Algonquin Power & Utilities Corporation

2024 CDP Corporate Questionnaire 2024

Word version

Important: this export excludes unanswered questions
This document is an export of your organization's CDP questionnaire response. It contains all data points for questions that are answered or in progress. There may be questions or data points that you have been requested to provide, which are missing from this document because they are currently unanswered. Please note that it is your responsibility to verify that your questionnaire response is complete prior to submission. CDP will not be liable for any failure to do so.
Terms of disclosure for corporate questionnaire 2024 - CDP

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C1. Introduction

(1.1) In which language are you submitting your response?

Select from:
☑ English

(1.2) Select the currency used for all financial information disclosed throughout your response.

Select from:
☑ USD

(1.3) Provide an overview and introduction to your organization.

	Organization type	Description of organization
	Select from: ☑ Publicly traded organization	*Multiutility*

[Fixed row]

(1.4) State the end date of the year for which you are reporting data. For emissions data, indicate whether you will be providing emissions data for past reporting years.

(1.4.1) End date of reporting year

12/31/2023

(1.4.2) Alignment of this reporting period with your financial reporting period

Select from:

☑ Yes

(1.4.3) Indicate if you are providing emissions data for past reporting years

Select from:

☑ Yes

(1.4.4) Number of past reporting years you will be providing Scope 1 emissions data for

Select from:

☑ 2 years

(1.4.5) Number of past reporting years you will be providing Scope 2 emissions data for

Select from:

☑ Not providing past emissions data for Scope 2

(1.4.6) Number of past reporting years you will be providing Scope 3 emissions data for

Select from:

☑ Not providing past emissions data for Scope 3

[Fixed row]

(1.4.1) What is your organization’s annual revenue for the reporting period?

2698000000

(1.5) Provide details on your reporting boundary.

	Is your reporting boundary for your CDP disclosure the same as that used in your financial statements?	How does your reporting boundary differ to that used in your financial statement?
	Select from: ☑ No	*AQN uses operational control for its GHG inventory and uses the equity share approach for financial reporting.*

[Fixed row]

(1.6) Does your organization have an ISIN code or another unique identifier (e.g., Ticker, CUSIP, etc.)?

ISIN code - bond

(1.6.1) Does your organization use this unique identifier?

Select from:

☑ No

ISIN code - equity

(1.6.1) Does your organization use this unique identifier?

Select from:

☑ Yes

(1.6.2) Provide your unique identifier

CA0158571053

CUSIP number

(1.6.1) Does your organization use this unique identifier?

Select from:

☑ Yes

(1.6.2) Provide your unique identifier

015857105

Ticker symbol

(1.6.1) Does your organization use this unique identifier?

Select from:

☑ Yes

(1.6.2) Provide your unique identifier

AQN

SEDOL code

(1.6.1) Does your organization use this unique identifier?

Select from:

☑ Yes

(1.6.2) Provide your unique identifier

B51BMR7 CA

LEI number

(1.6.1) Does your organization use this unique identifier?

Select from:

☑ No

D-U-N-S number

(1.6.1) Does your organization use this unique identifier?

Select from:
☑ No

Other unique identifier

(1.6.1) Does your organization use this unique identifier?

Select from:
☑ No
[Add row]

(1.7) Select the countries/areas in which you operate.

Select all that apply
☑ Bermuda
☑ Canada
☑ Chile
☑ United States of America

(1.16) In which part of the electric utilities value chain does your organization operate?

Electric utilities value chain
☑ Distribution
☑ Electricity generation
☑ Transmission

Other divisions
☑ Gas storage, transmission and distribution

(1.16.1) For your electricity generation activities, provide details of your nameplate capacity and electricity generation specifics for each technology employed.

Coal - Hard

(1.16.1.1) Own or control operations which use this power generation source

Select from:
☑ No

(1.16.1.5) Comment

N/A

Lignite

(1.16.1.1) Own or control operations which use this power generation source

Select from:
☑ No

(1.16.1.5) Comment

N/A

Oil

(1.16.1.1) Own or control operations which use this power generation source

Select from:
☑ Yes

(1.16.1.2) Nameplate capacity (MW)

140

(1.16.1.3) Gross electricity generation (GWh)

540

(1.16.1.4) Net electricity generation (GWh)

540

(1.16.1.5) Comment

Given that the difference between gross and net electricity generation is negligible, it is assumed that gross electricity generation and net electricity generation are equal.

Gas

(1.16.1.1) Own or control operations which use this power generation source

Select from:

☑ Yes

(1.16.1.2) Nameplate capacity (MW)

1496

(1.16.1.3) Gross electricity generation (GWh)

3821

(1.16.1.4) Net electricity generation (GWh)

3821

(1.16.1.5) Comment

Given that the difference between gross and net electricity generation is negligible, it is assumed that gross electricity generation and net electricity generation are equal.

Sustainable biomass

(1.16.1.1) Own or control operations which use this power generation source

Select from:

☑ No

(1.16.1.5) Comment

N/A

Other biomass

(1.16.1.1) Own or control operations which use this power generation source

Select from:

☑ No

(1.16.1.5) Comment

N/A

Waste (non-biomass)

(1.16.1.1) Own or control operations which use this power generation source

Select from:

☑ No

(1.16.1.5) Comment

N/A

Nuclear

(1.16.1.1) Own or control operations which use this power generation source

Select from:

☑ No

(1.16.1.5) Comment

N/A

Fossil-fuel plants fitted with carbon capture and storage

(1.16.1.1) Own or control operations which use this power generation source

Select from:

☑ No

(1.16.1.5) Comment

N/A

Geothermal

(1.16.1.1) Own or control operations which use this power generation source

Select from:

☑ No

(1.16.1.5) Comment

N/A

Hydropower

(1.16.1.1) Own or control operations which use this power generation source

Select from:

☑ Yes

(1.16.1.2) Nameplate capacity (MW)

132

(1.16.1.3) Gross electricity generation (GWh)

615

(1.16.1.4) Net electricity generation (GWh)

615

(1.16.1.5) Comment

Given that the difference between gross and net electricity generation is negligible, it is assumed that gross electricity generation and net electricity generation are equal.

Wind

(1.16.1.1) Own or control operations which use this power generation source

Select from:

☑ Yes

(1.16.1.2) Nameplate capacity (MW)

2901

(1.16.1.3) Gross electricity generation (GWh)

8497

(1.16.1.4) Net electricity generation (GWh)

8497

(1.16.1.5) Comment

Given that the difference between gross and net electricity generation is negligible, it is assumed that gross electricity generation and net electricity generation are equal.

Solar

(1.16.1.1) Own or control operations which use this power generation source

Select from:

☑ Yes

(1.16.1.2) Nameplate capacity (MW)

458

(1.16.1.3) Gross electricity generation (GWh)

661

(1.16.1.4) Net electricity generation (GWh)

661

(1.16.1.5) Comment

Given that the difference between gross and net electricity generation is negligible, it is assumed that gross electricity generation and net electricity generation are equal.

Marine

(1.16.1.1) Own or control operations which use this power generation source

Select from:
☑ No

(1.16.1.5) Comment

N/A

Other renewable

(1.16.1.1) Own or control operations which use this power generation source

Select from:
☑ No

(1.16.1.5) Comment

N/A

Other non-renewable

(1.16.1.1) Own or control operations which use this power generation source

Select from:
☑ No

(1.16.1.5) Comment

N/A

Total

(1.16.1.1) Own or control operations which use this power generation source

Select from:
☑ Yes

(1.16.1.2) Nameplate capacity (MW)

5126

(1.16.1.3) Gross electricity generation (GWh)

14133

(1.16.1.4) Net electricity generation (GWh)

14133

(1.16.1.5) Comment

Given that the difference between gross and net electricity generation is negligible, it is assumed that gross electricity generation and net electricity generation are equal.
[Fixed row]

(1.24) Has your organization mapped its value chain?

(1.24.1) Value chain mapped

Select from:
☑ No, and we do not plan to do so within the next two years

(1.24.4) Highest supplier tier known but not mapped

Select from:
☑ Tier 1 suppliers

(1.24.8) Primary reason for not mapping your upstream value chain or any value chain stages

Select from:
☑ Lack of internal resources, capabilities, or expertise (e.g., due to organization size)

(1.24.9) Explain why your organization has not mapped its upstream value chain or any value chain stages

Currently, AQN's procurement team has limited resources. In addition, in August 2023, AQN announced that it was pursuing a sale of its renewables business and intends to transition to a pure-play regulated utility. We intend to revisit our supply chain mapping once the sale of the renewable business closes.
[Fixed row]

(1.24.1) Have you mapped where in your direct operations or elsewhere in your value chain plastics are produced, commercialized, used, and/or disposed of?

