

CHARTER OF THE AUDIT COMMITTEE

This Charter prescribes the role of the Audit Committee of the Board (the “**Committee**”) of Innergex Renewable Energy Inc. (the “**Corporation**”) and is subject to the provisions of the Corporation's Articles, By-Laws and to applicable laws.

1. Role

The purpose of the Committee is to assist the Board of directors (the “**Board**”) in fulfilling its oversight responsibilities primarily with respect to, but not limited to, the following:

- (i) The Corporation's compliance, in material respect, with applicable governmental and authorities' legislation and regulation pertaining to financial information disclosure;
- (ii) Adequacy of the accounting principles and decisions regarding the presentation of financial statements, in accordance with generally accepted accounting principles;
- (iii) Auditor's qualifications, independence, and performance;
- (iv) Fair presentation of the financial situation in the annual and interim financial statements;
- (v) Implementation of efficient internal controls and review of such controls on a regular basis;
- (vi) Capital allocation strategies and programs;
- (vii) Risk assessment and enterprise risk management process, policies and practices; and
- (viii) The Corporation's cybersecurity, information and operational technology security process, policies and practices.

2. Composition

2.1 *Number and criteria*

The Committee shall consist of at least three members.

The Committee must be composed, as required under Regulation 52-110 – Respecting Audit Committees, as it may be amended from time to time (“**Regulation 52-110**”), of members who are qualified as independent (as that term is defined in Regulation 52-110) and are “financially literate” (which is defined as the ability to read and understand a set of financial statements that present a breadth and level of complexity of issues that can reasonably be expected to be raised by the Corporation's financial statements) and at least one member must be an “audit committee financial expert”, as determined by the Board.

2.2 *Selection and Chair*

The members of the Committee and its Chair shall be appointed by the Board on an annual basis after the shareholders' annual meeting. Any member of the Committee may be removed or replaced at any time by the Board and shall cease to be a member on ceasing to be a director of the Corporation. The Board may fill vacancies on the Committee by appointing from among the Board.

The Chair shall designate, when needed, a person who may, but not necessarily, be a member of the Committee to act as secretary.

2.3 *Remuneration*

Members of the Committee and its Chair shall receive such remuneration for their services as the Board may determine

3. Meetings

The Committee shall meet at least four times per annum, or more frequently as circumstances require.

Shall constitute a quorum at any meeting when a majority of members of the Committee are present or such greater number as the Committee shall determine by resolution.

Meetings of the Committee shall be held in person at such place or by any electronic means which enables all members to communicate with each other simultaneously as the Chair shall determine upon reasonable notice to each of its members, which shall not be less than 48 hours. The notice period may be waived by all members of the Committee.

The Chair may ask members of Management or others to attend meetings and provide pertinent information as necessary. The Committee shall have full access to all information and any other information deemed appropriate by them and shall be permitted to discuss such information and any other matters relating to the financial position of the Corporation with senior employees, officers and the external auditor of the Corporation and others as they consider appropriate.

In order to foster open communication, the Committee shall meet at least quarterly with Management, the external auditor and the internal auditor, in separate sessions, to discuss any matters that the Committee or each of these groups believes should be discussed privately. In addition, the Committee should meet with Management quarterly in connection with the Corporation's Interim Financial Statements.

The Committee shall determine any desired agenda items and record minutes of its meetings and the Chair shall report to the whole Board on a timely basis. The Committee shall conduct *in camera* sessions without Management and non-independent members present at each meeting.

The Committee may delegate authority to individual members, if necessary.

4. Responsibilities

Without limiting the generality of its role described under section 1 above, the Committee shall, *inter alia*:

4.1 *With respect to the Relationship with the External Auditor*

- Recommend to the Board the appointment and compensation of the external auditor;
- Review the scope and plans of the external auditor's audit and reviews. The Committee may authorize the external auditor to perform supplemental reviews or audits as the Committee may deem desirable;
- Oversee the work of the external auditor, including the resolution of any issues between the external auditor and Management;
- Pre-approve all non-audit services (or delegating such pre-approval if and to the extent permitted by law) to be provided to the Corporation or its subsidiaries by the external auditor and related fees;
- Annually review the formal written statement from the external auditor that outlines all relationships they have with the Corporation and confirm their independence, and have discussions with the external auditor about any relationships or services that could affect their objectivity or independence;
- Annually assess the external auditor tenure, performance, qualifications and audit quality, including a rotation for the lead audit partner and quality review partner after serving a maximum of seven years;
- Periodically consult with the external auditor without Management about significant risks or exposures, internal controls and other steps that Management has taken to control such risks, and the fullness and accuracy of the financial statements, including the adequacy of internal controls to expose any payments, transactions or procedures that might be deemed illegal or otherwise improper; and
- Consider the external auditor's judgment about the quality, transparency, appropriateness and not just the acceptability, of the accounting principles and financial disclosure practices, as applied in its financial reporting, including the degree of aggressiveness or conservatism of its accounting principles and underlying estimates, and whether those principles are common practices or are minority practices.

