



2017

SUSTAINABLE DEVELOPMENT REPORT

OUR PEOPLE

Innergex Renewable Energy Inc. (“Innergex” or the “Corporation”) is an independent renewable power producer established in Canada, the United States, France, Iceland and Chile. Supported by a strong and committed team of experts, Innergex develops, acquires, owns and operates hydroelectric facilities, wind farms, solar farms and geothermal power generation plants.

As a global player, Innergex recognizes that its numerous accomplishments and its sustained growth over the past 28 years are the result of the hard work of its talented people.

INNERGEX

Renewable Energy.
Sustainable Development.

OUR PEOPLE, OUR SUCCESS

What we have accomplished and what is yet to come would not be possible without our highly skilled team of employees. Their collective knowledge, talent, abilities, experience and sound judgement have always been key to our long-term success. Innergex **offers fair compensation, attractive working conditions, a safe working environment, fair and equal treatment and opportunities for development.**

COMPENSATION AND BENEFITS

Innergex is focused on hiring for the long-term, providing career opportunities for employees to grow as the Corporation evolves. We consider the management of our human resources to be a long-term commitment focused on the collective success of the Corporation as a whole. We seek employees who share our culture and strong work ethic, and we offer them fair wages and generous benefits.

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

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

All data in this report are for the year ended December 31, 2017 and December 31, 2014. The data do not take into consideration the acquisitions completed in 2018, including the acquisition of Alterra Power Corp. on February 6; the acquisition of Ledcor Power Group's interest in three hydro facilities in British Columbia on May 15; the acquisition of the Phoebe solar project in the United States on July 2; the investment in Energía Llama for a 50% ownership in Chile on July 3 which completed the Duqueco hydro project acquisition on July 5; and the acquisition of TransCanada's interest in the five Cartier wind farms in Quebec on October 24 or any other potential acquisitions.

WORKFORCE DATA

As of December 31

	2017			2014		
	Female	Male	TOTAL	Female	Male	TOTAL
BY EMPLOYMENT TYPE						
FULL-TIME	42	113	155	41	90	131
PART-TIME	--	4	4	7	15	22
BY EMPLOYMENT CONTRACT						
PERMANENT	39	111	150	41	93	134
TEMPORARY	3	6	9	7	12	19
BY REGION						
CANADA	40	109	149	48	102	150
USA	--	4	4	--	3	3
FRANCE	2	4	6	--	--	--
TOTAL	42	117	159	48	105	153

EMPLOYEE RETENTION

Innergex is proud of its ability to retain its employees. In 2017, 20 employees celebrated five, ten, fifteen or 20 years of service with the Corporation. During the year, we opened offices in Lyon, France and San Diego, United States to help support our growth in both countries.

LEARNING AND DEVELOPMENT

Innergex is committed to the continuous training and development of its employees in both job-related skills training and lifelong learning for personal development. We recognize that staff training and development is an integral part of our strategic planning.

We support an employee's initiative to pursue professional development opportunities. We also pay for employees' continuing education requirements pertaining to their professional designations. In some cases, we hire and train new employees to meet the qualification requirements of their position, as part of programs established with our local community and indigenous community partners to promote hiring within the community.

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

AVERAGE HOURS OF TRAINING PER YEAR PER EMPLOYEE

As of December 31

	2017			2014		
	Female	Male	COMBINED	Female	Male	COMBINED
MANAGEMENT TEAM ¹	13	12	12	28	13	21
OTHER MANAGEMENT POSITIONS	9	13	12	37	37	37
PROFESSIONALS	5	9	8	20	34	27
ADMINISTRATIVES	3	--	3	13	25	19
OPERATIONS ²	n/a	41	41	n/a	46	46

¹ Management team includes the officers and the senior directors.

² There are no female operators.

DIVERSITY, EQUAL EMPLOYMENT OPPORTUNITIES AND HUMAN RIGHTS

Innergex is committed to promoting an inclusive culture at the workplace that respects each individual. We believe that diversity incorporates more than gender and ethnic origin but also includes sexual orientation, disability, origin, religion, family, work experience and education. We respect and follow all laws and regulations related to anti-discrimination, equal employment and human rights to ensure fair and equal treatment of employees as well as to provide a work environment free from harassment, bullying and discrimination.

According to Innergex's corporate culture, we are committed to legal and regulatory compliance and we recognize our employees' right to the freedom of association and collective bargaining. However, none of the employees of Innergex has expressed the desire to join a union to date. We also comply with applicable laws and industry standards in terms of hours of work as well as uphold labour standards across our own operations and value chains which includes the prohibition of slavery, human trafficking and child labour.

