



COMMUNITY

Building relationships

Building long-lasting relationships with the communities in which we conduct operations has been a feature of Innergex's development strategy since its inception in 1990. It is our goal to be a good neighbour and make a positive contribution in communities as a good corporate citizen. We are proud of our track record of supporting grassroots community groups that make a difference in people's lives and are always looking for opportunities to further our impact to help build resilient communities.



**PARTNER
OF CHOICE**

INNERGEX

Renewable Energy.
Sustainable Development.

A Good Neighbour

Being a good neighbour is important to Innergex and we take great pride in our track record of nurturing trust-based, long-term relationships with the communities where we conduct operations. Beginning with pre-development community engagement, we take time to learn about a community's needs and strive to arrive at a design that best reflects community feedback, needs, preference and knowledge. We believe in building durable relationships through dialogue, listening and an iterative approach to project design and keeping our commitments to host communities.

Innergex is among the first independent renewable energy producers in Canada to recognize the value of partnering with Indigenous communities (see Indigenous Partnerships section below) and local governments to share in the wealth generated through clean, local energy generation. Such partnerships offer a long-term revenue source that is injected back into rural economies to build further capacity, create jobs, and oftentimes act as a driver for socio-economic development. Our first such project, the Viger-Denonville community wind farm in Quebec, has been in operation since 2013 and will continue to share the value generated by the facility with the Regional County Municipality of Rivière-du-Loup throughout the duration of the 20-year power purchase agreement.

The positive impacts of our renewable energy projects on a community and its residents can be significant and long-term. Some of the benefits include:

- A sustainable source of revenues
- Investments in community infrastructure projects
- Skills training and job creation
- Directing sustainable land resource management
- Promoting healthy communities
- A diversified stream of revenue for landowners
- Contracting opportunities for Indigenous and locally-owned businesses
- Building capacity for future development projects
- Climate change mitigation and adaptation
- Diversifying and enhancing the tax base to create support for local priorities such as schools



\$3 M Our sponsorship, donation and voluntary contributions **supported 224 organizations** that have **shared over \$3 million**

Sponsorships and Donations

One of our Values, *Get Involved*, drives our commitment to be a good neighbour and a responsible corporate citizen by supporting the causes and efforts that have a broader impact in communities. Our sponsorships and donations have and will continue to have a meaningful impact in communities. More than ever, we remain committed to the values that have helped us share the benefits renewable energy facilities generate. Innergex is specifically focused on supporting initiatives and groups that promote:

- Environment and Sustainability
- Community and Culture
- Health and Research
- Sports and Recreation
- Education and Engagement

Some of the organizations we are proud to have supported in 2021 include:

- The Canadian Red Cross Society
- Regroupement des jeunes chambres de commerce du Québec (Quebec, Canada)
- École des Jolis-Vents (Quebec, Canada)
- Seymour Community Development Corporation (Texas, US)
- Ramadilla Neighborhood Council (Quilleco, Chile)
- Maui Cultural Lands (Hawaii, US)
- Parc et Mer Mont-Louis (Quebec, Canada)
- Uhiwai O Haleakala (Hawaii, US)
- Pemberton & District Chamber of Commerce (British Columbia, Canada)
- STARS Foundation (British Columbia, Canada)
- Powell River Salmon Society (British Columbia, Canada)
- Fédération française de cardiologie (Lyon, France)

Supporting Employee Initiatives

Innergex is proud to help make a difference in the causes important to our employees. In 2020, we launched our Employee Matching Donation program which matches funds raised by employees up to \$500 per community initiative. In 2021 several employees participated raising funds for different organizations.

Community Engagement Approach

Every community that hosts an Innergex project is unique and we aim to adapt to each location's particular needs. We begin by identifying key partners and stakeholders. Our community engagement process begins at the earliest stages of a project's development and continues throughout operations. Our engagement process is designed to listen and address community concerns, to share information, understand local values, and discover areas of mutual interest. It provides an opportunity to work through an iterative process to identify opportunities and concerns and take measures to address them in a cooperative way, where commercially reasonable. We have mechanisms in place to collect, record, and address community concerns as we seek to:

- Provide transparent information on the project and its potential benefits including during the pre-development, permitting, construction and operation phases;
- Establish an open line of communication with community members and groups, Non-Governmental Organizations ("NGOs"), and other stakeholders; and
- Listen to the views, concerns and interests of community members and cooperatively develop solutions that address the issues raised.

We accomplish this by:

- Introducing our team members and showcasing Innergex experience;
- Establishing a dedicated project website and email address;
- Respecting local customs;
- Holding one-on-one meetings;
- Creating and maintaining open lines of communication to ensure community feedback is incorporated into the project development process when feasible;
- Following through on our commitments to the community throughout development, construction and operation;
- Presenting to interested groups or at community events; and
- Hosting public open houses and information sessions both in-person and virtually.

Creating lasting bonds of trust between people is at the core of our business strategy and we are proud of the numerous long-term relationships we have built over the decades.

Innergex regularly assesses its outreach strategies with the assistance of local partners and residents and adjusts them to maximize effectiveness and relevance with stakeholders.

Our community support has taken different approaches throughout our more than 30 years generating renewable energy, including through:

Legacy Projects: Constructing a permanent bridge in the community of Inukjuak that will provide residents year-round access to new hunting and berry picking grounds on the south shore of the Inukjuak River at our Innavik project on the east shore of Hudson Bay, Quebec, Canada.

