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BORALEX

Beyond
RENEWABLE ENERGY



2021

CORPORATE
SOCIAL RESPONSIBILITY
REPORT





TABLE OF CONTENTS

HIGHLIGHTS	3
MESSAGE FROM THE CHAIRMAN OF THE BOARD	5
MESSAGE FROM THE PRESIDENT AND CHIEF EXECUTIVE OFFICER	6
ABOUT THE 2021 REPORT	8
BORALEX – BEYOND RENEWABLE ENERGY	10
CSR: An integral part of our 2025 strategic plan	11
Our value chain	12
Materiality analysis: A critical step in defining our CSR priorities	15
Our efforts to foster ongoing dialogue with our stakeholders	17
Our approach to managing the impacts and risks related to our activities	18
OUR GOVERNANCE PRIORITIES: LEADING BY EXAMPLE	20
Priority 1: Strengthen responsible corporate governance	21
Priority 2: Practise ethics in business and behaviour	24
Priority 3: Promote sustainability in our procurement decisions	26
OUR SOCIETAL PRIORITIES: RESPECTING OUR PEOPLE, OUR PLANET AND OUR COMMUNITY	29
Priority 4: Foster diversity, inclusion and equal opportunity	30
Priority 5: Take action on occupational health and safety	33
Priority 6: Consult and engage communities and territories	36
OUR ENVIRONMENTAL PRIORITIES: PRODUCING RENEWABLE ENERGY IN A SUSTAINABLE AND RESILIENT MANNER	42
Priority 7: Use resources responsibly	44
Priority 8: Respect and protect biodiversity	47
Priority 9: Adapt to climate change	49
Priority 10: Limit greenhouse gas emissions	55
OUR AMBITIONS FOR 2022	60
APPENDIX 1: INDEPENDENT PRACTITIONER’S ASSURANCE REPORT	62
APPENDIX 2: QUANTITATIVE INDICATOR TABLE	66

HIGHLIGHTS

Launched the **Apuiat** project (200 MW), a **50-50 joint venture** with **Innu communities** in Quebec

Hired a **CSR Director** as a CEO direct report and created a **CSR committee**

Signed the **Solar Industry Forced Labor Prevention Pledge**, a formal, collective commitment to help ensure that the solar supply chain is free of forced labour

Established an internal committee to oversee the implementation of the **11 recommendations** of the **Task Force on Climate-related Financial Disclosures**

Set a new target of **27.5% for women in management positions** by 2025

Achieved **36%** representation of **women on the Board of Directors**

Prevented the release of **352,666 tons** of **CO₂** in 2021 through renewable energy generation, up **24%** from 2020

Generated **100%** of revenue from renewable energy sources

Committed to fill **35%** of open positions with women

Developed and instituted an **Indigenous cultures course**, with a completion rate of **93%** for target employees in North America and **96%** in Canada

Reported a **decline in Scope 1 and 2 emissions** since 2019 in first carbon footprint assessment

Updated our **sustainable procurement charter** to clarify our CSR expectations for our suppliers



MESSAGE FROM THE CHAIR OF THE BOARD

CSR AS A DIFFENTIATOR AND DRIVER OF VALUE CREATION

Anyone looking at how Boralex has evolved will recognize a determined, forward-thinking, agile company. A longstanding focus for us, corporate social responsibility is already an integral part of our DNA, deeply embedded in our values and culture.

CSR has become a key concern in all spheres of society, especially for large investors. The frameworks now used for CSR provide Boralex with an exceptional opportunity to showcase what already makes us unique. Today, it is reflected in the soundness of a vision that acknowledges the importance of CSR, its integration into our updated strategic plan and our accelerated roll-out and implementation of CSR initiatives.

Our Board of Directors, which has worked to improve diversity among our own ranks in recent years, supports management's efforts to pursue a robust CSR strategy. We will also maintain our oversight and guidance for the advancement of Boralex's CSR road map, the definition of relevant indicators and the monitoring of CSR performance, risk assessment and reporting.

The Board is confident that this CSR strategy will fuel Boralex's innovative spirit and will keep the company at the forefront of sustainable development, strengthen our competitive standing and brand, and increase the long-term value shared with all our stakeholders.



Alain Rhéaume
Chairman of the Board



Alain Rhéaume
CHAIRMAN OF THE BOARD

MESSAGE

FROM THE PRESIDENT AND CHIEF EXECUTIVE OFFICER

MAKING CSR THE CORNERSTONE OF EVERY DECISION: TAKING OUR COMMITMENT TO RENEWABLE ENERGY ONE STEP FURTHER

In recent years, our planet has reminded us time and time again of the urgent need to act to curb climate change, which is causing not only increasingly frequent extreme weather events but also irreversible changes that affect us all. While the situation is already dramatic for the people directly impacted by natural disasters, climate change is also having major repercussions on the activities and financial health of companies in all industries, all over the world.

We, as a company, have a role to play. We have the responsibility to lead by example. That means making the best decisions at every turn, taking into account a broad set of considerations that surpass the scope of traditional financial performance. The best way to do that is to adopt a robust corporate social responsibility strategy intrinsically

linked to all our activities. This will enable us to mitigate the risks we face, to the benefit of our business and our various stakeholders.

With that objective in mind, we began implementing our CSR strategy in 2021, redefining our strategic direction accordingly. An accelerating energy transition and multiple countries committing to a green economic recovery signal the start of an extraordinary phase of development for a company like Boralex – a phase that that can and must be embarked on with respect for our planet and all living things.



Patrick Decostre
PRESIDENT AND CHIEF EXECUTIVE OFFICER

Beyond renewable energy: because we can always do more and do better

Borex has been a key player in renewable energy for the past 30 years, helping to decarbonize the economy owing to the very nature of our business. We could choose to sit back and leave it at that. But we want to go further, because in the current context, just generating electricity from renewable sources is not enough. We need to measure our performance in terms of environmental, societal and governance factors, which is precisely what we did in 2021. And we must use this detailed information to pinpoint the areas where we can do even better.

We are ambitious when it comes to CSR. We see it as a way to provide our shareholders and investors with the returns they seek, while sharing economic, environmental and societal benefits with our stakeholders. CSR is a source of competitive advantage that is intimately linked to financial performance and builds the long-term value of our business. It is an added value for investors seeking to preserve their wealth, customers looking to do business with a reliable, responsible partner and communities interested in partnering with a company that truly cares about their needs.

Our biggest strength: the diversity and expertise of our people

Borex operates in a highly competitive industry. The business environment is particularly favorable at the moment, but there are also many others on the starting block hoping to outpace the rest. As a global company, it is clear that tapping into our diversified expertise makes us a stronger and more resilient organization. That is why I personally see so much value in continuously building a more inclusive and diverse work environment.

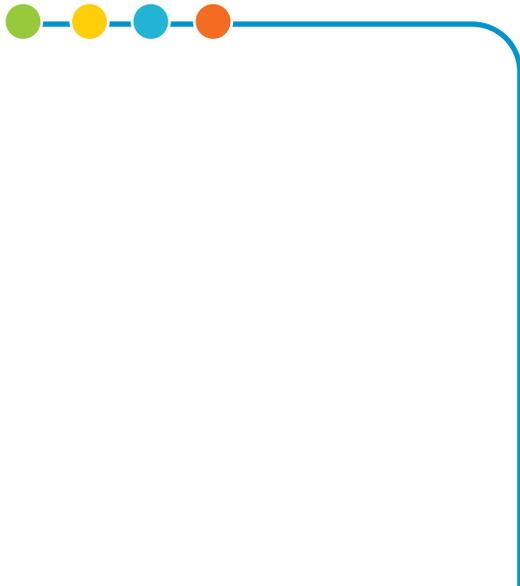
Diversity is a valuable asset in business. A wide mix of backgrounds, skills, personalities and thinking enriches an organization by stimulating discussion and bringing different points of view, sparking creativity and inspiring innovation. We have added diversity as a priority in our recruitment strategy, with the goal of hiring people with even more diverse profiles to maximize our chances of attracting the best and the brightest talent. In addition, we have set ambitious targets for women's representation in management and Board positions.

Recognizing and embracing the challenges ahead

Certain aspects of CSR can be tricky to manage. Diversity, climate change and sustainable procurement, for instance, involve many stakeholders and external factors over which we have less direct control. It is therefore crucial that we work jointly with others in these areas, with the understanding that the journey may be a long and complex one. Ultimately, though, such efforts pay off. They allow us to grow responsibly and sustainably, strengthen our brand, attract exceptional talent and partner with reliable, like-minded companies. These elements are all levers of growth for Borex. And it is through these relationships that we will prosper as we move forward beyond renewable energy.



Patrick Decostre
President and Chief Executive Officer



ABOUT THE 2021 REPORT

This report presents Boralex’s vision, strategy and achievements in the area of corporate social responsibility (CSR) for the year 2021. As the Corporation adopted a formal CSR strategy in 2020, this is our second CSR report. Our 2021 report is built around our environmental, societal and governance (ESG) priorities and aligns with best practises by presenting information according to the most widely used international CSR reporting frameworks.

At COP26 in November 2021, the International Financial Reporting Standards (IFRS) Foundation announced the creation of the International Sustainability Standards Board (ISSB), which will begin publishing a consolidated ESG disclosure framework in 2022. Given this changing environment and in response to interest from our stakeholders, we have aligned this 2021 CSR report with the recommendations of the Task Force on Climate-related Financial Disclosures (TCFD) and the Sustainability Accounting Standards Board (SASB) framework. As Boralex has a strong presence in France, we have also taken into account the non-financial performance framework (Déclaration de performance extra-financière, or DPEF) used in that country since 2019. Finally, we have indicated how actions contribute to the United Nations Sustainable Development Goals (SDGs) and selected indicators of the Global Reporting Initiative.

Our contributions to the United Nations Sustainable Development Goals

By the very nature of our business, our mission and our CSR approach, Boralex is contributing to 13 of the 17 United Nations Sustainable Development Goals (SDGs). Throughout this report, we indicate which SDGs are directly related to our various achievements and commitments.



¹For the following industries: Electric Utilities & Power Generators, Wind Technology & Project Developers and Solar Technology & Project Developers.

Scope of the CSR report

This CSR report covers the period from January 1 to December 31, 2021. The scope of the extra-financial disclosure is the same as that of our financial reporting and thus encompasses the activities of Boralex Inc. and its subsidiaries in Canada, France, the United States and the United Kingdom.

Calculation of tons of CO₂ emissions avoided (in t CO₂e)

The calculation of the tons of CO₂ emissions avoided (in t CO₂e) through renewable energy production was designed by the Chair in Energy Sector Management at HEC Montreal. It is based on the combined annual production² of each of our facilities according to the energy mix (distribution of the different sources of the energy consumed in a given geographical area) of each region and country where they are located. This allows for a more accurate estimate of the number of tons of CO₂ equivalent avoided, based on the exact production of each site and the energy context of the region (regional emission factor) for each reporting year. The regional emission factors are updated annually based on the most recent data provided by government agencies in Canada and the United States, as well as data published by the International Energy Agency.

Internal control

The collection of data for this CSR report was carried out within the network of internal staff across the Corporation's locations. Quality control is performed by the internal control team and the Executive Committee. For the following two indicators, we obtained limited assurance from external auditors: CO₂ emissions through our renewable energy production and the representation of women in management positions. These are indicated with the following symbol: ✓

Currency

The financial information presented in this report is in Canadian dollars unless otherwise indicated.

Other disclosure platforms

In 2021, Boralex participated in the following additional disclosures:

- **EcoVadis**, a sustainability and CSR rating organization, which awarded Boralex a silver medal for its performance in this area and placed the Corporation in the 92nd percentile in its industry.



- **The ESG Corporate Rating of the Institutional Shareholder Services group of companies (ISS)**, which assigned Boralex a B- rating and "Prime" status. A company is granted "Prime" status if it meets or exceeds the ISS ESG sustainability performance expectations for a specific industry.³



- **The S&P Global Corporate Sustainability Assessment (CSA)**, an annual evaluation of companies' sustainability practises that covers over 10,000 companies from around the world and focuses on sustainability criteria that are both industry-specific and financially material. In 2021, Boralex received an overall score in line with the industry average, 38/100.
- **CDP**, formerly known as the Carbon Disclosure Project, which runs the global disclosure system for investors, companies, cities, states and regions to manage their environmental impacts and is considered the gold standard of environmental reporting. In 2021, Boralex received a "D" grade. It is important to note that this rating does not take into account important initiatives introduced since the submission of Boralex's response, including the quantification of the company's CO₂ emissions and the launch of the internal committee overseeing the implementation of the TCFD recommendations.



- **Board Games**, the Globe and Mail's ranking of Canada's corporate boards using a set of governance criteria designed to go beyond rules imposed by regulators. As part of this initiative, researchers at the David and Sharon Johnston Centre for Corporate Governance Innovation at the University of Toronto evaluated the boards of 220 S&P/TSX Composite Index companies and trusts on their corporate governance practises. Boralex ranked 105th in this prestigious Canadian ranking, moving up from 125th in 2020.

We analyse the results of each external assessment to identify avenues for continuous improvement that can drive the ongoing progress of our CSR strategy.

² Combined production includes 100% of the production of Boralex subsidiaries controlled by Boralex, as well as Boralex's share of the production of companies over which it does not exercise control, which is accounted for using the equity method.

³ Source : www.issgovernance.com

BORALEX

Beyond
RENEWABLE ENERGY™



AS A LEADER IN RENEWABLE ENERGY,

Borex (TSX: BLX) is at the forefront of a changing world. We operate in five business segments: wind, solar, hydroelectricity, storage and thermal.

We started out in Kingsey Falls, Quebec, Canada, over 30 years ago and have since expanded our operations to the rest of Canada, France, the United States and the United Kingdom.

Our growth

Over the past five years, Boralex's installed capacity has more than doubled, reaching 2,492 MW in 2021. In addition, our projects in development, guided by our values and our corporate social responsibility (CSR) approach, total more than 3,890 MW in wind and solar and nearly 193 MW in storage.

Our CSR approach is embedded in our corporate strategy to support the sustainable growth of our organisation. It also helps ensure that we can deliver superior long-term financial returns for our shareholders while working collaboratively with our host communities and regions.

CSR: AN INTEGRAL PART OF OUR 2025 STRATEGIC PLAN

On June 17, 2021, on the occasion of our 2021 Investor Day, we presented our new 2025 strategic plan. Built around the four strategic directions that have guided our work since 2019, the plan introduces new targets and has our CSR strategy embedded at every level.

One of our targets for 2025, ranking as high as our financial goals, is to become the leading CSR reference for our partners by going beyond renewable energy.

The integration of CSR into our strategic plan means that at every stage of its execution, we consider not only **why** we produce renewable energy but also **how**, taking into account the extra-financial impacts of our operations and our entire value chain. This leads us to proactively manage the risks and impacts of our operations and properly equip ourselves to identify opportunities to improve our practices and access new markets.



“An essential element of Desjardins Global Asset Management's portfolio management approach is shareholder engagement with issuers to better understand the integration of ESG strategy into their business model. Boralex has always responded to our calls, and management has been transparent about their progress. Boralex is a model of leadership in the just transition to a low-carbon economy.”

- Desjardins Global Asset Management

OUR VALUE CREATION CHAIN



BORALEX

OUR PURPOSE

On our planet where electricity is central to fighting climate change, we have a responsibility to produce it sustainably for future generations.

MISSION and VISION

At Boralex, we provide **renewable** and affordable energy for all, **creating value** to share with our **partners**.

To achieve our mission, we rely on the best of our **strengths**.

Thanks to our **fearlessness**, our **discipline**, our **expertise**, and our **diversity**, we continue to be an **industry leader**.

And we do it with **pleasure**.

OUR VALUES

CREATIVITY

Go further with **resourcefulness** and **ingenuity**

TEAM SPIRIT

Build on each other's **differences** to succeed together

RESPECT

Act **ethically** and with a **sense of duty**

ENTREPRENEURSHIP

Decide with **agility** and **courage**

COMMUNICATION

Cultivate the exchange of ideas to create an open and lasting **dialogue**

PROSPECT AND DEVELOPMENT

Feasibility studies

Consultations

Regulatory studies and authorizations

Potential customers and partnerships

INPUT

Beyond RENEWABLE ENERGY

STRATEGIC DIRECTIONS

GROWTH

Grow our **project pipeline** and **create value** that **we share** with all our partners, communities and territories.

DIVERSIFICATION

Accelerate the development of our **skills** to produce electricity as markets and technologies **evolve**.

CUSTOMERS

Develop **business practices** that are aligned with the needs of customers interested in improving their **climate footprint**.

OPTIMIZATION

Improve our **practices** to maximize the productivity and profitability of our assets and services.