	Plastics mapping	Primary reason for not mapping plastics in your value chain	Explain why your organization has not mapped plastics in your value chain
	Select from: ☑ No, and we do not plan to within the next two years	*Select from:* ☑ Not an immediate strategic priority	*We do not produce or consume significant amount of plastics in our operations.*

[Fixed row]

C2. Identification, assessment, and management of dependencies, impacts, risks, and opportunities

(2.1) How does your organization define short-, medium-, and long-term time horizons in relation to the identification, assessment, and management of your environmental dependencies, impacts, risks, and opportunities?

Short-term

(2.1.1) From (years)

0

(2.1.3) To (years)

5

(2.1.4) How this time horizon is linked to strategic and/or financial planning

Environmental issues, including those related to climate change and water-related risks and opportunities are identified and assessed through the Task Force on Climate-related Financial Disclosures (TCFD) process. These issues are integrated into AQN's formal enterprise risk management processes. AQN utilizes a 5-year time horizon to assess short-term risks, including climate-related risks and opportunities, that the organization may face. While our risk management framework focuses on this 5-year timeframe, we also consider medium- and long-term horizons to account for the company's ongoing evolution and the changing environment in which it operates. These broader time frames are essential to address the long asset lives of our fleet, anticipated regulatory changes, and the potential for significant industry shifts due to decarbonization.

Medium-term

(2.1.1) From (years)

5

(2.1.3) To (years)

10

(2.1.4) How this time horizon is linked to strategic and/or financial planning

AQN uses a 5-to-10-year time horizon to assess medium-term risks the organization is potentially exposed to, including climate and water related risks and opportunities. The medium-term time horizon captures the period subsequent to the short-term time horizon. AQN believes we are able to generate an educated view on the various changing and emerging risks through ongoing monitoring of risks, market trends, and other key aspects that shape our decision making. However, the medium-term begins to capture increased uncertainty associated with climate and decarbonization, as well as water security trends.

Long-term

(2.1.1) From (years)

10

(2.1.2) Is your long-term time horizon open ended?

Select from:

☑ No

(2.1.3) To (years)

30

(2.1.4) How this time horizon is linked to strategic and/or financial planning

AQN uses a time horizon extending beyond 10 years to evaluate potential future challenges and opportunities, including those related to climate change, decarbonization, and water security. This long-term perspective allows us to consider the far-reaching impacts of climate trends and regulatory shifts on our operations and strategic planning. While the long-term horizon inherently involves greater uncertainty due to evolving climate conditions and market dynamics, we employ climate scenario analysis and other forecasting tools to develop informed projections. These projections help us to anticipate and prepare for significant industry changes, ensuring that our long-term strategies are resilient and adaptive. By considering long-term risks and opportunities, we aim to sustain the longevity and sustainability of our assets, adapt to potential regulatory changes, and align our operations with the anticipated shift towards a decarbonized economy.
[Fixed row]

(2.2) Does your organization have a process for identifying, assessing, and managing environmental dependencies and/or impacts?

	Process in place	Dependencies and/or impacts evaluated in this process
	Select from: ☑ Yes	*Select from:* ☑ Both dependencies and impacts

[Fixed row]

(2.2.1) Does your organization have a process for identifying, assessing, and managing environmental risks and/or opportunities?

	Process in place	Risks and/or opportunities evaluated in this process	Is this process informed by the dependencies and/or impacts process?
	Select from: ☑ Yes	*Select from:* ☑ Both risks and opportunities	*Select from:* ☑ Yes

[Fixed row]

(2.2.2) Provide details of your organization's process for identifying, assessing, and managing environmental dependencies, impacts, risks, and/or opportunities.

Row 1

(2.2.2.1) Environmental issue

Select all that apply

☑ Climate change

☑ Water

(2.2.2.2) Indicate which of dependencies, impacts, risks, and opportunities are covered by the process for this environmental issue

Select all that apply

☑ Dependencies

☑ Impacts

☑ Risks

☑ Opportunities

(2.2.2.3) Value chain stages covered

Select all that apply

☑ Direct operations

(2.2.2.4) Coverage

Select from:

☑ Full

(2.2.2.7) Type of assessment

Select from:

☑ Qualitative only

(2.2.2.8) Frequency of assessment

Select from:

☑ Annually

(2.2.2.9) Time horizons covered

Select all that apply

☑ Short-term

(2.2.2.10) Integration of risk management process

Select from:

☑ Integrated into multi-disciplinary organization-wide risk management process

(2.2.2.11) Location-specificity used

Select all that apply

☑ Local

☑ Sub-national

(2.2.2.12) Tools and methods used

Enterprise Risk Management

☑ COSO Enterprise Risk Management Framework

☑ Enterprise Risk Management

☑ ISO 31000 Risk Management Standard

International methodologies and standards

☑ ISO 14001 Environmental Management Standard

Other

☑ Materiality assessment

☑ Scenario analysis

(2.2.2.13) Risk types and criteria considered

Acute physical

☑ Drought

☑ Tornado

☑ Wildfires

☑ Heat waves

☑ Cold wave/frost

☑ Cyclones, hurricanes, typhoons

☑ Heavy precipitation (rain, hail, snow/ice)

☑ Flood (coastal, fluvial, pluvial, ground water)

☑ Toxic spills

☑ Storm (including blizzards, dust, and sandstorms)

Chronic physical

☑ Heat stress

☑ Water stress

☑ Sea level rise

☑ Soil degradation

☑ Groundwater depletion

☑ Changing precipitation patterns and types (rain, hail, snow/ice)

☑ Changing wind patterns

☑ Temperature variability

☑ Precipitation or hydrological variability

☑ Increased severity of extreme weather events

☑ Changing temperature (air, freshwater, marine water)

Policy

☑ Changes to national legislation

☑ Regulation of discharge quality/volumes

Market

☑ Changing customer behavior

☑ Uncertainty in the market signals

Reputation

☑ Impact on human health

☑ Increased partner and stakeholder concern and partner and stakeholder negative feedback

☑ Negative press coverage related to support of projects or activities with negative impacts on the environment (e.g. GHG emissions, deforestation & conversion, water stress)

☑ Stigmatization of sector

Technology

☑ Dependency on water-intensive energy sources

☑ Data access/availability or monitoring systems

☑ Transition to lower emissions technology and products

Liability

☑ Exposure to litigation

☑ Non-compliance with regulations

(2.2.2.14) Partners and stakeholders considered

Select all that apply

☑ NGOs
☑ Customers
☑ Employees
☑ Investors
☑ Suppliers
☑ Regulators
☑ Local communities
☑ Indigenous peoples

(2.2.2.15) Has this process changed since the previous reporting year?

Select from:

☑ No

(2.2.2.16) Further details of process

AQN employs a process to identify assess and manage environmental dependencies, impacts, risks and opportunities across its direct operations and some of its value chain financed activities. This approach enables AQN to addresses both immediate and long-term challenges related to environmental sustainability. We assess operational sites and engage with stakeholders to gather insights and identify emerging environmental risks and opportunities. This process is conducted at least annually and integrates environmental considerations into our enterprise risk management framework covering transition and physical risks over different timeframes. We utilize scenario analysis to explore potential future climate scenarios applying defined significance criteria to evaluate the likelihood, magnitude and duration of potential impacts. Climate related dependencies include our reliance on resources such as water and energy with impacts assessed in terms of greenhouse gas emissions, water usage, and waste generation. We categorize climate related risks into physical and transition risks assessing them over short-, medium-, and long-term horizons. Additionally, we identify opportunities for innovation and operational efficiency improvements. Data for these assessments is obtained from internal records and external benchmarks, industry reports and stakeholder feedback with scenario analysis outputs refining our processes and ensuring resilience against climate related uncertainties. This structured and thorough approach positions AQN to navigate the complexities of environmental issues and leverage opportunities for sustainable growth.
[Add row]

(2.2.7) Are the interconnections between environmental dependencies, impacts, risks and/or opportunities assessed?

