



PEOPLE

SUSTAINABLE DEVELOPMENT REPORT 2019

Innergex Renewable Energy Inc. (“Innergex” or the “Corporation”) is an independent renewable power producer that conducts operations in Canada, the United States, France, and Chile. Led by an experienced management team, Innergex develops, acquires, owns and operates hydroelectric facilities, wind farms, and solar farms.



INNERGEX

Renewable Energy.
Sustainable Development.



AS WE CELEBRATE OUR 30TH ANNIVERSARY IN 2020, WE REMAIN GRATEFUL OF THE CONTRIBUTIONS OUR EMPLOYEES MAKE EVERYDAY TO BUILD A BETTER WORLD.

Innergex believes in offering an engaging, inclusive and supportive work environment where each team member can thrive. We are keenly aware our success is generated by the energy our team puts into every challenge and opportunity to effect positive change.

The Charter of the Human Resources Committee oversees all aspects of talent recruitment and retention for the Corporation. The guidelines developed ensure that all employees are offered fair and competitive compensation, describe requirements for performance bonuses, identify and offer health and benefit packages in par or above industry standards, promote succession planning and outline the overall management of human resources including recruitment, workforce planning, employee mobilization and employee satisfaction.

WORKFORCE DATA (As at December 31)

	2019			2018		
	Female	Male	TOTAL	Female	Male	TOTAL
BY EMPLOYMENT TYPE						
FULL-TIME	100	217	317	62	211	273
PART-TIME	1	9	10	15	9	24
BY EMPLOYMENT CONTRACT						
PERMANENT	96	215	311	72	213	285
TEMPORARY	5	11	16	5	7	12
BY REGION						
CANADA	92	201	293	72	202	274
USA	3	14	17	1	11	12
FRANCE	5	10	15	4	7	11
CHILE	1	1	2	--	--	--
TOTAL	101	226	327	77	220	297

FOLLOWING OUR PASSION

A common thread amongst the employees at Innergex is a drive to build a better world through renewable energy. We strive to create a corporate culture that encourages our employees to not only get involved and drive opportunities, but to lead with integrity while acting

On May 23, 2019, the Corporation announced completion of the sale of its wholly owned subsidiary Magma Energy Sweden A.B., which owns an equity interest of approximately 53.9% in HS Orka hf, owner of two geothermal facilities in operation, one hydro project in development and prospective projects in Iceland. As a result, they are not included in this document.

All data in this report are for the year ended December 31, 2019 and 2018. Calculations do not include 83 employees at Energia Llaima, a Chilean renewable energy company that Innergex has a 50% ownership stake in as it is managed as a separate entity.

responsibly. Fostering an environment of inclusivity and diversity is one of our greatest assets as it drives collaboration and innovation. Supporting and encouraging individual growth creates the workforce of tomorrow that proactively engages in today's challenges. By investing in our greatest asset, we nurture a positive workplace culture that creates long-term value for our stakeholders and shareholders. No matter what field they excel in, they all share a common vision that balances People, our Planet and Prosperity.

COMPENSATION AND BENEFITS

Our Human Resources team works hard to ensure that the benchmarking of our compensation and benefits remains in line or above that of our industry peers. By offering fair compensation, attractive working conditions, a generous benefits package, a safe and inclusive working environment, a good work/life balance, fair and equal treatment and opportunities for advancement, we are able to attract and retain a skilled and passionate workforce.

Innergex paid out **\$38 MILLION** in employee **WAGES AND BENEFITS** in 2019

	Canada	United States	France
BASE SALARY	■ ■ ■ ■ ■	■ ■ ■ ■ ■	■ ■ ■ ■ ■
BONUS	■ ■ ■ ■ ■	■ ■ ■ ■ ■	■ ■ ■ ■ ■
LIFE INSURANCE	■ ■ ■ ■ ■	■ ■ ■ ■ ■	■ ■ ■ ■ ■
SHORT- AND LONG-TERM DISABILITY COVERAGE	■ ■ ■ ■ ■	■ ■ ■ ■ ■	■ ■ ■ ■ ■
EXTENDED HEALTH CARE	■ ■ ■ ■ ■	■ ■ ■ ■ ■	■ ■ ■ ■ ■
SICK DAYS AND PERSONAL DAYS	■ ■ ■ ■ ■	■ ■ ■ ■ ■	■ ■ ■ ■ ■
VACATION TIME BEYOND STATUTORY REQUIREMENTS	■ ■ ■ ■ ■	■ ■ ■ ■ ■	
GROUP REGISTERED RETIREMENT SAVINGS PLAN WITH EMPLOYER CONTRIBUTIONS	■ ■ ■ ■ ■	■ ■ ■ ■ ■	
EMPLOYEE SHARE PURCHASE PLAN	■ ■ ■ ■ ■		

■ Full-time employees ■ Fixed-term employees with a contract of two years or more
■ Part-time employees ■ Fixed-term employees with a contract of less than two years

EMPLOYEE RETENTION

Innergex takes great care to create an environment where people are engaged, feel safe, and remain passionate about carrying out their daily activities. Upon recruitment, onboarding is initiated immediately to ensure new employees are as fully prepared to begin their first day at work. Support, recognition, training opportunities and career development follow an employee throughout their time at Innergex. Retaining key talent is a long-term strategy that ensures the continuity of our knowledge base and grows upon the challenges and opportunities we experience.

