree of strength of entities having A-rated securities is less than that of entities having AA-rated securities. While A is a respectable rating, entities having securities in this category are considered to be more susceptible to adverse economic conditions and have greater cyclical tendencies than entities having higher-rated securities.

S&P's ratings for Canadian commercial paper range from a high of A-1 to a low of D. A "high," "mid" or "low" designation may be assigned to A-1 ratings only. S&P's A-1 (mid) rating is the second highest of eight categories. According to S&P's rating system, commercial paper rated A-1 (mid) reflects the obligor's strong ability to meet its financial commitments.

DBRS's ratings for commercial paper range from a high of R-1 to a low of D. A "high," "middle" or "low" designation may be assigned to R-1 and R-2 ratings only. DBRS's R-1 (low) rating is the third highest of 10 categories. According to DBRS's rating system, commercial paper rated R-1 (low) is of satisfactory credit quality. The outlook for key liquidity, debt and profitability ratios is not normally as favourable as with higher rating categories, but these considerations are still respectable. Any qualifying negative factors that exist are considered manageable, and the borrower is normally of sufficient size to have some influence in its industry.

These credit ratings do not constitute recommendations to purchase, sell or hold positions and the rating agencies that gave them can change or withdraw them at any time.

Énergir, L.P. paid fees to S&P and to DBRS for surveillance services in relation to the ratings they assigned to the first mortgage bonds and commercial paper and in relation to the corporate ratings, based on their respective fee schedules. No other amounts were paid to S&P and DBRS in relation to any other services rendered to Énergir Inc. and Énergir, L.P. for the last two years.

8.4 Transfer agents and registrars

Computershare Trust Company of Canada is the transfer agent and registrar for the Énergir Inc. first mortgage bonds and secured notes. The main transfer register is maintained in Montréal, Quebec, Canada.

Énergir Inc. acts as registrar and transfer agent for the Units. The main transfer register is kept in Montréal, Quebec, Canada.

ITEM 9 DIRECTORS AND OFFICERS

9.1 Directors

The Directors of Énergir Inc. are appointed by Énergir Group, its sole shareholder, and hold office until the next annual meeting or until their replacements are appointed.

As of the date hereof, the Directors of Énergir Inc. are as follows:

<table>
<tr><td colspan="2">
Renaud Faucher
Quebec, Canada
Non-independent[1]
Director since March 10, 2014
Areas of Expertise
▪ Finance
▪ Engineering
▪ Accounting/Audit</td><td colspan="2">Mr. Renaud Faucher joined the CDPQ in 2006. He is currently Managing Director, Infrastructure, North America. Mr. Faucher holds a bachelor's in civil engineering from École Polytechnique de Montréal, an MBA from Concordia University and a DESS (specialized graduate diploma) in accounting from ESG-UQAM. He is a member of the Ordre des Ingénieurs du Québec, of the Ordre des CPA and of the Institute of Corporate Directors (ICD). From 1986 to 1990, Mr. Faucher worked, as an engineer, on the construction management of projects in Canada and Europe, including the Channel Tunnel project between France and England. From 1992 to 1998, Mr. Faucher worked on the management and financing of independent power plants across Canada. From 1998 to 2006, he held different positions within international subsidiaries of Hydro-Québec as Director Investments, Vice President Finance and Vice President Risk Management. Mr. Faucher is a member of the following boards of directors, among others: Noverco (2014 and Chair of the board since 2015), Colonial Pipeline (2014), Southern Star Central Gas Pipeline (2018 and Chair of the board from 2019 to 2021), Énergir Development (Chair of the board since 2019), Valener Éole Inc. (2019), Valener Éole 4 Inc. (2019), Mercury Taiwan Holdings Limited (2021), Greater Changhua SE Holdings (2021) and Greater Changhua Offshore Wind Farm SE LTD (2021). From 2003 to 2021, he also sat on various boards of directors in the energy, pipeline, airports (Heathrow) and infrastructure sectors.</td></tr>
<tr><td>**Principal occupation**</td><td colspan="3">Managing Director, Infrastructure, North America, CDPQ.</td></tr>
<tr><td colspan="3">**Attendance at meeting during fiscal year 2024**</td><td>**Total compensation**[2]</td></tr>
<tr><td>Board</td><td>6/6</td><td>100%</td><td rowspan="2">N/A</td></tr>
<tr><td>Audit Committee (chair)</td><td>5/5</td><td>100%</td></tr>
<tr><td colspan="4">**Other reporting issuer directorships held as at the date hereof**</td></tr>
<tr><td colspan="3">Nil.</td><td></td></tr>
</table>

(1) Mr. Faucher is chair of the board of Noverco, Énergir Inc.'s controlling shareholder, and, as such, is not independent.
(2) The representatives of the CDPQ who sit on the Board have waived their compensation as directors of Énergir Inc. and as members of its committees.

Ghislain Gauthier

Quebec, Canada

Independent

Director since March 10, 2014

Areas of Expertise

- Finance
- Human Resources

A graduate in administration from the Université du Québec à Chicoutimi, Mr. Ghislain Gauthier is also a Chartered Financial Analyst (CFA). Following a few years with the Business Development Bank of Canada and Export Development Canada, Mr. Gauthier joined the CDPQ in 1982, where he worked primarily in private placements. While at the CDPQ, he has been responsible for the management and growth of a substantial North American and European portfolio of corporate securities in the energy and infrastructure sectors. From January 2010 to September 2013, he was Chief Investment Officer of Citi Infrastructure Investors in New York and was Chair of its Investment Committee. He is currently a member of the Board of Directors and of the Investment Committee of Fiera Infrastructure. Mr. Gauthier has been a director of many airport and infrastructure corporations, and has therefore had the opportunity to intervene in various aspects of human resource management.

Principal occupation	Advisor and Corporate Director		
Attendance at meeting during fiscal year 2024			**Total compensation**
Board (chair)	6/6	100%	$225,000
HR-SR Committee (chair)	6/6	100%	
CGEE Committee [1]	6/6	100%	
Other reporting issuer directorships held as at the date hereof			
Nil.			

Jean-Luc Gravel

Quebec, Canada

Independent

Director since August 7, 2014

Areas of Expertise

- Finance
- Human Resources
- Sustainable Development/ Environment

Mr. Jean-Luc Gravel has a master of business administration from the University of Ottawa and holds a bachelor of science from the Université de Sherbrooke. He served as Strategic Advisor to the President of the CDPQ from 2018 to 2020. His mandate was to support the President and Chief Executive Officer to steer CDPQ's major orientations and growth strategies. A Chartered Financial Analyst (CFA) and a Fellow of the Canadian Securities Institute, he began his career in the financial industry in 1982. He began as an analyst, and later held management positions in large financial institutions established in Montréal, including Nesbitt Burns, Newcrest Capital and TD Newcrest Securities. He has also been a financial reporter for the investment section of the newspaper Les Affaires. He worked at CDPQ for two years in the 1980s and later returned in 2004, where he served as Senior Vice-President, Canadian Equity until 2009 and Executive Vice-President, Equity Markets until 2018. Mr. Gravel sits on the Board of Directors of First Eagle Holdings and the investment committee of 1642 Capital. He also sits on the board of directors of Santé Québec. From 1995 to 2016, he was also a member of the boards of directors of financial corporations.

Principal occupation	Corporate Director		
Attendance at meeting during fiscal year 2024			**Total compensation**[1]
Board	6/6	100%	$104,000
CGEE Committee (chair)	6/6	100%	
Other reporting issuer directorships held as at the date hereof			
First Eagle Holdings, Inc.[2]			

(1) In addition to his compensation as director of Énergir Inc. and chair of the CGEE Committee, Mr. Gravel received compensation as an invitee on the Investment Committee of Énergir, L.P., which is not a Board committee. For more information on the subject, see Item 10.1.6.3 *Director Compensation Table.*

(2) This corporation is listed on the U.S. Securities and Exchange Commission but is not a reporting issuer in Canada.

Éric Lachance

Quebec, Canada

Non-independent[1]

(member of Management)

Director since January 1, 2020

Areas of Expertise

- Finance
- Accounting/Audit

Mr. Éric Lachance became President and Chief Executive Officer on January 1, 2020. He holds a bachelor's degree in business, finance and economics from McGill University and has been a chartered financial analyst since 2000. He joined Énergir Inc. in January 2017 as Vice President, Finance, and was appointed Senior Vice President, Regulatory, IT, Logistics and Chief Financial Officer on June 1, 2018. From February 2000 to December 2016, he held various positions at the CDPQ, the last three years as Regional Director – Europe within its subsidiary, CDPQ Paris, where he led the team responsible for ensuring the supervision and valuation of the CDPQ's European infrastructure investment portfolio. In this role, he represented the CDPQ as a member of the boards and oversight committees of many infrastructure companies. Firmly committed to the energy transition, Mr. Lachance strives to think of energy not as a product, but as a service that must meet various needs as best as possible, notably that of moving toward a lower-carbon economy. He sees the metamorphosis of the energy world over the next 20 years as a source of challenge that will require creativity and adaptability. Mr. Lachance sits on the board of directors of Centraide of Greater Montreal and is a member of the Industries and Transportation division committee of Centraide of Greater Montreal's campaign cabinet. He also sits on the board of directors of Les Petits Rois Foundation, whose mission is to promote the education and development of children with intellectual disabilities.

Principal occupation	President and Chief Executive Officer, Énergir Inc.		
Attendance at meeting during fiscal year 2024			**Total compensation**[2]
Board	6/6	100%	N/A
Other reporting issuer directorships held as at the date hereof			
Nil.			

(1) Mr. Lachance is President and Chief Executive Officer of Énergir Inc. and, as such, is not independent.
(2) The President and Chief Executive Officer does not receive any compensation for his services as a director.

Jean-Christophe Lincourt-Éthier

Quebec, Canada

Independent

Director since January 26, 2022

Areas of Expertise

- Finance
- Accounting/Audit

Mr. Jean-Christophe Lincourt-Éthier is currently Senior Director, Infrastructure, at the CDPQ, where he is responsible for investment and infrastructure management in North America in the energy and transportation sectors. Mr. Lincourt-Éthier holds a bachelor's degree in business administration from HEC Montréal and is a member of the Ordre des CPA du Québec. He joined the CDPQ in 2012 and, from 2015 to 2018, he participated in the creation of CDPQ Infra Inc., a subsidiary wholly owned by the CDPQ, and in the development of the Réseau express métropolitain ("**REM**"), a 67-km light rail metro in the greater Montreal area. From 2018 to 2021, he took over the financial operations of the REM in addition to sitting on the boards of directors of REM Commandité Inc., Réseau express métropolitain Inc. (as well as on the audit committee) and InfraMTL Inc. as an executive. Before joining the CDPQ, Mr. Lincourt-Éthier participated in the financing and completion of infrastructure projects at AtkinsRéalis (formely SNC-Lavalin), including the Restigouche Hospital Center in New Brunswick, the Highway 407 Extension in Ontario and the McGill University Health Centre in Montreal. Since 2021, Mr. Lincourt-Éthier has been sitting on the boards of directors of Noverco, Énergir Development, Valener Éole Inc. and Valener Éole 4 Inc. Since 2023, Mr. Lincourt-Éthier has also been serving on the board of directors of CDPQ Infra Inc. (also on the audit and project committees) and on the board of directors relating to Concession A25, a public-private partnership consisting of a 6.0 km four-lane highway and a 1.2 km six-lane toll bridge that crosses Rivière-des-Prairies between Montreal and Laval.

Principal occupation	Senior Director, Infrastructure, CDPQ		
Attendance at meeting during fiscal year 2024			**Total compensation**[1]
Board	6/6	100%	N/A
Audit Committee	5/5	100%	
HR-SR Committee	6/6	100%	
Other reporting issuer directorships held as at the date hereof			
Nil.			

(1) The representatives of the CDPQ who sit on the Board have waived their compensation as directors of Énergir Inc. and as members of its committees.

Delphine Persouyre

Quebec, Canada

Independent

Director since May 9, 2023

Areas of Expertise

- Finance
- Sustainable Development/ Environment
- Climate Change

Ms. Persouyre is currently an Operational Partner, Infrastructure, at the CDPQ, where she focuses mainly on North American assets. Ms. Persouyre earned a degree in international legal and tax strategy from HEC Paris. Before joining the CDPQ in 2022, Ms. Persouyre worked 20 years in the energy sector. She held various support functions in finance, strategy, purchasing and IT as well as operational functions internationally. From 2019 to 2022, Ms. Persouyre was President and General Manager of TotalEnergies Marketing Canada. She was also in charge of the development of sustainable energy across Canada for TotalEnergies. Ms. Persouyre also sits on the boards of directors of Noverco, Spinner US Acquerico Inc. and Plenary Americas GP Inc., as well as on the boards of Little Brothers and the Chambre de Commerce et d'industrie Française au Canada (CCIFC). In 2021, she received the distinction of Chevalier de l'Ordre national du mérite (France).

Principal occupation	Operating Partner, Infrastructures, CDPQ		
Attendance at meeting during fiscal year 2024			**Total compensation**[1]
Board	6/6	100%	N/A
CGEE Committee	6/6	100%	
HR-SR Committee	6/6	100%	
Other reporting issuer directorships held as at the date hereof			
Nil.			

(1) The representatives of the CDPQ who sit on the Board have waived their compensation as directors of Énergir Inc. and as members of its committees.

Valérie Pisano

Quebec, Canada

Independent

Director since November 15, 2024

Areas of Expertise

- Governance
- Human Resources

Ms. Pisano is currently President and CEO of MILA, a major artificial intelligence institute in Canada and global leader in AI research and governance. She holds a bachelor's degree in administration, finance and the economy as well as a master's degree in applied economics from HEC Montréal. From 2005 to 2014, Ms. Pisano worked at McKinsey & Company. From 2014 to 2016, she was executive director at Mobius Leadership Canada. Afterwards, from 2016 to 2018, she was Chief Talent Officer at Cirque du soleil, where she played a key role alongside the CEO and senior management in recruiting officers, developing high-potential talent, changing team dynamics and managing change. Ms. Pisano now sits on the boards of directors of Chartwell Retirement Residences and Montreal International.

Principal occupation	President and CEO, MILA - Quebec Artificial Intelligence Institute		
Attendance at meeting during fiscal year 2024[1]			**Total compensation**[1]
Board	0/0	— %	N/A
CGEE Committee	0/0	— %	
Other reporting issuer directorships held as at the date hereof			
Nil.			

(1) Ms. Pisano having been appointed on November 15, 2024, namely in the course of fiscal year 2025, she did not attend any of the meetings held in fiscal year 2024. Owing to the date of her appointment, no compensation has been paid to her for fiscal year 2024.

Marie-Pier St-Hilaire
Quebec, Canada
Independent
Director since February 24, 2022
Areas of Expertise

- Finance
- Technology
- Human Resources

In 2000, Ms. St-Hilaire founded AFI Expertise, currently one of the corporate names of Groupe Edgenda inc., for which she has acted as president since 2017. In that role, she is reinventing the traditional world of organizational transformation consulting by placing skills development at the heart of business strategies. Ms. St-Hilaire holds a bachelor's degree in corporate management and an MBA (with a specialization in information technology) from Université Laval, and graduated from the Owner/President Management Program at Harvard Business School, as well as the Leader & Entrepreneur Program at the London Business School. In 2020, she became a certified business coach and started professionally accompanying other leaders in their growth processes. She inspires organizations to rethink their know-how and soft skills as well as adapt and grow in a thriving digital environment. She pursues the company's mission by bringing together technology and people to develop the full potential of individuals, teams, and organizations. She also shares her time and expertise as a speaker and volunteer. Over the past 20 years, she has been able to achieve her entrepreneurial vision and produce organic, continuous, and profitable growth for her company. She has also led several acquisitions, including that of Apprentx, which, with its B12 application, has consolidated the group's position as the Canadian leader in skills development. Ms. St-Hilaire currently sits on the boards of directors of Amerispa (since April 2022) and Entrepreneuriat Laval (since September 2021), JR Fashion Holdings Inc. (since December 2023), Joseph Ribkoff Inc. (since December 2023), and Fondation Digestive (since July 2024).

Principal occupation	President, Groupe Edgenda inc.		
Attendance at meeting during fiscal year 2024			**Total compensation**
Board	5/6	83%	$92,000
Audit Committee	4/5	80%	
Other reporting issuer directorships held as at the date hereof			
Nil.			

Keri Sweet Zavaglia
New York, United States
Independent
Director since July 5, 2022
Areas of Expertise

- Law

In June 2023, Ms. Keri Sweet Zavaglia joined one of the largest credit unions in the State of New York - Empower FCU - as Senior Vice President, Legal Services and General Counsel. As such, she is responsible for legal affairs, compliance, corporate risk management, as well as physical and information security. Before joining Empower FCU, she worked 17 years at National Grid in the United States, one of the largest investor-owned energy companies in America serving more than 20 million people throughout New York and Massachusetts. From 2019 to 2023, she served as General Counsel and, as such, was responsible for all legal matters relating to the company. Ms. Sweet Zavaglia earned her Juris Doctor degree from Temple University Beasley School of Law and holds a bachelor of arts in journalism, also from Temple University. Prior to this role, Ms. Sweet Zavaglia served as the Vice President, Performance and Strategy for National Grid's three New York operating companies (2015-2018) and as the Acting Vice President of Upstate New York Gas Operations (2014-2017). Prior to joining National Grid in 2006, she served as an Assistant District Attorney in Philadelphia in the Repeat Offenders Unit (2002-2005). She serves on the board of directors of the Trinity Health of New York Hospitals (2021) and is a member of Women Executive Directors in Energy.

Principal occupation	Senior Vice President, Legal Services and General Counsel, United States, Empower FCU		
Attendance at meeting during fiscal year 2024			**Total compensation**[(1)]
Board	6/6	100%	$92,000
HR-SR Committee	6/6	100%	
Other reporting issuer directorships held as at the date hereof			
Nil.			

(1) Ms. Sweet Zavaglia is paid in U.S. dollars.

Positions and Offices Held During the Preceding Five Years

Over the past five years, all of the aforementioned Directors have had the principal occupation indicated opposite their names or have held various positions with the above-mentioned companies or their subsidiaries, predecessors or affiliated companies, with the exception of:

- Mr. Jean-Luc Gravel, who was Strategic Advisor to the President at the CDPQ from 2018 to 2020.
- Ms. Delphine Persouyre, who was President and General Manager of TotalEnergies Marketing Canada from 2019 to 2022. From 2016 to 2019, she was President and Chief Executive Officer for TotalEnergies Luxembourg; and;
- Ms. Keri Sweet Zavaglia who, from 2019 to 2023, was General Counsel as well as Vice-President, Performance and Strategy, from 2015 to 2018, for National Grid in the New York State.

Conflicts of Interest

Except as otherwise described herein, none of the directors whose name appears above is in a situation of conflict of interest.

Ms. Delphine Persouyre, and Messrs. Renaud Faucher and Jean-Christophe Lincourt-Éthier, all employees of the indirect majority shareholder of Énergir Group, may be, or be perceived as being, in a situation of conflict of interest. Particularly, CDPQ or any of its subsidiaries could find themselves in competition with Énergir, L.P. or one of its subsidiaries in some investment projects.

For more information on the management of conflicts of interest, please refer to Item 10.2.1.3 *Organizational Ethics*.

9.2 Executive Officers

As of the date hereof, the position, province and country of residence of Énergir Inc.'s executive officers are as follows:

Name, province/state and country of residence	Current position with Énergir Inc.
Éric Lachance Quebec, Canada	President and Chief Executive Officer
Claudine Beaudet Quebec, Canada	Vice President, Employees and Culture
Charles Brenn Quebec, Canada	Vice President, Information Technologies
Étienne Champagne Quebec, Canada	Vice President, Development and Major Projects
Marc-André Goyette Quebec, Canada	Vice President, Strategy, Finance and Regulation
Mathieu Lepage Vermont, United States	Chief Financial Officer
Renault-François Lortie Quebec, Canada	Vice President, Customers and Gas Supply
Stéphane Santerre Quebec, Canada	Vice President, Operations
Stéphanie Trudeau Quebec, Canada	Executive Vice President, Quebec

All of the aforementioned executive officers hold or have held the position indicated opposite their name or another position with Énergir Inc. or its Affiliates during the past five years, with the exception of:

- Mr. Charles Brenn who, from June 2018 to March 2019, was Vice President, Clients and Product Development at Sogema Technologies Inc.

9.3 Cease Trade Orders, Bankruptcies, Penalties or Sanctions

The directors and executive officers have made no statement concerning the corporate cease trade orders or bankruptcies of corporations of which they are or have been a director or officer within the 10 years preceding the date hereof.

ITEM 10 ADDITIONAL INFORMATION

As explained under Item 3 *NARRATIVE DESCRIPTION OF ÉNERGIR INC.'S CORE BUSINESS*, Énergir Inc. acts as general partner of Énergir, L.P., which, therefore, pays the fees and compensation related to the directors and officers of Énergir Inc.

10.1 Report on Executive Officer and Director Compensation

10.1.1 Explanatory Note on Named Executive Officer Compensation Disclosure

In accordance with section 1.2 of Form 51-102F6, the Named Executive Officers of Énergir Inc. are: (i) the President and Chief Executive Officer; (ii) the Chief Financial Officer; and (iii) the three other most highly compensated executive officers of Énergir Inc. (including its subsidiary Green Mountain) for the fiscal year ended September 30, 2024, whose total compensation for that fiscal year was, individually, more than $150,000 (the "**Named Executive Officers**").

Under Form 51-102F6, Énergir Inc. is required to disclose the compensation of the President and Chief Executive Officer of Green Mountain, Ms. Mari McClure, as one of the Named Executive Officers for disclosure purposes in this Annual Information Form. Ms. McClure received compensation based on Green Mountain's executive officer compensation policy and the Green Mountain Board is responsible for determining principles underlying the executive officer compensation policy. She is paid in U.S. dollars by Green Mountain.