Building Capacity: As part of the Amazon Solar Farm Ohio - Hillcrest, Innergex has concluded Education Cooperation and Financial Funding Agreements with Southern State Community College, which will enable site visits for students in technical programs and has created an education fund seeded with \$60,000 at commercial operation and funded with \$6,000 per annum thereafter.

Engaging Communities: Since 2018, our outreach in Hawaii for projects in development has held three in-person public open houses/community information sessions; six virtual public open houses/community information sessions (due to pandemic restrictions); dozens of presentations and meetings with community associations, residents' groups, NGOs, and local and state government agencies and departments; and dozens of one-on-one and small-group in-person interviews with our team members.

Catalyzing Growth: A social development fund was established to support projects of an economic, cultural, touristic, heritage, sports or educational nature at our Viger-Denonville and Mesgi'g Ugju's'n facilities in Quebec.



INDIGENOUS PARTNERSHIPS

Building a better future

Innergex has long recognized the importance and value of working closely with Indigenous communities where we have development and operating facilities. In alignment with the Truth and Reconciliation Commission's Call to Action 92, we also believe strongly in the positive outcomes that arise from sharing economic benefits and creating job opportunities through renewable energy projects. As the original stewards of the land, Indigenous peoples play an important role in ensuring that our renewable resources are harnessed responsibly, and the benefits generated by them are deployed to further their sovereignty and prosperity.



A Path to Reconciliation

More than ever this year, Canadians have learned about the trauma and harm experienced by Indigenous peoples. We firmly believe not only that the private sector has a responsibility to participate in reconciliation, but also that ensuring resource sustainability depends on establishing viable partnerships with Indigenous communities, drawing on their expertise and knowledge of the territory. Innergex has grown as a business by listening and learning from our Indigenous partners who each have a unique story to tell. When developing long-term relationships, it is imperative that we understand and adapt to each community's individual needs and socio-economic priorities. Designed with clear expectations, our partnerships are based on open lines of communication and respect, and often act as a catalyst for sustained prosperity.

In 2002, Innergex signed its first ever partnership with the Biigtigong Nishnaabeg in Ontario to develop the Umbata Falls hydroelectric project. The 20-year power purchase agreement on this facility generates tangible and long-term economic benefits for the band. The \$20 million the Biigtigong Nishnaabeg have accrued from the project to date has not only been used to fund new development opportunities but has been re-invested into community projects as outlined in the band's strategic plan.

Several other projects today stand as testaments to our commitment of building strong relationships with our Indigenous partners to create shared prosperity. We co-own four facilities in partnership with Indigenous communities in Canada (Kwoiek Creek, Mesgi'g Ugju's'n, Umbata Falls and Walden North) and we also have one project currently in construction that is owned in partnership with the Inuit community of Inukjuak (Innavik). Innergex also has many royalty agreements and other types of agreements with Indigenous communities across Canada including but not limited to:

- After 40 years from Commercial Operation Date (COD) of the Kwoiek Creek Facility, which is currently owned 50-50 with the Kanaka Bar Indian Band, the Corporation's ownership interests will be transferred to Kwoiek Creek Resources Inc. Subsequently, the Corporation will receive a royalty based on a percentage of the gross revenues less operation costs.
- The assets of the Ashlu Creek Facility will be transferred to the Squamish First Nation for a nominal price after 30 years from COD (2039).
- The Mesgi'g Ugju's'n wind project, a 50-50 partnership with the Mi'gmaq of the Gaspé region of Quebec, is providing the three communities that make up the partnership with a source of long-term revenue from the 20-year operational life of the facility. Additionally, the economic interest of Innergex in the facility will decrease over time to the benefit of our partner for no additional consideration.

Innergex is proud of its history of developing some of the first partnerships with Indigenous communities across the country and in the process not only set a precedent, but established a practice now commonly employed in the industry.

Whether through partnerships, contractual payments under impact and benefit agreements, or other types of contractual agreements, Innergex works with each community to understand their individual needs to best determine how to meet those needs.

Innergex currently has agreements with 31 Indigenous communities on renewable energy projects, some of which are in operation and others at various stages of development. These partnerships are at the core of our development strategy. Designed with clear expectations, these agreements are based on open lines of communication, respect and the goal that they are mutually beneficial.

Being a good partner means supporting local community initiatives that make a difference in people's lives. We are proud to provide support and work with many Indigenous organizations and events. Some of the organizations we supported in 2021 include:

- Kwoiek Academic Endowments (British Columbia, Canada)
- Isuarsivik (Quebec, Canada)
- Kwahiatonhk! Salon du livre des Premières Nations (Quebec, Canada)
- Commission de développement économique des Premières Nations du Québec et du Labrador (Quebec, Canada)
- Mi'gmawei Mawiomi Resources (Quebec, Canada)
- Los Guindos Indigenous community (Pehuenche, Chile)
- Lil'Wat Nation Community Center (British Columbia, Canada)
- Cayoose Creek Indian Band (British Columbia, Canada)
- Indigenous Resource Opportunities Conference (British Columbia, Canada)
- Cañicura Neighborhood Council (Quillico, Chile)
- Waimea Hawaiian Homesteaders' Association (Hawaii, US)
- Sts'ailes (British Columbia, Canada)



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