In 2019, there were

48 EMPLOYEES WITH AT LEAST 10 YEARS OF TENURE AT INNERGEX

By offering opportunities for advancement, training, and a safe workplace rooted in respect and collaboration, we have been fortunate over the years to benefit from the experience and knowledge of our team of experts.

TRAINING AND DEVELOPMENT

Supporting our employees with the tools necessary to advance their knowledge in their respective field of expertise is integral to moving Innergex forward and one of the smartest investments we can make. Innergex offers its team both internal and external learning opportunities to allow them to reach their personal and professional goals.

Innergex also offers the decision makers of tomorrow experience through paid internships while they complete their studies. Not only do our internships introduce a new generation to the many possibilities in the renewable energy sector, but they also expand our recruitment opportunities by showcasing the benefits of working with a respected and growing industry player.

AVERAGE HOURS OF TRAINING PER YEAR PER EMPLOYEE (As at December 31)

	2019			2018		
	Female	Male	COMBINED ²	Female	Male	COMBINED ²
SENIOR MANAGEMENT ¹	40	24	30	20	28	26
MIDDLE MANAGEMENT	62	28	44	29	24	26
PROFESSIONALS	44	37	40	56	25	32
ADMINISTRATION	46	10	43	22	37	25
OPERATIONS	11	33	32	3	24	23

¹ Management Team includes officers and senior directors.

² Combined is the total average number of hours of training per employee in that specific category.

DIVERSITY & EQUALITY

Innergex is an equal opportunity employer that values each person's unique background, diversity, experiences, perspectives and talents. Innergex is committed to providing employees with a work environment free of discrimination and harassment and bases all employment decisions on business needs, job requirements and individual qualifications. The key to our success as a global corporation is to recruit, develop and retain the most talented people from a diverse candidate pool.

Our commitment to gender equality is increasingly being reflected by the increase of women on our Board of Directors, in officer and other management positions, as well as by our memberships and commitments to gender equality campaigns.

The guidelines in our Policy Regarding Board Diversity extend to our employees. We value diversity of gender, ethnicity, nationality, and other attributes, and are committed to ensure that the recruitment of the best available potential candidates is made without discrimination, while encouraging diversity.

In 2019 Innergex became a signatory in the

EQUAL BY 30 CAMPAIGN to work towards equal pay, equal leadership and equal opportunities for women in clean energy sector by 2030

GENDER DIVERSITY BY AGE GROUP

(As at December 31)

AGE	2019			2018		
	Female	Male	TOTAL	Female	Male	TOTAL
30 AND UNDER	8	31	39	8	26	34
31 TO 50	69	139	208	52	144	196
51 AND OVER	24	56	80	17	50	67

GENDER DIVERSITY IN MANAGEMENT

(As at December 31)

POSITION	2019			2018		
	Female	Male	TOTAL	Female	Male	TOTAL
OFFICERS	7	19	26	5	21	26
MANAGEMENT	32	38	70	26	47	73

Promoting equal opportunities for a more balanced workplace. In 2019, **26% OF OUR OFFICERS WERE WOMEN** and women also made up **46% OF OTHER MANAGEMENT POSITIONS**

PAY EQUITY RATIO OF WOMEN TO MEN

(As at December 31)

	2019	
	BASE SALARY	REMUNERATION
CANADA		
SENIOR MANAGEMENT	98%	94%
MIDDLE MANAGEMENT	97%	95%
PROFESSIONALS	101%	101%
ADMINISTRATION	102%	102%

Notes: Officers and other vice presidents were excluded from this table as their compensation is determined by the Board of Directors. Operations and Other Operations have been omitted from this table as there were no figures to report due to there being only one gender or no employees reportable in each jurisdiction. Due to low number of employees operating in the United States and France, providing their ratios in this chart is not possible at this time.

In 2019,

30.8% OF EMPLOYEES AT INNERGEX WERE WOMEN

SAFE AND HEALTHY WORKPLACE

Our achievements at Innergex are accomplished together and so is our safety. We look out for each other, understand our responsibilities and listen to each others' concerns. Promoting safe and secure working environments for all our employees, contractors and suppliers is paramount to our daily operations.

Our extensive Health and Safety processes, guidelines, and procedures are designed with the realities of working both in an office, and due to the nature of our business, remotely. They are based not only on our experiences and expertise, but on legal requirements as well.

In 2018, the Board of Directors formally adopted the Environment, Health and Safety Policy, a long held internal policy, that outlines Innergex's commitment to providing a safe and healthy working environment for its employees across all locations, as well as for contractors performing work on-site, visitors and neighbours.