(2.2.7.1) Interconnections between environmental dependencies, impacts, risks and/or opportunities assessed

Select from:

☑ Yes

(2.2.7.2) Description of how interconnections are assessed

AQN assesses the interconnections between environmental dependencies, impacts, risks, and opportunities across our business. Our framework integrates these assessments into a process, helping to understand and manage the complex interdependencies that influence our operations and strategic planning. Our methodology for integrating the assessment of environmental dependencies, impacts, risks, and opportunities is based on a combination of relevant reporting standards and internally developed protocols. This process is embedded into our broader enterprise risk management framework and is conducted annually to reflect the latest data and trends. We utilize the TCFD framework to guide our assessments, ensuring a comprehensive evaluation of climate-related risks and opportunities. Our approach also incorporates elements from the Global Reporting Initiative (GRI) and the Sustainability Accounting Standards Board (SASB) standards, which provide guidelines on identifying and reporting environmental dependencies and impacts. Our process identifies alignment and synergies between different environmental factors. For instance, improving water efficiency in our operations can simultaneously reduce operational costs and mitigate water-related risks. We also identify trade-offs, such as the potential impact of water conservation measures on energy consumption, which are evaluated to encourage a balanced approach to sustainability. Integrating aspects of environmental dependencies, impacts, risks, and opportunities into a holistic approach presents challenges, particularly in data availability and consistency. To mitigate these challenges, we continuously refine our data collection processes and enhance stakeholder engagement to gather comprehensive and reliable information. By systematically assessing and managing these interconnections, AQN's business is better equipped to navigate the complexities of environmental sustainability, ensuring proactive risk management and capitalizing on opportunities for long-term resilience and success.
[Fixed row]

(2.3) Have you identified priority locations across your value chain?

(2.3.1) Identification of priority locations

Select from:

☑ No, and we do not plan to within the next two years

(2.3.7) Primary reason for not identifying priority locations

Select from:

☑ Lack of internal resources, capabilities, or expertise (e.g., due to organization size)

(2.3.8) Explain why you do not identify priority locations

No, we have not identified priority locations across our value chain. The primary reason for this is a lack of resources and programs dedicated to such an initiative. Additionally, in August 2023, AQN announced that it was pursuing a sale of its renewables business and intends to transition to a pure-play regulated utility. This

strategic shift has necessitated a reallocation of resources and focus, which has impacted our ability to conduct a comprehensive assessment of priority locations within our value chain. As we advance in this transition, we may plan to revisit and enhance our capabilities in this area to better align with our long-term strategic objectives.
[Fixed row]

(2.4) How does your organization define substantive effects on your organization?

Risks

(2.4.1) Type of definition

Select all that apply
☑ Qualitative

(2.4.6) Metrics considered in definition

Select all that apply
☑ Frequency of effect occurring
☑ Time horizon over which the effect occurs
☑ Likelihood of effect occurring

(2.4.7) Application of definition

In defining the metrics for assessing risks, we consider several thresholds to undertake a comprehensive evaluation. Risks are assessed across short-, medium-, and long-term time horizons, aligned with the timeframes reported in section 2.1, specifically short-term (0-5 years), medium-term (5-10 years), and long-term (beyond 10 years). AQN assesses risks, including climate related risks, identified against 5 levels of an Enterprise Risk Assessment Scale (Catastrophic (5), Major (4), Moderate (3), Minor (2) and Insignificant (1)) and Likelihood Scale (Almost certain (5), Likely (4), Possible (3), Unlikely (2) and Rare (1)). The impact scale considers different impact categories including safety and security, reliability, financial, and reputation (e.g., investors, customers, environment and communities, regulators, employees, etc.). These levels are used to assess all risks within our business including climate related risks. Metrics and their thresholds are reviewed and updated annually to remain relevant and reflective of the latest data and trends. This review involves analyzing historical data, consulting with key stakeholders, and integrating insights from industry reports and benchmarks. Adjustments are made based on new information, changes in the operating environment, and evolving strategic priorities. By systematically applying these thresholds and utilizing a matrix approach, we employ a dynamic process for identifying, assessing, and managing risks, thereby enhancing our ability to mitigate potential adverse effects and capitalize on emerging opportunities.

Opportunities

(2.4.1) Type of definition

Select all that apply

☑ Qualitative

(2.4.6) Metrics considered in definition

Select all that apply

☑ Frequency of effect occurring

☑ Time horizon over which the effect occurs

☑ Likelihood of effect occurring

(2.4.7) Application of definition

We currently do not have a formalized procedure for identifying opportunities. However, by applying risk thresholds and utilizing a matrix approach, we maintain a systematic process for identifying, assessing, and managing risks. This approach enhances our ability to mitigate potential adverse impacts and effectively capitalize on emerging opportunities.
[Add row]

(2.5) Does your organization identify and classify potential water pollutants associated with its activities that could have a detrimental impact on water ecosystems or human health?

(2.5.1) Identification and classification of potential water pollutants

Select from:

☑ Yes, we identify and classify our potential water pollutants

(2.5.2) How potential water pollutants are identified and classified

Potential water pollutants for effluent discharges from our operations are often identified by the applicable regional regulatory authority through our operating and/or water approvals and permits i.e. National Pollutant Discharge Elimination System (NPDES) and State Pollutant Discharge Elimination System (SPDES) permits.
[Fixed row]

(2.5.1) Describe how your organization minimizes the adverse impacts of potential water pollutants on water ecosystems or human health associated with your activities.

Row 1

(2.5.1.1) Water pollutant category

Select from:

☑ Oil

(2.5.1.2) Description of water pollutant and potential impacts

Oil, lubricants, cleansing and treatment chemicals used to operate and maintain electric generating equipment and natural gas, electric, and water distribution equipment. These pollutants can make water unconsumable, and could have detrimental impacts on humans, animals, and the entire ecosystem.

(2.5.1.3) Value chain stage

Select all that apply

☑ Direct operations

(2.5.1.4) Actions and procedures to minimize adverse impacts

Select all that apply

☑ Industrial and chemical accidents prevention, preparedness, and response

☑ Provision of best practice instructions on product use

☑ Discharge treatment using sector-specific processes to ensure compliance with regulatory requirements

(2.5.1.5) Please explain

Procedures are in place to maintain compliance with environmental permits. Contractors are generally overseen by in-house operations team for compliance.

Row 2

(2.5.1.1) Water pollutant category

Select from:

☑ Other, please specify **:**Arsenic and Perfluorooctanoic acid (PFOA) and Perfluorooctane sulfonate (PFOS)

(2.5.1.2) Description of water pollutant and potential impacts

Arsenic is a naturally occurring element that can contaminate water sources and has been linked to various health issues. PFOA and PFOS are synthetic chemicals that have been widely used and can accumulate in water sources, posing health risks. Treatment methods and regulations are important for addressing these contaminants and protecting human health and the environment.

(2.5.1.3) Value chain stage

Select all that apply

☑ Direct operations

(2.5.1.4) Actions and procedures to minimize adverse impacts

Select all that apply

☑ Other, please specify **:**Routine analytical testing

(2.5.1.5) Please explain

In an effort to minimize impacts, we monitor water quality. Results are compared to the appropriate jurisdictional water quality guidelines.

Row 3

(2.5.1.1) Water pollutant category

Select from:

☑ Other physical pollutants

(2.5.1.2) Description of water pollutant and potential impacts

Thermal pollution - Thermal pollution results when the water discharge temperature is different than the ambient temperature of the receiving waterbody temperature. Changes to the temperature can have an adverse effect on aquatic life.

(2.5.1.3) Value chain stage

Select all that apply

☑ Direct operations

(2.5.1.4) Actions and procedures to minimize adverse impacts

Select all that apply

☑ Discharge treatment using sector-specific processes to ensure compliance with regulatory requirements

(2.5.1.5) Please explain

In an effort to minimize impacts, we monitor water discharge temperature and the ambient temperature of the receiving waterbody as part of our effluent testing. Results are compared to the appropriate jurisdictional water quality guidelines.

Row 4

(2.5.1.1) Water pollutant category

Select from:

☑ Nitrates

(2.5.1.2) Description of water pollutant and potential impacts

Excess amounts of nitrates can cause significant water quality problems by accelerating eutrophication and reducing oxygen level in water, which disturbs the natural balance of the ecosystem. Nitrates can also cause contamination in drinking water.

(2.5.1.3) Value chain stage

Select all that apply

☑ Direct operations

(2.5.1.4) Actions and procedures to minimize adverse impacts

Select all that apply

☑ Other, please specify **:**Routine analytical testing

(2.5.1.5) Please explain

In an effort to minimize impacts, we monitor water quality. Results are compared to the appropriate jurisdictional water quality guidelines.

Row 5

(2.5.1.1) Water pollutant category

Select from:

☑ Inorganic pollutants

(2.5.1.2) Description of water pollutant and potential impacts

Contaminated cooling water - There is potential for unplanned spills and leaks from contaminated cooling water. This could have a negative impact on aquatic life, agricultural lands and drinking water.