Natural resources

- Sun
- Wind
- Water
- Thermal energy

Human capital

- Employees/collaborators

Intellectual capital

- Knowledge
- Skills and expertise
- Innovation and creativity

CORPORATE SOCIAL RESPONSIBILITY

E

ENVIRONMENT



S

SOCIETY

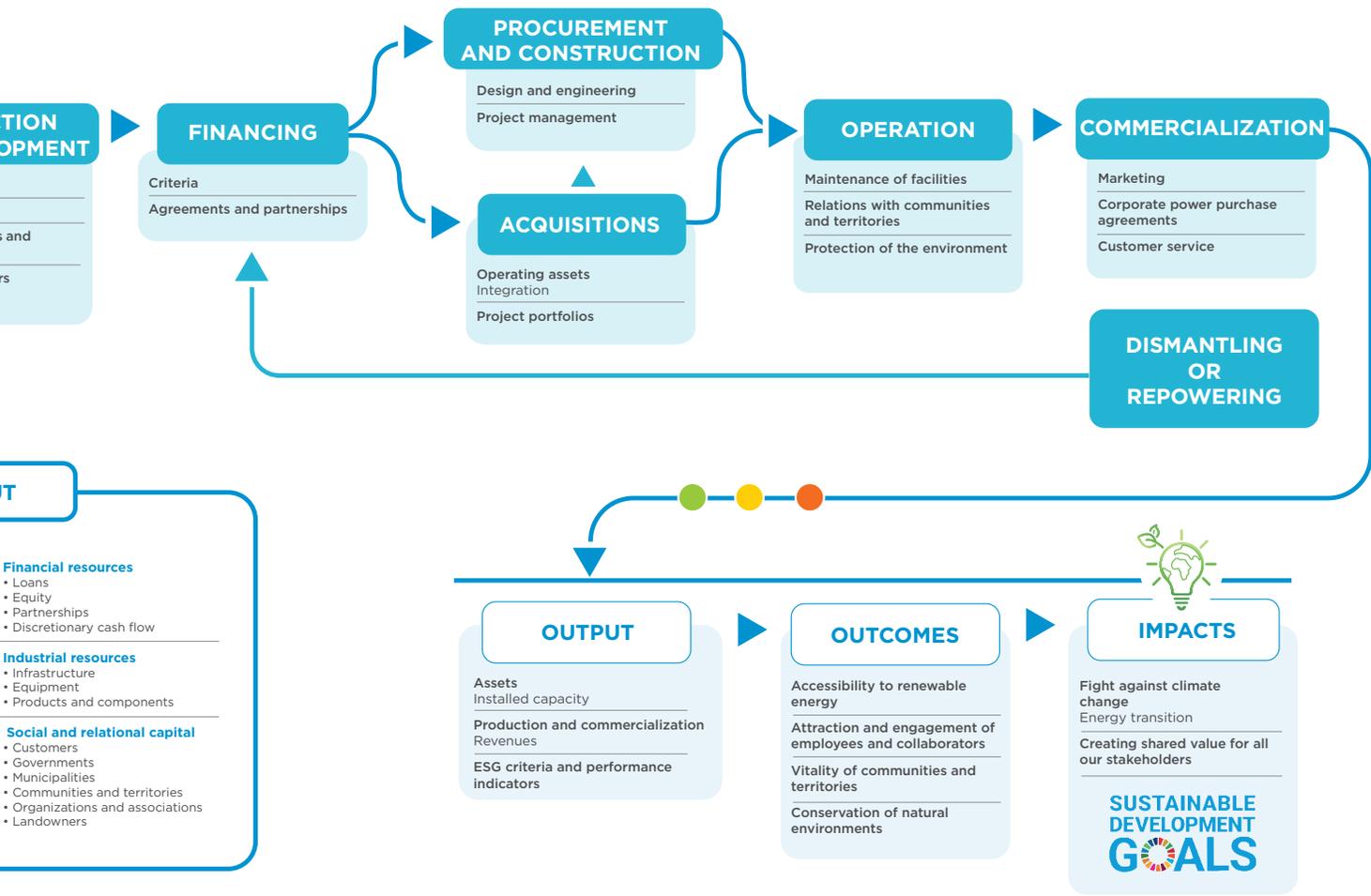


G

GOVERNANCE



Our corporate social responsibility and strategic directions **guide our business decisions** and constitute a **strategic differentiating factor**.



In 2021, we secured our first sustainability-linked loan, attesting to our commitment, our ambition and our willingness to integrate CSR performance into everything we do, including into our financial mechanisms (see box).

In order for our CSR strategy to create value for Boralex, the entire organization must be engaged and accountable. This is why we have integrated CSR into our corporate governance and our risk management approach, and why selected ESG factors are part of our senior executives' variable compensation (see Priority 1: Strengthen responsible corporate governance).

Given the cross-cutting nature of CSR, it becomes even more important to identify which extra-financial factors drive our growth and performance, and should therefore be prioritised in our organizational efforts. Assessing materiality becomes a crucial step in that regard.



What is a sustainability-linked loan?

Sustainability-linked loans include financial terms linked to sustainability performance targets negotiated and agreed between the lender and the borrower. The terms cover elements ranging from energy efficiency to the reduction of greenhouse gas emissions from operations, for the full period of the loan. Thus, the better the borrower performs against the targets agreed with the lender, the more advantageous the borrowing terms, and vice versa.

In November 2021, Boralex announced the renewal and extension of its corporate credit facility and letter of credit facility for \$525 million, for a remaining term of five years, with sustainable financing features (ESG criteria) and \$150 million under an accordion clause. The terms of the facility provide for a reduction or increase in borrowing costs depending on whether we achieve our targets for avoided CO₂ emissions and representation of women in management positions. Our 2025 targets in that regard are:

27.5%
of management positions
held by women⁴

781,773 tons
of CO₂ avoided
through our renewable
energy production

“We are proud of this first sustainability-linked loan demonstrating our long-term commitment to CSR. The financial sector can play a crucial role in the energy transition by rewarding companies that are making a positive contribution.”



- **Bruno Guilmette**
Vice President and Chief Financial Officer

⁴ This indicator includes full time employees. A management position is defined as being hierarchically responsible for at least one full-time and/or contractual employee.

MATERIALITY ANALYSIS: A CRITICAL STEP IN DEFINING OUR CSR PRIORITIES

Materiality analysis is an essential step of our CSR approach to identify the environmental, societal and governance (ESG) issues that are most important to the Corporation and our key stakeholders, and should therefore be prioritised in our efforts.

In 2020, we conducted 21 interviews with various stakeholders – investors, municipalities, non-governmental organizations, associations and employees – based on a selection of 18 relevant ESG issues. These were identified based on Boralex’s most important potential impacts on society and the environment; and the drivers that could affect positively or negatively our company’s value. This assessment led to the definition of a materiality matrix that maps out the most significant sustainability issues for Boralex’s stakeholders.

Based on this matrix and the extra-financial risks inherent in the Corporation’s activity, we identified 10 priorities and grouped them under the three ESG commitments that guide our actions: leading by example (governance), producing renewable energy in a sustainable and resilient manner (environment) and respecting our people, our planet and our community (society). These priorities reflect our organization’s most important contribution to society and the environment, as well as being factors that can have a positive or negative impact on the Corporation’s value. In this report, we make a clear link between our achievements, our commitments and the associated priorities.

In 2021, during our regular interactions with stakeholders, we repeatedly validated that these priorities were still relevant and whether any new stakeholder concerns were emerging.

ENVIRONMENTAL ISSUES

- 1 Responsible Resource Use
- 2 Greenhouse Gas Emissions (Scope 1 and 2)
- 3 Adapting to Climate Change
- 4 Biodiversity

SOCIAL ISSUES

- 5 Health and Safety
- 6 Quality of Work Life
- 7 Skills and Employability Development
- 8 Diversity and Equal Opportunities
- 9 Talent Attraction and Retention

SOCIETAL ISSUES

- 10 Local Community Consultation and Engagement
- 11 Territorial Economic and Social Development
- 12 Responsible Procurement
- 13 Social Innovation and Partnerships
- 14 Philanthropy and Sponsorships

GOVERNANCE ISSUES

- 15 Responsible Corporate Governance
- 16 Ethics in Business and Behaviour
- 17 Responsible Taxation
- 18 Cybersecurity and Data Protection

IMPORTANCE TO STAKEHOLDERS



IMPACT ON BORALEX'S OVERALL PERFORMANCE

CORPORATE SOCIAL RESPONSIBILITY

E ENVIRONMENT

Producing Renewable Energy in a Sustainable and Resilient Manner



Responsible use of Resources

Integrate the principles of the circular economy into every stage of the project life cycle

Minimize our consumption of non-renewable electricity and water

Minimize waste production and maximize waste traceability and recovery



Biodiversity

Help protect plants and wildlife by proactively applying incident mitigation measures and partnering with local stakeholders



Climate Change Adaptation

Factor the effects of climate change into our business decisions

Forge long-term strategic partnerships with climate experts to improve our knowledge and the resilience of our business model



Greenhouse gas emissions (Scope 1 and 2)

Assess and reduce our carbon footprint

S SOCIETY

Respect our People, our Planet and our Community



Inclusion, Diversity and Equal opportunity

Inclusion: Provide our employees with a workplace free of discrimination of any kind

Diversity: Promote pay equity, parity in senior management and equal opportunity for women and minorities in the renewable energy sector

Equal opportunity: Foster equal opportunity and inclusion at every stage of the employee life cycle at Boralex



Health and Safety

Provide a safe and healthy workplace and continually strengthen the physical and mental health culture at Boralex

Continuously improve our responsiveness in applying corrective measures in the event of incidents/accidents



Community and territory consultation and involvement

Arrive as guests and stay as neighbours

G GOVERNANCE

Leading by Example



Responsible Corporate Governance

Mainstream CSR at every level of the organization

Adopt best practices for board composition, independence and processes

Ensure that the wealth we generate is shared responsibly



Ethics in Business and Behaviour

Provide all employees with a workplace free of harassment, violence and abuse

Lead by example in business ethics ("say what we do and do what we say")



Sustainable Procurement

Formalize a fair sustainable procurement process applicable across the value chain (risk management)

Work with suppliers and subcontractors on sustainable development issues (value creation)

FOSTERING ONGOING DIALOGUE WITH OUR STAKEHOLDERS

To keep a 360-degree view of our CSR approach and how it is evolving, we involve our various stakeholders, including all those who participate, directly or indirectly, in delivering on Boralex's mission. Our stakeholders contribute to our prosperity, which is why we have a duty to maintain a constructive dialogue with each of them and to create value together.

Stakeholder	Means of engagement and communication	Frequency	Priorities
Internal	Employees	Engagement survey Annual Videos and webcasts Quarterly Leadership forum Annual Training Ongoing	Corporate culture Career opportunities Fair working conditions Implementation of the corporate strategy, including the CSR strategy
	Board of Directors	Quarterly meetings Quarterly Additional meetings as needed	Implementation of the corporate strategy, including the CSR strategy Compliance and risk management Sound corporate management
External	Investors	Individual calls and meetings In 2021: 75 individual meetings Participation in specialized ESG panels 5 group meetings with a total of 80 investors Participation in broker-organized thematic presentations 7 thematic presentations Surveys Investor Day 1 investor Day Annual General Meeting	Financial return Growth strategy and opportunities Extra-financial enterprise risk management Responsible finance and investment, and ESG factors
	Customers	Individual calls Ongoing Individual meetings	Boralex's financial stability Product and service suitability Service quality Competitiveness
	Business partners	Individual calls Ongoing Individual meetings Meetings with project companies	Boralex's financial stability Project progress
	Communities and territories	Individual meetings Ongoing Public consultations As needed Information and discussion sessions As needed	Impact assessment and management Local benefits Information and consultation mechanisms
	Governmental authorities	Individual calls Ongoing Individual meetings As needed Information and discussion sessions As needed	Compliance Impact assessment and management, including for infrastructure Social licence to operate
	Certification and rating agencies	Assessments Annual Ad hoc discussions As needed	CSR performance Quality of public disclosure
	Non-governmental organizations and associations	Boards of directors Ongoing Occasional speakers Research partners	Energy transition Sustainable development Economic situation



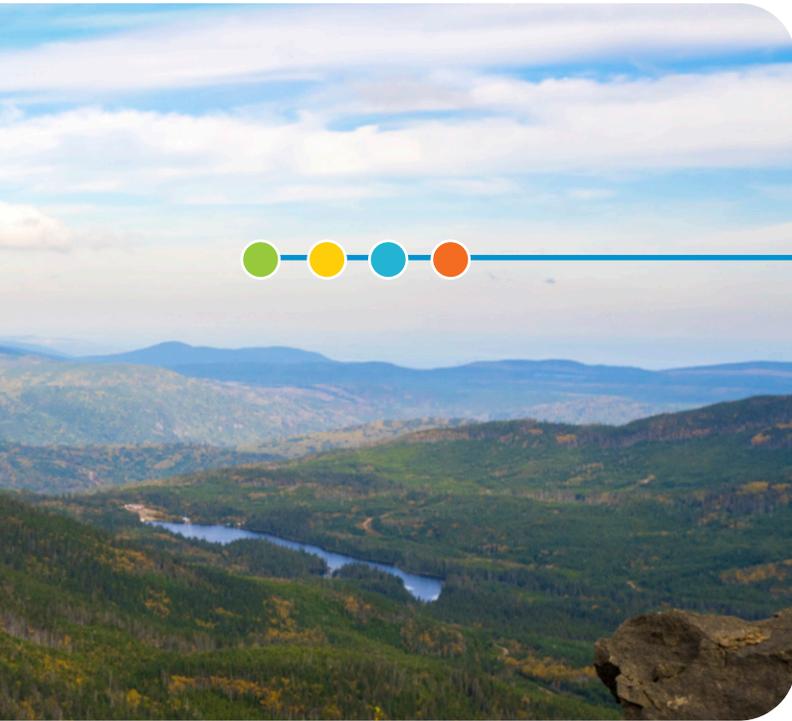
OUR APPROACH TO MANAGING THE IMPACTS AND RISKS RELATED TO OUR ACTIVITIES

While Boralex's activities might be considered praiseworthy by their very nature, they are not without their downsides. Wind turbines, for example, are associated with visual and noise issues and can affect animal species such as birds and bats. Hydropower has an impact on biodiversity and water resource management, and solar power raises questions related to land use, supply chain and equipment recycling. We use various means and mitigation measures to limit these repercussions, leveraging technological and business innovation and ongoing dialogue with our host communities and territories. This report contains concrete examples of our preferred approach for minimizing the impact of our activities while maximizing our production of renewable energy and our contribution to the energy transition.

In 2019, we formulated an **enterprising risk management policy** to better structure and formalize our approach. This formal framework provides us with a preventive, reactive and systematic way to identify, manage and monitor risks that could affect our ability to achieve our strategic objectives. As a result, we can make more informed decisions and stay on track with our goals and our overall mission. The framework also defines the roles and responsibilities of each stakeholder and sets out a reporting process based on risk criticality. The Vice President and Chief Financial Officer assumes the role of Chief Risk Officer and ensures compliance with the policy.

An action plan based on risk assessment has been developed to deepen our understanding of certain risks, introduce or enhance mitigation measures and foster a risk management culture. We categorize the risks we face into four principal areas: strategic, operational, financial and corporate.

As part of the risk management process, we have developed a company-wide risk register through ongoing risk identification and assessment exercises. A risk map is updated quarterly based on discussions with managers. The Executive Committee reviews the principal risks, which are presented to the Audit Committee every six months. The Audit Committee is also informed annually by the Director, Risk Management and Internal Controls, of the evolution of the risks we face, the measures implemented to control them, and the related action plans and their follow-up. An update on the evolution of our principal risks is also presented to the Board on a quarterly basis. Management's report to the Board includes a risk map and a summary of the key issues of the previous quarter, as well as measures to mitigate those risks.



Main CSR-related risks

- **Power station and site performance**

The Corporation may fail to optimize the operation of its sites due to operational inefficiencies, a lack of value for money, deficient maintenance plans or extreme operating conditions.

- **Partners**

Borex's partners (suppliers, joint venture partners, customers) may fail to honor their contractual commitments and, by association, may have an impact on the Corporation's results and reputation.

- **Accidents, health and safety**

The Corporation may be unable to provide for the occupational health and wellness of its employees or to prevent or manage accidents involving its employees and third parties, at its sites in development, construction or operation, as required under health and safety regulations.

- **Natural disasters and force majeure events**

A natural disaster may affect the assets of Borex and its business partners, adversely affecting their ability to honour contractual commitments and resulting in force majeure events. Climate change may cause natural disasters.

- **Talent acquisition, retention and succession**

The Corporation may not achieve its strategic plan objectives due to a lack of qualified personnel arising from difficulty in attracting, retaining and engaging talent or a lack of succession planning.

- **Regulatory non-compliance**

Non-compliance with environmental regulations can affect communities, biodiversity and the environment and result in penalties up to and including the loss of permits and licences. Changes to environmental regulations may entail additional costs.

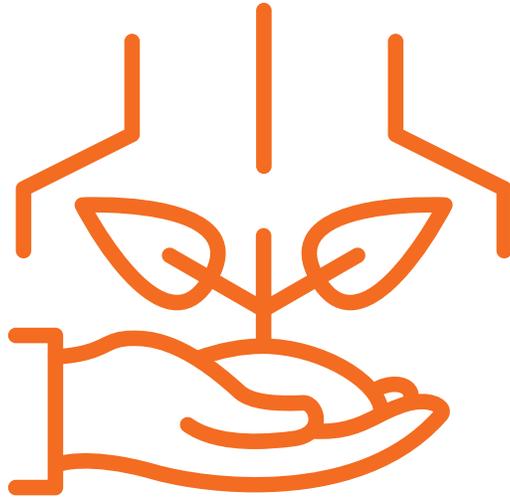
- **Loss of reputation**

The Corporation may suffer damage to its reputation with its stakeholders owing to business decisions made by senior management or its association with business partners.

- **Pandemics**

Pandemics may affect the health of employees of the Corporation or its business partners, hampering operations and the achievement of its strategic objectives.

The Corporation addresses these risks and manages them proactively through its 10 CSR priorities, as described in this report. More information on the risk factors to which Borex is exposed can be found in our annual report.



