

ESG Policy

Environmental, social and
governance practices

energir imagine
energy
differently



1. Introduction

The definition of all cyan-colored terms used in this Policy are provided in [Section 6 "Definitions"](#) of this Policy.

1.1 Company positioning and commitment

This Policy outlines the approach undertaken by Énergir to integrate **ESG factors** into its corporate culture and business model.

Énergir is committed to:

- I. becoming a North American leader in **ESG factors** integration; and ultimately,
- II. accelerating a fair energy transition to address climate change while actively contributing to a better quality of life in the communities in which it operates.

This commitment, applicable to Énergir as part of its natural gas distribution activity in Québec, will be carried out in accordance with the values, mission and vision of Énergir and its subsidiaries. In addition, the **ESG priority topics** that are at the heart of this commitment stem from the strategic plan shared by Énergir and all its subsidiaries, and their performance will be monitored through a company-wide accountability model, among other things.



ESG ambitions

More specifically, as part of its strategic planning, Énergir has identified its **ESG ambitions** as being the following:



Environment

Be a proactive leader in the fight against climate change.



Social

Provide an inclusive and safe work environment for all its employees, communities and partners.



Governance

Manage risks in an effective and efficient manner that promotes resilience and adaptation to change.

In order to effectively achieve its **ESG ambitions**, Énergir commits to:

- Defining short-, medium- and long-term objectives and targets for the **ESG priority topics**, establishing an action plan for these objectives and targets, as well as success measures that will enable Énergir to be a North American leader on its **ESG priority topics**.
- Integrating **ESG priority topics** into its strategic plan and any other important strategic or decision-making process.
- Integrating key objectives and targets of **ESG priority topics** into all employee processes and activities (e.g., OHS guidelines, phishing campaigns for cybersecurity, etc.), as well as the targets that are used to establish incentive compensation for all managers, specialized personnel and executives.
- Identifying and quantifying risks relating to **ESG factors** and putting necessary mitigation measures in place.
- Developing an internal culture of learning and awareness to promote a better understanding and consideration of the impacts of the business on the environment, society and governance.
- Maintaining an open dialogue on its **ESG activities** with **stakeholders** of all backgrounds.
- Maintaining a clear and structured governance of **ESG topics**.



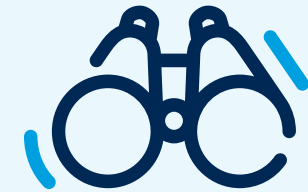
1.2 Policy scope of application

This Policy applies to Énergir as part of its natural gas distribution activity in Québec.



1.3 Guiding principles

Énergir's commitment to **ESG factors** is based on the following guiding principles:



1

Inclusiveness:

the day-to-day management of Énergir's **ESG topics** is the business of all **stakeholders** involved in the company's activities. This document must be accessible to Énergir's **stakeholders**.

2

Value creation:

Meeting Énergir's **ESG ambitions** is essential to ensure that its activities are carried out in the spirit of sustainable development and creating value for the company, which will ensure the long-term sustainability of the company and the well-being of the communities in which it is involved.

3

Integrity:

governance processes relating to **ESG topics** are carried out thoroughly and with integrity in order to maintain a high level of trust.

4

Continuous improvement:

A periodic evaluation of **ESG topics** and their governance mechanisms are conducted to ensure the effectiveness and relevance of established processes.

2. ESG priority topics list

Énergir's **ESG priority topics** are themes that have significant impacts on Énergir and its business. Ambitious targets and goals as well as action plans are established for each **ESG priority topic** to aim for a North American leadership position.

Together, they will enable Énergir to achieve its **ESG ambitions**. Recurring internal and external communications are planned on the evolution of these **ESG priority topics** and the achievement of their goals and targets. They are fully integrated into the strategic plan.

Énergir's methodology and criteria used for selecting and defining **ESG priority topics** are described in Énergir's annual sustainable development performance review available on [its website](#).



ESG Priority Topics¹

1

Increasing energy efficiency efforts and the proportion of renewable energy in our networks

2

Promoting the prevention of physical and psychological risks at work

3

Ensuring a distinctive employee experience that promotes the principles of diversity, equity and inclusion

4

Having a positive impact on communities

5

Ensuring Énergir's physical and technological (Information Technology/Operational Technology) robustness and resilience



Environment



Social



Governance

¹ Énergir has categorized the **ESG priority topics** by dominant **ESG factor**, recognizing, however, that these **ESG priority topics** may have cross-cutting considerations across all **ESG factors**.

3. Links to other Énergir policies

Énergir already has several policies related to **ESG topics**. This Policy therefore seeks to define the company's general position in relation to **ESG factors** in addition to existing documents. Énergir's policies and guidelines are available on Énergir's website: [Ethics and Policy | Governance | Énergir](#).

4. Effective date

This Policy takes effect on the day it is approved by Énergir's Board of Directors, as indicated above.

5. Review

This Policy is subject to a review at least every two years.

6. Definitions

ESG activities

These are the concrete actions and initiatives undertaken by Énergir in relation to **ESG factors**, including but not limited to i) consultation with its **stakeholders**, ii) selection and definition of its **ESG priority topics**, and iii) the establishment of a governance structure to ensure its monitoring and communication.

ESG ambitions

These are the aspirations set out in Énergir's strategic plan that are specifically related to **ESG factors** and that are listed and described in Section 1.1. of this Policy.

Énergir

Refers to Énergir, L.P. and/or Énergir Inc. depending on the context.

ESG factors

An acronym that represents the three categories of environmental, social and governance factors that are commonly used in the extra-financial analysis of a corporation.



Stakeholders

Refers to the set of players actively or passively involved in Énergir's activities. They may be internal, such as directors, officers and other employees; or external, i.e., customers, suppliers, partners, etc.

ESG topics

In general, these are themes underlying **ESG factors**. For example, under the environmental factor, there are topics such as decarbonizing and protection of biodiversity.

ESG priority topics

These are the **ESG topics** selected by Énergir because of their high importance and for which Énergir aims to become a North American leader, as listed and described in [section 2](#) of this Policy.