(2.5.1.3) Value chain stage

Select all that apply

☑ Direct operations

(2.5.1.4) Actions and procedures to minimize adverse impacts

Select all that apply

☑ Industrial and chemical accidents prevention, preparedness, and response

☑ Discharge treatment using sector-specific processes to ensure compliance with regulatory requirements

(2.5.1.5) Please explain

In an effort to minimize impacts, we conduct effluent testing at our thermal sites and compare the results to the appropriate jurisdictional water quality guidelines.

Row 6

(2.5.1.1) Water pollutant category

Select from:

☑ Pathogens

(2.5.1.2) Description of water pollutant and potential impacts

Pathogens are microorganisms such as bacteria, viruses, protozoa, and parasites that can cause diseases. When present in water, they pose significant health risks and can lead to various impacts on water quality and treatment processes.

(2.5.1.3) Value chain stage

Select all that apply

☑ Direct operations

(2.5.1.4) Actions and procedures to minimize adverse impacts

Select all that apply

☑ Discharge treatment using sector-specific processes to ensure compliance with regulatory requirements

(2.5.1.5) Please explain

To minimize the adverse impacts of pathogens on water quality and maintain the safety of our water supply, AQN treats and disinfects pathogens present in the system.
[Add row]

C3. Disclosure of risks and opportunities

(3.1) Have you identified any environmental risks which have had a substantive effect on your organization in the reporting year, or are anticipated to have a substantive effect on your organization in the future?

Climate change

(3.1.1) Environmental risks identified

Select from:

☑ Yes, only within our direct operations

(3.1.2) Primary reason why your organization does not consider itself to have environmental risks in your direct operations and/or upstream/downstream value chain

Select from:

☑ Lack of internal resources, capabilities, or expertise (e.g., due to organization size)

(3.1.3) Please explain

We have identified climate change risks that have had a potential substantive effect on our direct operations. However, due to a lack of resources, our assessment has been limited to our direct operations only. These risks include extreme weather events, such as storms and floods, which have impacted our infrastructure and operational efficiency. Additionally, regulatory changes related to environmental compliance and carbon emissions are anticipated to pose risks to our operations in the future.

Water

(3.1.1) Environmental risks identified

Select from:

☑ Yes, only within our direct operations

(3.1.2) Primary reason why your organization does not consider itself to have environmental risks in your direct operations and/or upstream/downstream value chain

Select from:

☑ Lack of internal resources, capabilities, or expertise (e.g., due to organization size)

(3.1.3) Please explain

We have identified environmental risks related to water that have had and are anticipated to have substantive effects on our organization. Within our direct operations, we have assessed and identified water-stressed areas, observing significant impacts from water scarcity, regulatory changes, and extreme weather events. However, due to limited resources, our assessments are currently confined to our direct operations, and we are unable to extend our evaluations to our broader value chain. By focusing on proactive measures within our operational scope, we attempt to safeguard our operations and foster long-term sustainability amidst evolving environmental challenges.

Plastics

(3.1.1) Environmental risks identified

Select from:

☑ No

(3.1.2) Primary reason why your organization does not consider itself to have environmental risks in your direct operations and/or upstream/downstream value chain

Select from:

☑ Environmental risks exist, but none with the potential to have a substantive effect on our organization

(3.1.3) Please explain

We have not identified any environmental risks related to plastics that have had or are anticipated to have a substantive effect on our organization. Our business operations do not significantly rely on plastics, and the associated risks, such as regulatory changes, supply chain disruptions, or reputational impacts, do not pose a material threat to our activities. Consequently, we have not experienced any notable impacts from plastics-related issues and do not foresee any substantial effects on our business in the future.
[Fixed row]

(3.1.1) Provide details of the environmental risks identified which have had a substantive effect on your organization in the reporting year, or are anticipated to have a substantive effect on your organization in the future.

Climate change

(3.1.1.1) Risk identifier

Select from:

☑ Risk1

(3.1.1.3) Risk types and primary environmental risk driver

Acute physical

☑ Wildfires

(3.1.1.4) Value chain stage where the risk occurs

Select from:

☑ Direct operations

(3.1.1.6) Country/area where the risk occurs

Select all that apply

☑ United States of America

(3.1.1.9) Organization-specific description of risk

Wildfires have occurred, and may in the future occur, within AQN's service territories, including, without limitation, in California and other parts of the United States in which AQN operates, such as the Mountain View fire that occurred on November 17, 2020 within the CalPeco Electric System's service territory in California. The CalPeco Electric utility is located in the Lake Tahoe region of California. Due to the dense vegetation, dry brush, and changes in wind speeds that characterize much of the Lake Tahoe landscape and surrounding forested areas, the region has been designated either "Tier 2" (Elevated) or "Tier 3" (Extreme) fire risk areas by the state's High Fire Threat District Map. Fires may arise from equipment breakdown or failure, trees falling on and lightning strikes to, distribution lines or equipment, and other causes. If it is accused or found to be responsible for such a fire (regardless of whether it is at fault or negligent), AQN could suffer costs, losses and damages, all or some of which may not be recoverable through insurance, legal, regulatory cost recovery or other processes and could materially affect AQN's business, results

of operations and cash flows, including its reputation with customers, regulators, governments and financial markets. Resulting costs could include fire suppression costs, fines, regeneration, timber value, asset replacement costs, inverse condemnation, increased insurance costs, and other types of costs.

(3.1.1.11) Primary financial effect of the risk

Select from:

☑ Increased insurance premiums

(3.1.1.12) Time horizon over which the risk is anticipated to have a substantive effect on the organization

Select all that apply

☑ Short-term

(3.1.1.13) Likelihood of the risk having an effect within the anticipated time horizon

Select from:

☑ More likely than not

(3.1.1.14) Magnitude

Select from:

☑ High

(3.1.1.16) Anticipated effect of the risk on the financial position, financial performance and cash flows of the organization in the selected future time horizons

Financial impact is estimated to be manageable for AQN assuming the costs of mitigating and adapting to wildfire risks and events may be recovered in subsequent rate filings. Impact is medium-low with the low probability of complete rate filing requests not being approved. Impacts may be to AQN's physical infrastructure, demand interferences, and employee and public safety during and after wildfire events. Subsequent financial impacts in the form of increased capital expenditures, increased Operations and Maintenance (O&M) costs, reduced demand, and increased costs may be incurred.

(3.1.1.17) Are you able to quantify the financial effect of the risk?

Select from:

☑ No

(3.1.1.26) Primary response to risk

Policies and plans

☑ Other policies or plans, please specify **:**Wildfire Mitigation Plan

(3.1.1.27) Cost of response to risk

62100000

(3.1.1.28) Explanation of cost calculation

AQN's 2023 cost on Wildfire Mitigation Plan

(3.1.1.29) Description of response

Response to wildfire risks can be found in greater detail on AQN's California electric operations webpage (https://california.libertyutilities.com/portola/residential/news/wildfire-mitigation-projects.html). Impact is reduced as studies, research and rationales proposed in rate cases filed improve the rate of recoverability. Impacts may also be to AQN's physical infrastructure and demand interferences during and after wildfire events. Subsequent financial impacts in the form of increased capital expenditures, increased O&M costs, and reduced demand may be incurred.

Water

(3.1.1.1) Risk identifier

Select from:

☑ Risk2

(3.1.1.3) Risk types and primary environmental risk driver

Acute physical

☑ Drought

(3.1.1.4) Value chain stage where the risk occurs

Select from:

☑ Direct operations

(3.1.1.6) Country/area where the risk occurs

Select all that apply

☑ United States of America

(3.1.1.7) River basin where the risk occurs

Select all that apply

☑ Unknown

(3.1.1.9) Organization-specific description of risk

Demand for water is affected by weather conditions including temperature and precipitation. For certain service areas, water usage during the summer months is significantly greater than the winter months primarily because of the outdoor water usage associated with irrigation as well as the water used for other purposes, including swimming pools and cooling systems. When either the amount or frequency of precipitation is significantly above average, water usage may decrease, resulting in reduced operating revenues. Drought conditions arise when the amount and frequency of precipitation is significantly below average for an extended period of time. Drought conditions may lead to voluntary and mandatory restrictions on water usage and thereby impact AQN's ability to recover its fixed costs in delivering clean, safe and reliable water to customers at reasonable rates. The Regulated Services Group's water distribution operations depend on an adequate supply of water to meet present and future demands of customers. Drought conditions could interfere with sources of water supply used by the utilities and affect their ability to supply water in sufficient quantities to existing and future customers. An interruption in the water supply could have an adverse effect on the results of operations of these utilities.