OUR GOVERNANCE
PRIORITIES
LEADING BY
EXAMPLE





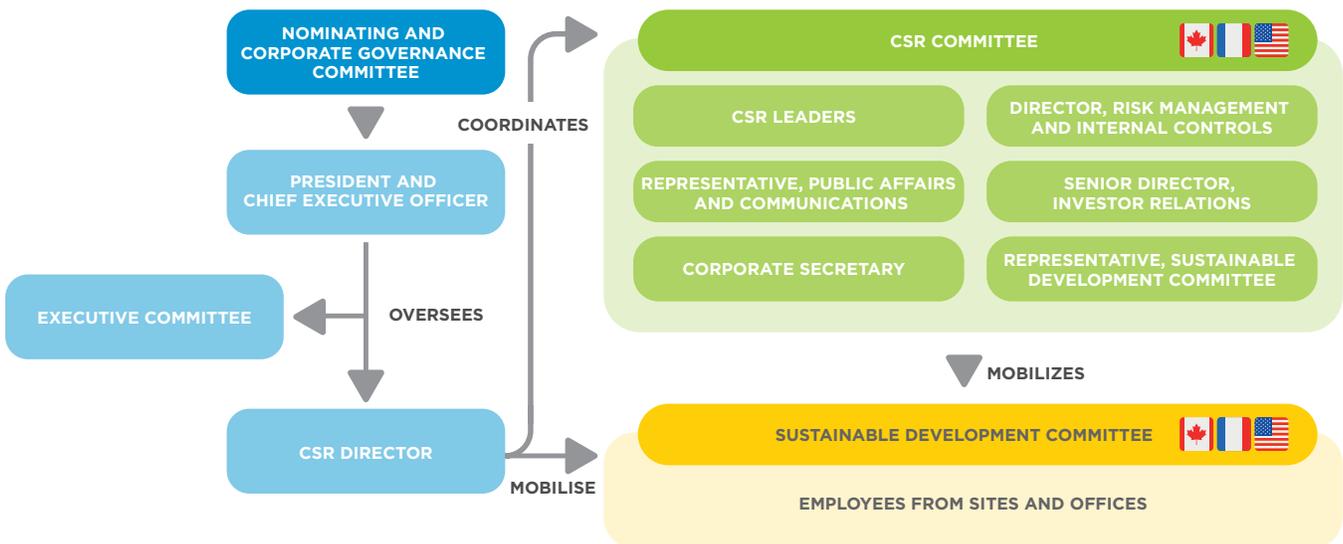
Priority 1

Strengthen responsible corporate governance

Corporate governance is a fundamental pillar of a CSR strategy. Strong governance strengthens coherence between the broad directions adopted at the top and the decisions and actions taken on the ground. In this instance, it is about ensuring that all our employees take social and environmental impacts into account every day to ensure that Boralex's growth is sustainable. In doing so, governance allows us to improve financial performance and achieve our strategic targets while having a positive impact on society.

CSR governance

In 2021, we laid the foundations for the integration of CSR into Boralex's growth strategy by establishing internal governance following best practises, which is key to achieving CSR results.



Board of Directors

At Boralex, governance starts with the expertise of the members of our Board of Directors, who represent the interests of our shareholders and ensure that we deliver fully on our mission.

In 2021, the quality of Boralex's governance practises was recognized by the Globe and Mail through its Board Games ranking. The company ranked 105th among the 220 corporations and trusts in the S&P/TSX Composite Index whose boards were assessed using a rigorous set of governance criteria designed to go beyond mandatory regulations. This is a significant improvement over 2020, when Boralex ranked 125th. A rigorous governance carried out by its vigilant, experienced directors improves Boralex competitive edge and its capacity to create long-term value for its stakeholders.

CSR is present in everything the Board of Directors does. The Board's committees play an important role, including by overseeing compliance with Boralex's various policies, including its code of ethics and enterprise risk management policy, the Corporation's diversity objectives, the quality of governance and issues related to health and safety. The Board also oversees CSR reporting.

More information on the Board of Directors and its operation and policies can be found on the [Boralex website](#) and in our management information circular.

2021 ACHIEVEMENTS

Amendment of the Nominating and Corporate Governance Committee's mandate to include oversight of the CSR strategy progress.

Update of the Board diversity policy to add a target of at least 30% for women's representation.

Executive Committee

Following the launch of Boralex's CSR strategy and the update of our strategic plan, our CSR objectives were integrated into the action plan of each member of the Executive Committee as well as all corresponding operating plans and budgets. In addition, variable compensation was updated in 2021 to add an occupational health and safety performance target on top of the employee engagement target introduced in 2018. A target for the percentage of women in management positions will be added in 2022.

BORALEX'S BOARD OF DIRECTORS BY THE NUMBERS

11 directors,
including 9 independent directors

60 average age

40-49: 1 director

50-59: 4 directors

60+: 6 directors

4 women,
representing 36% of the Board

5 committees,
4 chaired by women

99% attendance
for meetings of
the Board and its
committees in 2021

Director of Corporate Social Responsibility

In 2021, a new position was created to oversee CSR strategy implementation. The new Director of Corporate Social Responsibility reports directly to the President and Chief Executive Officer of Boralex and is responsible for ensuring that we make good progress toward our 10 CSR priorities in line with our strategic plan. She also monitors global trends and developments in CSR and handles CSR reporting and skills development. She works closely with the Executive Committee to ensure that the CSR priorities are integrated into the Corporation's strategic directions and to communicate progress against the strategy.



“Management at Boralex is fully committed to our CSR approach. That commitment can be seen every day in our business decisions, our culture and how we go about doing our work. It is why we know that we have the means to achieve our ambition, which is to be the leading CSR reference in our industry.”

- **Mihaela Stefanov**

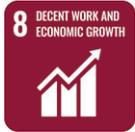
Director of Corporate Social Responsibility

CSR Committee

We also formed a CSR Committee in 2021, bringing together leaders for each CSR priority and reflect Boralex's geographic diversity. The committee, which meets once a month, supports the Director of CSR in her duties and ensures that CSR is mainstreamed within Boralex. In daily operations, each committee member is part of a team whose mandate is closely linked to the member's assigned priority. This is an excellent way to ensure that progress is being made on the ground against each priority, in a practical manner and integrated into day-to-day organizational decisions.

Sustainable Development Committee

Established in 2018 on the initiative of Boralex employees, the Sustainable Development Committee brings together representatives of various teams in North America and France. Its goal is to identify and introduce practical sustainability projects in our various offices to raise awareness among our employees and enhance our sustainability performance. In 2021, for example, the committee organized three presentations as part of Sustainable Transportation Month, developed a tutorial on using electronic signatures to reduce paper consumption, launched a major email and SharePoint cleanup to reduce digital pollution, installed recycling boxes for single-use masks at our Quebec offices and sites, set up a rechargeable battery purchase program for small devices and raised awareness of the replacement of end-of-life corporate vehicles with hybrid models. In 2022, we plan to pursue our efforts to reduce the use of single-use items in offices and sites and encourage our employees to recycle and compost whenever possible.



Priority 2

Practise ethics in business and behaviour

For Boralex, ethics are essential in business. We have a code of ethics, and we have provided related training for our employees, directors and officers, as well as selected consultants. The code serves as a set of guiding principles for employees to behave in an exemplary manner in all aspects of the performance of their duties. In addition to promoting a thriving workplace, the code helps us enhance and maintain our reputation and comply with legislative requirements.

Compliance with local laws

Boralex operates on a global scale and is subject to various laws and regulations. We comply with the applicable laws and regulations in the countries where we operate, including those relating to employment, labour, discrimination, occupational health and safety, privacy, competition and antitrust, securities, transportation, immigration, language and the environment.

While Boralex does not operate in high-risk areas, our project sites tend to be located in highly regulated markets. Consequently, we have put in place control systems and procedures aimed at avoiding unethical business practises and ensuring compliance with the laws, regulations and standards applicable to our operations in all countries where we operate.

We take a decentralized approach, as we believe our local teams are best placed to ensure the highest standards of business conduct in terms of ethics and regulatory compliance. Our legal team closely monitors the laws and regulations applicable to our operations and acts as a reference centre for questions regarding the interpretation of laws and regulations.



MOULINS DU LOHAN
WIND PROJECT

Validation of the authorizations by the *Conseil d'État*

On April 15, 2021, the Conseil d'État de France issued a judgment whereby it validated all the authorizations for the Moulins du Lohan project in Brittany. The main authorizations required to build and operate the wind farm had been challenged by a group of opponents several years earlier. The Conseil d'État de France endorsed Boralex's approach to minimizing the project's impact on the environment and protected species. Our approach includes reforestation that not only prevents any loss of forest but is of greater biological importance due to specific measures aimed at maintaining the biological functions of the forest, including the creation of suitable breeding areas for protected species affected by the project. Measures are also planned throughout operations of the wind farm, including adapted silvicultural management protecting breeding habitats of potentially threatened species.



Internal policies

Over the years, a number of internal policies have been put in place to ensure that Boralex is a trusted renewable energy producer whose conduct is beyond reproach. These policies are updated periodically to ensure that they remain aligned with the Corporation's objectives and vision.

Thus, in 2021 the legal team began updating certain internal policies to reflect the specificities of the regions where Boralex operates. The updated policies will be deployed once the update is complete. The most important policies from an ethics perspective are presented below.

Code of ethics

Our code of ethics, last updated in 2018, applies to all directors, officers and employees and certain consultants. A website and an ethics hotline independent of Boralex are in place and accessible 24 hours a day, 7 days a week, for reporting of any illegal or unethical behaviour. This mechanism is tested regularly to ensure that it is working properly. In addition, employees received a reminder of the anonymous complaints procedure in 2021. Training on the code of ethics is mandatory at hiring and must be repeated every three years.

Anti-bribery and anti-corruption policy

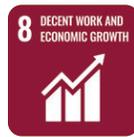
As our teams are regularly called upon to interact with national, provincial, municipal and local stakeholders, we have put in place an anti-corruption policy that guides our business practises. In that regard, we are committed to conducting our business with honesty and integrity and in full compliance with the anti-bribery and anti-corruption laws of the regions where we operate. Where local laws are more restrictive than our anti-bribery policy, the local requirements apply. In addition, we demand that our employees avoid any real or perceived conflict of interest, meaning any situation that might lead them to lose their objectivity in the performance of their duties. These elements are all covered by the code of ethics and therefore by the mandatory ethics training.

Competition policy

Our competition policy is designed to inform our employees of the principal provisions of competition laws of the countries where we operate. Training on this policy is currently being developed.

Workplace harassment policy

Boralex has a zero-tolerance policy on harassment and thus does not tolerate sexual, psychological or any other form of harassment in the workplace. We encourage our employees to report such behaviour to their manager or human resources partner or using the ethics hotline.



Priority 3

Promote sustainability in our procurement decisions

Our relationship with our suppliers is not just a key element in the success of Boralex's projects, it is an essential factor in the achievement of our CSR objectives. For our activities to be aligned with our values, we must ensure that we work with suppliers who share our commitments regarding ethics, health, safety and the environment. Truly sustainable procurement requires significant effort. We are committed to this approach and are pursuing our efforts to fully integrate sustainability considerations into our procurement practises.



Sustainable procurement charter

We naturally expect our suppliers to comply fully with the regulations and laws in force in their respective countries and to align their practises with international labour standards. We also ask them to ensure that all their manufactured products are traceable, and to commit to:

- **Respect basic rights**, including those set out in International Labour Organization (ILO) conventions, the Universal Declaration of Human Rights and Organization for Economic Cooperation and Development (OECD) guidelines
- **Respect and protect the environment and biodiversity**, notably by being mindful of the environmental impacts of their activities and their carbon footprint
- **Act ethically and with integrity**, including conducting themselves in accordance with our code of ethics
- **Protect the health and safety** of their employees, their subcontractors and the public



We also encourage our suppliers to promote local development by hiring companies based in the producing region, in order to strengthen their socio-economic fabric.

Our sustainable procurement charter is already included in our calls for tenders and contracts over 150,000 CAD/USD/EUR and will be rolled out in stages over the next few years to ultimately cover all our suppliers.

As part of Boralex's strategic plan and growth targets, we have also begun to identify the greatest risks related to our supply chain. We engage with our most significant development and operations suppliers in terms of purchase volume, substitutability, complexity of their supply chain and potential critical impacts on our growth. In 2021, we began talking with these suppliers individually to better understand how they address and manage environmental and social risks in their own supply chains, and we will continue to do so in 2022. Starting in 2022, we will also work with a specialized independent ESG performance assessment firm to assess the practises of our suppliers in order to make more informed partnership choices.

Borex's commitment to human rights

At Borex, we are strong advocates for human rights, both within our organization and beyond. We adhere to the Equator Principles and the Universal Declaration of Human Rights and are committed to working with stakeholders who share these values.

We discuss human rights issues at the highest levels of our organization and take them into account in decision-making on strategic matters such as internal policy and project development.

We have tools in place to ensure our employees, our suppliers and our host communities incorporate human rights considerations into everything they do.

Internally, we ensure that we comply with all applicable human rights legislation in countries where we operate. We also have company policies in place addressing issues such as discrimination, abuse and harassment, and our expectations of our employees and business partners are set out in our code of ethics:

"Borex undertakes to respect human rights and subscribes to equality in employment matters. The Corporation does not tolerate discrimination on the basis of race, gender, ethnic origin, religious belief or sexual orientation, or on any other characteristic protected by law. The use of inappropriate language in the workplace, including swearing, vulgarity or verbal abuse, is unacceptable. As well, the posting of photographs or any other printed material of a discriminatory nature in the workplace is unacceptable."

- Excerpt from our code of ethics

Our employees also have access to a mechanism for filing anonymous complaints regarding any breach of the code of ethics (see Priority 2: Demand ethics in business and behaviour, page 24).

We are also committed to an approach focused on diversity, inclusion and equal opportunity for our employees (see Priority 4: Foster inclusion, diversity and equal opportunity, page 30).

Because we also work with many suppliers and partners around the world, we take steps to ensure that they, too, respect these core values, outlined in our sustainable procurement charter, as mentioned above.

In addition, we are very concerned about forced labour, an issue on which we take a zero-tolerance stance. Hence, we are a signatory of the Solar Industry Forced Labor Prevention Pledge, a formal, collective commitment to help ensure that the solar supply chain is free of forced labour.

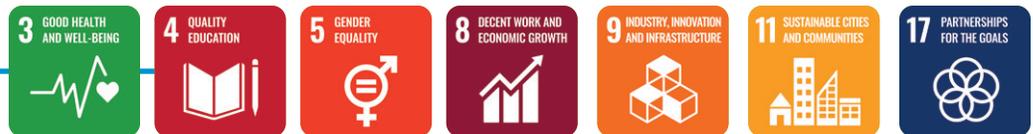
Finally, we work closely with the communities and territories that host our development projects and production sites. We pay particular attention to having a positive local impact, whether by partnering with Indigenous communities and municipalities or establishing local shared value creation programs. More information on our dialogue-based approach to working with communities and territories, page 36.





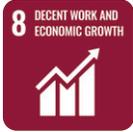
OUR SOCIETAL PRIORITIES

RESPECTING OUR PEOPLE,
OUR PLANET AND OUR COMMUNITY



Borex's CSR strategy is all about respecting our people, our planet and our community. This commitment applies to our employees, suppliers and partners, as well as the people living in our many host communities and territories in Europe and North America.

Respect for our people, our planet and our community- and all our stakeholders - infuses every aspect of our business, whether we are acquiring or developing new renewable energy projects or operating our current sites. We firmly believe it to be a prerequisite for the success of our strategic plan, which focuses on growth, diversification, new customers and optimization. Without a deep respect for the people with whom we work and partner, we could not achieve our business objectives.



Priority 4

Foster inclusion, diversity and equal opportunity

Inclusion, diversity and equal opportunity are not only essential components of a thriving workplace, but they also bring different points of view, thereby stimulating innovation within the team and the performance of the organization as a whole. We are committed to equal opportunity in recruitment, training, compensation, assignments and career development. To achieve this, and to combat stereotypes, we base our decisions on objective criteria such as the skills, experience and professional qualifications of our candidates and employees. And we strive to stay true to those values, day in and day out.

As a company working in various countries with diverse partners, we must of course respect local or partner-specific regulations, realities, sensibilities and cultures. We therefore draw on best practises and tend to significantly exceed the regulatory requirements wherever we operate.

Regional specificities



France

- Diversity charter signed annually
- Gender equality index published annually
- Special focus on people with disabilities



Canada

- Special focus on the recognition of Indigenous cultures



United States (NY)

- Special focus on disadvantaged communities and environmental justice



In that context, we define inclusion, diversity and equal opportunity as follows:

- **Inclusion:** We offer our employees a workplace free of discrimination of any kind (gender, ethnicity, disability, sexual orientation, religion, age, etc.). To that end, we regularly raise employee awareness on these important topics, for example through specific trainings and through “did you know” articles.
- **Diversity:** Our teams embody a diversity of experience, history and viewpoints; this is their strength. Diversity is particularly expressed in senior management parity and the equal opportunities available to women and minorities in the renewable energy industry. For instance, we are taking various measures to optimize the number of women in leadership and management positions, and as such, our Board of Directors adopted a diversity policy in 2018 and added a target of 30% women in 2021. Anticipating rapid growth, we have also set targets for the hiring of women to fill new positions and the proportion of women in management positions. Thus, we aim to reach a level of 27.5%⁵ women by 2025. In 2021, this rate was 25.2% ✓, slightly lower than the 2020 level of 25.9% ✓.
- **Equal opportunity:** We promote equal opportunity and foster inclusion throughout the life cycle of our employees (from recruitment until they exit the organization) and our projects, with a focus on pay equity and the provision of ample opportunities for professional development, growth and training. We encourage flexible work schedules and allow telecommuting wherever possible so that people with family, personal and other such responsibilities have access to the same opportunities. Finally, in the context of annual salary reviews, we take into account gender equity, which has led us in the past to make adjustments.

⁵ According to the EY Women in Power and Utilities Index, in 2019, just 15% of senior management team members worldwide were women. (Source: [Could gender equality be the innovation boost utilities need? | EY - Global](#))



EQUAL by 30

Equal Pay, Equal Leadership, Equal Opportunities

A concrete pledge to hire and support people with disabilities

There are various aspects to Boralex's commitment to hire and integrate people with disabilities: recruitment of people living with disability, raising awareness of disabilities within the organization and partnering with specialized companies that employ people with disabilities.

We turn our commitment into action by working with temporary employment agencies and websites dedicated to the employment of people with disabilities, such as Atlas Jobs and Agefiph in France.

