



Sophie Brochu
President and
Chief Executive Officer

“To prepare for this report, we held consultations with nearly 200 internal and external stakeholders. Together, we discussed our supply chain initiatives, strategic orientations, environmental practices, outreach, philanthropy, and any other subject they consider important in a healthy and modern relationship between a company and the community.”

Company profile

With more than \$7 billion in assets, Énergir is a diversified energy company whose mission is to find increasingly sustainable ways to meet the energy needs of its 520,000 customers and the communities it serves. The leading natural gas distributor in Quebec, Énergir also produces electricity from wind power through its subsidiaries. The company operates in 15 states through its U.S. subsidiaries, producing electricity from hydraulic, wind and solar sources; Énergir is also the leading electricity distributor and the sole natural gas distributor in Vermont. The company invests in innovative projects such as renewable natural gas and liquefied and compressed natural gas.

Sustainability Report 2017

Summary sheet



This summary sheet presents highlights of Énergir's 2017 Sustainability Report. This report is based on Global Reporting Initiative (GRI) standards. To view the complete report, visit energir.com/sd.

Be part of the solution

Being a responsible company means working intelligently to meet energy needs now and in the future. This is why we have put sustainable development and the fight against climate change at the heart of Énergir's business model, which follows a three-pronged approach.



Encouraging energy efficiency

The only truly green energy is the one we succeed in doing without. In addition to offering environmental benefits, boosting energy efficiency generates major savings for our customers.



Increasing the share of renewable energy

With our wind farms and biomethanization projects, Énergir has become a provider of diversified energysolutions in Quebec.



Reducing our dependence on petroleum products

The environmental advantages of natural gas over more polluting forms of energy present an undeniable argument for its use.

It is estimated this approach will reduce emissions by

2.8 million

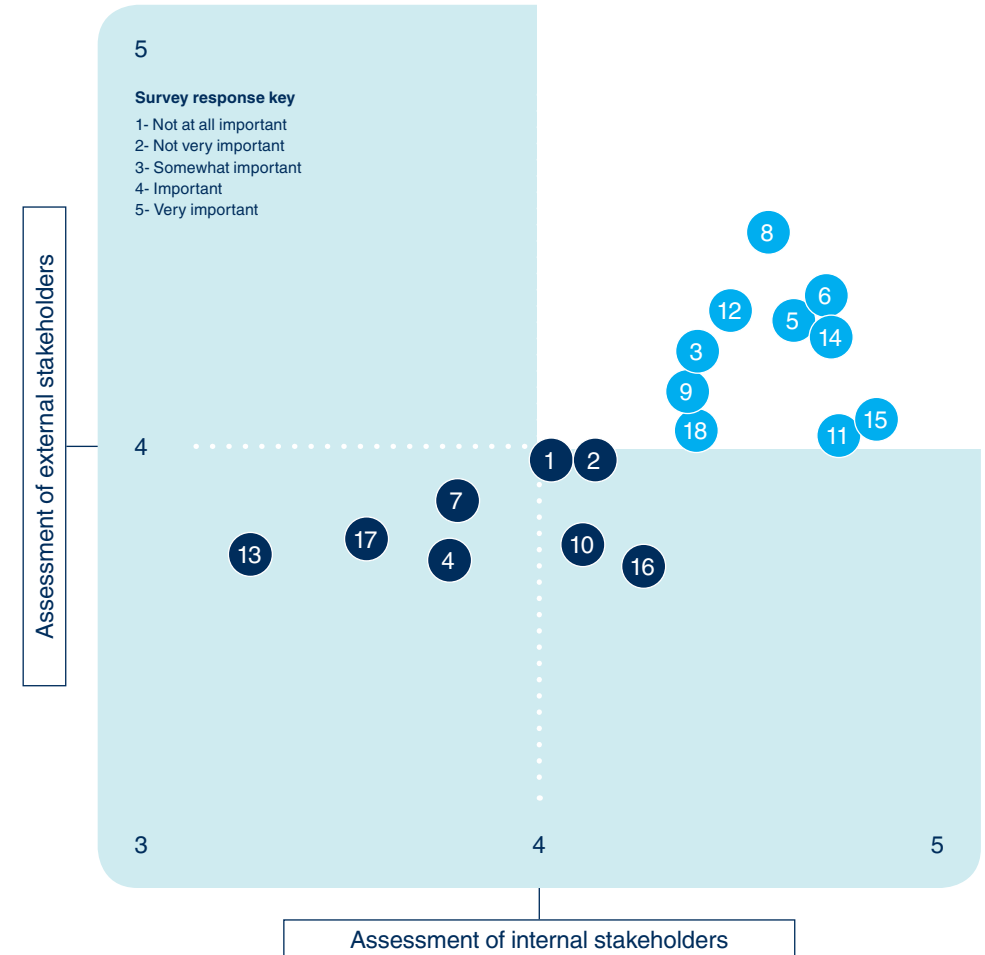
tonnes of GHGs in Quebec by 2030

Sustainable development and environmental governance

Énergir's internal governance structure promotes the integration of sustainable development values and principles in setting objectives and strategies and in its actions across the organization. As part of implementing the new version of the ISO 14001 standard (2015 version), we have altered this structure for better synergy among the main departments of the Environmental Management System and among different levels of accountability and strategic review.