The following table shows the five Named Executive Officers for the fiscal year ended on September 30, 2024:

Company	Éric Lachance	Stéphanie Trudeau	Renault-François Lortie	Mathieu Lepage	Mari McClure
	Énergir Inc.			Green Mountain	
Positions	President and Chief Executive Officer	Executive Vice President, Quebec	Vice President, Customers and Gas Supply	Chief Financial Officer, Énergir, L.P. and Vice President, Chief Financial Officer and Treasurer of Green Mountain	President and Chief Executive Officer
Basis of compensation	Énergir's Compensation Policy for Executives			Green Mountain's executive officer compensation policy[1]	
Compensation policy	Principles determined by the Board			Principles determined by the Green Mountain Board[1]	
Currency Compensation	Canadian			U.S.	

(1) Although Mr. Lepage is the Chief Financial Officer of Énergir Inc., he is compensated in accordance with Green Mountain's compensation policy. For further details, please see Item 10.1.3.1 *Compensation Policies for Named Executive Officers.*

10.1.2 Report on Named Executive Officer Compensation

10.1.2.1 Human Resources and Social Responsibility Committee

a) Compensation Committees

<u>Énergir, L.P.</u>

The members of the HR-SR Committee are independent, in accordance with the independence requirements of Regulation 52-110. As a result of their education and professional background, including (in some cases) having served on the human resources committees of other corporations, all members of the HR-SR Committee have the experience needed and the skills to enable the HR-SR Committee to make recommendations to the Board on the suitability of Énergir, L.P.'s compensation policies and practices. For more information on the qualifications and experience of the HR-SR Committee members, please refer to their biographies in Item 9.1 *Directors*.

The HR-SR Committee has four members: Ghislain Gauthier (Chair), Jean-Christophe Lincourt-Éthier, Delphine Persouyre and Keri Sweet Zavaglia.

The mandate of the HR-SR Committee is available on Énergir, L.P.'s website at www.energir.com. For an overview of the HR-SR Committee, please refer to Item 10.2.1 *Governance Information*.

Green Mountain

Green Mountain has its own separate compensation committee, namely, the Compensation Governance Committee ("**CGC**"), which has no ties with Énergir's HR-SR Committee. The CGC follows Green Mountain's corporate governance policies to examine and recommend compensation as described herein. On the basis of their professional background, education and involvement on a board of directors, all members are sufficiently experienced to enable the CGC to make recommendations to the Green Mountain Board regarding the suitability of compensation policies and practices at Green Mountain.

b) Compensation Consultants

Énergir, L.P.

The HR-SR Committee may retain an independent consultant if necessary to assist it in discharging its duties and responsibilities.

Since 2006, WTW[20] has acted as a compensation consultant to Énergir, L.P.[21] and, in that capacity, was responsible for:

- providing analyses of market trends and practices with respect to the compensation of the President and Chief Executive Officer and the other executive officers of Énergir, L.P.;
- making recommendations to it concerning the composition of the comparison groups used by Énergir, L.P. to establish such compensation;
- conducting benchmark studies so that Énergir, L.P. can, if deemed necessary, harmonize its compensation policy with the comparison groups with respect to the President and Chief Executive Officer and the other executive officers;
- reviewing the form of Énergir, L.P.'s annual and long-term incentive programs and benchmark them against the practices of the comparison groups in this sector.

During fiscal year 2024, the HR-SR Committee conducted an executive officer compensation analysis process, for which it retained the services of WTW.

The following table shows the fees paid to WTW during fiscal years 2024 and 2023 in consideration of the services referred to above:

Type of fees (before tax)	2024	2023
Executive compensation/Related fees[1]	$90,000.00	$66,110.64
Other fees[2]	$3,867.54	$0.00

(1) The amounts represent fees for services rendered in connection with the executive compensation analysis process.
(2) This amount represents fees for services rendered in connection with the analysis process of a consultant's hourly rate.

Neither the Board nor the HR-SR Committee must pre-approve services that the consultants may provide at the request of Management.

Green Mountain

Since September 2012, WTW has acted as compensation consultant in connection with the competitive compensation assessment for the executive officers and the Green Mountain Board positions, so that Green Mountain may harmonize, if deemed necessary, its compensation programs with compensation typically offered in comparable organizations.

During fiscal year 2024, Green Mountain retained WTW in its role as an independent compensation consultant to conduct a competitive compensation assessment for executive officer positions in the 2024 fiscal year and beyond. WTW also provided actuarial and other services to Green Mountain regarding benefits plans; the Green Mountain Board and CGC are informed of these other services and the audit committee of the Green Mountain Board receives reports directly from WTW as needed.

(20) Previously referred to as Willis Towers Watson in Énergir Inc.'s earlier annual information forms.
(21) Through the Board committee responsible for compensation over the years. Since the Board committee mandates were consolidated on October 18, 2022, the compensation responsibilities have been assumed by the HR-SR Committee.

c) Risk Management

Énergir, L.P.

Énergir, L.P. is committed to ensuring that its compensation program and policies are aligned with the long-term objectives of its partners. To accomplish this, Énergir, L.P. incorporates many general risk management principles into all decision-making processes across the organization and it regularly reviews, through third-party compensation consultants, its executive compensation program, which is adapted to Énergir, L.P.'s regulatory framework. This risk integration and review procedure helps ensure that its programs continue to support partner interests and regulatory compliance and are aligned with sound principles of risk management and governance.

The HR-SR Committee oversees Énergir, L.P.'s compensation program from the perspective of whether they could encourage employees to take inappropriate or excessive risks that are reasonably likely to have a materially adverse effect on Énergir, L.P.

Énergir, L.P. uses the following compensation practices to mitigate risk:

- its pay for performance philosophy is embedded into its compensation program design;
- its total compensation is appropriately allocated to the various components of its compensation program and established based on the appropriate short- and long-term results;
- Énergir, L.P. believes its mix of pay programs, its approach to goal setting, the establishment of targets with multiple levels of performance and the evaluation of performance results assist it in mitigating excessive risk-taking that could harm its value and in ensuring that poor decisions by its executives are not rewarded;
- its compensation program includes a combination of short- and long-term elements that ensure its executive officers have the incentive to consider both the immediate and long-term implications of their decisions;
- its short-term incentive program does not focus unduly on one measure in particular, and includes a wide range of criteria so that executive officers are compensated for their short-term performance using a combination of financial, operational, health, safety, engagement, environment, GHG reduction, DEI and customer and employee metrics that are determined by Énergir, L.P. or the Régie;
- for the annual short-term incentive compensation program, performance thresholds are established that include both minimum and maximum payouts; and
- the long-term incentive program promotes long-term performance by offering a performance bonus that could increase substantially if a three-year target is exceeded, and performance thresholds are also established that include both minimum and maximum payouts.

The HR-SR Committee has discussed the concept of risk as it relates to Énergir, L.P.'s compensation programs and does not believe Énergir, L.P.'s program encourages excessive or inappropriate risk taking.

Green Mountain

Green Mountain is committed to ensuring that its compensation program and policies are aligned with the long-term objectives of its stakeholders – including its shareholder, customers and communities it serves. To accomplish this, Green Mountain incorporates many general risk management principles into all decision-making processes across the business and conducts reviews internally and through third-party consultants, as needed, of its executive compensation program. This risk integration and review procedure helps ensure that Green Mountain programs continue to support customer and stakeholder interests and regulatory compliance and are aligned with sound principles of risk management and governance.

The CGC oversees the compensation program from the perspective of ensuring pay is aligned with the goals and needs of Green Mountain's stakeholders, avoiding inappropriate or excessive risks and materially adverse effects on Green Mountain and its customers. Green Mountain uses the following compensation practices to mitigate risk:

- Green Mountain has a pay for performance philosophy that is embedded in its compensation design;
- Green Mountain applies structured compensation policies and practices to all executives;
- Green Mountain uses a mix of pay programs and goal setting, establishing targets with multiple levels of performance and evaluation of performance results, to drive good judgment and results;
- the Green Mountain compensation program includes a combination of short- and long-term elements that ensure its executive officers have the incentive to consider both the immediate and long-term implications of their decisions;

- executive officers are compensated for their short-term performance using a combination of customer, operational, safety and financial metrics that ensure a balanced perspective and many of the customer-driven metrics thresholds are established by the VPUC in its role as state regulator; and
- performance thresholds are established that include both minimum and maximum payouts, and executive incentive plans have financial and customer metric thresholds that would preclude payouts on incentives plans if Green Mountain experienced poor performance in those areas.

The CGC has considered the concept of risk as it relates to Green Mountain compensation programs and does not believe Green Mountain programs encourage excessive or inappropriate risk taking.

d) Hedging Policy

Énergir, L.P. and Green Mountain do not offer equity compensation because Énergir, L.P.'s Units and Green Mountain's shares are not traded on any exchange.

e) Discretionary Power

Under Énergir, L.P.'s *Compensation Policy for Executives,* the Board on the recommendation of the HR-SR Committee may deem it appropriate to pay the executive officers amounts in excess of those provided for by the Policy in the event of exceptional results or extraordinary circumstances, with respect to any component of total compensation. The Board exercised its discretionary powers in regard to two Named Executive Officers during fiscal year 2024 by granting them a discretionary incentive greater than that provided for in the Policy. For more information on this incentive, please refer to the Summary Compensation Table in Item 10.1.4 *Compensation Summary for Named Executive Officers* in this Annual Information form.

The Green Mountain Board and the CGC may, at their discretion, modify incentive compensation in view of events or circumstances that would make it inappropriate to award incentive compensation strictly in accordance with Green Mountain's performance metrics. In fiscal year 2024, the CGC issued awards to the two eligible executive officers in accordance with calculations and exercised its discretionary power to change these amounts.

10.1.3 Analysis of the Compensation of the Named Executive Officers

10.1.3.1 Compensation Policies for Named Executive Officers

Énergir, L.P.

The *Compensation Policy for Executives*, from which the Named Executive Officers benefit, is designed:

- to attract, retain and motivate top-performing executives.
- to also encourage them to enhance Énergir, L.P.'s strategic and organizational performance.
- to provide total compensation that is close to the median for the comparison group if the objectives are achieved, with the possibility of higher amounts for results that exceed expectations.

The executive officers receive a compensation that is both fixed and variable and consists of five (5) components: (i) a base salary, (ii) the defined benefit pension plan and post-retirement allowance program, (iii) the allowances and employee benefits program, (iv) the annual short-term incentive compensation program, and (v) the long-term incentive program.

Green Mountain

The executive officer compensation policy of Green Mountain is designed:

- to attract, retain and motivate high-calibre talent while balancing fiduciary responsibility to its shareholder and other stakeholders including the community in general.
- to also promote the strategic objectives of Green Mountain, especially its service to customers.
- to provide total compensation that is between the 25th and 50th percentile for the comparison group if objectives are achieved, with the possibility of higher amounts for results that exceed expectations.

Green Mountain's executive officers receive a compensation that is both fixed and variable and consists of five (5) components: i) base salary, ii) retirement benefits, in the form of a defined contribution retirement plan, iii) employee benefits program, iv) annual short-term incentive compensation, and v) long-term incentive compensation.

Service Agreement between Énergir, L.P. and Green Mountain

Mr. Lepage has been acting as the Vice President, Chief Financial Officer and Treasurer of Green Mountain since August 5, 2019. Prior to his appointment at Green Mountain, he had been acting as Director of Finance and Treasurer of Énergir, L.P.

On April 30, 2021, Mr. Lepage was appointed as Chief Financial Officer of Énergir, L.P. Green Mountain continues to employ Mr. Lepage and continues to have a services agreement with Énergir, L.P. Under this services agreement, Green Mountain, through Mr. Lepage, provides Énergir, L.P. with the services usually rendered by a chief financial officer. In consideration of these services, Énergir, L.P. pays to Green Mountain a monthly fee based upon a third-party review of the arms' length value of such services. For the services rendered to Énergir, L.P. in fiscal year 2024, Énergir, L.P. was billed a total of $628,205.00 by Green Mountain.[22]

Mr. Lepage is subject to Green Mountain's compensation policy. More specifically, Green Mountain remains the sole and exclusive employer of Mr. Lepage and as such is responsible for the payment of his remuneration. The details of Mr. Lepage's compensation is presented in Item 10.1.4 *Compensation Summary for Named Executive Officers*.

10.1.3.2. Decision Regarding Compensation

Énergir, L.P.

The Board is responsible for determining the principles underlying the *Compensation Policy for Executives*. The Board has set up an HR-SR Committee whose mandate, among other things, is to review all aspects of executive officer compensation and make recommendations in this regard.

The HR-SR Committee retains the services of an independent specialist from time to time to review the overall compensation of the President and CEO and other executive officers as regards Énergir, L.P.'s comparison groups and make appropriate recommendations regarding adjustments, if required. The diagram below illustrates the process used to set Énergir, L.P.'s executive officer compensation.

Decision Regarding Compensation

Overall Planning

1b. President and CEO
- establishment of the business's strategic initiatives
- establishment of the corporate objectives

1a. Independent Compensation Consultant
- analysis of the overall compensation of executive officers compared to Énergir, L.P. comparison groups
- making of appropriate recommendations regarding adjustments to the HR-SR Committee, if required

2. HR-SR Committee
- review of (i) the corporate objectives proposed by the President and CEO, and (ii) the strategic initiatives
- in determining these objectives, review of the results of previous years and setting of strategic initiatives at levels it considers sufficiently ambitious and demanding in light of past results and future issues
- recommendation of strategic initiatives and corporate objectives to the Board

3. Board (on recommendation of HR-SR Committee)
- establishment of the business's strategic initiatives
- approval of the corporate objectives

[22] The amount shown is in Canadian dollars converted on the basis of the average exchange rate used to present expense information in the 2024 Financial Statements, which was $1.3622 per U.S. dollar in 2024.

Annual Performance Assessment and Recommendations

4. President and CEO

- appraisal of the personal performance of each executive officer and reporting to the HR-SR Committee
- positioning of each executive officer within their respective salary scales, based on this appraisal and the total payroll allocated
- recommendation of the incentive compensation for each executive officer

5. HR-SR Committee

- appraisal of the performance of the President and CEO
- review of the report prepared by the President and CEO assessing the performance of the executive officers reporting to him
- evaluation of the extent to which the corporate objectives and strategic initiatives are met and making of recommendations to the Board
- review of the recommendations of the President and CEO with respect to the incentive compensation of executive officers reporting to him
- review of the salary scales for each executive position

Annual Decision-making and Approvals

6. HR-SR Committee

- recommendation to the Board of the executive officers' incentive compensation
- recommendation to the Board of the executive officers' salary increase effective the following January 1st
- discretionary power to grant amounts to executive officers in excess of those provided for by the *Compensation Policy for Executives* and recommendation to the Board in this regard

7. Board

- approval of the executive officers' incentive compensation
- approval of the executive officers' salary increase for the following January 1st
- approval of the use of the discretionary power to grant amounts in excess of those provided for in the *Compensation Policy for Executives*

Green Mountain

The Green Mountain Board is responsible for determining the principles underlying Green Mountain's executive officer compensation philosophy. The Green Mountain Board has set up the CGC and mandated it, among other things, to review all aspects of executive compensation and make recommendations in this regard. The diagram below presents the process that is followed in setting Ms. McClure's and Mr. Lepage's compensation, along with that of the other executive officers of Green Mountain.

Decision Regarding Compensation

Overall Planning

1. Independent Compensation Consultant - periodically

- review of overall compensation of the President and CEO and the other executive officers
- comparison of compensation with that of comparable organizations using a number of published survey sources from a broad section of energy and utility companies, plus data from six selected peer companies for select executive positions, including chief executive officer and chief financial officer, as set forth at greater length in Item 10.1.3.3 Comparison Groups.
- recommendation of necessary compensation policy adjustments

2a. CGC Committee - annually

- establishment of individual performance goals, as well as the relative weight assigned to each measure
- approval of the annual strategic and financial objectives of the President and CEO and the other executive officers

2b. Board - annually

- on the recommendation of the CGC, approval of the individual performance goals for the President and CEO

Annual Performance Assessment and Recommendations

3. President and CEO		4. CGC Committee
• annual individual performance appraisal for each executive officer • based on the annual appraisal and the total payroll allocated, positioning of each executive officer within their respective scales	→	• review of the salary scales for each position • assessment of the extent to which the annual strategic and financial objectives are met and recommendations in this regard • review of the compensation proposed by the President and CEO for the executive officers

Annual Decision-making and Approvals

5. CGC Committee		6. Board
• recommendation to the Board with regard to the incentive compensation for executive officers • recommendation to the Board regarding the compensation for the President and CEO effective the following January 1st • recommendation to the Board with regard to the increase in the executive officers' salary effective the following January 1st • discretionary power to modify incentive compensation in view of events or circumstances that would make it inappropriate to award such compensation strictly in accordance with Green Mountain's performance metrics	→	• approval of the incentive compensation for executive officers • approval of the compensation for the President and CEO • approval of the increase in the executive officers' salary on the following January 1st • approval of the use of the discretionary power for a bonus greater than that provided for in the *Compensation Policy for Executives*, if applicable in any year

10.1.3.3 Comparison Groups

In fiscal year 2024, the Board, on the recommendation of the HR-SR Committee, endorsed the WTW compensation market study and the comparison groups used by Énergir, L.P. for the President and CEO and the other executive officers.

With respect to Green Mountain, the compensation comparisons are periodically done, most recently for fiscal year 2024. Green Mountain's independent compensation consultant, WTW, reviewed and analyzed multiple sources that included published compensation surveys from a broad section of energy and utility companies, plus data from six peer companies for selected executive positions including chief executive officer and chief financial officer.[23]

The table below sets out the comparison groups used in the compensation analysis for Énergir, L.P. and the comparison group used in the compensation analysis for select executive positions for Green Mountain, notably chief executive officer and chief financial officer.

[23] The published studies are indicated below and the list of peer companies used to compare select executive positions, notably chief executive officer and chief financial officer, is set forth in the Comparison Groups Table for the Named Executive Officers.

Comparison Groups Table for the Named Executives Officers

List of Companies for Énergir, L.P.		**List of Companies for select executive positions, notably chief executive officer and chief financial officer, for Green Mountain**
Quebec Companies (17)	Companies in Other Canadian Provinces (14)	U.S. Companies (6)
Agropur Cooperative	Alberta Electric System Operator	Avista Corporation
Air Liquide Canada Inc.	ATCO Ltd.	IDACORP, Inc.
Boralex Inc.	Capital Power Corporation	MGE Energy Inc.
BRP Inc.	Emera Incorporated	Northwestern Energy Group, Inc.
CAE Inc.	Enbridge Gas Inc.	PNM Resources, Inc.
Cascades Inc.	ENMAX Corporation	Portland General Electric Company
Champion Iron Mines Limited	EPCOR Utilities Inc.	
Cogeco Communications Inc.	FortisAlberta Inc.	
Innergex Renewable Energy Inc.	FortisBC Inc.	
Lassonde Industries Inc.	Irving Oil Limited	
Pomerleau Inc.	Northland Power Inc.	
Quebecor Inc.	Nova Scotia Power Inc.	
Richelieu Hardware Ltd.	Toronto Hydro-Electric System Limited	
Stella-Jones Inc.	TransAlta Corporation	
Transcontinental Inc.		
TFI International Inc.		
Velan Inc.		

The Canadian companies are in the energy and transformation and distribution services sectors. The Quebec companies are in various sectors such as distribution, services and manufacturing.

For Green Mountain, the published studies reviewed for fiscal year 2024 were the WTW 2023 Energy Services Executive Compensation Survey Report; the WTW 2023 General Industry Executive Compensation Survey Report; and the 2023 U.S. Mercer Executive Benchmark Database. The WTW 2023 Energy Services Executive Compensation Survey Report was used as the primary source and was validated by comparison to WTW 2023 General Industry Executive Compensation Survey Report and the 2023 US Mercer Executive Benchmark Database. WTW then compared results to available data from the comparison group listed above for selected executive positions, including chief executive officer and chief financial officer.

For the surveys, WTW used regression to adjust market data to reflect Green Mountain's revenue level, and it set a common date of July 1, 2024 by aging, as needed, the data to an annualized rate of 4% to ensure data consistency. Both annual compensation and long-term incentive data were utilized whenever available.

Énergir Inc.'s HR-SR Committee and Green Mountain's CGC are respectively of the opinion that the comparison groups chosen for these two companies are relevant for the purposes of establishing points of comparison for the compensation of the executives officers, as they are based upon companies operating in similar fields as Énergir, L.P. and Green Mountain or have properties comparable to those of Énergir, L.P. or Green Mountain. The HR-SR Committee of Énergir Inc. and the CGC of Green Mountain are therefore of the opinion that the issues relating to the compensation of the Named Executive Officers are likely to be similar to those related to the compensation of the executives of the companies that form the comparison groups.

10.1.3.4 Components of the Named Executive Officer Compensation Programs

<u>Énergir, L.P.</u>

As stated under Item 10.1.3.1 *Compensation Policies for Named Executive Officers*, the executive compensation consists of fixed and variable components. The following table presents these components and shows the position of each compensation component in relation to the comparison group described under Item 10.1.3.3 *Comparison Groups*.

Components of Compensation of Énergir Inc.				
Type of Compensation	**Components**	**Position with respect to comparison group**	**Objectives**	**Description**
Fixed	Base salary	Comparison group median	• retention • recognition of skills, competence and experience	– Base salary for executive officers, including Named Executive Officers, is determined according to a salary scale for each position. – The base salary scale for Named Executive Officers is determined taking into consideration Énergir, L.P.'s comparison groups for positions involving similar responsibilities. – Salary increases for employees whose base salary falls within their scale are based on their annual appraisal for their personal performance.
	Pension and retirement allowance program	Comparison group median (but may be raised above comparison group median to retain executive officers)	• provision of adequate retirement income • commensurate with position	– Readers are referred to Item 10.1.3.9 *Retirement Benefits* of this Annual Information Form, which presents the retirement plans.
	Employee benefits program	Above median of comparison group. This program is designed to be competitive with equivalent positions in comparable companies.	• commensurate with position	– The group insurance plan covers: • health and dental • disability and life insurance • other optional coverage – The allowance program allows executive officers to receive, in cash or in the form of an allowance for automobile and other expenses that are deemed eligible, up to: • annual base salary X 12.5% • with a maximum based on position held: ◦ Executive Vice President, Quebec and vice presidents: $25,000[1] ◦ President and CEO: $40,000. – The costs of the group insurance plan are primarily borne by the employer.