In 2021, we also ran a campaign in France to raise awareness of the complexities of disability in the workplace. The campaign was developed with the help of a specialized communications agency that employs people with disabilities. Under the theme "le handicap reconnu est souvent mieux vécu", encouraging recognition of disability as a step to better acceptance, the campaign included leaflets and posters deconstructing common preconceptions regarding disability, particularly in the workplace, and encouraging dialogue around the issue in order to change attitudes.

Our commitments under the Equal by 30 campaign

Considering the ongoing predominance of men in the renewable energy industry and the smaller number of experienced women in technical positions, we are stepping up our efforts to get more women into the technical fields. To that end, we have joined the [Equal by 30](#) campaign and made the following commitments:

Boralex fosters inclusion, diversity and equal opportunity in order to create a rewarding and satisfying workplace for all. Our intentions, as a socially responsible company, are reflected in the following commitments:

- Boralex commits to encouraging women to enter traditionally male fields in order to increase their representation in renewable energy. Consequently, Boralex will facilitate the recruitment and retention of women within its organization by ensuring that it offers healthy, adequate and suitable working conditions and environments.
- Boralex commits to filling open positions (replacement and job creation) by hiring women for 35% of those positions.
- Boralex commits to creating and nurturing an inclusive workplace where women are welcomed and can be themselves, so that they can develop and grow professionally and personally while contributing to Boralex's success.

We are confident that these measures will increase diversity as well as enabling us to attract and retain talent, which is critical to the success of our strategic plan.



“Working at Boralex means working on projects that will be changing the world. Boralex's leadership in renewable energy and its diverse team provides the opportunity to be part of a global movement to take action on climate change.”

- Keira Huang
Associate, Investment Projects



Priority 5

Take action on occupational health and safety

The activities involved in building, operating and maintaining energy production facilities put Boralex employees at risk. We therefore assign great importance to the safety of our employees and the protection of their physical and psychological health in our workplaces around the world, and take care to implement the appropriate preventive measures (information, training), management processes and corrective action. It is of course understood that our occupational health and safety (OHS) practises comply with the laws and regulations of the countries where we operate.

OHS governance

In 2021, the health and safety function was centralized under the responsibility of the Vice President, Talent and Culture. Aimed at standardizing our practises across all our sites and over the entire life cycle of our assets, this change provides a better overview of the elements to be optimized and facilitates their prioritization, despite our growing activities and number of sites. At the same time, we engaged a reputable expert to help us establish an OHS behavioural matrix for Boralex and identify areas for improvement. Three of our sites were assessed in 2021 and an action plan will be developed in 2022. We also updated the variable compensation of our senior executives, in part to add specific targets related to the total recordable incident rate (TRIR).

OHS training and awareness

Training is an essential element of prevention and we invest heavily in it. For instance, for several years we have been training our people in SafeStart, an effective program focused on personal responsibility, to reduce incidents and accidents caused by human or behavioural factors. Permanent employees in our North American and European operations participate in this program regularly during the year. Following our review of OHS practises, we also consolidated all the training offered at the various Boralex sites into a single learning management system.

For several years now, our hydroelectric teams have also organized OHS weeks aimed at reminding people of OHS issues related to their activities. These weeks include presentations, refresher courses and practical exercises. They are an opportunity to recall the OHS objectives and take stock of Boralex's performance against them, discuss success stories and share best practises. Two OHS weeks were held in 2021.

Finally, as OHS is everyone's responsibility, we encourage employees to share their ideas on how we can improve our practises. In France, for instance, twice a year we hold a contest and award a trophy for the best idea for improving safety. In 2021, a team tested and proposed industrial cleaning products that are safe for human health and the environment, as well as refillable compressed air spray cans that are safe for users and the environment. Over the years, other improvements have been proposed and adopted, such as magnetic boards that can be installed temporarily on service vehicles to warn of possible falling objects during work, a hydraulic jack stand to secure heavy loads and avoid supporting them physically, and a pulley hoist allowing heavy loads to be lifted safely.



Incident management

When an incident occurs, the premises are secured immediately. Within 24 hours, safety alerts are sent to all operations managers and OHS officers so that they are aware of the situation and can discuss it at their morning meetings.

All unsafe conditions, near misses, cases requiring first aid or medical treatment, restricted activities and lost time accidents are reviewed during monthly calls between the operating teams and the CEO. In addition, the Environment, Health and Safety Committee reports recent incidents and OHS performance to the Board of Directors on a quarterly basis.

Finally, each Boralex site has its own emergency response plan identifying the steps to be followed and guiding employees in fast, orderly decision-making in emergency situations. Exercises and simulations are conducted annually to ensure that the emergency response plan is functioning optimally and that all required measures are in place.

Physical and mental health

From the start of the COVID-19 pandemic, Boralex has made sure to comply with government directives and stay abreast of the recommended health measures in all countries where it operates. Many arrangements have been put in place to keep our employees safe, including telecommuting wherever possible. In 2021, with health restrictions eased to some extent, we refashioned our workplaces to optimize collaboration while complying with the recommendations of OHS agencies. In Canada, for instance, we set up offices with a reservation system, allowing employees to work at the office when health conditions permitted, thanks to a system that ensures that the number of people present remains within safe and authorized limits. We nevertheless chose to remain flexible and allow those who preferred to continue working remotely to do so at any time, with no set minimum in-office presence. In North America, our Office Committee is working to introduce elements that stimulate collaboration in this new reality, with a blend of virtual and in-person interactions appearing likely in the long run.

Moreover, the pandemic has induced a pervasive sense of fatigue, and our employees are not immune to it. The often-high workload, when combined with isolation, can lead to a sense of exhaustion, and we have therefore organized various activities, such as lunchtime lectures with experts on topics like virtual workouts and happiness skills, and conducted frequent surveys of our employees to ensure their well-being throughout the pandemic. We have also begun to prioritize key projects that could have a positive impact, including automation of certain tasks.

Examples of measures in place at Boralex to promote physical and mental health

Paid **health club** memberships

Iron Boralex Challenge (see box)

Healthy snacks in North American offices

Flexible work schedules

Employee assistance program

Free telehealth service for employees in North America

IRON BORALEX CHALLENGE 2021



Iron Boralex Challenge 2021

Every year in June, we organize the Iron Boralex Challenge to encourage employees to get outside and move. In addition to donations made as “pay-what-you-can” registration fees, the total number of kilometres covered by participants during the month is converted into points and then into donations by Boralex to organizations chosen by employees, where they already volunteer.

This challenge contributes to the physical and psychological well-being of our employees by encouraging them to exercise for causes they support, while strengthening team spirit. In 2021, participants walked, ran or cycled a total of 42,075 km, resulting in total donations of CA\$13,214 (€9,032) for three organizations in France and five organizations in Canada and the United States.

42,075 km
travelled

CA\$13,214
distributed between
3 associations in France and
5 organizations in Quebec
and in the United States



“The Iron Boralex Challenge is one more thing that demonstrates Boralex’s values. In addition to bringing out the best in us professionally, this challenge gives us additional incentive to adopt healthier lifestyle habits, and it really cements our team, at work as well as socially. It shows that if we all run in the same direction, we are unstoppable.”

- **Antonio Caro Castaño**
Wind Turbine Operations and
Maintenance Technician
Winner of the 2021 Iron Boralex Challenge

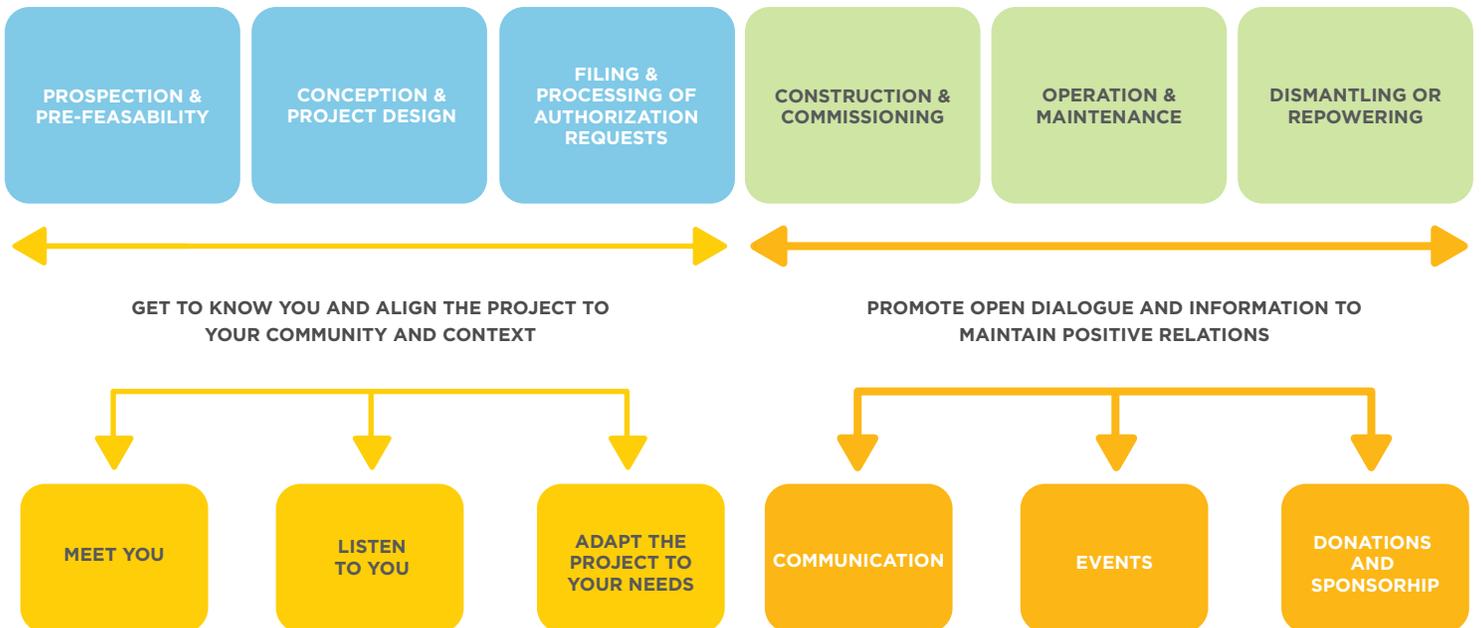


Priority 6

Consult and engage communities and territories

As a renewable energy producer, Boralex builds and operates all sizes of facilities in many regions, often rural. Regardless of the type of project or where it is located, though, our philosophy remains the same: we arrive as guests in the territory concerned, and we stay as neighbours. The success of our projects and our growth depend on it. Thus, we place great emphasis on dialogue and cooperation with our local stakeholders, as of the start of new project development and on a regular basis during construction and operation. Along with the communications team, the development and operations teams participate in the dialogue, in the interest of building respectful, lasting neighbourly relations with the local community.

To establish good relations, it is important to consult the communities and territories well before project development begins, and then to listen, be open to their comments and suggestions and address their concerns and needs, in order to foster the acceptance of our facilities. Effective communication tools are also needed; for certain projects, social acceptance can prove difficult to achieve despite our best efforts. Monitoring and advisory committees are set up as needed to create a dialogue with the stakeholders concerned and support the project's social acceptability and its integration into the host community. Such committees are also an effective entry point for identifying concerns and addressing them effectively.





Governance of community and territorial relations

Borex has teams in every region where we develop and operate projects. This makes us readily accessible to the stakeholders in our host communities and territories and our local partners. In addition, for new projects, we create project-specific email addresses and phone numbers as needed to facilitate communications. This information is generally posted on the Borex website. In some cases, we may also provide other means of communication, such as a website or Facebook page. We did so, for example, for the Apuiat wind farm, a large project where we wanted to ensure a constant flow of communication, particularly with the host communities.

During the operating phase, in the event of complaints or issues related to community and territorial relations, information is first processed locally and then passed on within the organization through an internal structure designed based on exposure level. Outstanding issues are reviewed quarterly by the Board of Director's Environment, Health and Safety Committee.

A partnership-based approach

Partnership is the essence of our approach to communities and territories. In both North America and France, we consult with the stakeholders as soon as we consider a project, even before signing for the land rights. We cast ourselves as a partner in their economic development, because we generate value locally through the jobs we create, the suppliers we contract with and the organizations we support. We make sure that our projects are developed in areas where we are welcomed and able to work well with the relevant municipal authorities, and we keep an open channel of communication. We are committed to arriving as guests and respecting those around us. We subsequently become engaged members of our communities and territories, open to our neighbours and respectful of the environment. We extend dialogue and consultation beyond project commissioning by creating dedicated community relations positions in our host territories. In some cases, our partners become co-owners of the project.

Training on Indigenous cultures in Canada

In the light of our joint ventures with First Nations, we have undertaken to enhance our employees' understanding of Indigenous cultures. In October 2021, we introduced training on Indigenous cultures in Canada. Mandatory for all our Canadian employees – current and future – including senior management, the course is presented in collaboration with the First Nations University of Canada and uses “4 Seasons of Reconciliation”, an educational tool aimed at promoting “a renewed relationship between Indigenous Peoples and Canadian Settlers”. It enables participants to deepen their knowledge of Indigenous cultures and improve their understanding of the realities of First Nations, Inuit and Métis peoples. All members of the Executive Committee and Board of Directors have completed this training, and the overall course completion rate for our employees is 93% and 96% for our Canadian employees.



“The Niagara Region Wind Farm project demonstrates what can be accomplished when developers go above and beyond consulting and form true partnerships with First Nations based on respect, honesty and understanding.”

- Darryl Hill

Energy Projects Manager, Six Nations of the Grand River Development Corporation

Partnership with Indigenous communities

In Canada, we work with Indigenous communities, in some cases entering into joint venture partnerships with them. This approach enables us to pursue the growth objectives set out in our strategic plan while honouring our commitment to respect our people, our planet and our community.

In 2021, we entered into one such joint venture for the Apuiat wind farm, to be built on the traditional territory (Nitassinan) of the Uashat mak Mani-utenam First Nation, on public lands in the town of Port-Cartier and on the Lac-Walker unorganized territory, in the Côte-Nord region of Quebec. This project is aligned with Innu values related to protecting plants and animals and preserving traditional practises (innu-aitun). Representing the final 200 MW block of the Quebec government's 2006-2015 energy strategy, Apuiat will be the first wind farm on Quebec's Côte-Nord and will provide the region with a long-term source of clean energy, in addition to generating considerable economic benefits for local Indigenous and non-Indigenous communities. Launched in February 2021 after more than 100 virtual meetings and 5 in-person open house sessions to explain the project and field questions, the project will be carried out in a 50-50 joint venture with Innu communities in Quebec, with the partners sharing equally in the profits from the sale of electricity for the duration of the contract. In addition, the community of Uashat mak Mani-Utenam and the host municipality will each receive annual royalties of \$500,000. The project will create approximately 300 jobs during the construction phase, which is scheduled to begin in 2022, and about 10 permanent jobs following commissioning, scheduled for December 2024. In November 2021, Boralex announced the appointment of Kateri Jourdain as Director of Community Relations for the project. Ms. Jourdain is based at the new project office in Uashat and is responsible for relations with the host communities and the media. She was born and raised in the Innu community of Uashat mak Mani-utenam and will play a key role in developing and maintaining strong relations between the project team and the various stakeholders. More details on the project and on the Innu communities can be found on the project website, at www.apuiat.com (in French and Innu only).

We took the same approach for the Niagara Region Wind Farm in Ontario, a 50-50 joint venture with the **Six Nations of the Grand River** Development Corporation in operation since 2016. In addition to a 50% share of the distributions generated by this clean energy asset, the agreement with the Six Nations community provides for a **\$20,000 annual donation** to the Grand River Post Secondary Education Office to support education.

We are also partnered with the **Taykwa Tagamou Nation** and **Mattagami First Nation** communities in connection with our Yellow Falls hydroelectric site.



Partnership with municipalities

Borex works with many municipal authorities in Canada, the United States and France. We would be unable to build and operate our renewable energy production sites without their support. It is therefore essential for us to secure their approval before we even start to develop our projects, to ensure that we maximize our social acceptability and are welcomed as a respectful and respected neighbour.

Project acceptance is not always guaranteed, however, as we have sometimes seen with wind farms in France. Therefore, in addition to the consultations and dialogue we undertake at the initial stages of our projects, we make use of tools that can sometimes facilitate project acceptance, such as:

- **Crowdinvesting**, whereby a municipality becomes a shareholder in a project, as in the case of a solar project in development in Saint-Christophe-sur-Dolaizon, Haute-Loire;
- **Crowdfunding**, whereby individuals help finance a project through Borex-guaranteed loans that carry an attractive annual interest rate;
- **“Green electricity”**, a mechanism allowing individuals to purchase the electricity generated from Borex’s partner and consume it locally at a preferential rate (Ilek-Borex green electricity);
- **Co-construction**, whereby communities and their representatives participate in some of the decisions involved in wind farm development.

As an example of our commitment, in 2021, Borex created a position in France dedicated to the large-scale roll-out of crowdinvesting. The role involves implementing projects that are participatory both in terms of equity investment and the energy or electricity to be developed in our territories.

Finally, it is important to emphasize that renewable energy production can help create skilled jobs in regions where they are often scarce and spur economic activity for local businesses.



“Whenever schools and school groups ask to visit the site, Borex is very accommodating. Borex provided the facilities and equipment for the educational trail around the wind farm, and soon plans to add a kiosk and benches, tables and information panels. For events organized by our local associations, like a village fair, for instance, we request a banner and support through the Borex sponsorship program, and we always get a favourable response. Borex is one of the partners that come to mind for our municipal promotional flyers and various events. Relations between Borex and the municipality are very good.”

