

HUMAN RESOURCES AND CORPORATE GOVERNANCE COMMITTEE

MANDATE¹

1. CONSTITUTION, COMPOSITION AND REGULAR INVITEES

To assist it in discharging its human resources and corporate governance responsibilities, the Board of Directors of the Corporation² (the “**Board**”) formed a Human Resources and Corporate Governance Committee (the “**Committee**”) to which it appoints the members and the Chairman. The Chairman of the Committee shall be an independent director within the meaning of *Regulation 58-101 Respecting Disclosure of Corporate Governance Practices* and *Regulation 52-110 Respecting Audit Committees* of the Canadian Securities Administrators. The Committee shall be composed of a majority of independent directors

The President and Chief Executive Officer and the Vice-President, Employees and Culture, shall normally attend all or part of the meetings of the Committee.

2. MANDATE

The Committee shall perform any function assigned to it by the Board. Among other things, it shall be responsible for reviewing all human resources issues under the jurisdiction of the Board and, for some of those issues, for making a final decision. It shall also be responsible for reviewing practices followed by the Board and its committees in overseeing the management of the affairs of the Corporation and Énergir, L.P., evaluating the effectiveness of the Board and its committees in this regard and making recommendations to the Board for improvements to corporate governance practices.

In discharging its mandate, the Committee may retain the services of outside consultants at the expense of Énergir, L.P.

3. SPECIFIC RESPONSIBILITIES

The Committee’s specific human resources responsibilities shall include the following matters:

(a) Appointment of Senior Executives

- (i) manage, when required, the recruiting process for a president and chief executive officer, including the selection of an executive search firm, if necessary, and make recommendations to the Board of Directors concerning the appointment of a candidate and the individual’s conditions of employment, roles and responsibilities, and compensation;
- (ii) review proposals by the President and Chief Executive Officer for the hiring or appointment of candidates for the positions of Vice President or Corporate Secretary (the “**senior executives**”) and make a recommendation thereon to the Board;

¹ Revision approved by the Board of Directors on September 24, 2020.

² Énergir Inc.

- (iii) review any decision relating to the termination of employment and related conditions for the President and Chief Executive Officer and make its recommendations to the Board;
- (iv) review and decide on a request from a senior executive to sit on the board of directors of an unrelated profit-oriented corporation; and
- (v) on a yearly basis, review the representation of women in management and the impact of the steps taken towards achieving the objectives set forth by the Board, report to the Board and propose required adjustments, if any.

(b) Organizational Structure

- (i) review any significant change in the organizational structure proposed by the President and Chief Executive Officer and submit its comments along with its recommendation to the Board.

(c) Corporate Policies and Ad Hoc Decisions

Management's Aggregate Compensation

- (i) for each fiscal year, review the corporate and personal objectives for the President and Chief Executive Officer as proposed by the latter and make its recommendation to the Board;
- (ii) for each fiscal year, review the objectives proposed by the President and Chief Executive Officer for management personnel, i.e. from Directors up to and including the President and Chief Executive Officer, and submit its comments and suggestions along with its recommendation to the Board;
- (iii) review and approve the performance evaluation policies and processes for senior executives and other management personnel;
- (iv) evaluate the effectiveness of the President and Chief Executive Officer based on the objectives set and expectations expressed by the Board;
- (v) review the report prepared by the President and Chief Executive Officer assessing the performance of the senior executives reporting to him based on the objectives set at the beginning of the fiscal year and the expectations communicated to them by the President and Chief Executive Officer;
- (vi) review (i) the global policy on management personnel compensation including the President and Chief Executive Officer's compensation as well as (ii) the effective proposed compensation for them, recommend any changes it considers necessary and make its recommendations to the Board. It shall normally retain the services of one or more compensation consultants and establish its/their mandate(s);
- (vii) based on the assessment of his /her performance, prepare and make a recommendation to the Board with respect to the incentive compensation, including the payment of any bonus, of the President and Chief Executive Officer;

- (viii) review the recommendations of the President and Chief Executive Officer with respect to the incentive compensation, including the payment of any bonus, of senior management personnel based on an evaluation of their performance;
- (ix) on a yearly basis, review and approve the compensation policy and the actual compensation for middle management and specialized personnel based on the recommendation of the President and Chief Executive Officer; and
- (x) review the employment benefit programs and get an annual report on their costs.

Compensation and Other Employment Conditions for Personnel Governed by a Collective Agreement

- (xi) review and approve collective bargaining mandates proposed by management in connection with the collective agreements.

(d) Pension Plans Management

- (i) review and approve the pension plans of management personnel and employees governed by a collective agreement as well as matters relating to the utilization of any actuarial surplus and contribution holidays;
- (ii) review and approve draft amendments to the pension plans for management personnel and employees governed by a collective agreement;
- (iii) review, modify and approve any required document as an employer by the *Loi sur les régimes complémentaires de retraite* and the related regulations, including, without limitation, the Funding Policy;
- (iv) on the recommendation of the management, appoint Énergir, L.P.'s representatives to the pension committees, other than those appointed *ex officio*, for a three-year mandate;³ and
- (iv) approve any change to the actuarial assumptions proposed by management's representatives and Énergir, L.P.'s actuaries.