[1] The Executive Vice President, Quebec receives an additional allocation of $2,000 to lease an electric vehicle.

Components of Compensation of Énergir Inc.				
Type of Compensation	**Components**	**Position with respect to comparison group**	**Objectives**	**Description**
Variable	Annual Incentive Compensation[1]	Comparison group median	• recognition of individual performance and overall performance of Énergir, L.P.	– Named Executive Officers may receive a performance bonus based on their performance in achieving corporate objectives relating to Énergir, L.P.'s overall performance according to the applicable regulatory framework. – Based on performance, the Annual Incentive Compensation as a percentage of salary may be up to: • 70.0% of base salary for the President and CEO; • 50.0% of base salary for Executive Vice President, Quebec; • 40.0% of base salary for Vice Presidents. – In the event of exceptional results or extraordinary circumstances, the Board on the recommendation of the HR-SR Committee may decide on the appropriateness of paying amounts in excess of those provided for under the *Compensation Policy for Executives* with respect to any component of total compensation.
	Long-Term Incentive Program[2]	Comparison group median	• creation of long-term economic and strategic value for Énergir, L.P.	– Please refer to Item 10.1.3.7 *Long-Term Incentive Program* of this Annual Information Form, which presents the long-term incentive program.

(1) Calculation of the annual incentive compensation includes measures not defined under GAAP. These measures are linked to strategic initiatives, decarbonization, evolving operating models, growth, as well as organizational health, occupational health and safety, as well as diversity and inclusion initiatives.

(2) Calculation of the long-term incentive compensation incorporates indicators not defined under GAAP, such as free cash flow and the reduction of GHG emissions.

Green Mountain

As Named Executive Officers, Ms. McClure and Mr. Lepage[24] receive both fixed and variable compensation, consisting of five (5) components: i) base salary, ii) defined contribution retirement plan, iii) employee benefits program, iv) annual short-term incentive compensation, and v) long-term incentive compensation. The following table presents these components and shows the position of each component in relation to the comparison group described under Item 10.1.3.3 *Comparison Groups*.

Components of Compensation Green Mountain				
Type of Compensation	**Components**	**Position with respect to comparison group**	**Objectives**	**Description**
Fixed	Base salary	Below median of comparison group	• retention • recognition of skills, competence and experience	– Base salary for the President and CEO and other executive officers is determined according to a salary scale for the position. – The base salary scale for the President and CEO and other executive officers is intended to be positioned between the 25th and 50th percentile of the comparison group, and is determined taking into account Green Mountain's comparison groups for positions of similar responsibility. – Salary increases for employees whose base salary falls within their scale are based on their annual appraisal for their personal performance.
	Retirement Benefits	Below median of comparison group	• provision of adequate retirement income • commensurate with position	– Readers are referred to the Item 10.1.3.9 *Retirement Benefits* of this Annual Information Form, which presents the retirement benefits.
	Employee Benefits Program	Below median of comparison group	• commensurate with position • retention	**Deferred Compensation** – Available to executive officers only – Deferral and then interest accrual of compensation is available both for Green Mountain aggregate (base and variable) salary and for VELCO board compensation. **Life Insurance Plan** – The insurance policy provides adequate protection in the event of death, disability or illness. – The coverage is equivalent to four times base salary for the President and CEO and three times the base salary for the other executive officers. **Payment Features** – The costs of the plan are primarily borne by the employer. – Employee and indirect benefits for executive officers are designed to be competitive with equivalent positions in comparable companies. – They are periodically reviewed by the CGC.

[24] For more details on Mr. Lepage's compensation, please see Item 10.1.3.1 *Compensation Policies for Named Executive Officers.*

Components of Compensation Green Mountain				
Type of Compensation	**Components**	**Position with respect to comparison group**	**Objectives**	**Description**
Variable	Short-Term Incentive Compensation	Below median of comparison group	• recognition of individual performance and overall performance of Green Mountain	– The President and CEO may receive a performance bonus based on her performance in achieving: • corporate service quality objectives, i.e., 16 customer service quality performance standards (60.0% of award); • personal objectives set for each year (40.0% of award). Absent the use of Green Mountain's Board discretionary power, Green Mountain must achieve 80.0% of the allowed rate of return on equity for the President and Chief Executive Officer to be eligible for an award. – Based on performance, the annual incentive compensation of the President and CEO, as a percentage of salary, may be up to 60.0% of base salary, with target set at 50.0% of base salary, respectively. – The Chief Financial Officer may receive a performance bonus based on his performance in achieving: • corporate service quality objectives, i.e., 16 customer service quality performance standards (60.0% of award); • personal objectives set for each year (40.0% of award). Absent the use of Green Mountain's Board discretionary power, Green Mountain must achieve 80.0% of the allowed rate of return on equity for the Chief Financial Officer to be eligible for an award. – Based on performance, the annual incentive compensation of the Chief Financial Officer, as a percentage of salary, may be up to 36.0% of base salary, with

<table>
<tr><th colspan="5">Components of Compensation
Green Mountain</th></tr>
<tr><th>Type of Compensation</th><th>Components</th><th>Position with respect to comparison group</th><th>Objectives</th><th>Description</th></tr>
<tr><td>Variable</td><td>Long-Term Incentive Compensation</td><td>Below median of comparison group</td><td>• creation of long-term economic value for Green Mountain and its customers</td><td>– The goal of the Long-Term Incentive Program is to promote the creation of long-term economic value for Green Mountain.

– For the three-year cycle ending on September 30, 2024, the creation of economic value is based on three measurements:
• Effective Return on Equity
• Building Financial Strength and Stability
• Climate and Carbon Achievements

– Changes to these values are determined over a three-year period and are the basis for annual bonus payments to executive officers after the three-year cycle.

– A new three-year cycle begins on October 1 of each year and new performance goals are set within 120 days of the start of the cycle.

Target bonus

– The performance target award for the CEO is 85.0% of base salary and is based on the achievement of each performance level, namely the threshold (60.0%), the target (100.0%) or the ideal (120.0%).

– The performance target award for the Chief Financial Officer is 40.0% of base salary and is based on achievement of each performance level, namely the threshold (60.0%), the target (100.00%) or the ideal (120.0%).</td></tr>
</table>

10.1.3.6 Objectives

Énergir, L.P.

The table below shows the Named Executive Officers' objectives as well as the achievement of the objectives in fiscal year 2024.

Corporate Objectives (Calculations of the corporate objective results are validated by the internal auditors.)		
Group Objectives		**2024 Objectives Achieved**
– This includes the result of the Group activities and other strategic initiatives. – This annual budget is approved at the beginning of the fiscal year by the Board, on the recommendation of the HR-SR Committee.	→	– The result for Group objectives stands at 93.0% compared to a target of 100%. – The result triggered payment of a proportionate share of the applicable annual incentive compensation.
Objectives for Quebec Operations		**2024 Objectives Achieved**
– This is measured by corporate indicators and indicators imposed by the Régie: • The corporate indicators are: GHG emissions reduction, Voluntary RNG consumption, Net promoter score, Free cash flow, Meeting the budget, Cybersecurity, Preventive maintenance and operational security programs, Organizational health, Occupational health and safety, Diversity and inclusion, as well as Strategic initiatives; • The indicators required by the Régie are: Customer satisfaction, Compliance with meter reading policy, Emergency response time, Preventive maintenance programs, Compliance with collection and service interruption procedure, Obtaining and maintaining the ISO 14001 certification, GHG emission reduction, and Overall satisfaction with Énergir, L.P. large enterprises market. – The overall result for the “Distribution of Natural Gas in Quebec” performance indicators takes into consideration weighting between corporate indicators and indicators imposed by the Régie.	→	– The result is 93.9% compared to a target of 100%. – The result triggered payment of a proportionate share of the applicable annual incentive compensation.
Occupational Health and Safety Objectives (“OHS”)		**2024 Objectives Achieved**
OHS objectives have been included for each Named Executive Officer to influence their conduct and commitments. The objective has five indicators, which are: • the frequency of accidents; • the severity of those accidents; • the implementation of the three-year Occupational Health and Safety Plan; • the total number of close-call incidents reported by employees; and • participation in the "Leadership in action" program, which consists of activities and discussions on the promotion, by executive officers, of workplace safety and mental health.	→	– The achievement result is 100%. – A result of 100% triggers payment of the proportionate share of the applicable Annual Incentive Compensation.

Green Mountain

The table below presents the objectives of Ms. McClure and Mr. Lepage, in his capacity as Vice President, Chief Financial Officer and Treasurer, of Green Mountain, as well as the achievement of the objectives in fiscal year 2024.

Corporate Service Quality Objectives		Objectives Achieved in 2024
– Green Mountain's service quality plan performance standards include measurements relative to customer satisfaction, system reliability, and responsiveness to customer requests, workplace safety, operational efficiency and billing accuracy. The target performance is determined at the beginning of the year. The determination as to final payments is undertaken only after the audited financials are complete and service quality performance for the calendar year has been formally submitted to the VPUC. – The short-term incentive plan has the unique feature of different performance periods for different features of the incentive plan. The individual portion of the award can be earned and calculated for the fiscal year. However, the corporate service quality goals are determined by calendar year performance, with the first quarter of the fiscal year determining the final results, when Green Mountain's annual results are then audited, filed with the VPUC and approved by the CGC. – The earnings calculation for fiscal year 2024 includes corporate service quality performance results from 2023 calendar year, which earnings were earned, approved and paid within fiscal year 2024, along with a personal objectives component.	→	– For fiscal year 2024, the results of Ms. McClure and Mr. Lepage for the corporate goal component were based on calendar year 2023 and were earned and determined in February 2024, after the close of the 2023 calendar year performance period, and the portion of the award was paid to them in February 2024. – For fiscal year 2024, Ms. McClure's results related to corporate goals attained 120% of target and represent 60% of the short-term incentive award. – For fiscal year 2024, Mr. Lepage's results related to corporate goals attained 120% of target and represent 60% of the short-term incentive award.
Individual Performance Goals		**Objectives Achieved in 2024**
– The individual performance goals, as well as the relative weight assigned to each measure, is established in writing for each participant no later than 90 days after the beginning of each fiscal year by the CGC after consultation with the CEO and is approved by the Green Mountain Board.	→	– For fiscal year 2024, the individual goal component of the short-term incentive compensation program was earned over fiscal year 2024 and will be paid in the coming fiscal year in February 2025.
Individual Goals for Ms. McClure and Mr. Lepage		**Objectives Achieved in 2024**
– Mari McClure: her individual performance goals were notably related to effective regulatory proceedings, strong financial results, development of innovative customer programs, community and stakeholder relations, and improvement in customer service including expanded communication options. – Mathieu Lepage: his individual performance goals were notably related to strong financial performance, effective regulatory proceedings, as well as development of innovative customer programs, community and stakeholder relations and strong customer service.	→	– For fiscal year 2024, Ms. McClure earned 92% of target for the individual component of the short-term compensation program, which accounts for 40% of the total award. – For fiscal year 2024, Mr. Lepage earned 81% of target for the individual component of the short-term compensation program, which accounts for 40% of the total award.

10.1.3.7 Long-Term Incentive Program

Énergir, L.P.

Long-term incentive program

The long-term incentive program is designed to retain and strengthen the commitment of named executives, including the Named Executive Officers,[25] all the while ensuring that they are focused on the financial and strategic performance of the business. The New Program is based on the two following performance measures:

Indicator	Measure	Value (Weighting)	Definition/ Composition
Financial	Free cash flow ("**FCF**")	75%	The FCF corresponds to cash flows related to operating activities adjusted to exclude the variation of the effects of regulatory and operating assets and liabilities. It also includes the depreciation deduction for regulated activities, maintenance capital for unregulated activities and distributions to non-controlling partners**.**
Strategic	Decarbonization effort: Reduction of GHG emissions	25%	In Quebec, three complementary segments are monitored for a value of **75% of the indicator:** 1. Energy efficiency; 2. Injection RNG; 3. Transfer of customers to dual energy (calculated as tonnes of CO_2 equivalent). For Green Mountain, the achievement of GHG reduction objectives in Vermont is calculated on the achievement of three tiers, for a value of **25% of the indicator:** **Tier 1:** Total electricity sales from all sources of renewable energy; **Tier 2:** Total electricity sales from new generation of renewable energy; **Tier 3:** In addition to attainment of Tier 2, fossil fuel savings resulting from energy transformation projects are added (calculated as megawatt-hours).

The payment factor is calculated based on a recommended grid:

Recommended Grid	Payment factor
Threshold[(1)]	0.5
Target	1
Exceeded	2

(1) If the result is less than the threshold, a factor of 0 is assigned.

To be eligible for the bonus, the Named Executive Officer[26] must have been in Énergir, L.P.'s employ on the last day of the fiscal year in question. In the event of departure before that date, the annual payment is lost, except in the following situations:

- Retirement, death or disability;
- Departure following dismissal within 18 months of a change in control of Énergir Inc., i.e., the direct or indirect acquisition, by a third party, of voting shares in Énergir Inc. representing at least 51% of all voting shares in Énergir Inc., as well as any transaction enabling a third party to exercise "de facto" control of the Énergir Inc.

(25) With the exception of Ms. McClure and Mr. Lepage, who are compensated by Green Mountain. For more information on Mr. Lepage's compensation, please refer to Item 10.1.3.1 *Compensation Policies for Named Executive Officers.*

(26) With the exception of Ms. McClure and Mr. Lepage, who are compensated by Green Mountain. For more information on Mr. Lepage's compensation, please refer to Item 10.1.3.1 *Compensation Policies for Named Executive Officers.*

In such a situation, the payment for the current year is prorated according to the time elapsed. The amounts are determined based on the results at the end of the current fiscal year. The annual payment due is made in the months after the end of the fiscal year based on the audited financial statements and upon the approval of the Board.

Targets are set for a cumulative period of three years that begins on October 1st of each fiscal year. One payment is made to the named executives at the end of each cumulative period: the President, the Executive Vice President and the vice presidents.

The bonus payable is calculated as follows:

FCF	**SALARY**	**X**	**TARGET BONUS**	**X**	**PAYMENT FACTOR**	**=**	**TOTAL BONUS**	**X**	**75%**	**=**	**BONUS PAYABLE**
GHG	**SALARY**	**X**	**TARGET BONUS**	**X**	**PAYMENT FACTOR**	**=**	**TOTAL BONUS**	**X**	**25%**		

The target bonus, as a percentage of annual salary, is:

- President 100%
- Executive Vice President 60%
- Vice presidents 45%

Green Mountain

Green Mountain's long-term incentive program is further described in Item 10.1.3.4 *Components of the Named Executive Officer Compensation Programs* under the Green Mountain section. The bonus payable is calculated as follows:

BASE SALARY	**X**	**TARGET PERCENTAGE**	**X**	**WEIGHTED PERFORMANCE FACTOR**	**=**	**BONUS PAYABLE**

The target bonus, as a percentage of annual salary, is:

- Chief Executive Officer 85%
- Chief Financial Officer 40%
- Vice presidents 40%

The following table shows the long-term incentive bonus that will be paid to Ms. McClure and Mr. Lepage based on the results for the three-year cycle ended September 30, 2024:

Long-Term Incentive Program Bonus Table

Name	2024 Long-Term Bonus ($)	Reserve at risk ($)
Mari McClure(1) President and CEO	516,315	N/A
Mathieu Lepage(1) Vice-President, Chief Financial Officer and Treasurer	160,225	N/A

(1) Ms. McClure and Mr. Lepage are paid in U.S. dollars. The amount shown is in Canadian dollars converted on the basis of the average exchange rate used to present expense information in the 2024 Financial Statements, which was $1.3622 per U.S. dollar in 2024.

10.1.3.8 Incentive Plan Awards

The following table shows the value vested or value earned by the Named Executive Officers under Énergir, L.P. and Green Mountain's incentive plans during fiscal year 2024. These amounts will be paid during fiscal year 2025.

Incentive Plan Awards Table
Value Vested or Earned During the Fiscal Year

Name	Option-based awards – value vested or earned during the year ($)	Share-based awards – value vested or earned during the year ($)	Non-equity incentive plan compensation – value earned during the year ($)		Total ($)
			Annual Incentive Plan	Long-Term Incentive Plan	
Éric Lachance President and Chief Executive Officer	N/A	N/A	436,904	1,176,162	1,613,066
Mathieu Lepage[(1)] Chief Financial Officer of Énergir, L.P. and Vice President, Chief Financial Officer and Treasurer of Green Mountain	N/A	N/A	145,104[(2)]	160,225[(3)]	305,329
Stéphanie Trudeau Executive Vice President, Quebec	N/A	N/A	209,716	471,529	681,245
Renault-François Lortie Vice President, Customers and Gas Supply	N/A	N/A	145,807	307,346	453,153
Mari McClure[(1)] President and CEO, Green Mountain	N/A	N/A	380,986[(4)]	516,315[(5)]	897,301

(1) Mr. Lepage and Ms. McClure are paid in U.S. dollars. The amounts shown are in Canadian dollars converted on the basis of the average exchange rate used to present expense information in the 2024 Financial Statements, which was $1.3622 per U.S. dollar in 2024.

(2) Annual Short-Term Incentive Plan is earned during both fiscal year and calendar year. The fiscal 2024 amount represents the amount of $99,040 earned through December 2023, the first quarter of the fiscal year, and paid in February 2024, plus the individual goal results of $46,064 earned in the 2024 fiscal year and payable in the fiscal year ending on September 30, 2025. This last amount reflects the extent to which the objectives listed in Item 10.1.3.4 *Components of the Named Executive Officer Compensation Programs* have been achieved, although the CGC reserves the right to change or eliminate this amount, in which case this amount will be updated accordingly.

(3) This amount will be paid during the fiscal year ending on September 30, 2025.

(4) The Annual Short-Term Incentive Plan is earned during both fiscal year and calendar year. The fiscal 2024 amount represents the amount of $247,930 earned through December 2023, the first quarter of the fiscal year, and paid in February 2024, plus the individual goal results of $133,056 earned in the 2024 fiscal year and payable in the fiscal year ending on September 30, 2025. This last amount reflects the extent to which the objectives listed in Item 10.1.3.4 *Components of the Named Executive Officer Compensation Programs* have been achieved, although the CGC reserves the right to change or eliminate this amount, in which case this amount will be updated accordingly.

(5) This amount will be paid during the fiscal year ending on September 30, 2025.

10.1.3.9 Retirement Benefits

This section is presented in two parts, one covering the retirement benefits which are offered to the executive officers of Énergir, L.P. and another covering the retirement benefits offered to Ms. McClure, President and CEO of Green Mountain and Mr. Lepage, Chief Financial Officer of Énergir, L.P. and Vice President, Chief Financial Officer and Treasurer of Green Mountain.

Énergir, L.P.

Registered Pension Plan and Post-Retirement Allowance Program ("Program")	
Eligibility	– Executive officers of Énergir, L.P.
Description of plans	– The registered pension plan is a defined benefit plan and is non-contributory for executive officers. This plan is subject to the laws governing pension plans under provincial jurisdiction (Quebec) and the tax limits prescribed by the Canada Revenue Agency – The Program is intended to offset the impact of the limits imposed by tax legislation on the retirement pension provided by the registered pension plan and is non-contributory
Reasons for payment	– Encourage long-term retention of executive officers by rewarding them for their continued service at Énergir, L.P.
Normal age of retirement (without annuity reduction)	– 65
Credited years of services	– Save for some exceptions, accumulation of one year of service for each year of participation
Life annuity formula	– 1.35% of the average of the five highest consecutive annual base salaries preceding retirement up to the average maximum annual eligible earnings ("**MAEE**") for the same period, plus 2.0% of the average of the salaries in excess of the average MAEE, multiplied by the number of years of service giving entitlement to a pension under this formula
Reduction of the life annuity	– For the annuity relating to years of service prior to January 1, 2016, reduction of 0.25 of 1.0% (maximum 15.0%) for each month between the date of early retirement and the earlier of the participant's 60th birthday or the date on which the sum of his (her) age and years of service equals 85 – For the annuity relating to years of service as of January 1, 2016, reduction of 5/12 of 1.0% (maximum 25.0%) for each month between the date of early retirement and the earlier of the participant's 60th birthday or the date on which the sum of his (her) age and years of service equals 90, but not prior to the participant's fifty-eighth birthday
Temporary annuity	– Payable to participants who retire before 65 years of age and equal to the product of 0.65% of the average MAEEs multiplied by the years of service prior to January 1, 2010, $125 multiplied by the years of service from January 1, 2010 to December 31, 2015 and 0.50% of the average MAEEs multiplied by the years of service as of January 1, 2016
Discretionary facet	– Executive officers, including the Named Executive Officers, may elect to make voluntary contributions to a discretionary facet of the Pension Plan in order to acquire certain additional benefits
Security for Program commitments	– Secured by letters of credit deposited in retirement compensation trusts

Green Mountain

Defined Contribution Retirement Plan	FIXED
Eligibility	– Executive officers and all employees of Green Mountain.
Plan definition	– The defined contribution plan is subject to regulations governing 401(k) plans under federal jurisdiction. – The plan includes contributory provisions for employees and the employer.
Contribution provisions	– Employees who choose to participate may contribute any percentage of their salary on a pre-tax basis, up to an annual maximum set by the Internal Revenue Service, which was $31,331(1) in 2024, or $41,547(1) for those over age 50. – Green Mountain contributes 4.50% of the base salaries of employees who do not qualify for the defined benefit pension plan and matches 100.0% of employee contributions up to 4.0% of their base salary.
Payment provisions	– Employees are eligible for distribution benefits at age 59 ½, and are required to start taking distributions by age 70.