- Francis Nohant

Mayor of Quinssaines, a host community for the Plateau de Savernat wind farm

A first crowdinvesting solar project in France

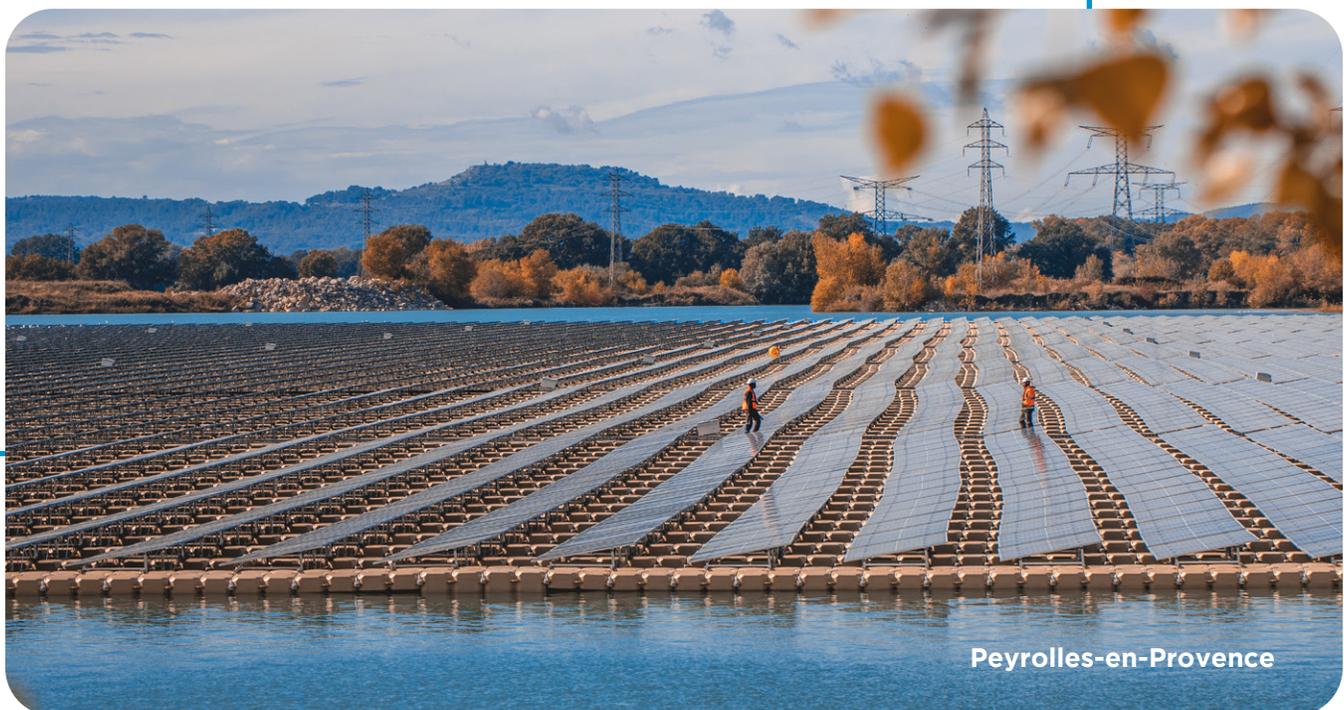
The Clé des Champs solar farm project, in the municipality of Saint-Christophe-sur-Dolaizon, is both Borex’s first solar power production site in the Haute-Loire region and our first crowdinvesting project in France. For three weeks in 2020, local residents were able to invest in the project through the Enerfip platform. In all, just over 150 people became eco-investors in the project, for total of €844,000. The solar farm was commissioned in the fall of 2021.



The role of innovation in social acceptance

Innovation is proving to be a very useful tool when it comes to social acceptance. In France, for instance, floating solar farms are being built in former gravel pits, an innovation that gives new life to abandoned industrial sites. We submitted two such projects in 2021, including one in Peyrolles-en-Provence that was commissioned in November 2021.

Agrivoltaics is another innovative avenue in solar power, applicable on a small scale in very specific cases, particularly in Europe. Through a joint venture with Sun'Agri, a structure of dynamic solar panels will be erected above crops and will serve to both generate electricity and protect the crops.



Because our projects are often in rural areas, preserving agricultural resources is a key concern for Boralex. In North America, for example, we have worked with several experts to develop a plan that integrates agriculture into one of our solar energy projects. The plan was adopted in 2021 and will be implemented in our Greens Corners Solar project, being developed in the towns of Watertown and Hounsfield, Jefferson County, New York State. The goal of this multi-use plan is to adjust the design of our projects so that agriculture is not only possible but can take place under the best possible conditions, despite the presence of our equipment. We hope to thus contribute to a better local agricultural economy, adoption of regenerative agricultural practises, ecosystem management and improved soil health.

During the operating phase, the Greens Corners Solar site will host commercial beekeeping operations and two pilot projects to test:

- **Manure injection**, a process that prevents evaporation of the nutrients contained in manure, deposits them optimally on plant roots and minimizes unpleasant odours in the vicinity;
- **Development of agricultural practises that allow for improved carbon sequestration in soil**, which can act as a significant carbon reservoir.

The multi-use plan, which spans 35 years in tandem with a series of five-year operating plans, is to make the best possible use of this parcel of over 430 hectares of land.



Beyond Renewables Fund: Supporting STEM education in host communities

Borex is committed to being a good neighbour and valued member of our host communities. To ensure our projects have a positive impact, we have created the **Beyond Renewables Fund, designed to create opportunities and long-term benefits for underserved areas, underrepresented populations and our host communities.**

Some of our projects in the United States are in communities identified as “Environmental Justice Areas”, meaning that at least 20% of their residents live below the federal poverty line and/or 30% or more are non-white minorities.⁶ These communities will be prioritized in our resource allocations. The Fund will support efforts in and around our host communities, including:

- **4-H programs**, which provide students with hands-on learning opportunities in areas such as health, science, agriculture and civic engagement in a positive environment where they receive guidance from adult mentors and are encouraged to take on proactive leadership roles. Borex will sponsor local programming and fund participants in the New York State science, technology, engineering and math (STEM) summer camp.
- **The Pathways in Technology Early College High School (P-TECH) program**, a school model that prepares young people to acquire the academic, technical and career skills needed for the jobs of the 21st century. Borex offers internships and mentoring to students, as well as “coaching days” enabling students to learn first-hand how their skills and interests can be applied to a career in renewable energy.
- Borex also awards scholarships to students who have successfully completed the **4-H** or **P-TECH** programs and are pursuing their studies in **STEM** fields.

Life-changing donations and sponsorship

As a member of communities and territories, Borex also contributes to the vibrancy and economic vitality of the regions where it operates. It does this in a variety of ways, including by funding local activities and events, partnering with local organizations and institutions and, in France, offering green electricity to residents near our wind and solar farms.

Our philanthropic activities are guided by our donations and sponsorships policy, which was updated in 2021 to fully align with our CSR strategy while contributing to the fulfilment of our strategic plan objectives. The policy focuses on the following areas, in line with our strategic plan and our CSR strategy:

- **The vibrancy and vitality of communities and territories** in the countries where we operate;
- **Education**, by supporting the next generation and promising initiatives, particularly those that foster diversity and inclusion;
- **Environmental protection**, particularly initiatives that support the energy transition;
- **Employee involvement** in the community.

Many activities took place in 2021. In December, for instance, in partnership with the municipality of Saint-Quentin, we organized a fun day with a visit of a wind turbine at our Voie des Monts wind farm in France to benefit sick children. In North America, we made a donation to the *Institut du Québec* to support research on the social impact of business in Quebec, leading to the publication of a report on corporate social responsibility in Quebec in December.

Our donations and sponsorships policy is overseen by our Public and Corporate Affairs department, in cooperation with the operations teams in the case of donations and sponsorships specific to our various production sites. The [Borex website](#) has a dedicated page to facilitate the donation and sponsorship request process.



⁶ Source : <https://www.dep.pa.gov/>



OUR ENVIRONMENTAL PRIORITIES

PRODUCING RENEWABLE ENERGY IN A SUSTAINABLE AND RESILIENT MANNER



The very nature of our business means that Boralex has been helping to decarbonize the economy since our founding in 1990. Our mission has always been to increase our production of renewable energy through high-quality facilities that are developed and operated with the utmost respect for the environment and in the interest of our host communities and territories, partners and investors. As early as 2004, we made a formal commitment to the environment (see box for more details), part of an environmental mission that underpins all our management and development decisions. We know that sustainable development is not just about what we do, it is also about how we do it, which is why our success depends on the development and operation of projects that go beyond economic considerations to also take into account social and environmental aspects.



Thus, our project development process starts with consultation of the local authorities. Once we have secured their acceptance of the project, onto thorough environmental assessments and qualitative impact studies. We of course comply with the regulatory requirements for all our projects, but beyond that, we systematically aim to support any approach or initiative that could improve environmental protection, particularly through the search for effective, innovative means of reducing our impact (acoustic, visual, biodiversity). Accordingly, we also expect our suppliers and business partners to hold the same values, as evidenced by our sustainable procurement charter (see page 26 for more information).

There were no major environmental incidents at our sites in 2021. That said, events such as blade failures and fires can always occur despite all our precautions, which is why we have put emergency response plans in place for each of our sites and conduct simulations on a regular basis. In France, we introduced specific risk management training for all personnel in 2021 in compliance with new regulatory requirements on emergency management (see page 35 for more information).

Our commitments to the environment

Advocate for the protection of the environment, the principles of sustainable development and the generation of renewable energy.

Adhere to the environmental laws and regulations that govern our activities.

Support internal initiatives in research, development and continuous improvement in the areas of sustainable development and environmental protection.

Ensure implementation of an environmental action plan at each operating site.

Entrust management of the environmental mission and related matters to qualified and responsible personnel.

Train employees and make them accountable for sustainable development and environmental protection.

Adopt a proactive, responsible and respectful approach to the environment when developing projects and production sites, to minimize the impacts and risks associated with operating power generation facilities.

Cooperate with communities and government authorities to build partnerships in the area of environmental management and corporate accountability.

Inform internal and external parties about Boralex's environmental mission.



Priority 7

Use resources responsibly

As a builder, owner and operator of renewable energy production facilities, Boralex is in charge of assets over their entire life cycle, enabling us to manage our resources optimally. We work hard to find the best ways to reduce waste production and optimize the use of resources (raw materials, water, energy), both in our projects and in our internal operations.

That said, our activities consume very few raw materials directly. Our resource use stems mainly from asset acquisition or construction and then dismantling once the assets reach the end of their lives. In these activities, we comply with all local environmental requirements and ensure that we minimize any negative impacts, in cooperation with our host communities and territories.

Wind turbines

A dismantling plan for assets set to be replaced has been in the works since late 2021, in preparation for the dismantling of 18 turbines in 2022. The plan focuses on the reuse of raw materials and recycling of used materials, in line with circular economy principles. We are exploring several options:

- **Sale on the second-hand market**, with a say in how the turbines are used, as was the case for a dozen wind turbines we dismantled in France, which are now in operation on a site with less harsh weather conditions in Spain;
- **Refurbishment**, which involves a crucial step of identifying critical spare parts for each turbine model to be sure to have them in stock;
- **Blade recycling**, including shredding for other uses.



In addition, throughout the life of an asset, we endeavour to repair defective parts on site. This work is performed by our teams or by local suppliers. We have also set up a process for repairing parts from turbines that are defective or at the end of their useful life, which greatly reduces waste production while saving money and developing internal expertise.

Finally, our teams are encouraged to submit their ideas for improving our environmental performance for site maintenance. As an example, in 2021 a French team came up with the idea of reusing soiled rags instead of recycling them. We contracted a company that will start collecting rags from sites across the country in 2022, clean them using a specialized process and return them to the sites. In addition, all teams in France are now using refillable compressed air aerosol cleaners that are safe for users and the environment, based on a local team's suggestion.

Solar farms

Our solar farms tend to be fairly new, and to date represent just 10% of our installed capacity. As such, decommissioning activities are not yet being considered. Nevertheless, our strategic plan provides for an increase in our activities in this renewable energy segment, and we therefore plan to install new solar farms in Europe and North America over the next few years.

In France, as per regulator requirements, all our solar panels are declared to Soren, the state-approved organization in charge of collecting and recycling photovoltaic solar panels. We pay an eco-contribution that allows us to recycle the panels when we need to dispose of them.

Hydroelectric power stations

Borex owns 16 hydroelectric power stations, all in North America. These are run-of-river facilities, and have a low environmental impact, as they require no changes in water level and very little modification of the hydraulic regime. Although some of the stations are several years old, they are not expected to reach the end of their life any time soon.

Borex offices

We also consume resources in our various offices around the world, such as paper, plastic items and water. We regularly remind our employees of the need to reduce resource consumption. The Sustainable Development Committee has tackled the issue by taking stock of current practises in our offices and sites, which has led to various initiatives, such as composting of food scraps and recycling of various products, including face masks. More information on the activities of the Sustainable Development Committee can be found on page 23.





Water: A precious resource that we manage with care

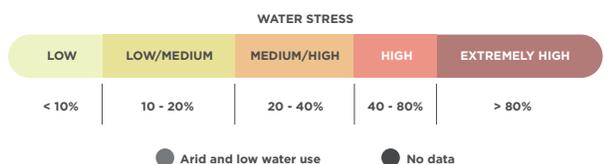
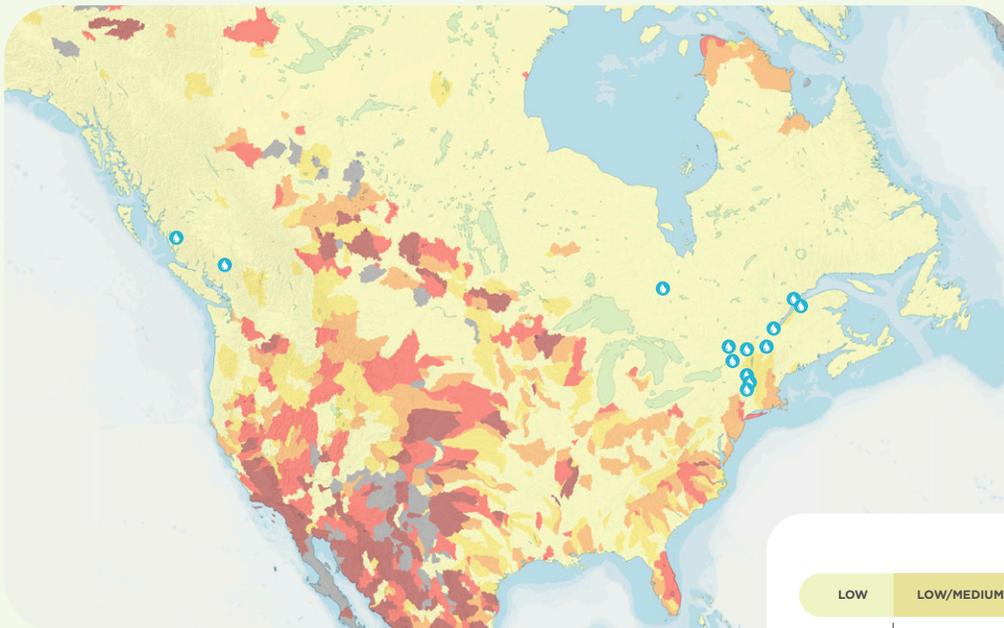
Borex uses very little water in our operations because wind turbine and solar panel operations, which account for 92% of our total energy production in MW, do not require water. Thus, our impact on water is limited to the small amount consumed in our offices and the activities of our hydroelectric power facilities, which represent 7% of our total installed capacity.

As indicated above, our 16 hydroelectric power stations are run-of-river facilities, which minimizes their impact on the natural streamflow. In addition, the water is not held in reservoirs and therefore does not add to water stress. According to the World Resources Institute's Aqueduct Water Risk Atlas, all our hydroelectric power stations are in areas where water stress is assessed as "low" (< 10%), except the Rimouski site, where it is assessed as "low-medium" (10 to 20%).

Thus, the greatest impacts our power stations have on water are:

- **Slower streamflow** following power station construction;
- **Higher water levels** following dam construction;
- **Sediment retention** in the early years of the power station's life for dams with no bottom outlets or gates that open from below;
- **Water level fluctuations** during maintenance, which are nonetheless smaller than those of natural river cycles.

We are always looking for ways to minimize the impact of our activities. As flow variations can alter the riverbed by moving sediment and drops in water level can temporarily dry out wetlands where fish and other species live, we routinely hire specialists to come in, relocate species at risk and measure the impact of our activities. We work with government authorities on an ongoing basis to refine our methods. We also systematically notify local residents when we plan maintenance. In fact, we are very active in community engagement, such as working with watershed committees, fishermen's associations, groups associated with emergency preparedness, municipal authorities and other dam owners. During heavy flooding, we also work with these stakeholders to minimize the impact on residents and keep them informed on measures being taken.





Priority 8

Respect and protect biodiversity

Biodiversity is a broad term that refers to all forms of life found on Earth. Over the years, biodiversity has been affected by many factors, such as land use, pollution, climate change and human activity. Because our very existence depends on the diversity of the ecosystems, species and genes that surround us, it is important to at least conserve if not restore biodiversity, even if doing so presents a major challenge.

Boralex's renewable energy production activities have long cycles and a direct impact on nature:

- **Wind farms** can affect birds and bats, with a risk of collisions with turbine blades, disruption of migratory routes and loss of habitat for some species.
- **Solar farms** can present risks for birds (collisions, burns) and insects (attraction and disorientation) and disturb ground vegetation.
- **Hydroelectric power stations** can affect ecosystems.

As a result, starting at the design phase of our projects, we are extremely vigilant about applying regulatory procedures and adhering to the “avoid-reduce-compensate” principle, also known as the ARC sequence. Thus, we systematically address biodiversity concerns in the impact studies for all the projects we carry out, in order to **avoid**, to the greatest extent possible, any impact on the environment.