(3.1.1.11) Primary financial effect of the risk

Select from:

☑ Decreased revenues due to reduced production capacity

(3.1.1.12) Time horizon over which the risk is anticipated to have a substantive effect on the organization

Select all that apply

☑ Short-term

☑ Medium-term

☑ Long-term

(3.1.1.13) Likelihood of the risk having an effect within the anticipated time horizon

Select from:

☑ About as likely as not

(3.1.1.14) Magnitude

Select from:

☑ Medium-low

(3.1.1.16) Anticipated effect of the risk on the financial position, financial performance and cash flows of the organization in the selected future time horizons

We are currently not disclosing potential financial impact figures.

(3.1.1.17) Are you able to quantify the financial effect of the risk?

Select from:

☑ No

(3.1.1.26) Primary response to risk

Infrastructure, technology and spending

☑ Adopt water efficiency, water reuse, recycling and conservation practices

(3.1.1.27) Cost of response to risk

0

(3.1.1.28) Explanation of cost calculation

Cost of response has not been calculated.

(3.1.1.29) Description of response

AQN has identified opportunities in becoming a solutions provider in the transition and growing demand for water efficiency. AQN intends to assess water risks and responses on a facility-by-facility basis.
[Add row]

(3.1.2) Provide the amount and proportion of your financial metrics from the reporting year that are vulnerable to the substantive effects of environmental risks.

Climate change

(3.1.2.1) Financial metric

Select from:
☑ Other, please specify :not assessed

(3.1.2.2) Amount of financial metric vulnerable to transition risks for this environmental issue (unit currency as selected in 1.2)

0

(3.1.2.3) % of total financial metric vulnerable to transition risks for this environmental issue

Select from:
☑ Less than 1%

(3.1.2.4) Amount of financial metric vulnerable to physical risks for this environmental issue (unit currency as selected in 1.2)

0

(3.1.2.5) % of total financial metric vulnerable to physical risks for this environmental issue

Select from:
☑ Less than 1%

(3.1.2.7) Explanation of financial figures

We currently do not evaluate the amount and proportion of our financial metrics that are vulnerable to the substantive effects of environmental risks. Due to limited resources and the complexity of accurately assessing these metrics, we have not yet established a comprehensive methodology to quantify the financial impacts of environmental risks on our operations.

Water

(3.1.2.1) Financial metric

Select from:

☑ Other, please specify :not assessed

(3.1.2.2) Amount of financial metric vulnerable to transition risks for this environmental issue (unit currency as selected in 1.2)

0

(3.1.2.3) % of total financial metric vulnerable to transition risks for this environmental issue

Select from:

☑ Less than 1%

(3.1.2.4) Amount of financial metric vulnerable to physical risks for this environmental issue (unit currency as selected in 1.2)

0

(3.1.2.5) % of total financial metric vulnerable to physical risks for this environmental issue

Select from:

☑ Less than 1%

(3.1.2.7) Explanation of financial figures

We currently do not evaluate the amount and proportion of our financial metrics that are vulnerable to the substantive effects of environmental risks. Due to limited resources and the complexity of accurately assessing these metrics, we have not yet established a comprehensive methodology to quantify the financial impacts of environmental risks on our operations.
[Add row]

(3.2) Within each river basin, how many facilities are exposed to substantive effects of water-related risks, and what percentage of your total number of facilities does this represent?

Row 1

(3.2.1) Country/Area & River basin

United States of America
☑ Unknown

(3.2.2) Value chain stages where facilities at risk have been identified in this river basin

Select all that apply
☑ Direct operations

(3.2.3) Number of facilities within direct operations exposed to water-related risk in this river basin

0

(3.2.4) % of your organization's total facilities within direct operations exposed to water-related risk in this river basin

Select from:
☑ Unknown

(3.2.8) % organization's annual electricity generation that could be affected by these facilities

Select from:
☑ Unknown

(3.2.10) % organization's total global revenue that could be affected

Select from:

☑ Unknown

(3.2.11) Please explain

AQN faces several water-related risks that may impact our facilities and operations, including power generation and distribution, gas distribution, and water/wastewater services. These risks include sourcing water from high-stress areas, contamination, availability and quality issues, and fluctuating customer demand. Currently, we do not have a formal process to assess these risks; instead, we are evaluating them informally.
[Add row]

(3.3) In the reporting year, was your organization subject to any fines, enforcement orders, and/or other penalties for water-related regulatory violations?

(3.3.1) Water-related regulatory violations

Select from:

☑ Yes

(3.3.2) Fines, enforcement orders, and/or other penalties

Select all that apply

☑ Enforcement orders or other penalties but none that are considered as significant

(3.3.3) Comment

We were subject to four non-monetary fines for water-related regulatory violations in the reporting year. Fines and regulatory visits resulting in orders are tracked and logged in our compliance software tool to enable proper documentation and follow-up actions. These instances were promptly addressed to maintain our commitment to regulatory compliance and environmental stewardship.
[Fixed row]

(3.5) Are any of your operations or activities regulated by a carbon pricing system (i.e. ETS, Cap & Trade or Carbon Tax)?

Select from:

☑ Yes

(3.5.1) Select the carbon pricing regulation(s) which impact your operations.

Select all that apply

☑ Alberta TIER - ETS

☑ California CaT - ETS

☑ RGGI - ETS

(3.5.2) Provide details of each Emissions Trading Scheme (ETS) your organization is regulated by.

Alberta TIER - ETS

(3.5.2.1) % of Scope 1 emissions covered by the ETS

0

(3.5.2.2) % of Scope 2 emissions covered by the ETS

0

(3.5.2.3) Period start date

01/01/2023

(3.5.2.4) Period end date

12/31/2023

(3.5.2.5) Allowances allocated

1291

(3.5.2.6) Allowances purchased

0

(3.5.2.7) Verified Scope 1 emissions in metric tons CO2e

4

(3.5.2.8) Verified Scope 2 emissions in metric tons CO2e

0

(3.5.2.9) Details of ownership

Select from:

☑ Facilities we own and operate

(3.5.2.10) Comment

n/a

California CaT - ETS

(3.5.2.1) % of Scope 1 emissions covered by the ETS

0.38

(3.5.2.2) % of Scope 2 emissions covered by the ETS

0

(3.5.2.3) Period start date

01/01/2023

(3.5.2.4) Period end date

12/31/2023

(3.5.2.5) Allowances allocated

0

(3.5.2.6) Allowances purchased

0

(3.5.2.7) Verified Scope 1 emissions in metric tons CO2e

7899

(3.5.2.8) Verified Scope 2 emissions in metric tons CO2e

0

(3.5.2.9) Details of ownership

Select from:
☑ Facilities we own and operate

(3.5.2.10) Comment

Verification was completed on August 1, 2024.

RGGI - ETS

(3.5.2.1) % of Scope 1 emissions covered by the ETS

0.21

(3.5.2.2) % of Scope 2 emissions covered by the ETS

0

(3.5.2.3) Period start date

01/01/2023

(3.5.2.4) Period end date

12/31/2023

(3.5.2.5) Allowances allocated

0

(3.5.2.6) Allowances purchased

0

(3.5.2.7) Verified Scope 1 emissions in metric tons CO2e

0

(3.5.2.8) Verified Scope 2 emissions in metric tons CO2e

0

(3.5.2.9) Details of ownership

Select from:

☑ Facilities we own and operate

(3.5.2.10) Comment

n/a
[Fixed row]

(3.5.4) What is your strategy for complying with the systems you are regulated by or anticipate being regulated by?

The majority of AQN operations are not impacted by emissions trading. However, in 2023, our Renewable Energy Group had three facilities affected by emissions trading programs: the Regional Greenhouse Gas Initiative (RGGI), California Cap and Trade (California CaT), and Alberta TIER. AQN's compliance strategy focuses on maximizing operational efficiency to reduce emissions and acquiring the necessary allowances. Our facility within RGGI is equipped with a new, more efficient turbine that is not subject to RGGI regulations, and the older equipment at this facility is only utilized during power shortages. This approach has enabled us to significantly limit the emissions produced by the older engine.

(3.6) Have you identified any environmental opportunities which have had a substantive effect on your organization in the reporting year, or are anticipated to have a substantive effect on your organization in the future?