(1) The amounts shown are converted on the basis of the average exchange rate used to present expense information in the 2024 Financial Statements, which was $1.3622 per U.S. dollar in 2024.

The following table shows Ms. McClure and Mr. Lepage's accumulated value in the 401(k) retirement plan as of September 30, 2024.

401(k) Retirement Plan Table

Name	Accumulated value at start of year ($)	Compensatory ($)	Non-compensatory ($)	Accumulated value at year end ($)
Mari McClure[(1)] President and CEO	773,856	39,947[(2)]	256,968	1,070,771
Mathieu Lepage[(1)] Chief Financial Officer of Énergir, L.P. and Vice President, Chief Financial Officer and Treasurer of Green Mountain	170,461	39,947[(3)]	111,790	322,198

(1) Ms. McClure and Mr. Lepage are paid in U.S. dollars. The amounts shown are in Canadian dollars converted on the basis of the average exchange rate used to present expense information in the 2024 Financial Statements, which was $1.3622 per U.S. dollar in 2024.

(2) Green Mountain contributions totalled $39,947 and investment performance was 6.70% on a total of employee and employer contributions of $66,738.

(3) Green Mountain contributions totalled $39,947 and investment performance was 7.00% on a total of employee and employer contributions of $93,188.

Non-Qualified Deferred Compensation Plan	FIXED
Features	The executive officers are eligible to participate in a deferred compensation plan for Green Mountain executives. Ms. McClure is also eligible to participate in a deferred compensation plan for Board Members of VELCO which is partially owned by Green Mountain (38.80% ownership), as Ms. McClure currently maintains a seat as part of her duties as President and CEO of Green Mountain. Ms. McClure chose not to participate in either of these plans for fiscal year 2024. Mr. Lepage also did not choose to participate in the deferred compensation plan for Green Mountain executives. – Green Mountain Plan: May defer a portion of base salary up to $102,165[(1)] (US$75,000) per calendar year. – VELCO Board Plan: May defer up to 100.0% of compensation received. – For both plans, amounts deferred are credited to a separate account for each participant.
Monthly Growth Percentage	Each of the following plans credits the participant's deferral account with a monthly growth percentage. – Green Mountain: One twelfth of the average annual yield on public utility bonds as determined by Moody's Investors Service and published in the issue of "Moody's Public Utility" on the date closest to the fifteenth day of said month, or such other growth percentage as the Green Mountain Board may from time to time determine to be substantially equivalent to the average annual yield on public utility bonds as determined by Moody's Investors Service. The rating level to be used for computing the growth percentage for each deferral is Green Mountain's rating at the time the deferral election is executed. – VELCO: The growth percentage for VELCO deferred compensation is calculated each month by an amount equal to the product of the balance recorded in the account as of the first day of said month multiplied by one-twelfth of the amount established by Moody's Investors Service as the Baa Long-Term Corporate Bond Yield for the first day of that month.

(1) The amount shown is in Canadian dollars converted on the basis of the average exchange rate used to present expense information in the 2024 Financial Statements, which was $1.3622 per U.S. dollar in 2024.

Énergir, L.P. and Green Mountain

Defined Benefit Registered Pension Plan & Post-Retirement Allowance Program Table

Name	Credited years of service[1]		Annual life benefits payable ($)		Accrued benefit obligations at beginning of fiscal year	Variations attributable to compensation items	Variations attributable to non-compensation items	Accrued benefits obligations at end of fiscal year
	Registered Pension Plan	Post-Retirement Allowance Program	At end of fiscal year	At age 65	($)[2]	($)	($)[3]	($)[4] (g)
(a)	(b)	(b)	(c)1)	(c)	(d)	(e)	(f)	(d + e + f = g)
Éric Lachance President and Chief Executive Officer	7.65	7.65	84,200	279,600	866,800	190,400	271,500	1,328,700
Mathieu Lepage Chief Financial Officer of Énergir, L.P.[5] and Vice President, Chief Financial Officer and Treasurer of Green Mountain	10.99	—	39,700	39,700	352,000	—	98,500	450,500
Stéphanie Trudeau Executive Vice President, Quebec	17.74	12.00	111,200	283,000	1,080,200	113,600	306,800	1,500,600
Renault-François Lortie Vice President, Customers and Gas Supply	10.25	7.75	54,900	188,000	524,700	139,600	190,800	855,100
Mari McClure President and Chief Executive Officer of Green Mountain[6]	—	—	—	—	—	—	—	—

(1) As of September 30, 2024.

(2) As at September 30, 2023, i.e., at the measurement date of the pension obligations used in preparing Énergir, L.P.'s audited consolidated financial statements for fiscal year 2023. These amounts were calculated based on the same assumptions and methods as shown in the note to the consolidated financial statements dealing with Employee Future Benefits at that date.

(3) The variations attributable to non-compensation items are basically the net effect of the interest on the accrued benefit obligations and the changes in methods and assumptions.

(4) As at September 30, 2024, i.e., at the measurement date of the pension obligations used in preparing Énergir, L.P.'s 2024 Financial Statements. These amounts were calculated based on the same assumptions and methods as shown in the note to the consolidated financial statements dealing with Employee Future Benefits at that date.

(5) Mr. Lepage has held the position of Chief Financial Officer of Énergir, L.P. since April 30, 2021. He accumulated years of service for the purposes of Énergir, L.P.'s registered pension plan up to April 30, 2021. Mr. Lepage is not eligible to participate in the Defined Benefit Registered Pension Plan or the Post Retirement Allowance Program now or in the years ahead, but he is eligible for Green Mountain's 401(k) Retirement Plan and Non-Qualified Deferred Compensation Plan, which are discussed in this section.

(6) Ms. McClure is not eligible to participate in these plans, either now or in the years ahead. Ms. McClure is eligible for Green Mountain's 401(k) Retirement Plan and Non-Qualified Deferred Compensation Plan, which are discussed in this section.

10.1.4 Compensation Summary for Named Executive Officers

The following table shows the information regarding compensation for the Named Executive Officers for the last three fiscal years:

Summary Compensation Table

Name & Principal Position (a)	Fiscal Year (b)	Salary ($) (c)	Non-Equity Incentive Plan Compensation ($) (d)		Value of Pension Plans ($) (e)	Other Compensation [1] ($) (f)	Total Compensation (g) ($) (c + d + e + f = g)
			Annual Incentive Plan	Long-Term Incentive Plan			
Éric Lachance President and Chief Executive Officer	2024	663,000	436,904	1,176,162	190,400	49,585	2,516,051
	2023	625,000	372,478	1,102,656	218,400	47,935	2,366,469
	2022	556,544	302,403	309,441 [2]	176,300	671,660 [3]	2,016,348
Mathieu Lepage[4] Chief Financial Officer of Énergir, L.P. and Vice President, Chief Financial Officer and Treasurer of Green Mountain	2024	476,857	145,104	160,225	39,947 [5]	456,796 [6]	1,278,929
	2023	454,343	141,739	151,748	38,037 [7]	248,365 [8]	993,919
	2022	419,331	194,402	167,732	51,358 [9]	194,731 [10]	893,823
Stéphanie Trudeau Executive Vice President, Quebec	2024	443,000	254,016 [11]	471,529	113,600	36,193	1,309,145
	2023	426,000	210,946	450,942	99,000	34,548	1,221,436
	2022	400,648	180,105	137,175 [2]	189,500	293,325 [3]	1,200,753
Renault-François Lortie Vice President, Customers and Gas Supply	2024	385,000	185,307 [12]	307,346	139,600	36,060	1,044,253
	2023	370,000	146,573	293,748	77,100	34,262	844,695
	2022	315,754	144,807 [13]	72,767 [2]	114,900	180,021 [3]	828,249
Mari McClure[4] President and Chief Executive Officer, Green Mountain	2024	749,011 [14]	380,986	516,315	39,947 [15]	6,777 [16]	1,693,036
	2023	708,071 [17]	357,897	484,343	38,124 [18]	6,715 [19]	1,595,021
	2022	624,549 [20]	330,738	510,345	29,067 [21]	6,322 [22]	1,501,021

(1) For an explanation of this other compensation, please refer to the explanatory table for the Allowances and Employee Benefits Program under Item 10.1.3.4 *Components of the Named Executive Officer Compensation Program*.

(2) This amount represents the last payment made under Énergir, L.P.'s former long-term incentive program, which was replaced by the current incentive program described in Item 10.1.3.7 *Long-Term Incentive Program,* which came into effect on October 1, 2020.

(3) This amount represents a lump sum compensating monetarily for the market discrepancy for the transition period between the former long-term incentive program and the new long-term incentive program.

(4) Mr. Lepage and Ms. McClure are paid in U.S. dollars. The amounts shown are in Canadian dollars converted on the basis of the average exchange rate used to present expense information in the 2024 Financial Statements, which was $1.3622 per U.S. dollar in 2024. As for the compensation paid to Ms. McClure and Mr. Lepage for the fiscal year ended September 30, 2023 and for the fiscal year ended September 30, 2022, the average exchange rate used was $1.3498 per U.S. dollar in 2023 and $1.2707 per U.S. dollar in 2022.

(5) This amount represents a variation in the compensatory amount of Mr. Lepage's 401(k) retirement plan, as he is participating therein for Green Mountain Power as described in Section 10.1.3.9.

(6) This amount includes $2,942 of life insurance premiums, which were not deferred. This amount also includes $452,788, consisting of (i) an annual lump-sum payment payable to Mr. Lepage for performing additional duties for Énergir, L.P. in fiscal year 2024 by means of the fees described in Item 10.1.3.1 *Compensation Policies for Named Executive Officers;* and (ii) the short-term and long-term bonuses differential payable to Mr. Lepage according to the service agreement between Énergir, L.P. and Green Mountain, should the results for the short-term and/or long-term bonuses of Énergir, L.P. be greater than those of Green Mountain. Mr. Lepage has been eligible to receive any long-term bonus differential since October 2021, and the first adjustment will apply at the end of fiscal year 2024. As for the short-term bonus differential for fiscal year 2024, it corresponds to the fixed amount for the period ending September 30, 2024, and a projected amount up to December 31, 2024. Note that the 2023 bonus differential corresponds to the amount earned in fiscal year 2023, and the 2022 bonus differential corresponds to the amount earned in fiscal year 2022.

(7) This amount represents a variation in the compensatory amount of Mr. Lepage's 401(k) retirement plan, as he participated therein for Green Mountain as described in Section 10.1.3.9.

(8) This amount includes an annual lump-sum payment of $245,450 earned in fiscal year 2023, payable to Mr. Lepage for performing additional duties for Énergir, L.P. It is paid by Green Mountain and reimbursed by Énergir, L.P. through the monthly fee described in Item 10.1.3.1 *Compensation Policies for Named Executive Officers* above. This amount also includes $2,915 of life insurance premiums, which were not deferred.

(9) This amount represents a variation in the compensatory amount of Mr. Lepage's 401(k) retirement plan, as he participated therein for Green Mountain as described in Section 10.1.3.9, and includes a lump-sum catch-up contribution at the time he joined the plan in the first quarter of fiscal year 2022.

(10) This amount includes an annual lump-sum payment of $192,014 earned in fiscal year 2022, payable to Mr. Lepage for performing additional duties for Énergir, L.P. It is paid by Green Mountain and reimbursed by Énergir, L.P. through the monthly fee described in Item 10.1.3.1 *Compensation Policies for Named Executive Officers* above. This amount also includes $2,717 of life insurance premiums, which were not deferred.

(11) For fiscal year 2024, this amount includes a $44,300 discretionary incentive greater than that provided for in Énergir, L.P.'s Compensation Policy for Executives.

(12) For fiscal year 2024, this amount includes a $38,500 discretionary incentive greater than that provided for in Énergir, L.P.'s Compensation Policy for Executives.

(13) For fiscal year 2022, this amount includes a $32,000 discretionary incentive greater than that provided for in the *Compensation Policy for Executives.*

(14) Salary includes the base salary paid by Green Mountain and the director's fees from VELCO, which are granted through the VELCO ownership structure by Green Mountain. For fiscal year 2024, Ms. McClure received an annual base salary of $723,129 from Green Mountain, as well as fees of $25,882 as a director of VELCO until September 30, 2024.

(15) This amount represents a variation in the compensatory amount of Ms. McClure's 401(k) retirement plan.

(16) This amount represents $6,777 of life insurance premiums; no compensation was deferred.

(17) Salary includes the base salary paid by Green Mountain and the director's fees from VELCO, which are granted through the VELCO ownership structure by Green Mountain. For fiscal year 2023, Ms. McClure received an annual base salary of $682,425 from Green Mountain, as well as fees of $25,646 as a director of VELCO until September 30, 2023.

(18) This amount represents a variation in the compensatory amount of Ms. McClure's 401(k) retirement plan.

(19) This amount represents $6,715 of life insurance premiums; no compensation was deferred.

(20) Salary includes the base salary paid by Green Mountain and the director's fees from VELCO, which are granted through the VELCO ownership structure by Green Mountain (38.8% interest in VELCO as at September 30, 2022). For fiscal year 2022, Ms. McClure received an annual base salary of $600,410 from Green Mountain, as well as fees of $24,139 as a director of VELCO until September 30, 2022.

(21) This amount represents a variation in the compensatory amount of Ms. McClure's 401(k) retirement plan.

(22) This amount represents $6,322 of life insurance premiums; no compensation was deferred.

10.1.5 Termination and Change of Control Benefits

a) President and CEO of Énergir Inc.

The current President and CEO, Mr. Lachance, is the only executive officer, including the other Named Executive Officers, who has an employment contract.

Mr. Lachance's employment contract provides for compensation in certain cases of termination of his employment, such as a termination of contract by or a change in the control of Énergir Inc. resulting in either a significant change in his responsibilities or a termination of his functions as President or the fact that he no longer reports directly to the Board. In such cases, should Énergir Inc. decide to terminate the contract, Mr. Lachance would be entitled to compensation equal to two years of his base salary as at the termination date. Should Mr. Lachance's responsibilities be reduced to any significant extent, such as in certain cases prescribed in the contract, he may resign and receive the same compensation. In either of the foregoing situations, Mr. Lachance would also be entitled to a portion, proportional to the time elapsed in the fiscal year, of the bonus under the Annual Incentive Compensation and Long-Term Incentive Program for the current fiscal year. Any long-term incentive bonuses accumulated would then be paid annually over the three years following the employment termination, proportionally to the time elapsed in the cycle and based on the payment factor of the payment year cycle.

Mr. Lachance's contract contains a confidentiality clause with respect to confidential information he received about Énergir Inc., its operations, its business and its subsidiaries during his employment. The contract also includes a provision, valid in any area of the province of Quebec, the Province of Ontario and the Northeastern United States whereby Mr. Lachance agrees not to provide his services directly or indirectly as an employee, officer, director, shareholder or consultant to an enterprise carrying on activities that compete with Énergir Inc. in the energy sector, without Énergir Inc.'s prior written consent, for a one-year period. A non-solicitation clause also applies for the same territory and the same period.

The following table shows the benefits that would have been paid to Mr. Lachance as a result of a termination of his employment or a change in control in the circumstances described above, assuming either of those events occurred on September 30, 2024:

Table of Benefits in the event of Termination of Contract by Énergir, Change of Control or Resignation Following a Significant Change in Responsibilities

Name	Termination of Employment Benefits ($)	Annual Incentive Compensation(1) ($)	Long-Term Incentive Program (1) ($)	Retirement Benefit (2) ($)	Employee and Indirect Benefits ($)
Éric Lachance President and CEO	1,326,000	436,904	1,176,162	718,700	—

(1) Mr. Lachance would be entitled to a portion, proportional to the time elapsed in the fiscal year, of the bonus under the Annual Incentive Compensation and Long-Term Incentive Program for the current fiscal year. Any long-term incentive bonuses accumulated would then be paid annually over the three years following the employment termination, proportionally to the time elapsed in the cycle and based on the payment factor of the payment year cycle. In the event of a voluntary resignation unrelated to the situations mentioned, no amount shall be paid unless the HR-SR Committee decides otherwise.

(2) Only the amounts accrued under the registered pension plan and the post-retirement allowance program are vested to the Named Executive Officer if there is a termination of employment. In the absence of assumptions prescribed for calculating the amount accrued under the Post-Retirement Allowance Program, the assumptions prescribed by the Canadian Institute of Actuaries ("**CIA**") for registered pension plans were used to determine the amounts accrued under both programs. Lastly, under the provisions of the post-retirement allowance program, Mr. Lachance would only be eligible for a deferred annuity, unless the Board were to grant another form of payment.

b) Other Named Executive Officers

In the event of termination relating to a change of control, the provisions of the *Compensation Policy for Executives* apply to the Named Executive Officers, other than Green Mountain's President and CEO. This policy provides that executive officers are entitled to a portion, proportional to the time elapsed in the fiscal year, of the bonus under the Annual Incentive Compensation and Long-Term Incentive Program for the current fiscal year. Any long-term incentive bonuses accumulated would then be paid annually over the three years following the employment termination, proportionally to the time elapsed in the cycle and based on the payment factor of the payment year cycle.

For any other case of termination, the other Named Executive Officers of Énergir Inc. do not have any specific agreement, and any amounts payable to them would be determined in accordance with applicable legislation and Énergir, L.P.'s policies at that time.

The provisions of the registered pension plan and the post-retirement allowance program establish certain payments in the case of termination of employment or a change in control.

Green Mountain's President and CEO, Ms. McClure, is not entitled to such benefits in the event of termination or change of control.

In the case of Énergir Inc.'s Chief Financial Officer and Green Mountain's Vice President, Chief Financial Officer and Treasurer, it is provided that Mr. Lepage is eligible to receive a proportional payment of the short-term and long-term incentive compensation provided for in the service agreement between Énergir, L.P. and Green Mountain.

Mr. Lepage has accumulated years of service for the purposes of Énergir, L.P.'s registered pension plan up to April 30, 2021. Should his employment be terminated, he would be entitled to the benefits accrued under that plan.

The following table shows the benefits that would have been paid to the other Named Executive Officers following termination within eighteen months following a change of control, assuming termination of employment took place on September 30, 2024:

Table of Benefits in the event of a Termination Relating to a Change of Control

Name	Termination of Employment Benefits ($)	Annual Incentive Compensation[(1)(2)] ($)	Long-Term Incentive Program[(1)(2)] ($)	Retirement Benefit[(3)] ($)	Employee and Indirect Benefits ($)
Mathieu Lepage Chief Financial Officer[(4)]	—	—	—	312,200[(5)]	—
Stéphanie Trudeau Executive Vice President, Quebec	—	209,716	471,529	918,000	—
Renault-François Lortie Vice President, Customers and Gas Supply	—	145,807	307,346	433,400	—

(1) No Annual Incentive Compensation is payable for cases of resignation unless the HR-SR Committee decides otherwise.

(2) Amounts owing are paid proportionally to the time elapsed in the cycle. For long-term incentives, payments are made annually over the three years following the end of employment and will be based on the payment factor of the payment year cycle.

(3) In the absence of assumptions prescribed for calculating the amount accrued under the post-retirement allowance program, the assumptions prescribed by the CIA for registered pension plans were used to determine the amounts accrued under the two programs. Lastly, under the provisions of the post-retirement allowance program, the Named Executive Officer would only be eligible for a deferred annuity, unless the Board grants another form of payment.

(4) As explained in Item 10.1.3.1 *Compensation Policies for Named Executive Officers*, Mr. Lepage is subject to Green Mountains compensation policy. According to the service agreement between Énergir, L.P. and Green Mountain, should the results for the short-term and/or long-term bonuses of Énergir, L.P. be greater than those of Green Mountain, Énergir, L.P. shall pay the difference to Mr. Lepage. Note that Mr. Lepage has been eligible to receive any long-term bonus differential since October 2021. The first long-term compensation adjustment, where applicable, therefore applies for the end of fiscal year 2024. Note that the presented retirement benefit amount is specific to Énergir, L.P.'s retirement plan.

(5) This amount represents the value of the retirement benefits accumulated in Énergir, L.P.'s registered retirement plan up to April 30, 2021 since he was hired in September 2005.

10.1.6 Énergir Inc.'s Director Compensation Analysis

10.1.6.1 Director Compensation Policy

The CGEE Committee reviews as needed the compensation of directors (other than (i) the President and CEO, and (ii) the directors who are also regular CDPQ employees and do not receive any compensation as a director) and makes recommendations to the Board for approval. In developing its recommendation to the Board for appropriate director compensation, the CGEE Committee's objective is to attract and retain competent individuals to sit on the Board. The compensation has to be competitive and commensurate with the growing complexity of Énergir, L.P.'s activities as well as with the risks and responsibilities associated with a directorship at Énergir Inc. To determine the appropriate compensation to pay to the directors, the CGEE Committee does a market comparison with other listed Canadian corporations with assets or activities comparable to Énergir, L.P., and analyzes the director compensation practices of that comparison group following the compensation consultant's recommendations.

The director compensation program consists of an annual lump-sum cash fee, paid quarterly. Directors are also reimbursed for expenses they incur, in particular for travel to attend Board and committee meetings.

In fiscal year 2024, the HR-SR Committee did not retain the services of a compensation consultant with respect to director compensation.

10.1.6.2 Director Compensation Components

The following table shows the components of director compensation during fiscal year 2024:

	Compensation Annual Fees ($)
Chair of the Board	225,000
Board member[(1)] (except the Chair of the Board)	80,000
Chair of Audit Committee[(2)]	20,000
Committee Chair[(2)]	12,000
Committee member[(3)]	12,000

(1) The President and CEO and the directors who are also regular CDPQ employees do not receive any compensation as a director.
(2) Excluding the Chair of the Board and the directors who are also regular CDPQ employees, if they chair a committee.
(3) Excluding the Chair of the Board and the directors who are also regular CDPQ employees, if they sit on a committee.