We also apply mitigation measures to **reduce** the impact of our activities. In wind power, this means slowing or stopping our wind turbines to avoid incidents with protected species, in particular birds of prey (raptors) and bats. For bats, automated high-altitude monitoring enables us to identify the meteorological and phenological parameters favourable to bat activity on the site, and we program the turbines to shut down during periods of peak activity. Similarly, for raptors (black kite, red kite), on certain identified sites we can stop the turbines during agricultural work in the vicinity, as studies have shown a correlation between agricultural and raptor activity. We are also testing new technologies that will enable us to aim for real-time curtailment in high-risk situations, protecting the target species as best we can while producing as much energy as possible (see box on this subject).

At our hydroelectric power stations, we aim to **reduce** the impact of our activities on species living in the affected waterways. For example, in Rimouski, 25 years ago we committed to assuming the costs of protecting the Atlantic salmon run upstream from the dam in order to increase the species' reproduction area. In addition, we supported salmon population growth by providing the site, equipment and resources needed to raise 100,000 parr (young salmon) per year for 10 years. Thus, while the annual run was about 200 salmon 25 years ago, for the last two years it has been around 800 salmon, whereas overall salmon populations in Quebec rivers are declining. In addition, the Rimouski power station is one of the few designed to preserve the eel population, by allowing for the elver run upstream of the dam and preventing the mature eels from becoming caught in the turbine as they swim back downstream.

Finally, we are implementing measures to **compensate** for the impact of our activities. For instance, in 2018, as part of three wind energy projects in France (Mont de Bagny, Chemin de Grès and Parc de l'Artois), we signed an agreement with Conservatoire d'espaces naturels des Hauts-de-France to implement various offset measures. We made progress against this in 2021, acquiring two three-hectare parcels in the centre of the wind farm siting areas and conducting environmental surveys. In addition, a notice de gestion (management notice) was prepared for site restoration to support bat and hawk conservation. We are also working with farmers around several of our projects to protect the nests of the Montagu's harrier, an endangered species in Europe, and to prevent nest destruction during mowing or harvesting. In addition, we systematically integrate biodiversity-friendly areas into our new projects, particularly solar farms.

Site ecological monitoring is systematically carried out at all stages of construction and operation by an independent engineering firm that educates companies working on the site and implements the avoidance and reduction measures provided for in the environmental action plans (machinery and equipment supervision). This monitoring also covers damage to hedges and trees, with a view to local replacement of any plant destroyed. Moreover, spill kits are made available on site in case of an incident and our teams receive training to make them aware of the environmental issues

associated with our activities and enable them to respond to any environmental incident that might occur. Following the commissioning of new sites, environmental monitoring takes place to determine impact and implement mitigation measures as needed (e.g., curtailment). The monitoring is carried out by external consultants and coordinated by a team of Boralex environmental experts.

Protecting biodiversity through technology and innovation

New technologies and innovative approaches can help optimize biodiversity protection, and we are currently testing several.

The first is aimed at bats, whose populations are declining worldwide. As wind farms can cause fatal collisions with these flying mammals, we use curtailing to reduce this risk. In July 2020, we began testing a new technology for further reducing bat mortality. The system emits an ultrasonic sound field designed to discourage bats from entering the area swept by the turbine rotor. It yielded promising results during testing at the Port Ryerse wind farm in Ontario, where there was a significant decrease in mortality for the year. It could prove useful at our wind farms where traditional curtailing has not had the desired effect.

In France, we are testing two bird detection and turbine control systems based on two innovative technologies (3D camera and radar). In both cases, the goal is to detect the presence of birds within a radius of up to 1 km from the wind turbines, assess their speed, predict their trajectory and then control the relevant turbines (slow to a stop) when the target species enters the "high-risk" area.

These innovations are all aimed at optimizing wind turbine curtailing to avoid bird and bat collisions while maximizing turbine operation. They therefore provide ways that we can both protect biodiversity and optimizing our financial performance.





Priority 9

Adapt to climate change

As a renewable energy producer, Boralex depends on nature and the elements – the wind, sun and water that are our raw materials. Climate change could have an impact on these elements, as well as on the condition of our facilities. In business, we manage risks and budgets on a daily basis. In recent years, and particularly in recent months, it has become clear that the biggest risk facing humanity is climate change, which is occurring faster and is more far-reaching and critical than we care to admit. We are already feeling its effects. In 2021, for instance, intense forest fires in British Columbia affected the productivity of our nearby wind farms. In Europe, one of our new projects in France was delayed due to a supply chain disruption caused by flooding in Germany, where our blades were left stranded when roads were destroyed. Meanwhile, in Quebec we had to suspend operations for several days at one of our dams due to drought.

At the same time, given our business, the energy transition required to curb climate change also presents opportunities for growth and potential for operational and customer diversification, in line with our strategic plan.

Reporting pursuant to the TCFD recommendations

This section outlines our general approach in implementing the recommendations of the **Task Force on Climate-related Financial Disclosures (TCFD)**. In preparing our first CSR report, for the year 2020, we committed to report on our progress in line with the 11 TCFD recommendations.



Board's oversight of climate-related risks and opportunities

Borex's Board of Directors is responsible for implementing and monitoring the corporate strategy, which has four broad strategic priorities that incorporate CSR considerations. The Board also oversees the process of identifying and assessing the main risks arising from the Corporation's activities.

In addition, the Nominating and Corporate Governance Committee is responsible for the progress of the CSR strategy, including the climate change component that we have identified as a priority (see section on materiality on page 15), and receives a quarterly progress report. The Audit Committee assists the Board in fulfilling its reporting responsibilities.

In addition, every quarter, the President and Chief Executive Officer and the Vice President and Chief Financial Officer present Borex's risk map to the Board of Directors.

Role of management in assessing and managing climate-related risks and opportunities

Climate change is one of the priorities of our CSR strategy. Ultimate responsibility for CSR strategy implementation rests with the President and Chief Executive Officer, as indicated in the Governance section of this report, on page 20. That said, all members of the Executive Committee have a role to play in implementation, with CSR objectives integrated into the operating plans and budgets of all departments.

In 2021, two training sessions on climate change, and on the details of the TCFD recommendations in particular, were held for Executive Committee members.

We also created in 2021 an internal steering committee responsible for the implementation of the TCFD recommendations at Borex. The committee is led by the Senior Director, Investor Relations, and includes internal experts in meteorology, fluid mechanics and technological innovation, as well as the Director, Risk Management and Internal Controls, and the Director of Corporate Social Responsibility. Starting in 2022, the committee will oversee the implementation of the TCFD recommendations and, more generally, the assessment of our assets' resilience to the effects of climate change. It will report on its progress to the Executive Committee and the Board of Directors.

In terms of the opportunities that the energy transition presents for Borex, **we have set our targets for tons of CO₂ avoided from now to 2025**. These targets are directly linked to the growth targets that are included in the variable compensation of our senior executives and therefore also have an indirect impact on their variable compensation.

Climate-related risks and opportunities identified over the short, medium and long term

Our corporate risk identification includes, on a preliminary basis, two ways in which climate change may affect our operations in the short term (less than one year) and the medium term (two to three years):

- **Power station and site performance:** The Corporation may fail to optimize the operation of its sites due to operational inefficiencies, a lack of value for money, deficient maintenance plans or extreme operating conditions.
- **Natural disasters and force majeure events:** A natural disaster may affect the assets of Borex and its business partners, adversely affecting their ability to honour contractual commitments and resulting in force majeure events. Climate change may cause natural disasters.

In the longer term (i.e., three years or more), we believe that the fight of global warming will also generate opportunities for Borex, given the evolution of the energy mix and growing demand for electricity from renewable sources.

That said, in 2022, we will examine the issue in more detail to assess the potential impact of climate change on our assets (physical risks), with the assistance of a reputable third party.

Impact of climate-related risks and opportunities on our business, strategy and financial planning

Climate change is at the core of our purpose: **“On our planet where electricity is central to fighting climate change, we have a responsibility to produce it sustainably for future generations.”** Given what we do, the energy transition and the desire to stay within a 1.5 °C warming scenario mostly means opportunities for Borex. We have therefore decided to aim for geographic and technological diversification of our sources of energy production to reduce our overall vulnerability to climate events.

Geographic and technological diversifications anticipated by 2030

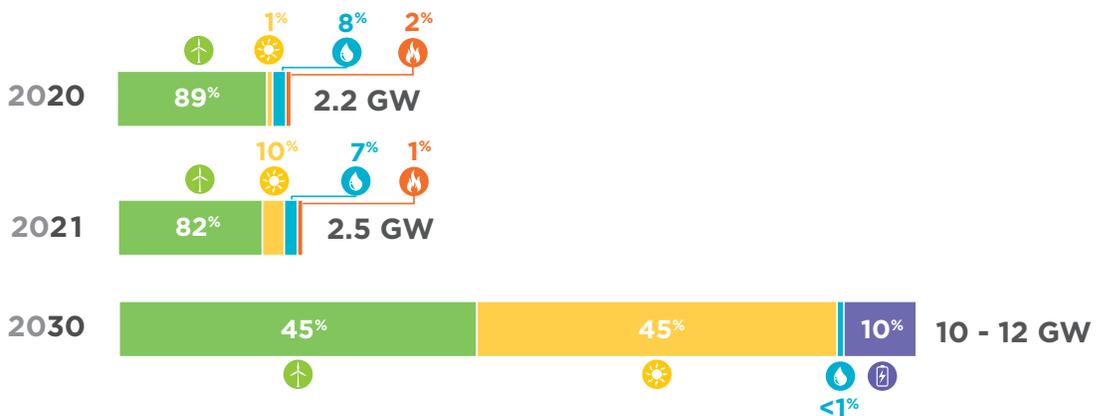
The fight against global warming also drives us to focus on accelerated growth, because our stated purpose calls for us to play a leading role in the energy transition. Thus, our strategic plan calls for significant growth in the United States to support the accelerated decarbonization of that country's energy sector. We are also reducing our thermal power generation, which has led us to sell our thermal power plant in France in 2021, making us a 100% renewables operator in Europe.

On the operations front, we take the uncertainty surrounding climate effects into consideration when assessing projected production and variations in power output. We do this based on short-term weather data measured at the sites and correlated with historical data to adjust for long-term trends. We apply an uncertainty factor consistent with industry practise that allows for the impact of climate change. We then take the assessment results into account when making corporate decisions on capital allocation.

TARGETED GEOGRAPHICAL BREAKDOWN OF INSTALLED CAPACITY (IN GW)



TARGETED TECHNOLOGICAL BREAKDOWN OF INSTALLED CAPACITY (IN GW)



Resilience of the Corporation's strategy, taking into consideration different climate-related scenarios

In 2022, a specialized firm will support us in assessing the resilience of our corporate strategy. We will start by assessing the physical risks associated with a high warming scenario, in order to prioritize the ones we need to focus on in the coming years and incorporate in our decision-making when selecting and managing sites. We will then undertake an analysis based on a climate scenario aligned with the Paris Agreement. Based as it is on growth in renewable energy production, such a scenario mainly means opportunities for Boralex.

Processes for identifying and assessing climate-related risks

Our risk management plan includes a CSR risk identification process aligned with the framework of the Committee of Sponsoring Organizations of the Treadway Commission (COSO). We take climate-related risks into account under our "natural disasters and force majeure events" and "power station and site performance" risk factors, as described above. More information on our risk management plan can be found in a designated section on page 18.

That said, climate-related risks are unique given their level of uncertainty in a context of unprecedented global warming, the time horizon over which they occur, their interconnection with other business risks and their geographic nature⁷. We will therefore continue to assess and integrate them into our risk management plan as part of the work planned for 2022.

On the opportunity side, we are closely monitoring regulatory changes and government commitments regarding the reduction of greenhouse gas emissions, as they directly support growth in our potential market. For growth, we are targeting countries with ambitious climate commitments, including the United States, Europe and Canada.

⁷ Source: Guidance on Risk Management Integration and Disclosure, TCFD, 2020



Process for managing climate-related risks

Certain climate-related elements are integral to our assessments. For instance, we select our project sites based on various qualitative factors, including the required quality of the natural resource. Thus, depending on the type of asset, we perform specific analyses, such as measuring the frequency of extreme winds and flood risks.

Over the course of 2022, we will focus on assessing the physical effects of climate change as part of our analyses to support decision-making in a context of accelerated growth and in our processes.

Integration of processes for identifying, assessing and managing climate-related risks into overall risk management

Climate-related considerations are integrated into our risk management map, specifically as potential causes of failure or malfunction of our assets or operations. Thus, we take climate-related risks into account under our “natural disasters and force majeure events” and “power station and site performance” risk factors, as mentioned above. More information on the risk management plan can be found in section 18.



Metrics used to assess climate-related risks and opportunities in line with our strategy and risk management process

In assessing climate-related risks and opportunities, we consider the following:

- **Scope 1 and 2 emissions**, as defined on page 57;
- **Scope 3 emissions**, once we have completed our assessment in that regard (see page 58 for more information);
- **Tons of CO₂ avoided**, which are now included in our sustainability-linked loan (see page 9 for more information);
- The assessment criteria used in the Corporation's risk map (i.e., financial criteria and likelihood of occurrence).

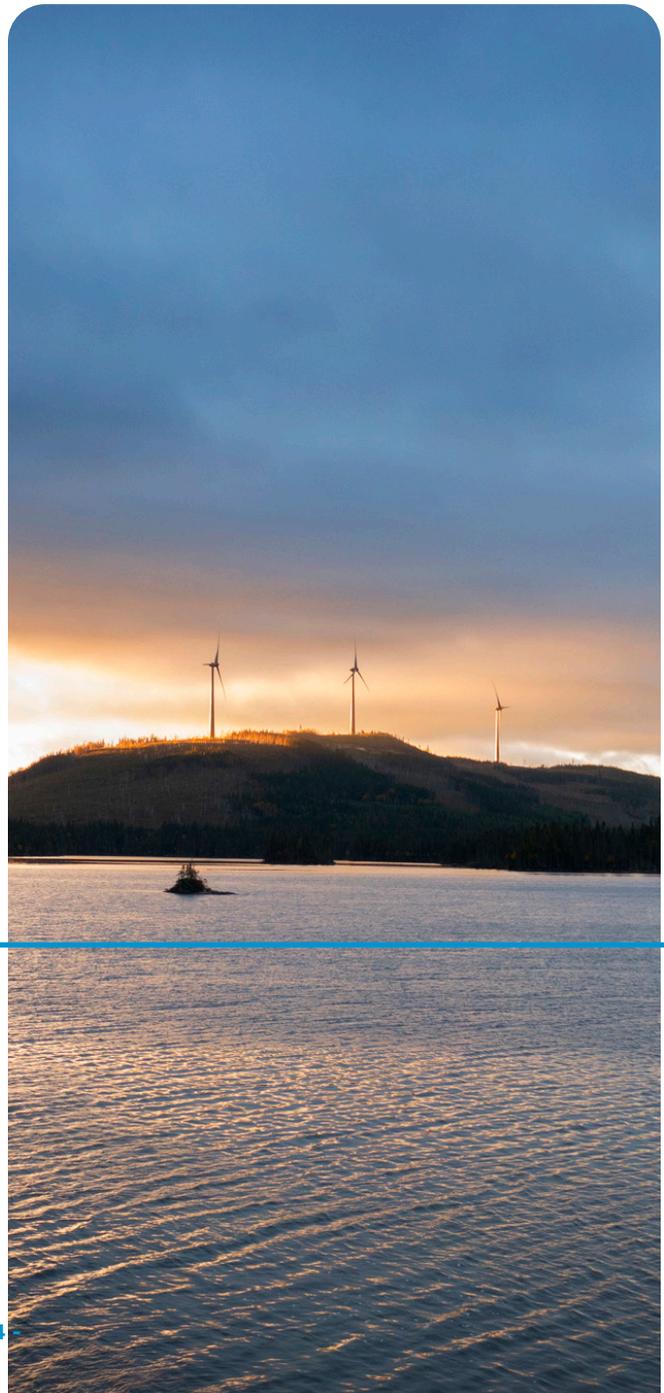
As part of the work planned for 2022, we will also establish, jointly with an external consultant, the climate scenario metrics to be used in our physical risk assessment.

Scope 1 and 2 emissions, Scope 3 emissions, and the related risk

Data on our Scope 1 and 2 emissions, as well as the ongoing process of assessing our Scope 3 emissions, are presented on page 58, in the section on greenhouse gas emissions.

Targets used to manage climate-related risks and opportunities and performance against targets

To date, we have defined targets for the tons of CO₂ avoided through our renewable energy production, aligned with the growth ambitions in our strategic plan. We ended 2021 with 352,666 tons of CO₂ avoided, 24% more than in 2020. Our target for **2025 is 781,773 tons of CO₂ avoided**. In addition, we are currently analysing our data with a view to setting our Scope 1 and 2 emission targets.





Priority 10

Limit greenhouse gas emissions

According to the International Energy Agency, electricity production is the main contributor to greenhouse gas (GHG) emissions.⁸ Rapid decarbonization of the industry is therefore essential to fight climate change and comply with the **Paris Agreement**. Producing electricity from renewable sources is what Boralex does. It is a given, then, that we are helping to reduce global GHG emissions by providing consumers with energy that tends to be lower-emission than national energy mixes, which are still largely based on fossil fuels.

That said, our activities are not entirely free of GHG emissions. Therefore, in line with our desire to go beyond renewable energy, we have undertaken to continue educating our employees on the impacts of GHGs, identifying our emission sources and determining concrete actions we can take to reduce our carbon footprint. To that end, we have conducted an initial assessment of our Scope 1 and 2 emissions for the years 2019, 2020 and 2021.⁹ We have also initiated a preliminary assessment of our Scope 3 emissions which we will continue refining in 2022, in order to have a complete picture.

In addition, as part of **COP26** in November 2021, we co-hosted climate change information sessions with an independent partner and produced a series of videos and articles to inform our employees of developments in connection with our GHG emissions.

⁸ Source: [Emissions by sector – Greenhouse Gas Emissions from Energy: Overview – Analysis – IEA](#).