Our internal Operational Health and Safety program is modeled after the BS OHSAS 18001 Occupational Health and Safety Management standard and provides extensive training programs for our staff and facility operators. These programs are also designed to comply with applicable regional and federal laws and government regulations. We not only encourage employees to take responsibility for their own and others' well-being, but encourage them to challenge unsafe practices.

At our offices, we offer employees one-on-one consultations with ergonomic experts to ensure their workstation set-up allows for maximum health benefits. Innergex supports wellness initiatives that offer employee perks, such as personal ergonomic workstation assessments, as well as yearly flu shots, and other activities.

Furthermore, the design of our offices aims to evoke a sense of inclusion and community by providing spaces for our employees to get together to share ideas, nourishment and experiences.

All employees also have access to a comprehensive, interactive, online employee and family assistance program (EFAP) as well as health and wellness services, all in a secure, easy-to-use, personalized environment.

RATES OF INJURY, OCCUPATIONAL DISEASE, LOST DAYS AND TOTAL NUMBER OF WORK-RELATED FATALITIES (As at December 31)

	Injury Rate ¹		Occupational Disease Rate ²		Lost Day Rate ³		Work-Related Fatalities	
	2019	2018	2019	2018	2019	2018	2019	2018
OPERATORS	3.97	3.62	0	0	64.98 ⁴	4.03	0	0
OFFICE EMPLOYEES	0	0	0	0	0	0	0	0

1 The injury rate is the number of injuries resulting in Medical aid and Loss time accident per 100 employees.

2 The occupational disease rate is the number of occupational diseases per 100 employees.

3 The lost day rate is the number of calendar days lost due to a work-related injury or disease per 100 employees.

4 The injury rate between 2018 and 2019 has remained stable; however, the lost day rate has increased significantly because there were three injuries which resulted in long absences – in one case for 141 days. Overall, these three injuries were responsible for 87% of the total number of lost days incurred in all of 2019. Each injury has been thoroughly investigated and recommendations have been implemented to prevent similar incidences from reoccurring.

Note: Numbers reflect only Innergex employees and contractors.

TARGET: ZERO LOST DAYS DUE TO INJURIES

ENGAGING EMPLOYEES

We engage in a three-steps performance assessment process throughout the year: objective-setting, mid-year review and year-end assessment. This is an opportunity for managers and employees to discuss expectations and performance and it provides a valuable feedback process for employees to improve their performance and engagement and to pursue their professional development.

At the beginning of every year, all employees undergo an Annual Performance Assessment to review performance and career development. This aids the personal development of individual employees. It also contributes to skills management and to the development of human capital within the organization while enhancing employee satisfaction.

In 2019, we conducted our **first employee survey** and had a **RESPONSE RATE OF 84%**

ETHICAL AND ACCOUNTABLE

Words and actions have consequences. This commitment to hold ourselves and others accountable for behaviour and actions that conflict with our Code of Conduct is shared by all our employees. On top of being encouraged to report any concerns to their immediate or department manager, in 2017, Innergex implemented an easily accessible third-party service to report any suspected misconduct, violation of law, activity that conflicts with the Code of Conduct, unethical or potentially damaging actions to the corporate reputation, to management. The 24-hour Ethicsline is a tool that allows an employee to anonymously, or not, report any concerns, any time.

THREE OF THE CORPORATION'S MOST IMPORTANT AND CONSEQUENTIAL POLICIES THAT FORM THE BACKBONE OF OUR COMMITMENT TO OUR EMPLOYEES ARE:

CODE OF CONDUCT

Innergex's Code of Conduct sets the standard and provides guidance as to our expectations for all employees, officers, consultants, members of the Board of Directors and others when representing the Corporation. Its purpose is to provide guidelines to ensure that Innergex's reputation for integrity and good corporate citizenship is maintained through adherence to high ethical standards, backed by open and honest relations among employees, shareholders, directors, officers, suppliers, host communities, partners and other stakeholders. Innergex revises and updates its Code of Conduct on a regular basis (most recent update completed November 2019) and provides copies and training sessions on its content each year to all employees and directors.

POLICY ON HARRASSMENT

We strive to create and maintain a work environment in which people are free from threats, harassment, violence or bullying of any sort and are treated with dignity and respect. Therefore, we implemented a policy to address harassment, violence and bullying in the workplace that establishes clear rules for reporting and investigation procedures in relation to such matters and to promote compliance. This policy aims to ensure that Innergex team members will be treated in a fair and respectful manner at all times.

ENVIRONMENT, HEALTH AND SAFETY

Our priority is to minimize the impacts of our operations on the environment and provide safe work conditions for our employees. Our Environment, Health and Safety Policy outlines our commitment to conducting operations in a manner that respects and protects the environments in which it operates and the health and safety of its employees, contractors and visitors. Our Environment, Health and Safety policy was revised in 2018.

For more information on People please visit our Sustainability Reporting Initiative at sustainability.innergex.com



Renewable Energy.
Sustainable Development.

innergex.com
Published in May 2020