10.1.6.3. Director Compensation Table

The total compensation paid to the directors as members of the Board and various committees during fiscal year 2024 is presented in Item 9.1 *Directors*.

The following table details the director compensation for fiscal year 2024:

Director Compensation Details for Fiscal Year 2024 Table

Name	Fees ($)	Other Compensation ($)	Total ($)
Renaud Faucher[(1)]	N/A	—	—
Ghislain Gauthier	225,000	—	225,000
Jean-Luc Gravel[(2)]	92,000	12,000	104,000
Jean-Christophe Lincourt-Éthier[(1)]	N/A	—	—
Marie-Pier St-Hilaire	92,000		92,000
Delphine Persouyre[(1)]	N/A	—	—
Keri Sweet Zavaglia[(3)]	92,000	—	92,000

(1) The representatives of the CDPQ who sit on the Board have waived their compensation as directors of Énergir Inc. and as members and chairs of its committees.
(2) In fiscal year 2024, Mr. Gravel continued to assist the Investment Committee as a guest owing to the expertise he developed in his years sitting on the Pension Fund Committee. In that capacity, he received $12,000 in compensation.
(3) Ms. Sweet Zavaglia is paid in U.S. dollars.

10.1.7. Loans to Directors and Named Executive Officers

As at September 30, 2024, there were no loans granted to directors, potential directors or any person related to such persons.

As at September 30, 2024, there were no loans granted to a Named Executive Officer or to a person related to such person, other than loans normally offered to all Énergir, L.P.'s employees under employee programs.

10.2 Additional Information

10.2.1 Governance Information

This information is provided as required by the Canadian corporate governance guidelines, namely, R*egulation 58-101 Respecting Disclosure of Corporate Governance Practices* and *Policy Statement 58-201 to Corporate Governance Guidelines* of the Canadian Securities Administrators, and *Regulation 52-110 respecting Audit Committees*. It is presented as at the date of this Annual Information Form.

10.2.1.1. Board of Directors

Énergir Inc.'s affairs are managed by its Board. The Board is made up of nine directors, seven of whom are independent. Mr. Ghislain Gauthier is independent and chairs the Board.

For more information, please see Item 9.1 *Directors* of this Annual Information Form, which presents the directors' biographies and information on: (i) the independence of the directors; and (ii) the other reporting issuer directorships in or outside Canada, as the case may be.

The day-to-day management of Énergir Inc. is delegated to the President and Chief Executive Officer and the other officers, but is overseen by the Board. The Board develops a position description for the chair and the chair of each board committee. Their roles and responsibilities are described in Schedule 10.2.1.1 *Board of Directors - Mandate*. Moreover, the Board as well as the President and Chief Executive Officer have developed a written position description for the latter's position, which is available on Énergir, L.P.'s website at www.energir.com.

The Board holds quarterly meetings, which include one quarterly meeting focused more on strategy, and *ad hoc* meetings, as required. Given its composition, the Board feels it is unnecessary to hold regular periodic meetings without the non-independent directors. However, in camera sessions are held at the end of each meeting without Management in attendance.

Attendance Record of Directors for Board and Committee Meetings

The attendance record of each director for all Board and committee meetings held since the beginning of the most recently completed fiscal year of Énergir Inc., namely, October 1, 2023, is presented in Item 9.1 *Directors*.

Board Mandate

The mandate of the Board is set out in Schedule 10.2.1.1 *Board of Directors - Mandate*. The role and responsibilities of the chair of the Board are described therein. The Board mandate was amended on October 18, 2022, December 15, 2022, December 15, 2023 and, most recently, on August 7, 2024. Minor adjustments were made, including to reflect current practices.

2024 Highlights - Board
• supervising the strategic planning and annual strategic review, notably as regards decarbonization as well as merger, acquisition and digital strategies; • reviewing the business risks and opportunities assessment; • reviewing the evolving major energy and market trends; • reviewing the main events/changes for Énergir, L.P. and Énergir Inc.; • approving the interim and annual financial statements of Énergir Inc. and the annual financial statements of Énergir, L.P.; • approving the external audit plan, namely the Audit Planning Report for the fiscal year; • approving the (actual) external audit fees; • approving the Climate Resiliency Report; • approving the report under the *Fighting Against Forced Labour and Child Labour in Supply Chains Act;* • approving an equity offering by means of a private placement; • approving the annual budget; • analyzing the financial results of Énergir, L.P. and Énergir Inc.; • reviewing the leadership development and succession program and the management diversity report; • reviewing the brand strategy; and • discussing occupational health and safety as well as psychological health.

10.2.1.2 Orientation and Continuing Education

In fiscal year 2024, the CGEE Committee was responsible for implementing a directors' education program ("**Education Program**") to promote the integration of new directors and support them in learning the fundamental aspects of the business in order to bring their understanding up to the level of other directors over a one-year period, and further deepen the knowledge of already existing directors from a continuing education perspective.

The Education Program includes a component for new directors that deals with some of the more fundamental aspects of the business and targeted meetings with the vice presidents.

The program consists of a series of meetings between the new director and the Board chair, the President and CEO, the chair of any standing committee on which the director may sit and other key Énergir, L.P. officers.

In addition to these meetings, the new director has access to the Énergir Inc. Director's Manual, which is posted on a secure portal dedicated to the directors. The portal also contains, among other materials, a full set of documents containing public and private information on Énergir, L.P. and Énergir Inc. This portal is updated regularly.

All directors are also members of the Institute of Corporate Directors ("**ICD**"), which gives them access to publications and activities enabling them to develop their knowledge of director obligations and current trends in corporate governance. The ICD contributes to the development and promotion of good governance and corporate governance best practices.

Another component of the Education Program is for all directors and consists of various training sessions offered over the course of a year that focus more on the business's activities and operations, as well as the environment in which it evolves. Moreover, the Board encourages directors to update their energy and governance related knowledge through attendance at conferences, seminars or workshops.

The following table shows the various trainings offered by Énergir, L.P. that the directors attended in fiscal year 2024.

Board	Subject
November	Economic update
February	Artificial intelligence
May	Relations with Indigenous communities

10.2.1.3 Organizational Ethics

The Board has adopted a Code of Ethics for directors, officers and employees of Énergir, L.P. and its Quebec and Canadian subsidiaries and for any person or enterprise hired to represent them.

The Code of Ethics is distributed to all new directors, as well as the officers and employees of Énergir, L.P. It is also available on the portal dedicated to the directors, on Énergir, L.P.'s intranet site, to which every employee has access, and on Énergir, L.P.'s website. Furthermore, in accordance with Section 2.3 of *Regulation 58-101 Respecting Disclosure of Corporate Governance Practices of the Canadian Securities Administrators*, a copy of the *Code of Ethics* is available on the SEDAR+ website at www.sedarplus.com.

The *Code of Ethics* invites any individual to whom it applies who has reason to believe that a director or employee is not complying with the provisions of this Code to anonymously report the situation, at no cost, through ALIAS, as provided for in the *Policy on the Reporting and Handling of Public and Employee Complaints.* For more information on this subject, please refer to Item 10.2.5 *Complaints or Concerns*.

All employees of Énergir, L.P. are required to take an online ethics training course called "Ethics in Action." This interactive training course is available on the learning platform of Énergir, L.P.'s human resources portal. When the training course has been completed by the employee, proof of participation is entered in his or her training record. A follow-up reminder is manually conducted each quarter for employees who have exceeded a period of 120 days to ensure that the training course has indeed been completed by all employees. Since May 2021, an annual commitment reminder was also implemented to raise awareness of specific ethical behaviours. Since fiscal year 2023, annual commitment reminders were also carried out by means of mandatory trainings on the *Code of Ethics*. For fiscal year 2024, this mandatory training dealt with fraud in the workplace. Additionally, an annual attestation mandatory for all employees on the *Code of Ethics* was attached to this training. This attestation process promotes integrity as a core value. Furthermore, an annual conflict of interest declaration was implemented in fiscal year 2024 for some identified groups, such as the directors of Énergir Inc., officers, executive directors, as well as the departments and positions potentially most at risk of finding themselves in a situation of conflict of interest.

Énergir, L.P. is taking measures to provide support and ensure that a culture of ethical conduct is always promoted within the corporation. Managers and employees all participate in ethical awareness and learn about the conduct that is expected of them.

In addition, at the time of hiring, all new employees are required to sign a form in which they acknowledge the provisions of the *Code of Ethics* and undertake to comply therewith. The directors, the executive officers and the presidents of the Quebec and Canadian subsidiaries sign an attestation annually as regards their commitment to comply with the *Code of Ethics*. The attestation process promotes integrity as a core value.

The rules of conduct for directors and executive officers are clearly set out in Énergir Inc.'s By-Laws, particularly as they apply to conflicts of interest and to their disclosure. Each director is required to inform the Board of any real, potential or apparent conflict of interests with Noverco, Énergir Inc., Énergir, L.P. and/or any one of their subsidiaries. Directors may not participate in deliberations during which any matter that could affect their interest is discussed, must avoid influencing the vote and must abstain from voting on such matters.

Accordingly, any director or executive officer who has an interest in a contract or a transaction to which Énergir Inc. or Énergir, L.P. is party is required to disclose this fact in accordance with the Énergir Inc. By-Laws. Such director is also required to disclose any contract or transaction to which is party Énergir Inc. or Énergir, L.P. and (i) a person related to him/her, (ii) a group (within the meaning of the *Business Corporations Act* (Quebec)) of which he/she is a director or officer, and (iii) a group in which he/she has an interest or in which a person related to him/her has an interest.

The Chair of the Board shall ensure compliance with these rules in consultation with the Corporate Secretary.

Moreover, directors and executive officers have to submit an annual declaration of their outside positions and interests informing the Chair of the Board and the President and Chief Executive Officer of any potential conflicts of interest. The CGEE Committee receives a report in that regard. The CGEE Committee monitors and manages actual or potential conflicts of interest involving directors and officers.

Other steps the Board has taken to encourage and promote a culture of ethical business conduct include the adoption of the business Mission, a corporate policy stating the values of Énergir, L.P. that is promoted inside the organization. It deals, among other things, with relations with customers, communities and players in the energy sector and society in general.

10.2.1.4 Nomination of Directors

The Board has adopted the Policy on the Recruitment and Renewal of Directors of Énergir (the "**Recruitment Policy**") for the selection and recruitment of candidates for nomination to the Board and to favour renewal within the Board. The aim of these Guidelines is to recruit dedicated, qualified candidates with an exemplary reputation who will add to the Board's expertise in order that it may carry out Énergir, L.P.'s business strategy.

Directors are appointed either directly by the shareholder of Énergir Inc., or by the Board, with the consent of the shareholder of Énergir Inc., if there is a vacancy between two annual meetings. The CGEE Committee, based on the Recruitment Policy, analyzes the composition of the Board and provides the sole shareholder with its opinion as to the size of the Board, nominated candidates or individuals who should be considered as candidates by Énergir Group. If there is a vacancy, the CGEE Committee will examine the candidates nominated by the shareholder of Énergir Inc. to replace a director and submit a recommendation to the Board.

10.2.1.5 Compensation of Directors and Executive Officers

The compensation of the directors is fixed by the Board, on the recommendation of the CGEE Committee, which carries out periodic benchmarking and, when it deems fit, uses studies published by compensation specialists for this purpose. The primary responsibilities of the CGEE Committee are described in Item 10.2.1.6 *Committees of the Board*.

The compensation of executive officers is fixed by the Board, on the recommendation of the HR-SR Committee based on the *Compensation Policy for Executives*. Readers are urged to consult Item 10.1 *Report on Executive Officer and Director Compensation* of this Annual Information Form, which deals with executive compensation.

10.2.1.6 Committees of the Board

For the composition of the Board committees during fiscal year 2024, please see Item 9.1 *Directors*.

Since October 18, 2022, the Board committees are the CGEE Committee, the HR-SR Committee and the Audit Committee.

For an overview of the Audit Committee, readers are referred to Item 10.2.2 *Audit Committee Information.* In addition, the Audit Committee table is presented in Item 10.2.2.1 *Relevant Education and Experience.*

<table>
<tr><th colspan="2">CGEE Committee</th></tr>
<tr><td>Members[1]

Jean-Luc Gravel
Committee Chair
Other members
Ghislain Gauthier
Delphine Persouyre</td><td>The CGEE Committee's mandate is available on Énergir, L.P.'s website at www.energir.com. This mandate was approved on October 18, 2022, and amended on December 15, 2022 as well as on August 7, 2024. It attributes to the CGEE Committee the corporate governance and environmental responsibilities, as well as responsibilities relating to complaints and ethical concerns previously assumed by the Audit Committee, and further develops these responsibilities. New ethical and legal compliance responsibilities were also added.
The CGEE Committee is composed of directors who are independent in accordance with the independence requirements of Regulation 52-110.</td></tr>
<tr><td>Main Responsibilities</td><td>• reviewing Énergir Inc.'s and Énergir, L.P.'s approach to corporate governance, ethics and environment, as well as the practices and procedures used for applying the approach in these areas
• reviewing reports from Management on the identification and analysis of corporate governance, ethics and environmental risks
• developing the criteria to be considered for the selection of candidates for the position of Directors
• recommending to the Board the compensation of its members, committee members, committee Chairs and the Chair of the Board
• on a yearly basis, reviewing the diversity on the Board and the impact of the steps taken towards achieving the objectives set by the Board
• overseeing and reviewing Énergir, L.P.'s approach to ethics
• reviewing and monitoring from time to time the environmental actions, targets, performance indicators and objectives of Énergir, L.P.'s ESG plan
• reviewing Énergir, L.P.'s Environmental Policy and recommending the approval thereof to the Board</td></tr>
<tr><td>Fiscal 2024 Highlights</td><td>• reviewing quarterly ESG reports
• recommending the Policy on Reporting and Handling Public and Employee Complaints
• examining the Climate Resiliency Report and recommending its approval to the Board
• reviewing the quarterly environmental reports
• reviewing the report on the monitoring and application of Énergir's Code of Ethics
• reviewing the reporting and handling of public and employee complaints regarding ethical matters
• reviewing the quarterly ethical reports
• examining the Report under the Fighting Against Forced Labour and Child Labour in Supply Chains Act and recommending its approval to the Board
• examining the mandates of the Board and its committees and recommending their approval to the Board</td></tr>
</table>

[1] As at November 15, 2024, the composition of the CGEE Committee was modified. The members of the CGEE Committee are Mr. Gravel, and Mses. Persouyre and Pisano.

HR-SR Committee	
Members  **Ghislain Gauthier** Committee Chair **Other members** Jean-Christophe Lincourt-Éthier Delphine Persouyre Keri Sweet Zavaglia	The HR-SR Committee's mandate is available on Énergir, L.P.'s website at www.energir.com. This mandate was approved on October 18, 2022, and amended on December 15, 2022, as well as on August 7, 2024. Among other things, it attributes to the HR-SR Committee the human resources and community impact responsibilities and the occupational health and safety responsibilities, and further develops these responsibilities. The mandate also explicitly incorporates the HR-SR Committee's responsibilities for ESG factors.
Main responsibilities	• reviewing reports from management on the identification and analysis of human resource and social responsibility risks • on a yearly basis, reviewing the diversity within management and the impact of the steps taken to achieve the objectives set by the Board • ensuring that the compensation to be paid (including incentive compensation based on the performance evaluation) complies with the global compensation policy for executive officers, including that of the President and CEO • recommending to the Board appropriate compensation packages in light of the benefits and risks associated therewith, including the risks associated with ESG factors • ensuring that there are adequate succession planning mechanisms for executive officers, including the President and CEO, and ensuring that the succession plan is updated annually and that programs are used to identify, develop and retain executive officers and their successors, particularly for senior executives • reviewing strategies, best practices and trends in social responsibility, including occupational health and safety • receiving and reviewing reports from management on the Énergir, L.P.'s accident and workplace safety performance in order to ensure, among other things, that Énergir, L.P.'s activities comply with industry standards and the standards imposed by the applicable laws and regulations, and that Énergir, L.P. is adopting best practices in the prevention of work-related accidents
Fiscal 2024 Highlights	• reviewing the results of the 2023 strategic initiatives • evaluating the performance of the President and CEO • reviewing the status on labour relations • reviewing the quarterly occupational health and safety reports • reviewing the quarterly psychological health reports • reviewing HR performance, labour planning and hiring practices • reviewing the report on human resource practices and the alignment between the organizational culture and the ESG plan • reviewing the leadership development and succession program and the management diversity report • reviewing the human resources and social responsibility risks • recommending the Compensation Policy for Executives to the Board

10.2.1.7 Evaluation

The CGEE Committee is responsible for establishing an appropriate, periodic process for assessing the effectiveness of the Board. This assessment, which is performed anonymously, is carried out on an annual basis and focuses on the effectiveness of the Board, its committees and their Chairs.

The questionnaires are developed by the Chair of the Board jointly with the Corporate Secretary.

After the results of the assessments have been compiled, they are discussed by the Board, and each committee reviews the assessments of its specific activities. The Board and the committees then decides on the steps to be taken, based on the assessment results, to improve their effectiveness, if necessary. In addition, the Chair of the Board meets with each director in order to discuss his/her overall assessment and his/her perceptions regarding the contributions of the other members of the Board and committees.

10.2.1.8 Director Term Limits and Other Mechanisms of Board Renewal

As discussed under Item 10.2.1.4 *Nomination of Directors*, the Board has adopted the Recruitment Policy, which provides a framework for the approach to selecting and recruiting directors for the Board. The Recruitment Policy sets a term of 12 years of continuous service after which directors may not sit on the Board. However, this criterion may be adjusted in response to contexts and circumstances, based on the intermittent needs of the Board wishing to retain a director's expertise beyond such term limit.

To guarantee adequate Board renewal, the CGEE Committee is responsible for assessing the directors, the Board and the committees. The term limit and performance of each director and the composition and effectiveness of the Board and its committees are stringently assessed. An expertise and profile grid in the form of a table is used to verify that the Board has the necessary professional and operational experience, expertise and knowledge to administer Énergir Inc. effectively. The representation of women on the Board and its committees is also reviewed as part of the assessment.

10.2.1.9 Diversity and Inclusion

This item is presented in three parts: (i) the *Diversity, Equity and Inclusion in Employment Policy*; (ii) *Énergir's Policy Regarding Diversity on the Board of Directors*; and (iii) the representation of women in executive officer appointments. The last two are presented in accordance with Form 58-101F1 of *Regulation 58-101 Respecting Disclosure of Corporate Governance Practices*.

i) <u>Diversity, Equity and Inclusion in Employment Policy</u>

Énergir, L.P. has made it its mission to reflect not only the community in which it operates, but also where its customers live and work. Diversity and inclusion are part of the values and culture of Énergir, L.P.

Énergir, L.P. reinforced its commitment to diversity and inclusion by adopting (in 2013) and updating (in June 2019) an equal access to employment policy and publishing the *Code of Ethics*, which upholds the importance of ensuring employment equity while also confirming its commitment to promoting diversity and inclusion in the workplace.

In addition to this, Énergir, L.P. adopted a positioning in 2020 that very clearly seeks to encourage dialogue, deepen its analysis and nurture an openness to difference. Énergir, L.P. intends to promote DEI by:

- creating a workplace where everyone feels at ease and free to be themselves without fear of being judged, excluded or penalized, the whole subject to the Code of Ethics and other applicable corporate policies and guidelines;
- creating conditions where everyone is able to contribute and reach their full potential;
- raising awareness of the positive impacts of diversity and inclusion; and
- demonstrating that inclusion is a powerful driver of development for the business.

In August 2020, in support of Énergir, L.P.'s commitment to diversity and inclusion, Management approved its first annual action plan. This action plan was pursued in 2024, and several initiatives have been carried out since 2020. For more information on the subject, please refer to Item 5 *Human Resources Management.*

On August 4, 2022, the Board approved the *Diversity, Equity and Inclusion in Employment Policy*. This policy applies to Énergir, L.P. and all of its employees. It provides that the responsibilities for creating an even more inclusive workplace within Énergir, L.P. are shared by different stakeholders, including the Board and its committees, certain executive officers and the managers.

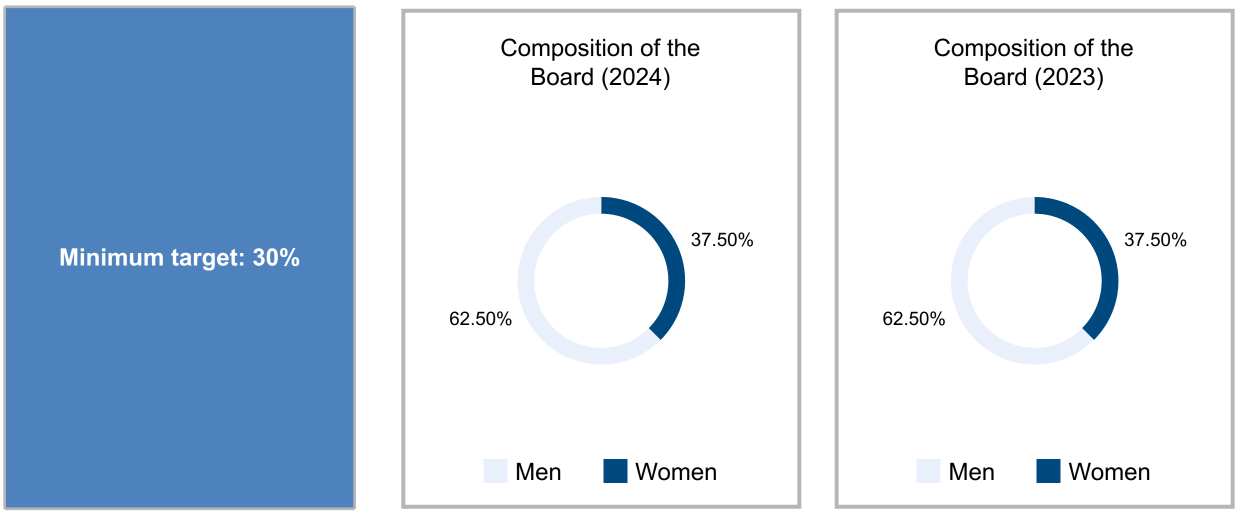
Énergir, L.P. will pursue its commitment to diversity and inclusion within the organization, given that diversity and inclusion can only enrich its organizational culture.

ii) <u>Énergir's Policy Regarding Diversity on the Board of Directors</u>

In November of 2015, the Board adopted a written policy regarding diversity called Énergir's *Policy Regarding Diversity on the Board of Directors* (the "**Diversity Policy**"). This Diversity Policy was updated on February 9, 2023, and sets representation targets and measures for attaining them.