Innergex's commitment to uphold and respect fundamental human rights applies irrespective of the geographical location where it does business. Such commitment also extends to all of Innergex's activities, including the procurement of goods and services through third parties.

To further articulate its commitment to the promotion and integration of human rights considerations in all aspects of its business, Innergex has issued a [Statement of Principle on the Safeguard and Promotion of Human Rights](#).



GENDER DIVERSITY BY AGE GROUP

As of December 31

Age	2017		TOTAL
	Female	Male	
30 AND UNDER	2	12	14
31 TO 50	32	71	103
51 AND OVER	8	34	42

GENDER DIVERSITY IN MANAGEMENT

As of December 31

	2017		%
	Female	Male	
OFFICERS	4	18	22%
OTHER MANAGEMENT	12	24	50%

EQUAL REMUNERATION FOR WOMEN AND MEN

Innergex believes in equal pay for work of equal value. We have created a company-wide salary structure using a point-factor method that allows us to determine the appropriate salary bracket for each position within the Corporation, with the exception of officers whose compensation is determined by the Board of Directors. Within each bracket, we determine pay equity by taking into account additional factors, such as employees' seniority and education. Factors that influence position of job classification include:

- Qualifications required – training, experience, skills
- Responsibilities assumed – accountability, responsibility, supervision
- Efforts required – intellectual, physical, concentration and sensory attention
- Working conditions – physical and psychological environment

PAY EQUITY RATIO OF WOMEN TO MEN

As of December 31

	2017		2014	
	Base Salary	Remuneration	Base Salary	Remuneration
SENIOR DIRECTORS	92%	99%	102%	98%
MANAGEMENT POSITIONS	90%	86%	91%	89%
PROFESSIONALS	93%	88%	97%	94%
ADMINISTRATIVES ¹	154%	186%	111%	110%
OPERATIONS ²	n/a	n/a	n/a	n/a

¹ There was only one male administrative employee who was hired as a student on a temporary basis and was not eligible to bonus.

² There are no female operators.

Note: Officers were excluded from this table as their compensation is determined by the Board of Directors.

HEALTH AND SAFETY

Through its extensive health and safety program, Innergex strives to prevent any incidents and protect its employees, the public and the environment. Innergex's management system, which is comprised of 23 elements, is modeled after the BS OHSAS 18001 Occupational Health and Safety Management standard. Employees are properly trained on Corporate standards and procedures and have all the tools and safety equipment they need to work safely. Innergex provides the training, support and follow-up that its employees need and offers indirect supervision via remote cameras, phone and email. Employees are also encouraged to take ownership of their own safety and take responsibility for applying prescribed measures and complying with internal standards and procedures. Innergex must trust its employees since it is not possible to directly supervise operators' work on a day-to-day basis. With its management system, Innergex is able to control its health and safety environment, and proactively identify and mitigate risks to prevent injuries. Control measures are also in place to investigate incidents and near-misses and implement corrective actions to reduce the chances of a similar incident from re-occurring.

RATES OF INJURY, OCCUPATIONAL DISEASE, LOST DAYS AND TOTAL NUMBER OF WORK-RELATED FATALITIES

As of December 31

	Injury Rate ¹		Occupational Disease Rate ²		Lost Day Rate ³		Work-Related Fatalities	
	2017	2014	2017	2014	2017	2014	2017	2014
OPERATORS	6.19	6.58	--	--	9.19	342*	--	--
OFFICE EMPLOYEES	--	--	--	--	--	--	--	--

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

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

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

Note: Numbers reflect only Innergex employees and contractors.

* This number includes one employee who was on leave for the whole year as a result of work-related injury.

When contractors are mandated to perform work on-site, Innergex makes sure that they go through health and safety orientation training allowing them to be made aware of the safety hazards likely present and to follow strict guidelines to ensure their safety at all times while on-site.

TARGET

Zero lost days injuries



EMERGENCY RESPONSE PLAN

As part of its Corporate Emergency Response Plan, Innergex has identified potential environmental and health and safety emergencies and has prepared response instructions relating to these potential emergencies. This Corporate Emergency Response Plan, as well as the Site Specific Safety Plan, are available at each facility and in the offices as well as on Innergex's IT network. Site operators are trained to react rapidly to emergencies.

CODE OF CONDUCT

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

POLICY ON HARASSMENT

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

ENVIRONMENT, HEALTH AND SAFETY

Innergex is committed to conducting operations in a manner that respects and protects the environments in which it operates and the health and safety of its employees, contractors and visitors. We strive to minimize the impacts of our operations on the environment and provide safe work conditions for our employees. In this regard, we adopted an Environment, Health and Safety Policy.

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