4.2 *With respect to Financial Information and Public Disclosure*

- Review all material balance sheet issues, material contingent obligations (including those associated with material acquisitions or dispositions) and material transactions related to third party;
- Consider any proposed major changes to the accounting principles and practices;

- Review and recommend to the Board, the approval of the annual consolidated and interim financial statements, related management discussion and analysis, annual and interim earnings press releases, annual information form and prospectuses before such information is publicly disclosed;
- Oversee the implementation of adequate procedures for the review of the public disclosure of financial information, other than those described in the above paragraph, extracted or derived from its financial statements, including periodically assessing the adequacy of such procedures;
- Review environmental, social and governance (“ESG”) disclosures, including climate-related disclosure, to be included in financial reporting as required by regulators or that may be required by law;
- Review the public disclosure regarding the Committee required by Regulation 52-110;
- Review the integrity of the financial reporting processes, both internal and external, in consultation with the external and the internal auditor, including the review of the process relating to the certifications of the President and Chief Executive Officer and the Chief Financial Officer on the integrity of the annual consolidated and interim financial statements;
- Periodically meet with the internal auditor;
- Following completion of the annual audit and, if applicable, quarterly reviews, review separately with Management, the external and internal auditors any significant changes to planned procedures, any difficulties encountered during the course of the audit and, if applicable, reviews, including any restrictions on the scope of work or access to required information and the cooperation that the internal auditor and the external auditor received during the course of the audit and, if applicable, reviews;
- Review with the external and internal auditor and Management significant findings during the year and the extent to which changes or improvements in financial or accounting practices, as approved by the Committee, have been implemented. This review should be conducted at an appropriate time subsequent to implementation of changes or improvements, as decided by the Committee;
- As needed, request the performance of an audit on any specific risk or internal controls;
- Review and provide recommendations to the Board in relation to the annual operating plans and capital expenditures programs, which includes the capital structure and cash flows and the alignment of these plans to the long-term strategy. The Committee is responsible of monitoring the performance of those plans and programs;
- Examine and provide recommendations to the Board about the financial policies and financing plans;

- Review and recommend to the Board for approval the Corporation's issuance and redemption of securities (including the review of all public filings to effect any of the issuances or redemptions), financial commitments and limits, and any material changes underlying any of these commitments;
- Examine and provide recommendations to the Board about the Corporation's shareholder distributions, which includes dividend declarations; and
- Review regularly the Corporation's credit ratings.

4.3 *With respect to Risk Management*

- Review periodically and monitor the processes, policies and guidelines of the Corporation and its major subsidiaries on the identification, assessment and management of risks;
- Oversee Management's assessment of the Corporation's major risk exposure (except for risks delegated to another committee) that has the potential to significantly affect the Corporation's ability to meet its business objectives and provide a report to the Board on any significant risks. This includes reviewing:
 - risks associated with ESG matters including climate change related risks, and the adequacy and effectiveness of applicable internal controls related to such risks; and
 - any litigation, claim or other contingency and any regulatory or accounting initiatives that could have a significant impact on the Corporation's financial position or operating results.
- Review and approve the Corporation's strategic hedging program, guidelines and risk tolerance;
- Oversee the Anti-Corruption and Anti-Bribery Policy and controls, including its policies and processes for assessing and managing fraud risk; and
- Monitor and review with Management the preparation of the *Fighting Against Forced Labour and Child Labour in Supply Chains Act* report and thereafter make recommendations to the Board to approve said report annually.

4.4 *With respect to Other Matters*

- Establish procedures for (i) the receipt, retention, and treatment of complaints received by the Corporation regarding accounting, internal accounting controls or audit matters, and (ii) the confidential anonymous submission by employees of the Corporation of concerns regarding questionable accounting or auditing matters;
- Review and approve the Corporation's hiring policies regarding current or former partners or employees of the current and former external auditor of the Corporation or its subsidiaries; and

- Review activities, organizational structure and qualifications of the Chief Financial Officer and the staff in the financial reporting area and see to it that matters related to succession planning in such area are raised for consideration by the Board.

4.5 *With respect to Cybersecurity, Information and Operational Technology*

- The Committee shall oversee and annually review with the Board and Management, the Corporation's information and operational technology risk exposures, including cybersecurity, system integrity, data and privacy risks, and the measures the Corporation has taken to monitor or reduce such exposures around critical Corporation assets, including the Corporation's processes and any related policies such as cyber incident response plans, data and privacy risk assessments, security measures, system controls and testing, and cyber insurance coverage.

In addition to the above and within the scope of its activities, the Committee shall also carry out any other responsibilities delegated to it by the Board.

5. Limit to Responsibilities

Notwithstanding the foregoing, it is not the duty of the Committee to prepare financial statements, to plan or conduct audits, to determine that the financial statements are complete and accurate and are in accordance with International Financial Reporting Standards, to conduct investigations, or to assure compliance with laws and regulations or the Corporation's internal policies, procedures and controls, as these are the responsibility of Management and in certain cases the external auditor, as the case may be.

6. Advisors

The Committee may hire outside advisors at the expense of the Corporation in order to assist the Committee in the performance of its duties and set and pay the compensation for such advisors.

The Committee is authorized to communicate directly with the external and internal auditors as it sees fit.

If considered appropriate, the Committee is authorized to conduct or authorize investigations into any matters within the Committee's scope of responsibilities, and to perform any other activities as the Committee deems necessary or appropriate.

The Board has determined that any committee who wishes to hire a non-management advisor to assist on matters involving the committee members' responsibilities at the expense of the Corporation, should review the request with, and obtain the authorization of, the Chair of the Board.

7. Assessment

On an annual basis the Committee shall follow the process established by the Corporate Governance Committee (and approved by the Board) for assessing performance and effectiveness of the Committee.



8. Charter review

The Committee should review this Charter on an annual basis and recommend to the Board changes, as needed.