The Board believes that it is essential to include gender, age and cultural representation characteristics of the communities in which Énergir, L.P. carries on its activities. As indicated above, Énergir, L.P. has made it its mission to reflect the community in which it operates, but also where its customers live and work. Having a broad range of candidates with diverse backgrounds and perspectives can only have a positive effect on the direction taken by the Board and, consequently, the sound management of the business.

This is why, as part of its Diversity Policy, the Board has set itself the target of achieving parity between men and women among its directors. In addition, the Board has set itself the target of having at least 30% of its directors be women.[27]



Candidates

As Énergir Inc. is a controlled corporation, the appointment of directors falls to its sole shareholder. In this context, the Board only has the power to recommend candidates to its sole shareholder, which ultimately has the last word on the choice of directors.

Given this situation, in order to achieve its objectives, Énergir Inc. has set out in the Diversity Policy that the CGEE Committee shall recommend to the sole shareholder that it take into account Énergir Inc.'s objectives with respect to the representation of women when selecting candidates to fill director position vacancies. Furthermore, the Board recommends to the sole shareholder that it evaluate candidates on their merits and taking into consideration the benefits of diversity and the needs of the Board. The representation of women is therefore considered in recruiting new directors so as to enable the Board to achieve its objectives of striving for parity and maintaining the percentage of women directors at 30.0% or more.

In accordance with the Diversity Policy, the CGEE Committee assesses the representation of women on the Board annually. It also assesses the impact of the means deployed to achieve the objectives set by the Board.

The CGEE Committee reports to the Board, while proposing new measures or adjustments to already existing measures. Further to that report, the Board then assesses the representation of women in director positions. Taking into account the recommendations of the CGEE Committee, it then determines new measures to be taken or adjustments to be made to better meet its needs in achieving its objectives.

Furthermore, in order to determine Board requirements when new directors are selected, the CGEE Committee maintains an up-to-date grid showing the various profiles and areas of expertise of the directors in office, including their gender and term limit.

[27] As at the publication date hereof, 44.44% of the directors are women following the appointment of Ms. Pisano to the Board on November 15, 2024.

iii) Representation of Women in Executive Officer Appointments

The Board believes that it is also essential to include diversity characteristics among the executive officers. The objective is to strive for parity in management positions, which include the position of President and Chief Executive Officer, the Vice President positions and the executive director positions.

In order to achieve the objective of striving for parity, Management implemented a diversity program that includes external steps that will lead, among others, to an increased representation of women in Énergir, L.P. management.

As at September 30, 2024, women accounted for 22.22% of executive officers of Énergir Inc. Indeed, two of Énergir, L.P.'s nine executive officers are women: Claudine Beaudet and Stéphanie Trudeau. In the case of Green Mountain, three of the six executive officers are women: Mari McClure, Kristin Carlson and Jill Murray. Overall, women therefore account for 33.33% of the executive officers of Énergir Inc. and its material subsidiary, Green Mountain.

10.2.2 Audit Committee Information

The Audit Committee assists the Board in discharging its oversight responsibilities for accounting, information technologies and financial reporting processes, internal control systems and financial and risk management.

The mandate of the Audit Committee is reproduced in Schedule 10.2.2 *Audit Committee - Mandate*. This mandate was amended on October 18, 2022, December 15, 2022, and August 7, 2024 for the purposes, among other things, of increasing the Audit Committee's responsibility for monitoring corporate risks, including climate, cybersecurity and business continuity risks. Fraud and corruption detection/prevention responsibilities have also been added.

The Audit Committee is composed of three directors who are all financially literate and independent in accordance with Regulation 52-110, except for Mr. Renaud Faucher.

The Board relied on the exemption set forth in section 6.1 of Regulation 52-110 so as to allow Mr. Faucher to chair the Audit Committee. The flexibility afforded under section 6.1 allows venture issuers like Énergir Inc. to be exempted from the requirements of Parts 3 (Composition of the Audit Committee) and 5 (Reporting Obligations) of Regulation 52-110, which stipulates that every Audit Committee member must be independent.

For more on the composition of the Audit Committee, please refer Item *9.1 Directors* of this Annual Information Form.

10.2.2.1 Relevant Education and Experience

The following tables provide a brief description of the education and experience of each member of the Audit Committee that are relevant to the performance of his responsibilities as an Audit Committee member.

Renaud Faucher		
Mr. Faucher holds a bachelor of civil engineering from École Polytechnique de Montréal, as well as an MBA from Concordia University and a DESS (specialized graduate diploma) in accounting from ESG-UQAM. He is also a Chartered Professional Accountant (CPA, CMA). From 1998 to 2006, he held various positions within subsidiaries of Hydro-Québec, including Investment Director, Vice President Finance and Vice President Risk Management. In 2006, he joined the CDPQ, where he is currently Managing Director, Infrastructure, North America. Over the course of his career, he has sat on the audit committees of several companies in the airport, pipeline, electricity transmission and health sectors. He currently chairs the audit committee of Colonial Pipeline Company. He was a member of the audit committee of Heathrow Airport Holdings for eight years, including four years as chair.		
Attendance at meetings of the Audit Committee during fiscal year 2024	5/5	100%

Jean-Christophe Lincourt-Éthier		
Mr. Lincourt-Éthier holds a bachelor's degree in business administration from HEC Montréal and is a member of the Ordre des CPA du Québec. He joined the CDPQ in 2012. He is currently Senior Director, Infrastructures where he is responsible for investment and asset management in infrastructure in North America in the energy sector and public transport. From 2015 to 2018, he participated in the creation of the CDPQ Infra subsidiary and in the development of the REM, a 67-km light rail metro in the greater Montreal area. From 2018 to 2021, he took over the financial operations of the REM, in addition to sitting on the boards of directors of REM Commandité Inc., Réseau express métropolitain Inc. (also on the audit committee) and InfraMTL Inc. as an executive. Before joining the CDPQ, Mr. Lincourt-Éthier participated in the financing and completion of infrastructure projects at AtkinsRéalis (formely SNC-Lavalin), including the Restigouche Hospital Center in New Brunswick, the Highway 407 Extension in Ontario and the McGill University Health Centre in Montreal. Since 2023, he has also been serving on the board of directors of CDPQ Infra Inc. (including the audit and project committees) and on the board of directors relating to Concession A25, a public-private partnership consisting of a 6.0 km four-lane highway and a 1.2 km six-lane toll bridge that crosses Rivière-		
Attendance at meetings of the Audit Committee during fiscal year 2024	5/5	100%

Marie-Pier St-Hilaire		
Ms. St-Hilaire holds a bachelor's degree in corporate management and an MBA (with specialization in information technology) from Université Laval, and graduated from the Owner/President Management Program at Harvard Business School, as well as the Leader & Entrepreneur Program of the London Business School. In 2000, Ms. St-Hilaire founded AFI Expertise, currently one of the corporate names of Groupe Edgenda inc., for which she has acted as president since 2017. In that role, she is reinventing the traditional world of organizational transformation consulting by placing skills development at the heart of business strategies. Over the past 20 years, she has been able to achieve her entrepreneurial vision and produce organic, continuous, and profitable growth for her company. She has also led several acquisitions, including that of Apprentx, which, with its B12 application, has consolidated the group's position as the Canadian leader in skills development. Ms. St-Hilaire currently sits on the boards of Amerispa (since April 2022), Entrepreneuriat Laval (since September 2021), JR Fashion Holdings Inc. (since March 2024), and Fondation Digestive (since July 2024).		
Attendance at meetings of the Audit Committee during fiscal year 2024	4/5	80%

The following table indicates the main responsibilities and fiscal year 2024 highlights of the Audit Committee.

Audit Committee	
Main Responsibilities	The Audit Committee's responsibilities include, among other things: • ensuring that adequate and rigorous financial and information technology controls are in place; • reviewing reports from the management with respect to the identification and analysis of the financial risks that may affect the corporation and the risks related to information technologies, including cybersecurity; • supporting the Board in its semi-annual review of management's report on integrated management of risks and opportunities for the entire business; • approving the integrated risk management plan and the annual plan of the business continuity program; • reviewing, on an annual basis, the fraud and corruption prevention/detection program; • reviewing each quarter the report on information technology projects and priorities, cybersecurity and the physical security of the facilities; • examining and approving the cybersecurity and computer technology management program; • reviewing periodically the report on compliance with respect to personal information to ensure that its practices comply with industry standards and the standards imposed by the applicable laws and regulations; • reviewing and monitoring the actions, targets, performance indicators and governance objectives related to physical and digital robustness and resilience included in Énergir, L.P.'s ESG plan or identified by Énergir, L.P.; • ensuring oversight of the process safety approach and of the process safety management system; • ensuring the effectiveness of internal controls, approving the annual internal audit plan and approving the internal auditors' multiyear strategic plan; • assuming responsibilities in respect of the external audit; • monitoring the integrity and quality of the internal control systems, the financial reporting process and accounting policies through investigations and discussions with management, the internal auditor and the external auditor; • reviewing and recommending to the Board for approval the corporate policies with respect to financial reporting and, if it deems appropriate, those concerning information technology, and the related follow-up being done; • reviewing the financial forecasts communicated by the management of Énergir, L.P. to the Board and ensuring that adequate controls and procedures are established and maintained by the management of Énergir, L.P. to ensure the integrity of these financial forecasts; • reviewing the annual information forms, prospectuses, as well as the interim and annual financial statements and MD&A of Énergir Inc.; and • on a quarterly basis, reviewing the internal audit activities report with the external and internal auditors.
2024 Highlights	• approving the financial statements of Énergir, L.P.; • recommending to the Board that it approve the MD&A and financial statements of Énergir Inc.; • approving the external audit plan, namely the *Audit Planning Report for the Fiscal Year;* • approving amendments to the Internal Audit Charter; • following up on the internal audit activities and reviewing its mandate; • reviewing the annual quality-control of the audit; • reviewing the internal control and internal audit reports; • reviewing reports on managing corporate risks; • reviewing the privacy protection program; • quarterly monitoring of the Process Safety Management System; • approving the emergency measures and operational continuity management system; • reviewing reports on information technology projects and priorities, as well as cybersecurity; and • filing reports, including tax and legal records and the annual report on the Committee's compliance with the applicable regulations and policies.

During fiscal year 2024, all the recommendations of the Audit Committee to nominate or compensate the external auditor were adopted by the Board.

10.2.2.2 Pre-approval Policy and Procedures

The Audit Committee considered the question of whether the provision of services other than audit services is compatible with maintaining the independence of Énergir Inc.'s and Énergir, L.P.'s independent external auditors. The Audit Committee has adopted the *Policy and Procedure Regarding Pre-approval of External Audit and Non-Audit Related Services* (the "**Pre-approval Policy**"), which it reviews periodically. This Pre-approval Policy covers three types of services: (i) external audit or external audit-related services, (ii) external non-audit services that are allowed, and (iii) external non-audit services that are not allowed. In accordance with securities regulations, the Pre-approval Policy requires that all services rendered by the external auditors be pre-approved by the Audit Committee or, depending on the circumstances, its chair.

Furthermore, the Pre-approval Policy prohibits Énergir Inc. and Énergir, L.P. from retaining the services of the external auditors for certain non-audit services, including: bookkeeping services; design and implementation of information systems; valuation services, fairness opinions or reports on contributions in kind; actuarial services; internal audit outsourcing services; management functions; human resources services; brokerage, investment consulting or investment banking services; and legal services.

In accordance with securities regulations, the Pre-approval Policy allows for a de minimis waiver for certain of the external non-audit services listed. If Management uses this waiver, it must promptly disclose this fact to the Audit Committee and publicly disclose it to the extent Énergir Inc. is required to do so by securities regulations, including Regulation 52-110. Management did not use this waiver in fiscal year 2024.

Each quarter, the external auditors provide to the Audit Committee a report on external audit services, external audit-related services and external non-audit services that are allowed that it provided as a result of the prior authorization granted by the Audit Committee or its chair or under the de minimis waiver, as the case may be, as well as the actual fees received in respect of such services.

For fiscal year 2024, all services rendered by the independent external auditors, be they audit or non-audit services, were pre-approved by the Audit Committee or its chair.

10.2.2.3 External Auditors' Fees

Énergir Inc.

The following table shows, by category, the fees invoices to Énergir Inc. by KPMG for its services for fiscal years 2024 and 2023:

Fees (by category)	2024 ($)	2023 ($)
Audit fees	156,220	161,400
Audit related fees	—	—
Tax fees	—	1,635
All other fees	—	—
Total	**156,220**	**163,035**

Audit fees include the total fees invoiced for the audits of the annual consolidated and non-consolidated financial statements, and the services related to quarterly reports and other documents to be filed with the Canadian Securities Administrators.

Énergir, L.P.

The following table shows, by category, the fees invoiced to Énergir, L.P. by KPMG for its services for fiscal year 2024 and 2023:

Fees (by category)	2024 ($)	2023 ($)
Audit fees	2,192,090	2,177,879
Audit related fees	147,903	155,937
Tax fees	1,635	11,342
All other fees	19,335	—
Total	**2,360,963**	**2,345,158**

Audit fees include the total fees invoiced for the audits of the annual consolidated and non-consolidated financial statements, and the services related to quarterly reports.

Audit-related fees include the total fees invoiced for assurance or related services, such as the audit of the pension plans, services related to public offerings and general advice about accounting standards and the change in accounting framework.

Tax fees include the total fees invoiced for income tax and consumption tax compliance and the various other tax obligations.

All other fees include the total fees invoiced for consulting services, primarily in information technologies.

10.2.3 Interest of Experts

KPMG, Chartered Professional Accountants, acts as the independent external auditors of Énergir Inc. and Énergir, L.P. in accordance with the rules of professional conduct for auditors in Quebec, and consequently signed the auditors' reports on the 2024 Financial Statements of both corporations.

10.2.4 Material Contracts

The following is a list of material contracts entered into by Énergir Inc. and Énergir, L.P. or one of their subsidiaries and in effect as at September 30, 2024:

10.2.4.1 Financial Contracts (Énergir Inc. and Énergir, L.P.)

- On May 31, 2023, Énergir, L.P., as borrower, entered into an agreement with a syndicate of dealers led by Desjardins Capital Markets, National Bank Financial Markets and Scotia Capital Inc., whereby, on June 2, 2023, the dealers subscribed for $400.0 million in first mortgage bonds. The bonds yield interest at the annual rate of 4.83% and will mature on June 2, 2053. The bonds are guaranteed by a hypothec on the assets of Énergir, L.P.
- On September 22, 2022, Énergir, L.P., as borrower, entered into an agreement with a syndicate of dealers led by BMO Nesbitt Burns Inc. and RBC Capital Markets, whereby, on September 27, 2022, the dealers subscribed for $200.0 million in first mortgage bonds. The bonds yield interest at the annual rate of 4.67% and will mature on September 27, 2032. The bonds are guaranteed by a hypothec on the assets of Énergir, L.P.
- On July 13, 2022, Énergir, L.P. and Énergir Inc. entered into a new credit agreement with their bank consortium. The agreement features a renewable credit facility of $800.0 million that expires on July 13, 2028. Subject to the lenders' approval, the expiry date of this credit agreement may be extended annually for one year. As part of the change in financing strategy, Énergir, L.P. became the only borrower under the terms of the credit agreement starting in September of 2022. This agreement has a hypothec on the assets of Énergir, L.P. Concurrently with the conclusion of this credit agreement, Énergir, L.P. issued an information circular for the issuance of short-term notes (also called commercial papers) up to an amount of $800.0 million. These notes are issued taking into account Énergir, L.P.'s financial imperatives and are backed by the credit agreement described above.
- On February 7, 2022, Énergir, L.P., as borrower, entered into an agreement with a syndicate of dealers led by CIBC World Markets and TD Securities Inc. whereby, on February 9, 2022, the dealers subscribed for $325.0 million in first mortgage bonds. The bonds yield interest at the annual rate of 3.04% and will mature on February 9, 2032. The bonds are guaranteed by a hypothec on the assets of Énergir, L.P.
- On December 9, 2014, Énergir Inc., as borrower, and Énergir, L.P., as guarantor, entered into a note purchase agreement with investors by way of a private placement. The notes were issued for an aggregate principal amount of US$100.0 million. The notes bear interest at an annual rate of 3.22% and will mature on December 9, 2024. The notes are guaranteed by Énergir, L.P. as regards payment of principal and interest, and are secured by collateral security backed by the assets of Énergir Inc. and Énergir, L.P.
- On February 5, 2013, Énergir Inc., as borrower, and Énergir, L.P., as guarantor, entered into a note purchase agreement with certain investors by way of a private placement. On April 10, 2013, the notes were issued for an aggregate principal amount of US$200.0 million, i.e., two series of US$100.0 million each. The notes bear interest at an annual rate of 4.04% and 4.19%, respectively, and will mature on April 10, 2043 and April 10, 2048, respectively. The notes are guaranteed by Énergir, L.P. as regards payment of principal and interest, and are secured by collateral security backed by the assets of Énergir Inc. and Énergir, L.P.
- On November 11, 2011, Énergir Inc., as borrower, and Énergir, L.P., as guarantor, entered into a note purchase agreement with investors by way of a private placement. On May 15, 2012, the notes were issued for an aggregate principal amount of US$260.0 million, i.e., two series of US$130.0 million each. The notes bear interest at an annual rate of 3.86% and 5.06%, respectively. One matured on May 15, 2022, while the other will mature on May 15, 2042. The notes are guaranteed by Énergir, L.P. as regards payment of principal and interest, and are secured by collateral security backed by the assets of Énergir Inc. and Énergir, L.P.
- On July 15, 1982, Énergir Inc. entered into a trust indenture with La Compagnie de Fiducie, Canada Permanent (replaced by Montreal Trust Company of Canada, to which Computershare Trust Company of Canada succeeded as trustee, effective on June 30, 2000), as trustee, which was amended and restated pursuant to the Trust Deed of Hypothec, Mortgage and Pledge dated August 12, 1991, entered into between Énergir Inc., Montreal Trust Company of Canada, as trustee (to which Computershare Trust Company of Canada succeeded as trustee, effective on June 30, 2000), and Énergir, L.P., as guarantor, as further amended and supplemented by 29 supplemental trust deeds. Such Trust Deed governs the issuance of first mortgage bonds by Énergir Inc. and sets forth the mortgage bondholders' rights. It also provides for the creation of a universal hypothec on all assets of Énergir Inc. in favour of the holders of the first mortgage bonds issued by Énergir Inc.

- On August 12, 1991, Énergir, L.P. entered into a Trust Deed of Hypothec, Mortgage and Pledge with Montreal Trust Company of Canada, as trustee (to which Computershare Trust Company of Canada succeeded as trustee, effective on June 30, 2000), as further amended and supplemented by 37 supplemental trust deeds. Such Trust Deed governs the issuance of the first mortgage bonds by Énergir, L.P. and sets forth the mortgage bondholders' rights. It also provides for the creation of a universal hypothec on all of Énergir, L.P.'s assets in favour of holders of Énergir Inc.'s first mortgage bonds issued under the Trust Deed described in the previous paragraph, the whole as security for Énergir, L.P.'s corporate guarantee pursuant to Énergir Inc.'s Trust Deed.
- On August 12, 1991, Énergir Inc. entered into a trust indenture with General Trust of Canada, as trustee (replaced by National Bank Trust Inc.), as amended by nine supplemental trust agreements. This trust agreement governs the issuance of subordinated debentures by Énergir Inc. and sets forth the subordinate debenture holders' rights.

10.2.4.2 Operating Contracts (Énergir, L.P.)

Transportation Contracts with TC Energy

- Énergir, L.P. and TC Energy have entered into 15 transportation contracts. The first one was signed on September 22, 2003. The contract that first comes to maturity will expire on October 31, 2026, and the last one to come to maturity will expire on October 31, 2040. Under these contracts, TC Energy must transport natural gas to Énergir, L.P.'s natural gas distribution system based on TC Energy's tolls, as approved or modified from time to time by the CER.
- Énergir, L.P. and TC Energy also entered into four transportation service contracts relating to natural gas stored in Ontario. The first one was signed on April 16, 1985. They will expire on October 31, 2026. Under these contracts, TC Energy must transport natural gas to Énergir, L.P.'s natural gas distribution system from November 1 to April 15 inclusively of each year, based on TC Energy's tolls as approved or modified from time to time by the CER.

Other Contracts with TC Energy

- On October 31, 2013, Énergir, L.P. and Ontario's natural gas distributors entered into an agreement in principle with TC Energy to ensure access to diversified and affordable sources of natural gas from the Dawn Hub, Ontario. This agreement will expire on December 31, 2030, barring early termination related to external factors. Further to this agreement in principle, Énergir, L.P. and Ontario's natural gas distributors entered into an agreement with TC Energy on October 30, 2015 concerning the Energy East and Eastern Mainline projects. This agreement will expire on December 31, 2050, barring early termination related to external factors.