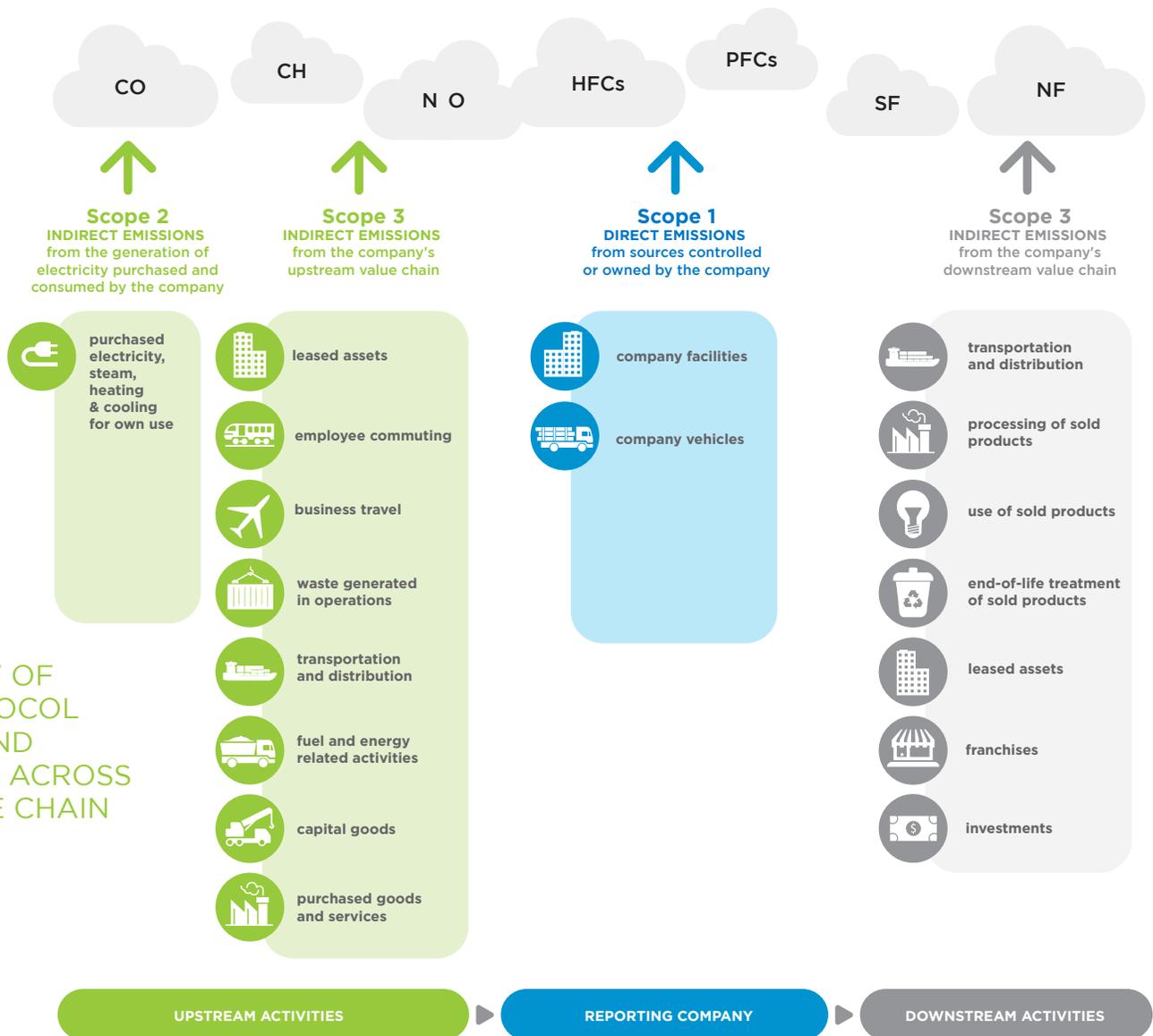
⁹ The Scope 1 and 2 figures for 2021 presented in this report are preliminary, as they are based on the data available at the time of publication. We will report our final figures in our 2022 response to CDP.

What are Scope 1, Scope 2 and Scope 3 emissions?

The definition of GHG emissions is derived from the GHG Protocol Initiative, a multi-stakeholder partnership of businesses, non-governmental organizations, governments and others convened by the World Resources Institute (WRI) and the World Business Council for Sustainable Development (WBCSD). The initiative was launched in 1998 with the mission to develop internationally accepted GHG accounting and reporting standards. In that context, it has defined three categories of emissions that make up a company's carbon footprint:

- Scope 1 emissions are greenhouse gases that the Corporation generates directly at its facilities, including through its vehicle fleet.
- Scope 2 emissions are the indirect emissions related to the electricity, heating, cooling and steam consumed by the Corporation through its facilities and vehicle fleet.
- Scope 3 emissions are all other indirect emissions that occur in the value chain of the Corporation, including both upstream and downstream emissions.

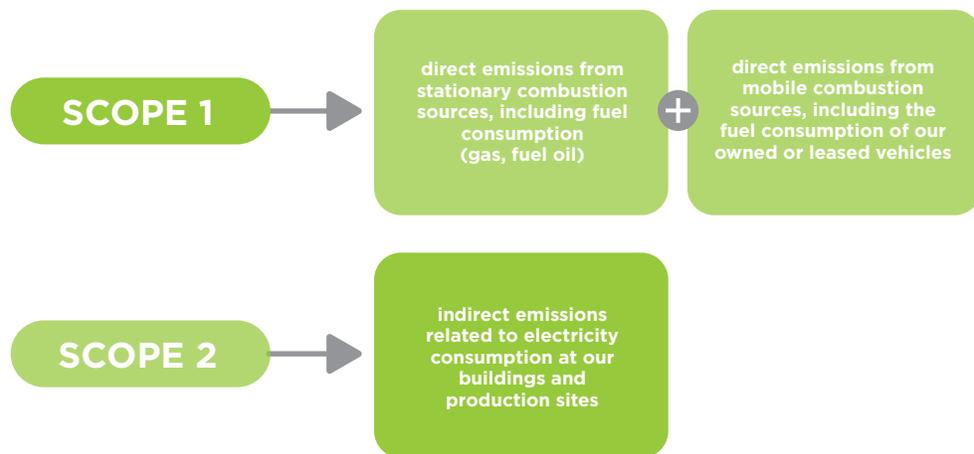
OVERVIEW OF GHG PROTOCOL SCOPES AND EMISSIONS ACROSS THE VALUE CHAIN



Source : Technical Guidance for Calculating Scope 3 Emissions (version 1.0), The Greenhouse Gas Protocol

Calculating our greenhouse gas emissions

In 2021, we began calculating our Scope 1 and 2 emissions in accordance with the GHG Protocol and ISO 14064-1, from 2019 onward. To do so, we used the following calculation metrics:



We included all of Boralex's production sites and offices in the calculation, taking an operational control approach, meaning that all energy production sites were considered at 100%, even when jointly owned with a partner.

Preliminary estimates for our Scope 1 and 2 emissions for 2021 are provided below, based on the data available at the time of publication. We will report the final results in our 2022 response to CDP.

We also continue to calculate tons of CO₂ avoided through our renewable energy production (more information on the calculation method can be found on page 9).

Our Scope 1 and 2 emissions

Our **Scope 1** emissions come mainly from the combustion of natural gas at our Blendecques site. That site was sold in 2021, and we therefore expect significantly lower Scope 1 emissions in our calculation for 2022. This is especially true as those emissions take into account the fuel used by our vehicle fleet which we continue to shift to electric, hybrid and fuel-efficient vehicles. In 2021, such vehicles accounted for 28% of our fleet.

Our **Scope 2** emissions are generated by our buildings and sites; a list of our sites can be found at www.boralex.com/our-projects-and-sites/.

In France, we purchase Guarantees of Origin¹⁰, virtual tracking instruments that attest to the origin of electricity, to cover almost 100% of our electricity needs, at an approximate cost of €589,000/year.

Results of our emissions calculation since 2019					
YEAR	SCOPE 1 tCO ₂ e	SCOPE 2 tCO ₂ e	SCOPE 1 + 2 tCO ₂ e	Renewable energy production (GWh)	Avoided emissions tCO ₂ e
2019	57,257	1,444	58,584	5,544	295,314
2020	56,549	1,717	58,164	5,834	283,831 ¹² ✓
2021	24,991 ¹¹	2,956 ¹¹	27,947	6,215	352,666 ✓

Scope 3 emissions

In 2021, we studied the source of the source of our **Scope 3** emissions for 2019 and 2020. The preliminary results indicate that for each of those two years, three categories accounted for about 98% of such emissions: purchased products and services; investments related to our renewable energy generation sites; and fuel and energy activities. In that regard, it is worth noting that the fuel and energy activities were primarily attributable to the natural gas extraction process used at the Blendecques cogeneration plant, meaning that we can also anticipate a decrease in Scope 3 emissions in 2022 as a result of the sale of that facility in 2021.

This exercise has given us a sense of the effort we will need to invest in the coming months and guides our ongoing work on obtaining a more accurate picture of our supply chain. It also allows us to identify initiatives that we can continue to encourage among our employees, particularly with regard to our procurement decisions (see box) and employee travel. In that regard, we offer several programs to encourage the use of sustainable transportation for commuting, including a mileage allowance for bicycle use, reimbursement of public transport passes and compensation for the purchase of plug-in hybrid or electric vehicles. We also provide electric vehicle charging stations at some of our sites. These measures are particularly important because a significant proportion of our employees want to be part of the energy transition.

¹⁰ Electricity generated by renewable sources or cogeneration by duly declared or authorized power generation facilities are entitled to Guarantees of Origin. (freely translated from the original French) (Source: Section 2: Les garanties d'origine [Articles R314-53 à R314-70] - Légifrance [legifrance.gouv.fr]).

¹¹ As 2021 data were not available at the time of this report, we have used assumptions for the following items: fuel oil consumption for North America, consumption of certain vehicles used for business purposes in Canada, natural gas consumption for certain offices in Canada, electricity consumption related to our buildings in Canada and electricity consumption at certain sites in the United States with low consumption relative to the total.

¹² Adjustments have been made to the historical data of tons of CO₂ avoided in 2020 in order to standardize their calculation according to combined production.

Concrete measures to minimize our Information Technology footprint

As the life cycle of personal computers is relatively short (three years), we do everything in our power to manage our computer equipment in a sustainable manner. In 2021, as we began upgrading our employees' laptops. We introduced a procurement procedure aimed at **minimizing our carbon footprint**. We did this by choosing energy-efficient models and enrolling in Carbon Neutral Technology Corp.'s **CO₂ Neutral program**, which gives us a carbon credit for every new computer we purchase.

In addition, we estimate that 25% of the computers we are replacing can be recovered and refurbished to give them a second life. In return, we will receive an additional carbon credit for each device refurbished. As for the replacement equipment, each new laptop will henceforth be refurbished at the end of its life cycle and thus generate a new carbon credit. These credits can then be used to offset our greenhouse gas emissions.

In the coming months, we will engage in further analysis of our **Scope 3** emissions and put in place additional tools to facilitate data collection and analysis that will allow us to track these emissions over two-year periods.

Other air emissions

Other types of emissions, namely NO_x, SO_x and PM₁₀, are currently limited to our Senneterre bioenergy plant, our only such facility in Canada.

OUR AMBITIONS FOR 2022

As this report shows, 2021 was primarily devoted to formalizing our CSR efforts and setting up a CSR governance structure. As a result, the foundations are now in place to empower us to work toward our 10 CSR priorities, in line with Boralex's strategic plan.

Looking ahead to 2022, we will build further on this progress through a series of ambitious goals, as outlined here:



GOVERNANCE

PRIORITY 1

STRENGTHEN RESPONSIBLE CORPORATE GOVERNANCE

Continue to align our operations with CSR governance best practises, including the integration of CSR oversight into the Board of Directors' mandate and CSR risks into our corporate risk map.

PRIORITY 2

PRACTISE ETHICS IN BUSINESS AND BEHAVIOUR

Review and strengthen our policies, including our code of ethics, in the light of recent developments, particularly our growing presence in the United States.

PRIORITY 3

PROMOTE SUSTAINABILITY IN OUR PROCUREMENT DECISIONS

Rolled out our sustainable procurement charter and work with a specialized independent ESG performance assessment firm to measure the performance of our largest suppliers.



SOCIETY

PRIORITY 4

FOSTER INCLUSION, DIVERSITY AND EQUAL OPPORTUNITY

Pursue our ongoing efforts to diversify our workforce and meet our diversity targets, particularly the proportion of women in management, on the Board of Directors and hired overall.

PRIORITY 5

TAKE ACTION ON OCCUPATIONAL HEALTH AND SAFETY

Continue to strengthen OHS governance by raising the applicable standards to be applied at all existing and future Boralex sites.

PRIORITY 6

CONSULT AND ENGAGE COMMUNITIES AND TERRITORIES

Remain attentive to our communities as we expand, especially in the United States, where we anticipate accelerated growth.



ENVIRONMENT

PRIORITY 7

USE RESOURCES RESPONSIBLY

Continue to introduce initiatives aimed at optimizing the “avoid-reduce-compensate” principle, also known as the ARC sequence.

PRIORITY 8

RESPECT AND PROTECT BIODIVERSITY

Continue to assess the performance of the new, innovative technologies introduced in 2021 and assess their potential for use at other sites.

PRIORITY 9

ADAPT TO CLIMATE CHANGE

Pursue our efforts to make progress in connection with the evolving reporting frameworks, including implementing the recommendations of the Task Force on Climate-related Financial Disclosures (TCFD), which is a long-term undertaking. In particular, with the assistance of an independent expert, we plan to qualify the physical risks for our assets, as well as our assets’ resilience to the effects of climate change.

PRIORITY 10

LIMIT GREENHOUSE GAS EMISSIONS

Quantify our Scope 1 and 2 emissions annually and report them in our response to the CDP questionnaire. In addition, set reduction targets for these two scopes.

Optimize the internal data collection process for Scope 3 emissions, with a view to calculating those emissions more accurately and reliably.

Lastly, on a broader level, we want to strengthen the impact of our CSR strategy by continuing to train and educate our people on this topic, so that they can continue to integrate the full range of CSR principles into their daily work. As part of this effort, we will also incorporate CSR into our annual employee engagement survey. Finally, we will continue to practise rigorous reporting, including through external disclosure platforms such as EcoVadis, the CDP, S&P Global Corporate Sustainability Assessment and ISS.

Appendix 1: Independent practitioner's assurance report

To the Management of Boralex Inc.

Scope

We have been engaged by Boralex Inc. ("Boralex") to perform a 'limited assurance engagement' defined by Canadian Standard on Assurance Engagements, here after referred to as the engagement, over select key performance indicators detailed in the accompanying Schedule (collectively, the "Subject Matter"), comprising the emissions avoided (in t CO₂e) for the years ended December 31, 2021 and 2020, and the percentage of women in management as at December 31, 2021 and 2020, which are disclosed in Boralex's 2021 Corporate Social Responsibility Report (the "Report").

Other than as described in the preceding paragraph, which sets out the scope of the engagement, we did not perform assurance procedures on the remaining information included in the Report, and accordingly, we do not express a conclusion or opinion on this information.

Criteria applied by Boralex

In preparing the Subject Matter, Boralex applied relevant guidance contained within Global Reporting Initiative (GRI) Sustainability Standards and internally developed criteria, as identified in the accompanying Schedule and collectively referred to herein as (the "Criteria"). The Criteria are further described in the Report on pages 9 and 73.

Boralex' responsibilities

Boralex's management is responsible for selecting the Criteria, and for presenting the Subject Matter in accordance with that Criteria, in all material respects. This responsibility includes establishing and maintaining internal controls, maintaining adequate records and making estimates that are relevant to the preparation of the Subject Matter, such that it is free from material misstatement, whether due to fraud or error.

EY's responsibilities

Our responsibility is to express a conclusion on the presentation of the Subject Matter based on the evidence we have obtained.

We conducted our engagement in accordance with the *Canadian Standard on Assurance Engagements ("CSAE") 3000, Attestation Engagements Other than Audits or Reviews of Historical Financial Information ("CSAE 3000")* and the *Canadian Standard on Assurance Engagements ("CSAE") 3410, Assurance Engagements on Greenhouse Gas Statements ("CSAE 3410")*. These standards requires that we plan and perform our engagement to obtain limited assurance about whether, in all material respects, the Subject Matter is presented in accordance with the Criteria, and to issue a report. The nature, timing, and extent of the procedures selected depend on our judgment, including an assessment of the risk of material misstatement, whether due to fraud or error.

We believe that the evidence obtained is sufficient and appropriate to provide a basis for our limited assurance conclusions.

Our independence and quality control

We have complied with the relevant rules of professional conduct / code of ethics applicable to the practice of public accounting and related to assurance engagements, issued by various professional accounting bodies, which are founded on fundamental principles of integrity, objectivity, professional competence and due care, confidentiality and professional behaviour and have the required competencies and experience to conduct this assurance engagement.

EY also applies *Canadian Standard on Quality Control 1, Quality Control for Firms that Perform Audits and Reviews of Financial Statements, and Other Assurance and Related Services Engagements*, and accordingly maintains a comprehensive system of quality control including documented policies and procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

Description of procedures performed

Procedures performed in a limited assurance engagement vary in nature and timing from, and are less in extent, than for a reasonable assurance engagement. Consequently, the level of assurance obtained in a limited assurance engagement is substantially lower than the assurance that would have been obtained had a reasonable assurance engagement been performed. Our procedures were designed to obtain a limited level of assurance on which to base our conclusion and do not provide all the evidence that would be required to provide a reasonable level of assurance.

Although we considered the effectiveness of management's internal controls when determining the nature and extent of our procedures, our assurance engagement was not designed to provide assurance on internal controls. Our procedures did not include testing controls or performing procedures relating to checking aggregation or calculation of data within IT systems.

