

## AUDIT COMMITTEE MANDATE<sup>1</sup>

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*In this mandate, the masculine gender is used solely for the sake of brevity and refers to both women and men.*

### 1. CONSTITUTION AND COMPOSITION

To assist it in discharging its oversight responsibilities for accounting processes, information technology and financial reporting, internal control systems, financial management and the management of risks, the Board of Directors of Energir 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<sup>2</sup>. 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 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

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<sup>1</sup> Revision approved by the Board of Directors on December 15, 2022.

<sup>2</sup> For the purposes of this mandate, "Corporation" refers to Énergir Inc. and/or Énergir, L.P., depending on the context.

the external auditor (the "**External Auditor**") or the chief internal auditor (the "**Internal Auditor**").

### **3. INVITEES**

Other members of the Board may be invited to 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 Assistant Corporate Controller, 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.

### **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 and 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 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 to identify, manage and control these risks;
- (c) reviewing each quarter a report on the tax issues and the related follow-up being done and reviewing major disputes with tax authorities;
- (d) 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;
- (e) reviewing annually or when circumstances require, the insurance coverage;
- (f) 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) 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;
- (c) 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;
- (d) reviewing annually the results of the various penetration tests relating to the physical security of the facilities and the resilience of the Corporation;
- (e) reviewing from time to time the Corporation's emergency and resilience plans;

### ◆ **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 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;
- (e) 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) 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;
- (c) 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;

- (d) ensuring the financial information complies with the applicable securities laws, regulations and policies;
- (e) 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;
- (f) 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;
- (g) 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;
- (h) 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;
- (i) 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;
- (j) in collaboration with the Corporate Governance, Ethics and Environment Committee, reviewing the corporate policies, in particular with respect to financial reporting and, if it deems appropriate, those concerning information technology, and ensuring their follow-up;
- (k) 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.