Storage and Transportation Contracts with Enbridge Gas

- Énergir, L.P. and Enbridge Gas entered into three storage contracts. The first one was signed on April 1, 2022. The contract that first comes to maturity will expire on March 31, 2025, and the last one to come to maturity will expire on March 31, 2032. Under these contracts, Enbridge Gas must store natural gas for Énergir, L.P. based on Enbridge Gas's Market Price Service Schedule (or a replacement tariff), depending on the circumstances, as approved or modified from time to time by the Ontario Energy Board.
- Énergir, L.P. and Enbridge Gas entered into eight transportation contracts. The first one was signed on September 2, 2008. The contract that will first come to maturity will expire on October 31, 2025, and the last one to come to maturity will expire on October 31, 2032. Under these contracts, Enbridge Gas must transport natural gas to the system of TC Energy (which then transports the natural gas to Énergir, L.P.'s natural gas distribution system) based on Enbridge Gas's Tariff M12 (or a replacement tariff), depending on the circumstances, as approved or modified from time to time by the Ontario Energy Board.

GasEDI Contracts and Other Contracts of a Similar Nature

- Énergir, L.P. entered into GasEDI Base Contracts for short-term sale and purchase of natural gas or contracts of a similar nature with various counterparties. The first of these contracts is dated November 1, 2019. Under these contracts, Énergir, L.P. and these counterparties entered into six transactions pursuant to which such co-contracting parties shall deliver natural gas to the delivery point specified in the transaction. The first of these transactions is dated November 1, 2019. The first to mature will expire on October 31, 2024 and the last to mature will expire on October 31, 2026.

Storage Contracts with Intragas, Limited Partnership

- On April 1, 2023, Énergir, L.P. and Intragas, Limited Partnership entered into a natural gas storage contract for the Saint-Flavien and Pointe-du-Lac storage sites covering the period from May 1, 2023, to April 30, 2033. The contract is based on Intragas, Limited Partnership's 2023-2032 Tariff for natural gas storage, as approved or modified from time to time by the Régie.

10.2.4.3 Financing of Wind Farms 2 and 3

- On May 3, 2016, Wind Farms 2 and 3 GP entered into an amended and restated credit agreement for the non-recourse refinancing of Wind Farms 2 and 3 for a total amount of $617.5 million consisting of (i) a $383.4 million term loan maturing in December 2032, (ii) a $192.7 million term loan maturing in December 2029 guaranteed by the Federal Republic of Germany through its export credit agency Euler-Hermes and (iii) a $41.4 million letter of credit facility. On March 31, 2022, the letter of credit facility was increased to $44.6 million. The group of lenders consists of the MUFG Bank, KfW IPEX-Bank, Sumitomo Mitsui Banking Corporation, Mizuho Corporate Bank, AKA Bank, DZ Bank, Laurentian Bank of Canada, Commonwealth Bank of Australia and Crédit Industriel et Commercial.

10.2.4.4 Financial Contracts (Green Mountain)[28]

- On May 30, 2024, Green Mountain entered into a Bond Purchase Agreement with investors. The first mortgage bonds were issued for an aggregate principal amount of US$75.0 million, yield interest at the annual rate of 5.60%, and will mature on May 30, 2034.
- On July 27, 2023, Green Mountain replaced its US$175.0 million credit facility entered into with KeyBank National Association as well as a syndicate of lenders by a new US$200.0 million credit facility maturing on July 27, 2026. This credit facility was entered into with TD Bank, N.A.[29]
- On June 14, 2023, Green Mountain entered into a Bond Purchase Agreement with investors. The first mortgage bonds were issued for an aggregate principal amount of US$75.0 million, namely a series for US$40.0 million and a series for US$35.0 million. These bond series yield interest at an annual rate of 5.08% and 5.56%, respectively, and will mature on December 16, 2033 and June 15, 2053, respectively.
- On September 23, 2022, Green Mountain entered into a Bond Purchase Agreement with investors. The first mortgage bonds were issued for an aggregate principal amount of US$60.0 million namely, a series for US$25.0 million and a series for US$35.0 million. These bond series yield interest at an annual rate of 5.00% and 4.56%, respectively, and will mature on October 1, 2052 and December 1, 2032, respectively.
- On December 15, 2020, Green Mountain entered into a Bond Purchase Agreement with investors. These first mortgage bonds were issued for an aggregate principal amount of US$60.0 million, namely, a series for US$35.0 million and a series for US$25.0 million. These bond series yield interest at an annual rate of 1.99% and 3.05%, respectively, and will mature on December 15, 2031 and December 30, 2049, respectively.
- On December 18, 2019, Green Mountain entered into a Bond Purchase Agreement with investors. These first mortgage bonds were issued for an aggregate principal amount of US$40.0 million, namely, a series for US$15.0 million and a series for US$25.0 million. These bond series yield interest at an annual rate of 3.01% and 3.53%, respectively, and will mature on December 18, 2034 and December 18, 2049, respectively.
- On June 13, 2019, Green Mountain entered into a Bond Purchase Agreement with investors. These first mortgage bonds were issued for an aggregate principal amount of US$90.0 million, namely, a series for US$50.0 million and a series for US$40.0 million. These bond series yield interest at an annual rate of 3.79% and 3.95%, respectively, and will mature on June 13, 2034 and June 13, 2039, respectively.
- On September 19, 2018, Green Mountain entered into a Bond Purchase Agreement with investors. These first mortgage bonds were issued for an aggregate principal amount of US$45.0 million, i.e., a series of US$25.0 million and a series of US$20.0 million. These series yield interest at an annual rate of 3.84% and 4.20%, respectively, and will mature on September 19, 2030 and December 3, 2048, respectively.
- On April 26, 2017, Green Mountain entered into a Bond Purchase Agreement with investors. These first mortgage bonds were issued for an aggregate principal amount of US$80.0 million, i.e., a US$65.0 million series and a US$15.0 million series. These series yield interest at an annual rate of 3.45% and 4.17%, respectively, and will mature on June 17, 2029 and April 26, 2047, respectively.
- On December 16, 2015, Green Mountain entered into a Bond Purchase Agreement with investors. These first mortgage bonds were issued for an aggregate principal amount of US$50.0 million, i.e., a US$18.0 million series and a US$32.0 million series. These series yield interest at an annual rate of 3.31% and 4.26%, respectively, and will mature on December 15, 2027 and December 15, 2045, respectively.
- On December 16, 2013, Green Mountain entered into a Bond Purchase Agreement with investors. These first mortgage bonds were issued for an aggregate principal amount of US$75.0 million, i.e., a US$12.0 million series, a US$20.0 million series and a US$43.0 million series. These series yield interest at an annual rate of

[28] For the purpose of this Item 10.2.4.4 *Financial Contracts (Green Mountain)* refers either to (i) Green Mountain Power Corporation after the Merger, or (ii) Green Mountain Power Corporation before the Merger or to CVPS, or both.

[29] Note that in February of 2024, Green Mountain's credit facility was amended to increase the authorized minimum amount of US$200.0 million to US$240.0 million until September 2024.

4.07%, 4.39% and 4.89%, respectively, and will mature on January 9, 2029, December 16, 2033, December 16, 2043, respectively.

- On December 6, 2012, Green Mountain entered into a Bond Purchase Agreement with investors. These first mortgage bonds were issued for an aggregate principal amount of US$85.0 million. These series yield interest at an annual rate of 3.99% and will mature on December 1, 2042.
- On October 1, 2012, Green Mountain entered into a 23rd supplemental trust indenture with The Bank of New York Mellon Trust Company, N.A., amending and replacing the trust indenture governing the issuance of the Green Mountain first mortgage bonds bearing the date February 1, 1955. This 23rd supplemental trust indenture has been amended by ten supplemental trust indentures. This Trust Deed governs the issuance of first mortgage bonds by Green Mountain and sets forth the mortgage bondholders' rights. It also provides for the creation of a mortgage on all of Green Mountain's assets in favour of the holders of the first mortgage bonds issued by Green Mountain.
- On September 26, 2012, Green Mountain entered into an agreement with holders of first mortgage bonds issued by CVPS (one of the corporations included in the Merger) to exchange such bonds for bonds issued by Green Mountain and governed by the Green Mountain Trust Indenture described in the previous paragraph.
- On November 16, 2011, Green Mountain entered into a Bond Purchase Agreement with investors. These first mortgage bonds were issued for an aggregate principal amount of US$75.0 million, i.e., a US$50.0 million series and a US$25.0 million series. These series yield interest at an annual rate of 4.56% and 4.61%, respectively, and will mature on November 18, 2041.
- On March 18, 2010, Green Mountain entered into a Bond Purchase Agreement with KeyBanc Capital Markets Inc. and the Vermont Economic Development Authority for the purchase by KeyBanc Capital Markets Inc. of the bonds to be issued by the Vermont Economic Development Authority under the loan and trust agreement described in the following paragraph.
- On March 1, 2010, Green Mountain entered into a Loan and Trust Agreement with the State of Vermont, acting by and through the Vermont Economic Development Authority and The Bank of NY Mellon Company, N.A., acting as trustee, governing the issuance of bonds by the Vermont Economic Development Authority, the proceeds of which were loaned to Green Mountain. The Series B bonds were issued for an amount US$5.0 million. The Series B bonds yield interest at a rate of 6.0% and will mature on April 1, 2035.
- On December 13, 2007, Green Mountain entered into a Bond Purchase Agreement with investors. These first mortgage bonds were issued for an aggregate principal amount of US$16.0 million. They yield interest at an annual rate of 6.17% and will mature on December 1, 2037.
- On July 27, 2006, Green Mountain entered into a Bond Purchase Agreement with investors. These first mortgage bonds were issued for an aggregate principal amount of US$30.0 million. They yield interest at an annual rate of 6.53% and will mature on August 1, 2036.

10.2.4.5 Operating Contracts (Green Mountain)

- On March 2, 2021, Green Mountain entered into a power purchase agreement with Great River Hydro, LLC ("**GRH**"). In 2021, Green Mountain received a Certificate of Public Good from the VPUC to purchase hydroelectric output and RECs from the GRH facilities on the Connecticut and Deerfield rivers. Through this power purchase agreement, Green Mountain began taking deliveries of energy and RECs in January 2023. There are three distinct products covered by said power purchase agreement, including baseload energy, peaking product, which is hydroelectric output that is shaped to meet high-demand periods in New England that tend to have higher-than-average market prices, and level annual REC purchases of 800,000 MWh, including the RECs associated with the energy purchased. The REC purchase is designed to ensure that Green Mountain has a stable, long-term supply of Vermont Tier I eligible RECs that can be retired to meet Green Mountain's obligations under the Vermont RES (as defined and explained in Item 4.9.2 e) *Renewable Energy Programs and GHG*) and Green Mountain's long-term renewable goals. GRH received regulatory approval for acquisition by Hydro-Quebec, which transaction closed in early 2023. Green Mountain consented to this acquisition; the power purchase agreement entered into on March 2, 2021 remains in effect on the same terms and conditions.
- On October 9, 2015, Green Mountain entered into a power purchase agreement with Deerfield Wind, LLC, more specifically, a long-term contract to purchase renewable energy from Deerfield Wind Power, LLC's southern Vermont facility, at stable, long-term prices until 2042.
- On May 24, 2011, Green Mountain entered into a power purchase agreement with NextEra Energy Seabrook, LLC, which was amended by an amendment dated January 21, 2015. This power purchase agreement for long-term energy and capacity from the Seabrook Nuclear Power Plant in New Hampshire, which expires in 2034, is a fixed-price contract in which the price is adjusted according to an inflation mechanism designed to protect customers from the inevitable fluctuations in energy prices. In fiscal year 2023, Green Mountain used 55 MW of power from the Seabrook plant and will gradually reduce the quantity to 50 MW before the end of the contract.

- On August 12, 2010, Green Mountain and 17 other utilities in the State of Vermont entered into a long-term power purchase and sale agreement with Hydro-Québec Energy Services (U.S.) Inc. ("**HQUS**"), a subsidiary of Hydro-Québec, for the purchase of a portion of 225 MW of energy and a portion of the environmental attributes (such as, for example, credits, benefits or emission reductions) ending in 2038. HQUS markets electricity from Hydro-Québec's generating fleet, whose output is over 99.0% hydroelectric. This purchase contract is Green Mountain's most significant power supply contract. The HQUS contract provides Green Mountain with continued access to a reliable and low carbon supply of power from Hydro-Québec facilities.
- On December 16, 2009, Green Mountain entered into two long-term supply contracts for the purchase of renewable energy with Granite Reliable Power, LLC at stable, long-term prices until 2032, as amended on October 18, 2010 and October 11, 2010, respectively.

All the material contracts of Énergir Inc. and Énergir, L.P. described under this Item 10.2.4 *Material Contracts* are available on the SEDAR+ website at www.sedarplus.com under the profile for Énergir Inc.

10.2.5 Complaints or Concerns

The *Policy on the Reporting and Handling of Public and Employee Complaints* states that any person, including employees of Énergir, L.P. and its subsidiaries, wanting to lodge a complaint about ethical misconduct, privacy protection, accounting, internal accounting controls or the audit of Énergir, L.P. or to report any violation of the principles set forth in the Code of Ethics may do so, anonymously, confidentially and at no cost, through the *ALIAS* service by one of the following means:[30]

By mail:	ALIAS P.O. Box 47022 Branch Saint-Jean Lévis, Quebec G6Z 2L3
By telephone:	1-844-264-6268
Online at the secure website:	https://app.alias-solution.com/contact/en/energir

ALIAS is a business that offers whistleblowing management services. Their secure hotlines are designed to protect the identity of individuals who use this service and are available at all times.

All complaints will be sent to an analytical team consisting, among others, of a representative from each of the following departments: Internal Audit, Corporate Secretariat, Legal Affairs, and Human Resources. This analytical team will examine the complaint. If the complaint pertains to a member of the analytical team, it will be forwarded directly to the Chair of the CGEE Committee.

10.2.6 Risk Factors relating to Énergir Inc. and Énergir, L.P.

Énergir Inc. has developed and applied risk identification, assessment and management practices to mitigate the nature and scope of key risks that could have a material impact on its operations, financial position and consolidated net income.

Additional information regarding Énergir Inc.'s risk factors can be found in section G) *Risk Factors Relating to Énergir Inc. and Énergir, L.P.* on pages 30 to 38 of the 2024 MD&A.

10.2.7 Other Information

Additional information regarding Énergir Inc. is available on the SEDAR+ website at www.sedarplus.com under the profile for Énergir Inc.

Additional financial and related information are provided in the 2024 Financial Statements and the 2024 MD&A. The 2024 Financial Statements, the 2024 MD&A and any other public document issued by Énergir Inc. (including the annual information form and any other documents expressly incorporated therein by reference) may be obtained from the Investor Relations Service, 1717 du Havre Street, Montréal, Quebec H2K 2X3, by telephone: (514) 598-3444 ext. 7238 and by email: investors@energir.com or by consulting the SEDAR+ website at www.sedarplus.com.

[30] In fiscal year 2024, Énergir Inc.'s whistleblowing hotline provider was Clearview Connects. As at the date hereof, the whistleblowing hotline provider is Alias.

SCHEDULE 10.2.1.1

BOARD OF DIRECTORS

MANDATE [(1)]

In this mandate, the masculine gender is used solely for the sake of brevity and refers to any person.

1. CONSTITUTION AND COMPOSITION

The Board of Directors (the "**Board**") shall be composed of a number of directors set by the Board, upon recommendation of the Corporate Governance, Ethics and Environment Committee, in accordance with the articles of Énergir Inc. (the "**Corporation**"), a majority of whom shall be independent within the meaning of *Regulation 58-101 respecting Disclosure of Corporate Governance Practices* ("**Regulation 58-101**").

The members of the Board must have the relevant qualifications and experience to enable the Board to carry out its responsibilities effectively.

Unless approved by the Board upon the recommendation of the Corporate Governance, Ethics and Environment Committee, a member of the Board shall not receive any compensation from the Corporation or any of its affiliates other than the compensation received as a director or member of a Board committee. Prohibited compensation includes, without limitation, fees paid, directly or indirectly, as a consultant or legal or financial advisor.

The members of the Board are appointed annually by resolution of the sole shareholder in lieu of an annual general meeting of the Corporation.

2. MEETINGS

Regular meetings, four (4) per year, shall be held on such dates, at such times and in such places as the Board may determine. They shall be called by notice given to the members by the Secretary or Assistant Secretary on behalf of the Chair of the Board. Meetings may be held without notice provided the members consent. The presence of a member at the meeting shall constitute consent.

A special meeting may be called at any time by the Chair of the Board, the President and Chief Executive Officer or at the request of any member of the Board.

3. INVITEES

Subject to certain exceptions, the Chief Financial Officer and the Executive Vice-President, Quebec, as well as any other person upon invitation by the Chair of the Board, shall be invited to participate in all or part of the Board's meetings.

4. QUORUM

A quorum at meetings shall consist of a simple majority of the current members of the Board.

5. CHAIR

The Chair of the Board is appointed by the members of the Board upon recommendation of the Corporate Governance, Ethics and Environment Committee. The Chair shall be an independent director within the meaning of Regulation 58-101. He shall preside over the meetings of the Board and ensure the proper conduct of the work arising from its mandate. When the Chair of the Board is unable to attend a meeting, a member of the Board chosen from among the members present may act as Chair of the Board.

6. GENERAL MANDATE

The Corporation's affairs are managed by the directors assembled in a Board, subject to the restrictions in the *Business Corporations Act* (Québec) and the Corporation's By-Laws. However, the Board is not responsible for day-to-day management, which is delegated to the President and Chief Executive Officer and the other officers, but oversees it.

[(1)] Revision approved by the Board of Directors on August 7, 2024.

Accordingly, the Corporation expects that each director shall:

(a) keep informed and up-to-date about the activities of the enterprise and the industry;

(b) read all of the documentation received for Board meetings and contribute to the decisions made by the Board; and

(c) actively participate in the meetings of the Board, unless prevented from doing so because of incapacity.

To assist it in discharging its responsibilities, the Board has formed the following standing committees, namely the Audit Committee, the Human Resources and Corporate Social Responsibility Committee and the Corporate Governance, Ethics and Environment Committee. The Board has established a mandate for each of the committees it has formed. In addition, the Board has delegated day-to-day management to management by assigning specific responsibilities to the President and Chief Executive Officer.

The Chair of the Board shall ensure that the Board has the human, material and financial resources necessary to carry out its mandate.

7. SPECIFIC RESPONSIBILITIES

The Board's objective is to ensure that the enterprise's resources and its potential are used and developed in such a way as to create value for the Corporation's sole shareholder, (the "**Shareholder**"), the controlling shareholder, Noverco Inc. ("**Noverco**") and Énergir, L.P.'s partners. This is to be done in compliance with applicable laws, and the Corporation's values and corporate governance policies and practices. This growth objective includes the protection of the value of the enterprise against the risks it faces. It is also responsible for reviewing and ensuring that Énergir, L.P.'s practices, directions and organizational culture are aligned with its strategic plan.