The Greenhouse Gas (GHG) quantification process is subject to scientific uncertainty, which arises because of incomplete scientific knowledge about the measurement of GHGs. Additionally, GHG procedures are subject to estimation (or measurement) uncertainty resulting from the measurement and calculation processes used to quantify emissions within the bounds of existing scientific knowledge.

A limited assurance engagement consists of making inquiries, primarily of persons responsible for preparing the Subject Matter and related information, and applying analytical and other appropriate procedures.

For purposes of providing limited assurance over the Subject Matter, our procedures included:

- Conducting interviews with relevant personnel to obtain an understanding of the reporting processes and internal controls;
- Inquiries of relevant personnel who are responsible for the Subject Matter including, where relevant, observing and inspecting systems and processes for data aggregation and reporting in accordance with the Criteria;
- Assessing the accuracy of data, through analytical procedures and limited reperformance of calculations, where applicable; and

- Reviewing presentation and disclosure of the Subject Matter in the Report.

We also performed such other procedures as we considered necessary in the circumstances.

Inherent limitations

Non-financial information, such as the Subject Matter, is subject to more inherent limitations than financial information, given the more qualitative characteristics of the Subject Matter and the methods used for determining such information. The absence of a significant body of established practice on which to draw allows for the selection of different but acceptable evaluation techniques which can result in materially different evaluation and can impact comparability between entities and over time.

Conclusion

Based on our procedures and the evidence obtained, we are not aware of any material modifications that should be made to the Subject Matter as at December 31, 2021 and 2020 and for the years then ended, in order for it to be in accordance with the applicable Criteria.

Ernst & Young LLP¹

Montreal, Canada
February 21, 2022

¹ CPA auditor, CA, public accountancy permit no. A127424

Schedule

Our limited assurance engagement was performed on the following Subject Matter:

Performance Indicator	Criteria	Reported Value for the year ended December 31, 2021	Reported Value for the year ended December 31, 2020
Emissions avoided (in t CO ₂ e)	Internally Developed as described in the Report on page 9	352,666	283,831
Performance Indicator	Criteria	Reported Value as at December 31, 2021	Reported Value as at December 31, 2020
Percentage of women in management	GRI 405-1 and internally developed criteria as described in the Report on page 73	25.2%	25.9%

APPENDIX 2
Quantitative indicator table

The following table presents Boralex's performance indicators for 2021. These were selected based on our 10 corporate social responsibility priorities. They also refer to SASB indicators for the Electric Utilities & Power Generators, Wind Technology & Project Developers and Solar Technology & Project Developers industries. In addition, when relevant, they refer to the corresponding indicators of the Global Reporting Initiative. Finally, we indicate the UN Sustainable Development Goals to which Boralex contributes.

ENVIRONMENT

CSR priority	Indicator	2021	
Greenhouse gas emissions	NO _x air emissions (in kg of NO ₂ equivalent)	252,110.60	The only NO _x emissions are performed by Release Inventory (Climat)
	SO _x air emissions (in kg of SO ₂ equivalent)	277,40	The only SO _x emissions are performed by Release Inventory (Climat). The company also reports SO ₂ emissions in Canada's National Inventory Report (Lutte contre les changements climatiques)
	Air emissions from particulate matter (PM ₁₀) (in kg)	13,265.40	The only PM ₁₀ emissions are performed by Release Inventory (Climat)
	Scope 1 Greenhouse gas emissions (in tons of CO ₂ e)	24,991	Scope 1 emissions. Accounting and calculations were performed for 2021 emissions. 2021
	Scope 2 Greenhouse gas emissions (in tons of CO ₂ e)	2,956	Scope 2 emissions. Accounting and calculations were performed for 2021 emissions. 2021
	CO ₂ emission avoided by our renewable energy production, in tons (in tons of CO ₂ e)	352,666 ✓	For additional details see page 40
	Proportion of electric, hybrid and low-consumption (< 5 L/100 km) vehicles in the fleet (in %)	America: 12% France: 49%	

Please note that the following SASB indicators do not apply to Boralex’s activities: IF-EU-110a.2, IF-EU-110a.4, IF-EU-120a.1 (GRI 305-7), IF-EU-150a.1, IF-EU-150a.2, IF-EU-240a.1, IF-EU-240a.2, IF-EU-240a.3, IF-EU-240a.4, IF-EU-420a.1, IF-EU-420a.2, IF-EU-420a.3, IF-EU-540a.1, IF-EU-540a.2, IF-EU-550a.2, RR-ST-410b.1, RR-ST-410b.3, RR-ST-410b.4, RR-WT-410a.1, RR-WT-410a.2, RR-WT-410a.3, RR-WT-440a.1, RR-ST-440a.1, RR-WT-440b.1, RR-WT-440b.2 and RR-WT-440b.3.

In addition, Boralex does not currently disclose on the following indicators : IF-EU-550a.1, RR-ST-130a.1, RR-ST-150a.1, RR-WT-320a.1 and IF-EU-320a.1.

Explanatory Notes	Applicable frameworks	Page
<p>missions are from the Senneterre thermal power plant in Abitibi (Qc). The calculations are performed by a third party and in accordance with the requirements of Canada’s National Pollutant Inventory (NPRI) and Quebec’s <i>Ministère de l’Environnement et de la Lutte contre les changements climatiques</i>, the ministry responsible for the environment and climate change.</p>	<p>IF-EU-120a.1. GRI 305-7</p> 	<p>Page 59</p>
<p>missions are from the Senneterre thermal power plant in Abitibi (Qc). We do not generate calculations are performed by a third party and in accordance with the requirements of the National Pollutant Release Inventory (NPRI) and Quebec’s <i>Ministère de l’Environnement et de la Lutte contre les changements climatiques</i>, the ministry responsible for the environment and climate change.</p>	<p>F-EU-120a.1. GRI 305-7</p> 	<p>Page 59</p>
<p>missions are from the Senneterre thermal power plant in Abitibi (Qc). The calculations are performed by a third party and in accordance with the requirements of Canada’s National Pollutant Inventory (NPRI) and Quebec’s <i>Ministère de l’Environnement et de la Lutte contre les changements climatiques</i>, the ministry responsible for the environment and climate change.</p>	<p>IF-EU-120a.1. GRI 305-7</p> 	<p>Page 59</p>
<p>s were calculated by a third party based on the Greenhouse Gas Protocol: A Corporate Reporting Standard (GHG Protocol) (2004) and in accordance with ISO 14064-1. The data was prepared on a voluntary basis as Boralex is not subject to any regulations limiting GHG emissions; our final figures will be disclosed in our 2022 response to CDP.</p>	<p>IF-EU-110a.1. GRI 305-1</p> 	<p>Page 55</p>
<p>s were calculated by a third party based on the Greenhouse Gas Protocol: A Corporate Reporting Standard (GHG Protocol) (2004) and in accordance with ISO 14064-1. The data was prepared on a voluntary basis as Boralex is not subject to any regulations limiting GHG emissions; our final figures will be disclosed in our 2022 response to CDP.</p>	<p>GRI 305-2</p> 	<p>Page 55</p>
<p>etails on the calculation methodology of this indicator, please see page 9 of this report.</p>		<p>Pages 9 and 55</p>
	<p>GRI 305-5</p> 	<p>Page 55</p>

CSR priority	Indicator	2021	
Greenhouse gas emissions	Number of electric vehicle charging stations available to employees	Kingsey Falls: 6 Montreal: 11 South Glens Falls: 1 Lyon: 2 Blendecques: 5 Niagara wind farms: 1 Le Plateau/Ronceveaux: 2	We sold
	Incentive measures to encourage sustainable employee transportation	S. O.	Bonus pay for Compensation for
	Amount of electricity purchased from the grid (in MWh)	17,076	
	Percentage of renewable energy consumed	France : 99.7%	The data presented
Climate change adaptation	Renewable energy generated (in GWh)	6,215	The figures
	Total installed capacity, by energy source and by country (in MW and in %)	By energy source: Wind: 2,032 MW (82%) Solar: 244 MW (10%) Hydro: 181 MW (7%) Thermal: 35 MW (1%) By country: Canada: 1,121 MW (45%) France: 1,081 MW (43%) United States: 290 MW (12%)	
	Description of the targets used by the organization to manage climate-related risks and opportunities and performance against targets	S. O.	In this CSR report, v Force on Climate-re
	Description of risks associated with integration of solar energy into existing energy infrastructure and discussion of efforts to manage those risks	S. O.	As Boralex does no into existing energy
	Description of risks and opportunities associated with energy policy and its impact on the integration of solar energy into existing energy infrastructure	S. O.	Boralex plays a le

Explanatory Notes	Applicable frameworks	Page
...d the Blendecques plant in 2021 but our employees still use offices at the site.	GRI 305-5 	Page 55
...r using sustainable mobility: bicycle, public transport and walking (North America). ...purchasing a plug-in hybrid or electric vehicle and installing a home charging station in North America.	GRI 305-5 	Page 55
	RR-ST-130a.1. GRI 302-1 	Page 55
...d cover only our offices, sites and storage units in France, and represent the amount of electricity covered by Guarantees of Origin.	RR-ST-130a.1. GRI 302-1 	Page 55
...s presented correspond to the combined figures presented in our annual report.	GRI 305-5 	Page 10
	GRI 305-5 	Page 10
...ve present our general approach to implementation of the recommendations of the Task related Financial Disclosures (TCFD). Boralex plans to set reduction targets for its Scope 1 and 2 emissions in 2022.	IF-EU-110a.3. GRI 305-1 	Page 49 and 55
...t produce photovoltaic system components, it contributes to integration of solar energy infrastructure through its partnerships with its host communities and territories and its ongoing dialogue with its stakeholders.	RR-ST-410a.1. 	Page 36
...ad role in the energy transition by supporting global efforts to decarbonize the energy sector.	RR-ST-410a.2 	Page 17 and 49

CSR priority	Indicator	2021	
Biodiversity	Number of spills or other releases with an associated fine	0	
	Volume of spills recovered	0	
	Number of project delays related to ecological impacts (regulatory non-compliance)	0	
	Duration of project delays related to ecological impacts (regulatory non-compliance)	0	
Responsible use of resources	Total water withdrawn, including % in areas where water stress is "high" or "extremely high"	S. O.	We do not disclose
	Total water consumed, including % in areas where water stress is "high" or "extremely high"	S. O.	We do not disclose
	Description of water management risks and discussion of strategies and practises to mitigate those risks	S. O.	
	Number of incidents of non-compliance associated with water quantity and/or quality permits, standards and regulations	0	
	End-of-life material recovered, in weight and in % recycled	S. O.	Although Boralex does not have a policy in place to ensure o
	Building certifications	S. O.	The Lyon office has 10

Explanatory Notes	Applicable frameworks	Page
	RR-ST-150a.2 GRI 306-1 	Page 42
	RR-ST-150a.2 GRI 306-1 	Page 42
	RR-ST-160a.1. 	Page 44 and 47
	RR-ST-160a.1. 	Page 44 and 47
<p>se data for total water withdrawn; however, none of Boralex's hydroelectric facilities are located in areas where the water stress is "high" or "extremely high".</p>	RR-ST-140a.1. IF-EU-140a.1. GRI 303-3 	Page 44
<p>se data for total water consumed; however, none of Boralex's hydroelectric facilities are located in areas where the water stress is "high" or "extremely high".</p>	RR-ST-140a.1. IF-EU-140a.1. GRI 303-5 	Page 44
	RR-ST-140a.2. IF-EU-140a.3. GRI 303-1 	Page 44
	IF-EU-140a.2 GRI303-2 	Page 44 and 47
<p>oes not manufacture solar energy equipment or wind turbines, we have several initiatives optimal resource management and we practise the 4Rs: waste reduction, reuse, recycling and reclamation.</p>	RR-ST-410b.2 	Page 44
<p>e Montreal office is certified BOMA Best - Platinum and LEED® CS Gold. is certified HQE (Haute Qualité Environnementale, or high environmental performance), BREEAM and WELL Silver. 00% of electricity needs in France are covered by Guarantees of Origin.</p>	GRI305-5 	Page 55

SOCIETY

CSR priority	Indicator	2021	
Health and safety	Total recordable incident rate (TRIR) for employees	1.2	
	Fatal work injury rate for employees	0	
	Near miss frequency rate (NMFR) for employees	6.09	A near miss is defined as an injury but that, un-
Inclusion, diversity and equal opportunity	Employee engagement rate (engagement survey) (in %)	71%	
	Employee turnover rate (in %)	16.80%	
	Employment type: number of permanent and contract employees	Permanent: 539 Contract: 23	
	Employees who have received at least one type of training (in %)	88%	
	Women in the workplace (in %)	Total : Women: 31.3% Men: 68.7% Permanents : Women: 30.8% Men: 69.2%	
	Women in a management position (in %)	25.2% ✓	This indicator in
	Women on the Executive Committee (in %)	25%	

Explanatory Notes	Applicable frameworks	Page
	RR-WT-320a.1. IF-EU-320a.1 GRI 403-9 	Page 33
	RR-WT-320a.1. IF-EU-320a.1 GRI 403-9 	Page 33
ined as an unplanned event that did not result in environmental or property damage or nder slightly different circumstances, could easily have resulted in property damage or injury.	IF-EU-320a.1 GRI 403-9 	Page 33
		Page 30
	GRI 401-1 	Page 30
	GRI 102-8 	Page 30
	GRI 404-2 	Page 30
	GRI 102-8  	Page 30
includes full time employees. A management position is defined as being hierarchically responsible for at least one full-time and/or contractual employee.	GRI 405-1 	Page 30
	GRI 405-1  	Page 30

CSR priority	Indicator	2021																									
Inclusion, diversity and equal opportunity	Average age of workforce	39.2																									
	Geographic distribution of workforce	Canada : 305 United States : 31 France : 225 United Kingdom : 1																									
	Number of new employees: - geographic distribution - by gender - by employment type	<p>Men</p> <table> <thead> <tr> <th></th> <th>Permanent</th> <th>Contract</th> </tr> </thead> <tbody> <tr> <td>Canada</td> <td>52</td> <td>3</td> </tr> <tr> <td>U.S.</td> <td>4</td> <td>0</td> </tr> <tr> <td>France</td> <td>19</td> <td>4</td> </tr> </tbody> </table> <p>Women</p> <table> <thead> <tr> <th></th> <th>Permanent</th> <th>Contract</th> </tr> </thead> <tbody> <tr> <td>Canada</td> <td>20</td> <td>6</td> </tr> <tr> <td>U.S.</td> <td>4</td> <td>0</td> </tr> <tr> <td>France</td> <td>8</td> <td>4</td> </tr> </tbody> </table>		Permanent	Contract	Canada	52	3	U.S.	4	0	France	19	4		Permanent	Contract	Canada	20	6	U.S.	4	0	France	8	4	
		Permanent	Contract																								
	Canada	52	3																								
	U.S.	4	0																								
France	19	4																									
	Permanent	Contract																									
Canada	20	6																									
U.S.	4	0																									
France	8	4																									
Retention rate (in %)	80.20%																										
Benefits provided to full-time employees	Borex short-term incentive plan Share purchase plan Parental leave Group retirement savings plan Group insurance plan: - Medical and dental care - Life insurance (employee and family) - Disability insurance - Critical illness insurance																										
Community and territory consultation and involvement	Direct economic value created and distributed to communities and territories through our donations and sponsorships programs (in Canadian dollars)	\$616,510																									
	Number of formal complaints filed with administrative (government) bodies during the year	2																									
	Number of formal complaints filed with administrative (government) bodies that have been resolved during the year	2																									
	Description of efforts in solar energy system project development to address community and ecological impacts	As each project is unique, we put various specific mechanisms and tools in place to identify and manage community and ecological impacts jointly with our host communities and territories.																									

Explanatory Notes	Applicable frameworks	Page
	GRI 102-8 	Page 30
	GRI 102-8 	Page 30
	GRI 401-1 	Page 30
		Page 30
	GRI401-2, GRI 401-3 	Page 30
	GRI 201-1 	Page 36
		Page 36
		Page 36
	RR-ST-160a.2 	Page 36

GOVERNANCE

CSR priority	Indicator	2021	
Ethics in business and behaviour	Permanent and contract employees hired during the reference year and still employed as of December 31, 2021, that have received training on the Code of Ethics (in %)	95%	Some employees
	Total number and nature of incidents of corruption or fraud confirmed during the current year	0	
Governance	Total number of directors on the Board of Directors as of December 31	11	
	Number of independent directors on the Board of Directors as of December	9	
	Attendance at meetings of the Board of Directors and its committees (in %)	99%	
	Average age of directors on the Board of Directors (in years)	60	
	Number of women on the Board of Directors (independent directors) (in %)	4	
	Board gender diversity (in %)	Men : All : 64% Independant : 56% Women : All : 36% Independant : 44%	
	Board age diversity	40-49 years: 1 director 50-59 years: 4 directors 60+ years: 6 directors	
Sustainable procurement	Description of the management of environmental risks associated with the polysilicon supply chain	S. O.	Although Boralex practicing sustaina

Explanatory Notes	Applicable frameworks	Page
<p>s were hired right at the end of 2021 and therefore had not yet had the opportunity to complete the training as of the date of the report.</p>	<p>GRI 205-2</p> 	<p>Page 24</p>
	<p>GRI 205-3</p> 	<p>Page 24</p>
		<p>Page 21</p>
		<p>Page 21</p>
		<p>Page 21</p>
	<p>GRI 405-1</p> 	<p>Page 21</p>
	<p>GRI 405-1</p> 	<p>Page 21</p>
	<p>GRI 405-1</p> 	<p>Page 21</p>
	<p>GRI 405-1</p> 	<p>Page 21</p>
<p>does not manufacture solar energy equipment or wind turbines, we are committed to responsible procurement, including through our solar panel suppliers, particularly with regard to human rights.</p>	<p>RR-ST-440a.2</p> 	<p>Page 26</p>