(e) Succession Planning

- (i) ensure there are adequate succession planning mechanisms for the position of President and Chief Executive Officer; and
- (ii) ensure the succession plan is updated annually and that there are programs in place for the development of senior management, particularly executive officers, and their successors.

(f) Human Resources Management

- (i) ensure Énergir, L.P. complies with applicable labour laws and regulations; and

³ Based on the rules in Énergir, L.P.'s pension plans for management personnel and employees governed by a collective agreement.

- (ii) review the human resources management orientations.

The Committee's corporate governance responsibilities shall include the following:

(g) Corporate Governance

- (i) determine the Corporation's approach to corporate governance practices and the implementation mechanisms thereof, including the adoption of corporate policies by the Board, ensure such practices are implemented, update such policy in collaboration with the President and Chief Executive Officer and the Corporate Secretary, and ensure that the governance information⁴ to be included in the Corporation's Annual Information Forms or any other communication of Énergir, L.P. or the Corporation is prepared and submit its recommendations to the Board;
- (ii) review from time to time with the President and Chief Executive Officer and the Corporate Secretary the mandates of the Board and its committees and submit its recommendations to the Board;
- (iii) review and evaluate on a periodic basis the effectiveness of management's corporate governance practices, discuss it with the President and Chief Executive Officer and the Corporate Secretary and report thereon to the Board;
- (iv) periodically review related-party transactions, in particular with respect to the shareholders of Noverco Inc. ("**Noverco**") and their subsidiaries;
- (v) oversee and manage actual or potential conflicts of interest of management, Directors and Noverco and its shareholders;
- (vi) obtain, annually and as necessary, a report on the independence of each Director within the meaning of *Regulation 58-101 Respecting Disclosure of Corporate Governance Practices* and *Regulation 52-110 Respecting Audit Committees*;
- (vii) periodically obtain a report on the administration of the *Community Investment Policy*;
- (viii) periodically obtain a report on the disclosure of outside positions and interests;
- (ix) address any concern expressed by one or more Directors concerning corporate governance practices;
- (x) review and revise its mandate and submit its recommendations to the Board;
- (xi) review and revise, in collaboration with the various committees, their mandates and submit its recommendations to the Board; and
- (xii) prepare an annual work plan that it shall revise during the year if necessary.

⁴ Except the governance information of the Climate Report.

(h) Composition of the Board and its Committees and Directors' compensation

- (i) prepare a list of the criteria to be considered in selecting new Director candidates, in compliance with the *Guidelines for Recruiting and Renewing Directors of Énergir Inc.*;
- (ii) propose to the Board, for recommendation to Noverco, the sole Shareholder of the Corporation, the number of members to the Board and the number of Directors who are not related to Noverco;
- (iii) review for recommendation to the Board the candidate proposed by Noverco to replace a Director who is related to Noverco or the candidate proposed by the Chairman of the Board to replace a Director who is not related to Noverco;
- (iv) recommend to the Board the names of the Directors who will sit on the committees of the Board as well as the names of the Directors who will chair the committees;
- (v) recommend to the Board the compensation of its members, committee members, committee Chairmen and the Chairman of the Board; and
- (vi) on a yearly basis, review the representation of women on the Board and the impact of the steps taken towards achieving the objectives set forth by the Board, report to the Board and propose required adjustments, if any.

(i) Evaluation of Effectiveness

- (i) determine the approach to be followed for evaluating the effectiveness of the Board, its Committees and its Chairman and the factors to be considered in evaluating the Board and each of its members, its committees and their members and the Chairman of the Board;
- (ii) evaluate and review its effectiveness and the effectiveness of its Chairman and report thereon to the Board;
- (iii) review the evaluation of the effectiveness of the Board and its members, its Chairman, the other committees and their members and Chairmen and report thereon to the Board; and
- (iv) review from time to time matters addressed by the Board and the Committees, the quality of the documentation provided, the organization and the frequency of meetings, the quality of follow-up of decisions by management as well as the methods and the quality of the communications between the Directors and management.

(j) Orientation and Training

- (i) develop, update and evaluate the effectiveness of the initial and continuing education for the members of the Board to familiarize them with their role, the Corporation and Énergir, L.P., their activities, their subsidiaries, their financial condition and results and the strategic plan of Énergir, L.P., its facilities, its business plans, its budgets, its projects, its issues and any other useful or relevant matter.

(k) Code of Ethics

- (i) review, for recommendation to the Board, any change to, and ensure compliance with, the *Code of Ethics*.

(l) Annual Information Form Statement

- (i) review the Statement of Executive Compensation and Corporate Governance Disclosure for approval by the Board. After the Statement has been approved, it shall be included in the Annual Information Form of the Corporation.

(m) Compliance with Laws and Regulations

- (i) periodically review recent developments in compensation and governance (e.g. statement of executive compensation).

4. REPORTING

The Committee shall report to the Board of Directors at the Board meeting following its own meeting. The Chairman 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 Chairman 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.

5. IN CAMERA SESSIONS

At each meeting, the Committee shall decide if it is necessary to deliberate without management.