

BOARD OF DIRECTORS

MANDATE¹

1. GENERAL MANDATE

The Corporation's⁽²⁾ 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 of Directors (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.

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.

The Corporation's By-Laws give the Executive Committee all of the powers reserved to the Board, subject only to the relevant provisions of the applicable laws and the restrictions imposed from time to time by the Board.

The Board has established a mandate for the Executive Committee and every other committee it has created.

2. 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 Noverco Inc., the Corporation's sole shareholder, (the "**Shareholder**") 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.

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, which addresses, among other things, business opportunities and risks;
- (c) formulate the Board's expectations of management;

⁽¹⁾ Revision approved by the Board of Directors on September 24, 2020
⁽²⁾ Énergir Inc.

- (d) identify and monitor the main risks faced by the enterprise and ensure appropriate measures and systems are implemented for managing such risks;
- (e) plan the succession for senior executives, including hiring, appointments, compensation, evaluation, training and career development;
- (f) define the responsibilities of the senior executives and their authority to bind the Corporation;
- (g) ensure the integrity of the Corporation's internal control and management information systems;
- (h) 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;
- (i) on the recommendation of the relevant Committee, adopt and revise any corporate policy it considers appropriate and ensure it is followed;
- (j) establish measures for receiving reactions and comments from holders of the Corporation's and Énergir, L.P.'s securities;
- (k) identify decisions that require the pre-approval of the Board and establish approval and authorization policies for decisions and contracts binding the Corporation;
- (l) on the recommendation of the Human Resources and Corporate Governance Committee and in compliance with the *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 or the Chairman of the Board if that candidate is to replace a Director who is not related to the Shareholder;
- (m) 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 and followed, including monitoring and approval of all exemptions, where applicable;
- (n) 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 Human Resources and Corporate Governance 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 impact of the individual personalities and qualities of each Director on the Board dynamic;
 - (v) the individual competencies and skills of each Director;
 - (vi) the means likely to improve the performance of the Board and each of its members in the future;
 - (vii) the cooperation received from management;

- (viii) the mandates and operating mode of the Board and its committees, making any necessary adjustments; and
- (ix) *the Policy Regarding Diversity on the Board of Directors*, including the objectives set forth by the Corporation regarding the representation of women on the Board and management;
- (o) receive the report of the Human Resources and Corporate Governance Committee regarding the representation of women on the Board and management of the Corporation, review and assess this representation and the impacts of steps taken in order to achieve its objectives and, if needed, set forth new measures or adjustments to existent measures;
- (p) prepare a job and function description for the President and Chief Executive Officer, which shall define the responsibilities of management;
- (q) ensure all Directors:
 - (i) receive 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;
- (r) 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.;
- (s) create committees of the Board, establish their mandate and appoint their members;
- (t) appoint the Chairman of the Board and the Chairman of each committee of the Board, and approve the amount of their compensation and that of the Directors;
- (u) on a recommendation of the Human Resources and Corporate Governance Committee, establish and approve the compensation policies and programs for management, evaluate the performance of the Chief Executive Officer based on the objectives set, and establish his/her compensation;
- (v) with the assistance of the Audit Committee, ensure compliance with accounting standards, as well as the integrity and adequacy of financial reporting;
- (w) on a recommendation of the Audit Committee, approve the interim and annual financial statements of the Corporation and the annual financial statements of Énergir, L.P.;
- (x) 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;
- (y) on a recommendation from the Audit Committee, recommend the choice of the external auditors to the Shareholder;
- (z) on a recommendation of the Audit Committee, approve the interim and annual Management's Discussion and Analysis and the Annual Information Forms of the Corporation;

- (aa) on a recommendation of the Human Resources and Corporate Governance Committee, approve the Report on Executive Compensation and the governance information to be included in the Corporation's Annual Information Forms ;
- (bb) approve the charters, by-laws and administrative resolutions as well as any amendments to these documents;
- (cc) approve important regulatory matters;
- (dd) approve operating and capital budgets of the Corporation and Énergir, L.P.;
- (ee) 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;
- (ff) 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;
- (gg) approve any major reorganization or downsizing;
- (hh) approve the issue, purchase or redemption of the securities of the Corporation and Énergir, L.P. and approve the related reporting process;
- (ii) approve the form and content of the certificates evidencing the securities of the Corporation and Énergir, L.P; and
- (jj) on a recommendation of the Occupational Health and Safety and Environment Committee, approve the Environmental Policy of Énergir, L.P. and the Report on climate change published by the Corporation.

3. OTHER RESPONSIBILITIES

The Board shall periodically:

- (a) review and revise its mandate; and
- (b) prepare an annual work plan that it may revise during the year if necessary.

4. FUNCTIONING

To effectively discharge its responsibilities, the Board shall meet periodically (at least one meeting per quarter), i.e. normally five to six times a year, and the Board's committees shall meet as necessary between those meetings. It shall decide on the frequency and location of the regular meetings of the Board and the committees by adopting a timetable for regular meetings as proposed by the Corporate Secretary and modified as required during the fiscal year.

To assist it in discharging its responsibilities, the Board has formed the following standing committees – Executive Committee, Audit Committee, Human Resources and Corporate Governance Committee, Pension Fund Committee and Occupational Health and Safety and Environment Committee. In addition, the Board has delegated day-to-day administration to management through specific responsibilities assigned to the President and Chief Executive Officer.

Furthermore, in the performance of its mandate, the Board can retain the services of external advisors at Énergir, L.P.'s expense.

5. CHAIRMAN OF THE BOARD

The Directors, following the Shareholder's meeting which appointed them, shall elect a Chairman from amongst their ranks. The Canadian Securities Administrators' *Policy Statement 58-201 to Corporate Governance Guidelines* provides guidance that, while not prescriptive, is for consideration by reporting issuers in developing their own governance practices. The guidelines suggest the Chairman of the board should be an independent director. Where this is not appropriate, the guidelines suggest an independent director should be appointed to act as "lead director". If the board does not have an independent Chairman or lead director, Form 58-101F1 of *Regulation 58-101 Respecting Disclosure of Corporate Governance Practices* of the Canadian Securities Administrators requires that the Annual Information Form describe what the board does to provide leadership for its independent directors.

The Chairman 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/she 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/she shall ensure the decisions made by the Board are implemented. The Chairman 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/she shall also make himself/herself available to advise the President and Chief Executive Officer.

Specific responsibilities of the Chairman of the Board shall be:

- (a) to ensure harmonious relations between the Shareholder, the Board and management;
- (b) to inform the Shareholder of the recommendations for new Directors based on the report of the Human Resources and Corporate Governance Committee;
- (c) to propose the composition of the Board Committees to the Human Resources and Corporate Governance Committee;
- (d) to be a member of and chair the Executive Committee. He/she is a member of the Human Resources and Corporate Governance Committee;
- (e) at his/her discretion, to sit on other Board committees;
- (f) to inform management about his/her evaluation of the information provided to the Directors; and
- (g) to ensure, with the Human Resources and Corporate Governance Committee, that the best corporate governance practices are followed.

6. COMMITTEE CHAIRMEN

Each committee Chairman 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 his/her 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;
- (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 Chairman of the Audit Committee shall also make him/herself available to address the concerns of any employee of Énergir, L.P. or other persons with respect to questionable accounting, internal control or auditing matters.

If a Chairman of a committee does not attend a meeting of the committee, the committee shall choose one of the other members to chair the meeting.

7. 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/she 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.

8. IN CAMERA SESSIONS

At the end of each meeting, the Board shall deliberate without management. The Chairman of the Board shall chair the in camera session.