	Environmental opportunities identified	Please explain
Climate change	*Select from:* ☑ Yes, we have identified opportunities, and some/all are being realized	*Rich text input [must be under 2500 characters]*
Water	*Select from:* ☑ Yes, we have identified opportunities but are unable to realize them	*As a part of AQN's ongoing TCFD efforts and business strategy, water opportunities are undergoing review.*

[Fixed row]

(3.6.1) Provide details of the environmental opportunities identified which have had a substantive effect on your organization in the reporting year, or are anticipated to have a substantive effect on your organization in the future.

Climate change

(3.6.1.1) Opportunity identifier

Select from:
☑ Opp1

(3.6.1.3) Opportunity type and primary environmental opportunity driver

Energy source

☑ Use of renewable energy sources

(3.6.1.4) Value chain stage where the opportunity occurs

Select from:

☑ Direct operations

(3.6.1.5) Country/area where the opportunity occurs

Select all that apply

☑ United States of America

(3.6.1.8) Organization specific description

In the reporting year we expanded our portfolio of renewable energy projects. This has allowed us to capitalize on the growing demand for clean energy.

(3.6.1.9) Primary financial effect of the opportunity

Select from:

☑ Increased revenues resulting from increased production capacity

(3.6.1.10) Time horizon over which the opportunity is anticipated to have a substantive effect on the organization

Select all that apply

☑ Short-term

☑ Medium-term

☑ Long-term

(3.6.1.11) Likelihood of the opportunity having an effect within the anticipated time horizon

Select from:

☑ Likely (66–100%)

(3.6.1.12) Magnitude

Select from:

☑ High

(3.6.1.14) Anticipated effect of the opportunity on the financial position, financial performance and cash flows of the organization in the selected future time horizons

Continued investment in renewable energy will provide long-term financial benefits through the generation of low-carbon power, access to incentives, and improved resilience against fossil fuel price volatility. This aligns with global trends towards decarbonization and supports our net-zero targets.

(3.6.1.15) Are you able to quantify the financial effects of the opportunity?

Select from:

☑ No

(3.6.1.24) Cost to realize opportunity

0

(3.6.1.25) Explanation of cost calculation

We will not be disclosing specific financial figures related to this opportunity.

(3.6.1.26) Strategy to realize opportunity

Algonquin has a long history of investment in renewable energy and expects to continue these investments into the future. We look to integrate cost effective renewables into our utility businesses in order to reduce carbon emissions, while also looking to benefit from renewable electricity generation in our own operations when feasible.

Water

(3.6.1.1) Opportunity identifier

Select from:

☑ Opp1

(3.6.1.3) Opportunity type and primary environmental opportunity driver

Resource efficiency

☑ Use of recycling

(3.6.1.4) Value chain stage where the opportunity occurs

Select from:

☑ Direct operations

(3.6.1.5) Country/area where the opportunity occurs

Select all that apply

☑ United States of America

(3.6.1.6) River basin where the opportunity occurs

Select all that apply

☑ Unknown

(3.6.1.8) Organization specific description

We have identified water-related opportunities that have had and are anticipated to have effects on our organization. One notable opportunity is within our Liberty Gold Canyon Waste Water Reclamation Facility (GCWWRF) system. The facility is a water recharge and re-use facility that is permitted by the Arizona Department of Water Resources (ADWR) as an underground aquifer storage facility. This unique facility provides 100% recharge or re-use for irrigation with 0% of the effluent being discharged to a receiving water body or land area.

(3.6.1.9) Primary financial effect of the opportunity

Select from:

☑ Reduced direct costs

(3.6.1.10) Time horizon over which the opportunity is anticipated to have a substantive effect on the organization

Select all that apply

☑ Short-term

(3.6.1.11) Likelihood of the opportunity having an effect within the anticipated time horizon

Select from:

☑ Likely (66–100%)

(3.6.1.12) Magnitude

Select from:

☑ Medium-low

(3.6.1.14) Anticipated effect of the opportunity on the financial position, financial performance and cash flows of the organization in the selected future time horizons

The anticipated effect of the water-related opportunity within the Liberty Gold Canyon Waste Water Reclamation Facility (GCWWRF) system on the financial position of the company is positive. The facility is a water recharge and re-use facility that is permitted by the Arizona Department of Water Resources (ADWR) as an underground aquifer storage facility. This unique facility provides 100% recharge or re-use for irrigation with 0% of the effluent being discharged to a receiving water body or land area. The primary goal of our partnership with ADWR is to enhance water sustainability in Arizona through the underground storage of high-quality effluent water for future use in times of drought. The direct impact of the aquifer recharge will be a gradual rise in the Arizona water table that had been declining for years. The GCWWRF also delivers A effluent water to the neighboring Gold Canyon RV Resort, and Mountain Brook and Superstition Mountain golf courses, where it is stored in ponds and used for irrigation.

(3.6.1.15) Are you able to quantify the financial effects of the opportunity?

Select from:

☑ No

(3.6.1.24) Cost to realize opportunity

0

(3.6.1.25) Explanation of cost calculation

We will not be disclosing specific financial figures related to these anticipated cost savings.

(3.6.1.26) Strategy to realize opportunity

Our strategy to realize the water-related opportunity focuses on optimizing infrastructure to promote efficient water distribution and management. This may involve investing in advanced technologies to enhance system reliability and efficiency. Practices will align with regulatory requirements, and available incentives for sustainable water use will be explored. Additionally, staff will be equipped with the necessary skills to manage and operate the system effectively. By highlighting our commitment to sustainability through communication and marketing efforts, our reputation will be enhanced and environmentally conscious customers attracted. Through these strategic actions, the benefits of our water management system will be fully leveraged, ensuring potential cost savings, operational efficiency, and long-term sustainability.
[Add row]

(3.6.2) Provide the amount and proportion of your financial metrics in the reporting year that are aligned with the substantive effects of environmental opportunities.

Climate change

(3.6.2.1) Financial metric

Select from:
☑ Other, please specify **:**not available

(3.6.2.2) Amount of financial metric aligned with opportunities for this environmental issue (unit currency as selected in 1.2)

0

(3.6.2.3) % of total financial metric aligned with opportunities for this environmental issue

Select from:
☑ Less than 1%

(3.6.2.4) Explanation of financial figures

Our financial metrics are not reported in a way that directly highlights costs associated with environmental opportunities. Consequently, we do not have specific figures or proportions of financial metrics from the reporting year that align with the substantive effects of environmental opportunities. While we recognize the potential financial benefits and impacts of these opportunities, our current reporting structure does not segregate or detail these costs separately.

Water

(3.6.2.1) Financial metric

Select from:

☑ Other, please specify **:**not available

(3.6.2.2) Amount of financial metric aligned with opportunities for this environmental issue (unit currency as selected in 1.2)

0

(3.6.2.3) % of total financial metric aligned with opportunities for this environmental issue

Select from:

☑ Less than 1%

(3.6.2.4) Explanation of financial figures

Our financial metrics are not reported in a way that directly highlights costs associated with environmental opportunities. Consequently, we do not have specific figures or proportions of financial metrics from the reporting year that align with the substantive effects of environmental opportunities. While we recognize the potential financial benefits and impacts of these opportunities, our current reporting structure does not segregate or detail these costs separately.
[Add row]

C4. Governance

(4.1) Does your organization have a board of directors or an equivalent governing body?

(4.1.1) Board of directors or equivalent governing body

Select from:

☑ Yes

(4.1.2) Frequency with which the board or equivalent meets

Select from:

☑ Quarterly

(4.1.3) Types of directors your board or equivalent is comprised of

Select all that apply

☑ Executive directors or equivalent

☑ Independent non-executive directors or equivalent

(4.1.4) Board diversity and inclusion policy

Select from:

☑ Yes, and it is publicly available

(4.1.5) Briefly describe what the policy covers

Our policy shows our commitment to fostering diversity within the board of directors and executive management team. The policy promotes an inclusive culture free from bias, recognizing the value of diverse perspectives in decision-making. Diversity is broadly defined to include characteristics such as gender, age, race, nationality, culture, language, abilities, education, and industry experience. The Corporate Governance Committee supports diversity as a consideration in the selection of board nominees, aiming for at least 30% representation from each gender. Similarly, the Human Resources and Compensation Committee incorporates diversity into succession planning and executive appointments. Periodic reviews help maintain and enhance this commitment. By prioritizing diversity, the Corporation seeks to improve governance, decision-making, and ultimately achieve its strategic goals.

(4.1.6) Attach the policy (optional)

AQN-Board-and-Executive-Diversity-Policy (1).pdf
[Fixed row]

(4.1.1) Is there board-level oversight of environmental issues within your organization?