More specifically, the Board shall, among other things, directly or through its committees:

(a) ensure that management maintains a culture of integrity throughout the organization;

(b) adopt a strategic planning process and periodically approve a strategic plan that addresses business opportunities and risks, among other things;

(c) formulate the Board's expectations of management;

(d) identify and monitor the main risks faced by the business and, in this regard, review biannually the report from management with respect to integrated risk and opportunity management of the business and ensure that there are adequate risk management procedures, measures and systems in place to identify, manage and control of these risks;

(e) approve the Corporation's major incident communication plan;

(f) on the recommendation of the Audit Committee, annually approve the Corporation's cybersecurity program;

(g) on the recommendation of the Audit Committee, annually approve the Corporation's integrated risk management plan, including climate risks;

(h) ensure, as a rapidly evolving discipline, that the Corporation properly addresses the risks associated with the design and implementation of future initiatives involving big data, AI systems and machine learning;

(i) periodically receive a progress report on the Corporation's digital transformation and assess risks and opportunities;

(j) plan the succession for senior executives, including prior background checks, hiring, appointments, compensation, evaluation, training and career development;

(k) define responsibilities of the senior executives and their authority to bind the Corporation;

(l) upon the recommendation of the Human Resources and Social Responsibility Committee, identify any significant changes in the organizational structure;

(m) ensure the integrity of the Corporation's internal control and management information systems, including the implementation of effective internal financial controls;

(n) develop the Corporation's approach to corporate governance, including the preparation of a specific set of principles and guidelines, including for recruiting and renewing directors;

(o) approve and monitor the Corporation's *Policy respecting disclosure of information*;

(p) on the recommendation of the relevant Committee, adopt and revise any other corporate policy it considers appropriate and ensure it is followed;

(q) establish measures for receiving reactions and comments from interested parties (including holders of the Corporation's and Énergir, L.P.'s securities);

(r) identify decisions that require the pre-approval of the Board and establish approval and authorization policies for decisions and contracts binding the Corporation;

(s) on the recommendation of the Governance, Ethics and Environment Committee, annually approve the Report under the *Fighting Against Forced Labour and Child Labour in Supply Chains Act*;

(t) on the recommendation of the Audit Committee, annually approve the program for managing third-party risk (clients, suppliers, etc.), particularly in relation to fraud, corruption and money laundering;

(u) on the recommendation of the Governance, Ethics and Environment Committee, approve the process for recruiting qualified individuals to stand for election to the Board at a shareholders' meeting, or for appointment by the Board to fill any vacancy on the Board;

(v) on the recommendation of the Corporate Governance, Ethics and Environment Committee and in compliance with Énergir's *Policy Regarding Diversity on the Board of Directors*, fill any vacancy in a Board directorship until the next annual meeting of the Shareholder, and review candidates proposed by the Shareholder;

(w) on the recommendation of the Governance, Ethics and Environment Committee, approve the overall profile of the competencies and experiences sought within the Board for the selection of Board members;

(x) prepare and adopt a Code of Ethics for the directors and officers of the Corporation and the employees of Énergir, L.P. and those of its Canadian subsidiaries, ensure it is updated regularly, communicated and followed, including monitoring and approval of all exemptions, where applicable;

(y) on the recommendation of the Governance, Ethics and Environment Committee, approve the Corporation's Policy on Reporting and Handling Complaints from the Public and Employees;

(z) periodically evaluate the effectiveness of the Board, its members, its Chairman, its committees and their members and chairmen and, based on the report of the Corporate Governance, Ethics and Environment Committee, give particular consideration to:

    i. the size of the Board;

    ii. the competencies and skills the Board as a whole should possess;

    iii. the performance of the Board and its members;

    iv. the individual competencies, skills and qualities of each director;

    v. the means likely to improve the performance of the Board and each of its members in the future;

    vi. the cooperation received from management;

    vii. the mandates and operating mode of the Board and its committees, making any necessary adjustments; and

    viii. Énergir's *Policy Regarding Diversity on the Board of Directors*, including the objectives set forth by the Corporation regarding diversity on the Board;

(aa) receive the report of the Corporate Governance, Ethics and Environment Committee regarding diversity on the Board and the report of the Human Resources and Corporate Social Responsibility Committee regarding diversity within the Corporation's management, review and assess this representation and the impact of steps taken in order to achieve its objectives and, if needed, set forth new measures or adjustments to existent measures;

(bb) on the recommendation of the Human Resources and Social Responsibility Committee, draw up a job and function description for the President and Chief Executive Officer, which shall define the responsibilities of management;

(cc) ensure all directors:

    i. all relevant information when they are appointed to the Board concerning the role of the Board and its committees as well as the expectations with respect to their individual contribution, which information is contained in the director's online site; and

    ii. understand the nature of the activities of the Corporation and Énergir, L.P. and how they are managed;

(dd) provide opportunities and means for ongoing education for all directors so that each of them can develop his/her competencies and skills as a director and have an up-to-date knowledge and understanding of the affairs of the Corporation and Énergir, L.P.;

(ee) with the assistance of the Corporate Governance, Ethics and Environment Committee, create committees of the Board, establish their mandate and appoint their members;

(ff) with the assistance of the Corporate Governance, Ethics and Environment Committee, appoint the Chair of the Board and the Chair of each committee of the Board, and approve the amount of their compensation and that of the directors;

(gg) on the recommendation of the Human Resources and Corporate Social Responsibility Committee, establish and approve the compensation policies and programs for senior management, evaluate the performance of the President and Chief Executive Officer based on the objectives set, and establish his compensation;

(hh) with the assistance of the Audit Committee, ensure compliance with accounting standards, as well as the integrity and adequacy of financial reporting;

(ii) on the recommendation of the Audit Committee, approve the interim and annual financial statements of the Corporation and the annual financial statements of Énergir, L.P.;

(jj) determine the appropriateness of declaring, and declare, where applicable, the payment of dividends to the Shareholder, a reduction of the capital of the Corporation as well as the distribution of Énergir, L.P.'s income to the partners;

(kk) on the recommendation of the Audit Committee, recommend the choice of the external auditors to the Shareholder;

(ll) on the recommendation of the Audit Committee, approve the interim and annual Management's Discussion and Analysis and the Annual Information Forms of the Corporation;

(mm) on the recommendation of the Human Resources and Corporate Social Responsibility Committee, approve the Report on Executive Compensation in the Corporation's Annual Information Form;

(nn) on the recommendation of the Corporate Governance, Ethics and Environment Committee, approve the governance and environmental disclosure in the Corporation's Annual Information Form;

(oo) approve the charters, by-laws and administrative resolutions as well as any amendments to these documents;

(pp) approve important regulatory matters;

(qq) approve operating and capital budgets as well as the financing plan of the Corporation and Énergir, L.P.;

(rr) approve and monitor important budgets and projects of the Corporation, Énergir, L.P. or a subsidiary, for a major (in terms of dollars or strategic nature) acquisition or investment;

(ss) approve the acquisition or sale of major assets and any other important transaction involving the Corporation, its share capital, its property, its rights or its obligations;

(tt) approve any major reorganization or downsizing;

(uu) approve the issue, purchase or redemption of the securities of the Corporation and Énergir, L.P. and approve the related reporting process;

(vv) approve the form and content of the certificates evidencing the securities of the Corporation and Énergir, L.P.; and

(ww) in collaboration and on the recommendation of the applicable committees, (i) ensure that environmental, social and governance ("ESG") factors are incorporated into the long-term strategic objectives of Énergir, L.P. and monitor ESG initiatives and integration across Énergir, L.P., and (ii) approve Énergir, L.P.'s ESG Policy and Environmental Policy, as well as the Corporation's published reports on climate resilience and sustainable development.

8. BOARD PERFORMANCE ASSESSMENT AND WORK PLAN

The Board:

(a) shall evaluate and review annually its performance in collaboration with the Corporate Governance, Ethics and Environment Committee;

(b) every two (2) years, shall review and revise the adequacy of its mandate in collaboration with the Corporate Governance, Ethics and Environment Committee; and

(c) shall prepare an annual work plan to be reviewed during the year as required.

9. ROLE OF THE CHAIR OF THE BOARD

The Chair of the Board shall be responsible in particular for managing the affairs of the Board and monitoring its effectiveness, setting the agenda for Board meetings and relations with the Corporate Secretary with respect to the affairs of the Board and its Committees. He shall also ensure that any important strategic matters or issues are communicated to the Board for approval and that the Board receives the information, reports, documents and opinions required so that the members of the Board can fulfil their role. He shall ensure the decisions made by the Board are implemented. The Chair of the Board shall ensure all interested parties are informed about the Board's policies with respect to compliance with the by-laws and the *Code of Ethics* of the Corporation. He shall also make himself available to advise the President and Chief Executive Officer.

Specific responsibilities of the Chair of the Board shall be:

(a) to ensure harmonious relations between the Shareholder, Noverco, the Board and management;
(b) to ensure that the directors hold regularly scheduled meetings at which members of management are not in attendance;
(c) to inform the Shareholder and Noverco of the recommendations for new directors based on the report of the Corporate Governance, Ethics and Environment Committee;
(d) to propose the composition of the Board Committees to the Corporate Governance, Ethics and Environment Committee;
(e) to ensure that the Board Committees have the human, material and financial resources required to carry out their mandate;
(f) to sit ex-officio as a member on the Human Resources and Corporate Social Responsibility Committee;
(g) at his discretion, to be able to sit as an invitee or member on other Board Committees;
(h) to inform management about his evaluation of the information provided to the directors; and
(i) to ensure, with the Corporate Governance, Ethics and Environment Committee, that the best corporate governance practices are followed.

10. COMMITTEE CHAIRS

Each committee Chair shall ensure that the committee fulfills its mandate and shall, in collaboration with the Corporate Secretary:

(a) ensure that the affairs of the committee are properly managed and monitor its effectiveness;
(b) set the agenda for the meetings of the committee;
(c) ensure that all matters and issues of strategic importance relating to this committee are communicated to the Board as soon as possible;
(d) ensure that the Board receives the information and recommendations it requires from the committee to properly discharge its duties; and
(e) present, at least once a year, a report on the committee's work in fulfilling its mandate and adhering to its annual plan.

The Chair of the Corporate Governance, Ethics and Environment Committee shall also make himself available to address the concerns of any employee of Énergir, L.P. or other persons with respect to questionable accounting, internal control, auditing or information technology matters, including cybersecurity, as well as concerns related to ethical misconduct and the protection of personal information, whether apparent or real.

If the Chair of a committee does not attend a meeting of the committee, the committee shall choose one of the other members present at the time to chair the meeting.

11. CORPORATE SECRETARY

The Board and the President and Chief Executive Officer have given the Corporate Secretary the responsibility for organizing all meetings of the Board and its committees. He shall also:

(a) prepare information provided by management and distribute it to the directors in a form that will facilitate an understanding thereof and decision-making;
(b) ensure a follow-up of Board and committee decisions;
(c) ensure a corporate file is maintained;
(d) advise directors as to procedures and responsibilities, in particular with respect to corporate governance;
(e) keep corporate by-laws and policies of the Corporation up-to-date; and
(f) provide directors with the necessary information about the enterprise so they can discharge their responsibilities with prudence and diligence.

12. IN CAMERA SESSIONS

At the end of each meeting, the Board shall deliberate without management. The Chair of the Board shall chair the in camera session.

AUDIT COMMITTEE

MANDATE [1]

In this mandate, the masculine gender is used solely for the sake of brevity and refers to any person.

1. CONSTITUTION AND COMPOSITION

To assist it in discharging its oversight responsibilities for accounting processes, information technologies and financial reporting, internal control systems, financial management and the management of risks, the Board of Directors of Énergir Inc. (the "**Board**") formed an Audit Committee (the "**Committee**") to which it appoints the members and the Chair.

The Committee shall be composed of a minimum of three (3) directors, each of whom must be financially literate within the meaning of the applicable securities laws and regulations, i.e. as a minimum be capable of reading and understanding the financial statements of the Corporation.[2] The Committee shall be composed of independent directors within the meaning of *Regulation 52-110 respecting Audit Committees* (“**Regulation 52-110**”) of the Canadian Securities Administrators (“**CSA**”), subject to the independence exemptions provided therein.

Unless approved by the Board is received upon recommendation of the Corporate Governance, Ethics and Environment Committee, a member of the Committee shall not receive any compensation from the Corporation or any of its affiliates other than the compensation received as a director or member of a Board committee. Prohibited compensation includes, without limitation, fees paid, directly or indirectly, as a consultant or legal or financial advisor.

The members of the Committee shall be appointed annually by the Board upon recommendation of the Corporate Governance, Ethics and Environment Committee. The term of office of a member of the Committee shall automatically terminate if they cease to be independent as determined by the Board, subject to having availed themselves of an independence exemption provided for in Regulation 52-110, if applicable.

2. MEETINGS

Regular meetings, four (4) per year, shall be held on such dates, at such times and in such places as the Board may determine. Meetings shall be called by notice given to members by the Secretary or Assistant Secretary on behalf of the Chair of the Committee. Meetings may be held without notice provided the members consent. The presence of a member at the meeting shall constitute consent.

A special meeting may be called at any time by the Chair of the Committee, the Chair of the Board, the President and Chief Executive Officer of the Corporation or at the request of any member of the Committee.

In addition, the Chair of the Committee shall call a meeting of the Committee when requested by the external auditor (the "**External Auditor**") or the chief internal auditor (the "**Internal Auditor**").

3. INVITEES

Other members of the Board may attend meetings of the Committee on a regular or occasional basis without being a member of the Committee or having voting rights.

The Chair of the Board, if not a member of the Committee, may participate in any meeting. Subject to certain exceptions, the Chief Financial Officer, the Corporate Controller, the Senior Director, Corporate Control, the Treasurer, the representative(s) of the External Auditor and the Internal Auditor, as well as any other person upon invitation by the Chair of the Committee or a member of the Committee, shall be invited to participate in all or part of its meetings.

4. QUORUM

A quorum at meetings shall consist of a simple majority of the current members of the Committee.

[1] Revision approved by the Board of Directors on August 7, 2024.
[2] For the purposes of this mandate, "Corporation" refers to Énergir Inc. and/or Énergir, L.P., depending on the context.

5. CHAIR

The Chair of the Committee is appointed by the Board upon recommendation of the Corporate Governance, Ethics and Environment Committee. The Chair shall preside over Committee meetings and ensure the proper conduct of the work arising from its mandate. When the Committee Chair is unable to attend a meeting, a member of the Committee chosen from among the members then present may act as Chair of the Committee.

6. GENERAL MANDATE

The Committee's mandate is to provide assurance to the Board that the Corporation has an adequate and rigorous financial and information technology control framework. It is responsible for overseeing the financial reporting process, the reporting of this information and the relationship with the External Auditor and the Internal Auditor. It has direct communication channels with the External Auditor and the Internal Auditor at all times. It also ensures the effectiveness of internal controls and compliance with laws and regulations and with the accounting principles, standards and rules applicable to the Corporation. It ensures that the Corporation's management protects the Corporation's assets through appropriate risk management. Finally, it reviews the performance, independence of the External Auditor and the Internal Auditor, the compensation of the External Auditor and ensures an approval process for non-audit services provided by the External Auditor.

Under this mandate, the Committee may delegate certain authority to one or more of its members, including the authority to pre-approve external non-audit services to be provided by the External Auditor, provided such approval is submitted to the Committee at its first regular meeting after the approval has been given.

The Chair of the Board shall ensure that the Committee has the human, material and financial resources necessary to carry out its mandate. If it deems it necessary, the Committee has the power to hire any outside advisor it deems necessary to carry out its duties and to set and pay his compensation.

7. SPECIFIC RESPONSIBILITIES

The Committee’s specific responsibilities shall include the following:

Risk Management

(a) reviewing from time to time reports from management of the Corporation with respect to the identification and analysis of business risks, including the financial risks and the risks related to information technologies, including cybersecurity, that may affect the Corporation, and ensuring that there are adequate risk management procedures, measures and systems in place to identify, manage and control these risks;

(b) support the Board in its review of the biannual report from management of the Corporation with respect to integrated risk and opportunity management of the business and ensuring that there are adequate risk management procedures, measures and systems in place identify, manage and control these risks;

(c) approving the annual business continuity plan to address the Corporation’s operational risks;

(d) annually recommending to the Board, for approval, the Corporation’s integrated risk management plan, including climate risks;

(e) ensuring that the Corporation has implemented a risk-based fraud and corruption prevention and detection program, and report on it annually to the Committee;

(f) annually reviewing and recommending to the Board the program for managing third-party risk (clients, suppliers, etc.), particularly in relation to fraud, corruption and money laundering;

(g) reviewing each quarter a report on the tax issues and the related follow-up being done and reviewing major disputes with tax authorities;

(h) reviewing each quarter the report on disputes, claims, notices of assessment or regulatory non-compliance, and threats to the Corporation’s operations and the related follow-up being done and reviewing the material disputes or potential material disputes with third parties, and assessing the appropriateness of their disclosure in the documents reviewed by the Committee;

(i) reviewing annually or when circumstances require, the insurance coverage;

(j) requesting a special audit if required;

Information Technology, Operational Technology and Resilience

(a) reviewing each quarter the report on information technology projects and priorities, cybersecurity, the physical security of the facilities and the follow-up being done;

(b) annually recommending to the Board, for approval, the Corporation’s cybersecurity program;

(c) reviewing from time to time the report on the Corporation’s compliance with respect to personal information to ensure that its practices comply with industry standards and the standards imposed by the applicable laws and regulations;

(d) reviewing and monitoring the actions, targets and performance indicators of the governance objective related to physical and digital robustness and resilience included in or identified by the Corporation's ESG plan;

(e) reviewing annually the results of the various penetration tests relating to the physical security of the facilities and the resilience of the Corporation;

(f) periodically reviewing plans to ensure the Corporation’s emergency response and resilience;

Internal Audit

(a) reviewing and approving the mandate and annual audit plan of the Internal Auditor;

(b) reviewing each quarter with the External Auditor and the Internal Auditor the internal audit activities report, and the follow-up of the management of the Corporation with respect thereto and reviewing with the Internal Auditor the difficulties encountered in connection with his mandate;

(c) reviewing from time to time the effectiveness of the Internal Audit function, including its compliance with the standards of the Institute of Internal Auditors;

(d) reviewing and approving the multi-year strategic plan for Internal Audit, in accordance with the standards of the Institute of Internal Auditors;

(e) reviewing from time to time the performance and level of independence of the Internal Auditor and advising the President and Chief Executive Officer of the results of this evaluation;

(f) providing its opinion on his appointment or revocation;

External Audit

(a) recommending the appointment of the External Auditor for the Corporation to the Board, it being understood that the appointment of the External Auditor must ultimately be approved by the shareholder of Énergir Inc., on its own behalf and acting in its capacity as general partner of Énergir, L.P.;

(b) recommending to the Board, the compensation to be paid to the External Auditor for his services;

(c) overseeing the work of the External Auditor whose services are retained to prepare or issue an audit report or to render other audit, review or attestation services to the Corporation, including the resolution of disagreements between the management of the Corporation and the External Auditor concerning the financial information;

(d) pre-approving all non-audit services that the External Auditor shall provide to the Corporation;

(e) evaluating at least once a year the competence and the quality of the services of the External Auditor. The External Auditor shall report directly to the Committee;

(f) ensuring the External Auditor is a participating audit firm within the meaning of the *Regulation 52108 respecting Auditor Oversight* of the CSA and that it complies, where applicable, with any directive or restriction issued by the *Canadian Public Accountability Board;*

(g) reviewing the public reports and information bulletins of the *Canadian Public Accountability Board* published for audit committees and received from the External Auditors, along with any significant findings arising from the inspection of the Corporation’s audit file;

(h) at least once a year, reviewing the written report prepared by the External Auditor describing:

   i. any significant issues concerning the audit file of the Corporation arising during any peer controls or reviews, information requests, or inquiries carried out by a government, regulatory or professional authority, as well as any steps taken in this regard; and

   ii. internal quality-control procedures implemented by the External Auditor, including any significant issues raised during the latest internal review thereof, as well as any steps taken in this regard;

(i) at least once a year, evaluating and ensuring independence of the External Auditor, and to that end, it shall:

   i. review the existing or proposed relationships between the Corporation, its personnel or its consultants and the partners, employees, former partners and former employees of the External Auditor;

   ii. review and approve the Corporation’s hiring policy with respect to partners, employees, former partners and former employees of the present and former External Auditor of the Corporation, namely, the *Policy on hiring partners and employees of the external auditors*, and ensure it is complied with; and

   iii. ensure that the *Policy and Procedure Regarding Pre-approval of External Audit and Non-Audit Related Services* is complied with;

(j) ensuring there is a rotation of the engagement partner, the reference partner and other audit partners within the standards prescribed by the regulatory authorities and the applicable securities and governance laws and regulations;

(k) reviewing and approving the annual audit plan of the External Auditor and related budget proposed by the External Auditor as well as any change thereto;

(l) reviewing the scope of the audit, the External Auditor's reports following his interim reviews and annual audits, the External Auditor's letter addressed to the management of the Corporation and related comments therefrom and the follow-up done by the management of the Corporation;

(m) reviewing any problems encountered by the External Auditor in the course of his engagement, in particular any restrictions that may have been imposed by the Corporation's management;

(n) reviewing the External Auditor's recommendation letter with respect to internal controls, the responses thereto from management of the Corporation and the steps taken by management of the Corporation to address them;

(o) from time to time questioning the External Auditor about the competence and performance of the Corporation's personnel responsible for finance, accounting and internal controls;

Financial Information

(a) monitoring the integrity and quality of the internal control systems, the financial reporting process and accounting policies through investigations and discussions with the Corporation's management, the Internal Auditor and the External Auditor;

(b) periodically ensuring that effective internal financial controls are in place, including general IT controls for key financial systems, controls associated with the purchasing and sales cycles, the cash cycle and the accounting closing cycle, and other cycles, as well as controls related to fraud and corruption;

(c) reviewing the financial forecasts communicated by the management of the Corporation to the Board and ensuring that adequate controls and procedures are established and maintained by the management of the Corporation to ensure the integrity of these financial forecasts;

(d) reviewing with the management of the Corporation and the External Auditor (i) the quality, relevance and disclosure of the accounting principles and policies used and the underlying assumptions and financial reporting practices and (ii) the impact of any proposed changes to these or securities regulations relating to accounting policies and financial reporting;

(e) ensuring the financial information complies with the applicable securities laws, regulations and policies;

(f) reviewing and approving the interim financial statements of Énergir, L.P., and also reviewing the annual financial statements of Énergir, L.P. which include the External Auditor's Report, and recommending the approval thereof by the Board;

(g) reviewing, prior to public release, the annual information forms, prospectuses, interim and annual financial statements and Management's Discussion and Analysis of Énergir Inc. (including the Corporation's risks and opportunities therein) and recommending the approval thereof by the Board;

(h) ensuring there are adequate procedures for reviewing public disclosures of financial information extracted or derived from the Corporation's financial statements and from time to time assessing the adequacy of these procedures;

(i) reviewing the Declaration of the Chief Financial Officer regarding the quarterly income distribution and the quarterly dividend and making recommendations to the Board with respect thereto;

(j) reviewing all non-routine correspondence with the regulatory authorities, and any complaint involving a regulatory authority or published information that raises issues with respect to the financial statements, the financial information or the accounting policies;

(k) reviewing and recommending to the Board, for approval, the corporate policies, with respect to financial reporting and, if it deems appropriate, those concerning information technology, and ensuring their follow-up;

(l) receiving each quarter an executive summary of the minutes of the Audit Committees of the Canadian and U.S. subsidiaries, if applicable;

Certifications and Compliance Reports

(a) ensuring the certifications of the President and Chief Executive Officer and the Vice President and Chief Financial Officer of the Corporation are provided on a timely basis and reviewing them following receipt;

(b) receiving from Corporate Control a report on compliance with the financial reporting laws and regulations as well as with the laws and regulations applicable to securities;

Committee Performance Assessment and Work Plan

(a) evaluating and reviewing its performance in collaboration with the Corporate Governance, Ethics and Environment Committee and reporting thereon to the Board. If necessary, preparing and following up on an action plan to address the assessment results;

(b) every two (2) years, reviewing and revising the adequacy of its mandate in collaboration with the Corporate Governance, Ethics and Environment Committee and making its recommendations to the Board; and

(c) preparing an annual work plan to be revised during the year as required.

8. OTHER MANDATES

The Committee shall carry out such other duties as may be assigned to it by the Board.

9. REPORTING

The Committee shall report to the Board at the Board meeting following its own meeting. The Chair of the Committee shall report verbally on items that are of immediate interest to the Board and submit the Committee's recommendations for approval by the Board. The Chair of the Committee shall also present, at least once a year, a report on the Committee's work in fulfilling its mandate and adhering to its annual work plan.

10. IN CAMERA SESSIONS

The Committee shall hold a number of in camera sessions during each meeting, with the External and Internal Auditors, as well as with and without the management of the Corporation.