Materiality assessment

The process of determining the content of the report reflects changing interests within the company and is informed by the results of discussions with stakeholders. This consultation process helped us determine the priority issues covered in the report.



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|---|---|
| 1. Internal energy consumption | 10. Performance and economic spinoffs |
| 2. Water management | 11. Natural gas and the energy transition |
| 3. Management of the environmental impact of developing the natural gas network | 12. Social acceptability |
| 4. Management of waste and spills | 13. Service accessibility |
| 5. Air emissions | 14. Safety of the gas network |
| 6. Energy efficiency and innovation | 15. Occupational health and safety |
| 7. Goods and services procurement practices | 16. Employment and working conditions |
| 8. Legal compliance and business ethics | 17. Community involvement |
| 9. Natural gas supply | 18. Customer satisfaction |



Social acceptability

Process for identifying and mitigating the impact of projects to improve or build the gas network

37% fewer complaints

regarding Énergir projects (12 vs 19 in 2016)



Natural gas supply

Responsible gas procurement process launched in 2017

- ⇒ Deal directly with producers so that our natural gas supplies are easier to track, and
- ⇒ Buy from producers that have adopted best practices to reduce the impact of their operations



Legal compliance and business ethics

- ⇒ In 2017, more than **100 employees** received training on the Code of Ethics

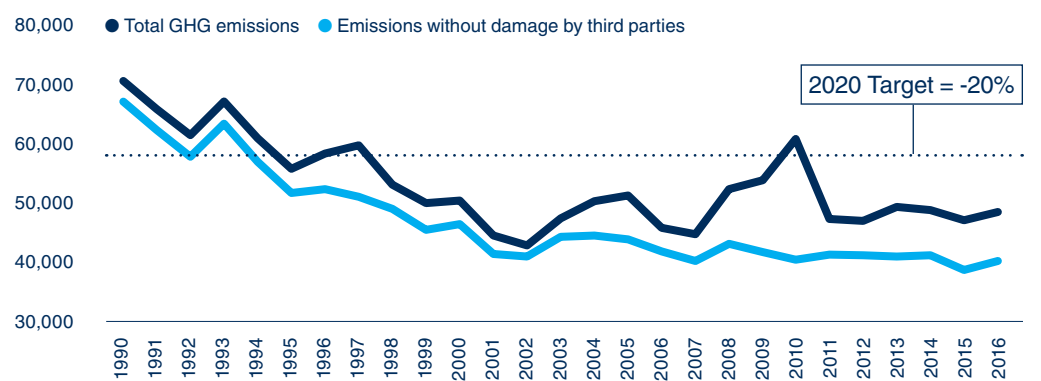
- ⇒ Since 2015, more than **1,300 staff**, directors and agents have taken **online training on the Code of Ethics**



Air emissions

- ⇒ **Reduction in GHGs** of more than **500,000 metric tonnes** in CO₂ equivalent through the purchase of offset credits for eight projects in Quebec since 2015
- ⇒ **Reduction of 36.1%** compared with emissions in 1990
- ⇒ **Reduction of 450 tonnes of GHGs** through the replacement of a boiler at a Jonquière delivery station

GHG Emissions (Tonnes of GHGs (CO₂ eq))



Energy efficiency and technological innovation

- ⇒ In 2017 alone, our programs allowed our customers to carry out **4,665 energy efficiency projects**
- ⇒ **Satisfaction rate** of participants in various programs: **89% in 2017**

Results for our 205,000 customers since 2001

120,500 projects **497 million m³** of natural gas saved **955,000 tonnes** of GHGs avoided



Managing the environmental impact of developing the natural gas network

Biodiversity: **23 species inventoried** and taken into consideration during construction projects in 2017

In total, that equals **1,379.2 hectares of land characterized** since 2012, including 208.5 hectares in 2017



Natural gas and energy transition

- ⇒ **First injection of renewable natural gas** into our system from the City of Saint-Hyacinthe's organic waste reclamation centre
- ⇒ L'Oréal Canada is our **first renewable gas customer**

Reductions in GHGs through the use of natural gas by our customers in various sectors

Network extensions	Road transport	Maritime transportation and remote regions
1,768 tonnes of CO ₂ equivalent in GHGs expected	12,255 tonnes of CO ₂ equivalent in GHGs in 2017	22,300 tonnes of CO ₂ equivalent in GHGs in 2017



Occupational health and safety

- ⇒ Reduction of absenteeism rate: the number of days of absence per person was 8.12 in 2017, compared with 8.45 in 2016

- ⇒ Unfortunately, 2017 was a step back, with 25 incidents compared with 16 the previous year. **Internal investigations are underway to determine the causes of these incidents**



Customer satisfaction

95.1% Customer satisfaction rate

Reduction of **5.9%** in the number of complaints



Safety of the gas network

Preventive maintenance programs **99.7%** of planned activities completed

Emergency response time **94.3%** for the response-time goal of 35 minutes