Climate change

(4.1.1.1) Board-level oversight of this environmental issue

Select from:
☑ Yes

Water

(4.1.1.1) Board-level oversight of this environmental issue

Select from:
☑ Yes

Biodiversity

(4.1.1.1) Board-level oversight of this environmental issue

Select from:
☑ No, and we do not plan to within the next two years

(4.1.1.2) Primary reason for no board-level oversight of this environmental issue

Select from:
☑ Not an immediate strategic priority

(4.1.1.3) Explain why your organization does not have board-level oversight of this environmental issue

The environmental team is responsible for environmental-related issues, including biodiversity-related issues. If these issues are deemed to be material, then they will be escalated to the CEO and the board for action.
[Fixed row]

(4.1.2) Identify the positions (do not include any names) of the individuals or committees on the board with accountability for environmental issues and provide details of the board's oversight of environmental issues.

Climate change

(4.1.2.1) Positions of individuals or committees with accountability for this environmental issue

Select all that apply

☑ Chief Executive Officer (CEO)

☑ Board-level committee

(4.1.2.2) Positions' accountability for this environmental issue is outlined in policies applicable to the board

Select from:

☑ Yes

(4.1.2.3) Policies which outline the positions' accountability for this environmental issue

Select all that apply

☑ Board mandate

☑ Individual role descriptions

(4.1.2.4) Frequency with which this environmental issue is a scheduled agenda item

Select from:

☑ Scheduled agenda item in every board meeting (standing agenda item)

(4.1.2.5) Governance mechanisms into which this environmental issue is integrated

Select all that apply

☑ Reviewing and guiding annual budgets
☑ Overseeing the setting of corporate targets
☑ Approving corporate policies and/or commitments
☑ Approving and/or overseeing employee incentives
☑ Overseeing and guiding major capital expenditures
☑ Overseeing and guiding the development of a business strategy
☑ Overseeing and guiding acquisitions, mergers, and divestitures
☑ Monitoring compliance with corporate policies and/or commitments
☑ Overseeing and guiding the development of a climate transition plan

(4.1.2.7) Please explain

At AQN, climate-related issues hold importance in our business operations, and they receive attention at the executive level with primary oversight from the Board's Corporate Governance Committee. 2023 climate-related goals were published in our 2019 Sustainability Report. They are as follows: 1) add 2,000 MW of renewable energy capacity between 2019 and 2023; 2) reduce greenhouse gas (GHG) emissions by 1,000,000 metric tons from 2017 levels; 3) achieve a renewable generation mix of 75%; 4) embed sustainability into our compensation model; and 5) publish disclosure that aligns with the recommendations of the TCFD.

Water

(4.1.2.1) Positions of individuals or committees with accountability for this environmental issue

Select all that apply
☑ Chief Executive Officer (CEO)
☑ Board-level committee

(4.1.2.2) Positions' accountability for this environmental issue is outlined in policies applicable to the board

Select from:
☑ Yes

(4.1.2.3) Policies which outline the positions' accountability for this environmental issue

Select all that apply
☑ Board mandate
☑ Individual role descriptions

(4.1.2.4) Frequency with which this environmental issue is a scheduled agenda item

Select from:

☑ Scheduled agenda item in every board meeting (standing agenda item)

(4.1.2.5) Governance mechanisms into which this environmental issue is integrated

Select all that apply

☑ Reviewing and guiding annual budgets

☑ Overseeing the setting of corporate targets

☑ Approving corporate policies and/or commitments

☑ Approving and/or overseeing employee incentives

☑ Overseeing and guiding major capital expenditures

☑ Overseeing and guiding the development of a business strategy

☑ Overseeing and guiding acquisitions, mergers, and divestitures

☑ Overseeing and guiding the development of a climate transition plan

(4.1.2.7) Please explain

Water-related issues, including those influenced by climate change, are important to our business operations and are addressed at our executive level with oversight from the Board's Corporate Governance Committee.
[Fixed row]

(4.2) Does your organization's board have competency on environmental issues?

Climate change

(4.2.1) Board-level competency on this environmental issue

Select from:

☑ Yes

(4.2.2) Mechanisms to maintain an environmentally competent board

Select all that apply

☑ Having at least one board member with expertise on this environmental issue

(4.2.3) Environmental expertise of the board member

Other

☑ Other, please specify :AQN has multiple directors with experience in environmental-related issues, including climate change and sustainability.

Water

(4.2.1) Board-level competency on this environmental issue

Select from:

☑ Yes

(4.2.2) Mechanisms to maintain an environmentally competent board

Select all that apply

☑ Having at least one board member with expertise on this environmental issue

(4.2.3) Environmental expertise of the board member

Other

☑ Other, please specify :AQN has multiple directors with experience in water-related issues, including climate change, sustainability, and environmental matters.

[Fixed row]

(4.3) Is there management-level responsibility for environmental issues within your organization?

	Management-level responsibility for this environmental issue
Climate change	*Select from:*

	Management-level responsibility for this environmental issue
	☑ Yes
Water	*Select from:* ☑ Yes
Biodiversity	*Select from:* ☑ Yes

[Fixed row]

(4.3.1) Provide the highest senior management-level positions or committees with responsibility for environmental issues (do not include the names of individuals).

Climate change

(4.3.1.1) Position of individual or committee with responsibility

Executive level

☑ Chief Executive Officer (CEO)

(4.3.1.2) Environmental responsibilities of this position

Policies, commitments, and targets

☑ Setting corporate environmental policies and/or commitments

☑ Setting corporate environmental targets

Strategy and financial planning

☑ Developing a business strategy which considers environmental issues

☑ Developing a climate transition plan

☑ Managing major capital and/or operational expenditures relating to environmental issues

(4.3.1.4) Reporting line

Select from:

☑ Reports to the board directly

(4.3.1.5) Frequency of reporting to the board on environmental issues

Select from:

☑ Quarterly

(4.3.1.6) Please explain

The CEO is responsible for managing annual budgets for environmental initiatives, overseeing major capital and operational expenditures related to sustainability, and developing and implementing corporate sustainability strategies.

Water

(4.3.1.1) Position of individual or committee with responsibility

Executive level

☑ Chief Executive Officer (CEO)

(4.3.1.2) Environmental responsibilities of this position

Policies, commitments, and targets

☑ Setting corporate environmental policies and/or commitments

☑ Setting corporate environmental targets

Strategy and financial planning

☑ Developing a business strategy which considers environmental issues

☑ Developing a climate transition plan

☑ Managing major capital and/or operational expenditures relating to environmental issues

(4.3.1.4) Reporting line

Select from:

☑ Reports to the board directly

(4.3.1.5) Frequency of reporting to the board on environmental issues

Select from:

☑ Quarterly

(4.3.1.6) Please explain

The CEO is responsible for managing annual budgets for environmental initiatives, overseeing major capital and operational expenditures related to sustainability, and developing and implementing corporate sustainability strategies.

Biodiversity

(4.3.1.1) Position of individual or committee with responsibility

Other

☑ Other, please specify **:**Senior Director, Environment

(4.3.1.2) Environmental responsibilities of this position

Other

☑ Other, please specify **:**Biodiversity Permitting Compliance

(4.3.1.4) Reporting line

Select from:

☑ Other, please specify **:**Senior Director, Health and Safety

(4.3.1.5) Frequency of reporting to the board on environmental issues

Select from:

☑ As important matters arise

(4.3.1.6) Please explain

The Senior Director, Environment oversees biodiversity, with a specific focus on ensuring compliance with permitting requirements. This role involves developing and implementing policies and procedures to protect and enhance biodiversity across the organization. Additionally, regional teams are responsible for managing and executing biodiversity programs tailored to the unique ecological needs of their respective areas, ensuring local biodiversity initiatives are effectively integrated and aligned with overall corporate sustainability goals. This collaborative approach enables biodiversity to be maintained and promoted at both the corporate and regional levels.

Climate change

(4.3.1.1) Position of individual or committee with responsibility

Other

☑ Other, please specify **:**Vice President, Internal Audit and Controls

(4.3.1.2) Environmental responsibilities of this position

Dependencies, impacts, risks and opportunities

☑ Assessing environmental dependencies, impacts, risks, and opportunities

☑ Assessing future trends in environmental dependencies, impacts, risks, and opportunities

☑ Managing environmental dependencies, impacts, risks, and opportunities

(4.3.1.4) Reporting line

Select from:

☑ Reports to the Chief Financial Officer (CFO)

(4.3.1.5) Frequency of reporting to the board on environmental issues

Select from:

☑ Quarterly

(4.3.1.6) Please explain

The VP, Internal Audit and Controls focuses on compliance and risk management, actively monitoring and evaluating material risks and impacts of environmental issues.

Climate change

(4.3.1.1) Position of individual or committee with responsibility

Other

☑ Other, please specify **:**Vice President, Business Model & Technology Pathways

(4.3.1.2) Environmental responsibilities of this position

Policies, commitments, and targets

☑ Setting corporate environmental policies and/or commitments

☑ Setting corporate environmental targets

Strategy and financial planning

☑ Conducting environmental scenario analysis

☑ Implementing a climate transition plan

☑ Implementing the business strategy related to environmental issues

Other

☑ Providing employee incentives related to environmental performance

(4.3.1.4) Reporting line

Select from:

☑ Other, please specify **:**Chief Legal Officer (CLO)

(4.3.1.5) Frequency of reporting to the board on environmental issues

Select from:

☑ Quarterly

(4.3.1.6) Please explain

The Vice President, Business Model & Technology Pathways, enables environmental considerations to be integrated into the company's strategic objectives, providing quarterly updates to the Corporate Governance Committee on progress and challenges related to key environmental initiatives.

Water

(4.3.1.1) Position of individual or committee with responsibility

Other

☑ Other, please specify **:**Vice President, Internal Audit and Controls

(4.3.1.2) Environmental responsibilities of this position

Dependencies, impacts, risks and opportunities

☑ Assessing environmental dependencies, impacts, risks, and opportunities

☑ Assessing future trends in environmental dependencies, impacts, risks, and opportunities

☑ Managing environmental dependencies, impacts, risks, and opportunities

(4.3.1.4) Reporting line

Select from:

☑ Reports to the Chief Financial Officer (CFO)

(4.3.1.5) Frequency of reporting to the board on environmental issues

Select from:

☑ Quarterly

(4.3.1.6) Please explain

The VP, Internal Audit and Controls focuses on compliance and risk management, actively monitoring and evaluating material risks and impacts of environmental issues including water.
[Add row]

(4.5) Do you provide monetary incentives for the management of environmental issues, including the attainment of targets?

Climate change

(4.5.1) Provision of monetary incentives related to this environmental issue

Select from:

☑ Yes

(4.5.2) % of total C-suite and board-level monetary incentives linked to the management of this environmental issue

10

(4.5.3) Please explain

Our Corporate Scorecard includes objectives in the E, S and G categories (10% weighting). Each executive officer, other than the CEO, (NEO) is eligible for an award under AQN's Short-Term Incentive Plan ("STIP") if established corporate and personal goals and objectives are achieved. The corporate goals and objectives are set out in the Corporate Scorecard which is recommended by the Human Resources and Compensation Committee for approval by the Board of Directors each year. The amount of the STIP award each year is determined by the aggregate STIP score achieved by an executive. Our Long-Term Incentive Plan ("LTIP") includes Performance Share Units ("PSUs") which are granted to executives annually. The PSUs granted in 2023 had a performance achievement factor tied to sustainability (10% weighting). These targets expire at the end of 2023 and any future targets will be assessed once the transition to a fully regulated utility company is complete.

Water

(4.5.1) Provision of monetary incentives related to this environmental issue

Select from:

☑ Yes

(4.5.2) % of total C-suite and board-level monetary incentives linked to the management of this environmental issue

2

(4.5.3) Please explain

Our Corporate Scorecard includes objectives in the E, S and G categories (10% weighting). Each named executive officer (NEO) is eligible for an award under AQN's Short-Term Incentive Plan ("STIP") if established corporate, business unit, and personal goals and objectives are achieved. Yearly, these goals and objectives for the CEO are reviewed and recommended by the Human Resources and Compensation Committee for approval by the Board of Directors. For individuals with specific business unit accountability, their STIP award is based upon business unit/divisional level results. The composition of the STIP award each year is determined by the aggregate STIP score achieved by a NEO. Our Long-Term Incentive Plan ("LTIP"), for which CEO and NEOs are eligible, includes performance achievement factors tied to ESG. The water-specific metric in the 2023 Corporate Scorecard was Unplanned Water Disruption and was weighted 2% of the Corporate Scorecard.
[Fixed row]

(4.5.1) Provide further details on the monetary incentives provided for the management of environmental issues (do not include the names of individuals).

Climate change

(4.5.1.1) Position entitled to monetary incentive

Board or executive level

☑ Corporate executive team

(4.5.1.2) Incentives

Select all that apply

☑ Bonus - % of salary

☑ Other, please specify **:**Performance Share Units

(4.5.1.3) Performance metrics

Targets

☑ Achievement of environmental targets

(4.5.1.4) Incentive plan the incentives are linked to

Select from:

☑ Both Short-Term and Long-Term Incentive Plan, or equivalent

(4.5.1.5) Further details of incentives

The executive compensation structure at AQN is designed to emphasize the importance of corporate performance, which notably incorporates the achievement of climate-related goals as outlined in the Company's sustainability plan. By integrating these objectives into the remuneration framework, AQN reaffirms its dedication to sustainability. This approach incentivizes its corporate executives to spearhead significant progress and assist in fulfilling the Company's climate-related ambitions.

(4.5.1.6) How the position’s incentives contribute to the achievement of your environmental commitments and/or climate transition plan

At AQN, corporate performance, both in the short and long term, plays a role in determining executive compensation. To measure performance, the Company establishes specific objectives that encompass climate-related initiatives outlined in the corporate sustainability plan targets. These targets include emission reduction goals and initiatives to transition to greener fleets. The oversight of these targets involves monitoring progress and achievement against key objectives. Specific targets include adding 2,000 MW of renewable energy capacity between 2019 and 2023, reducing GHG emissions by 1,000,000 metric tons from 2017 levels, aiming for a 75% renewable generation mix, making progress towards the net-zero 2050 target, embedding sustainability into the compensation model, and publishing a disclosure aligned with the recommendations of the TCFD. These targets are intended to incentivize and reward executives for driving sustainable performance and achieving climate-related goals. By linking compensation to these targets, the Company promotes a strong alignment between executive actions and the organization's commitment to sustainability. Regular monitoring and assessment of progress against these targets enable AQN to evaluate the effectiveness of its climate-related initiatives and make any necessary adjustments. These targets expire at the end of 2023 and any future targets will be assessed once the transition to a fully regulated utility company is complete post sale of the competitive renewables business.

Water

(4.5.1.1) Position entitled to monetary incentive

Board or executive level

☑ Corporate executive team

(4.5.1.2) Incentives

Select all that apply

☑ Bonus - % of salary

(4.5.1.3) Performance metrics

Targets

☑ Achievement of environmental targets

(4.5.1.4) Incentive plan the incentives are linked to

Select from:

☑ Short-Term Incentive Plan, or equivalent, only (e.g. contractual annual bonus)

(4.5.1.5) Further details of incentives

Each named executive officer ("NEO"), excluding CEO, is eligible for an award under the Short Term Incentive Plan ("STIP") if established corporate, business unit, and personal goals and objectives are achieved. For individuals with specific business unit accountability, their STIP award is also based upon business unit/divisional level results. The composition of the STIP award each year is determined by the aggregate STIP score achieved by a NEO.

(4.5.1.6) How the position's incentives contribute to the achievement of your environmental commitments and/or climate transition plan

In line with AQN's commitment to sustainability and compensation practices, we have reviewed appropriate sustainability initiatives and metrics to build on the existing short-term and long-term compensation plans. As a result, AQN's Corporate Scorecard includes objectives in all of the E, S and G categories including water. [Add row]

(4.6) Does your organization have an environmental policy that addresses environmental issues?

	Does your organization have any environmental policies?
	Select from: ☑ Yes

[Fixed row]

(4.6.1) Provide details of your environmental policies.

Row 1

(4.6.1.1) Environmental issues covered

Select all that apply

☑ Climate change

(4.6.1.2) Level of coverage

Select from:

☑ Organization-wide

(4.6.1.3) Value chain stages covered

Select all that apply

☑ Direct operations

(4.6.1.4) Explain the coverage

Our environmental policy is dedicated to protecting natural resources through responsible management of our operational impacts, aiming to minimize our environmental footprint and continuously improve our performance. We recognize that effective environmental stewardship is crucial for a sustainable future for our company, customers, and employees. To achieve this, we adhere to three core principles: compliance with all relevant laws and regulations, with an aim to exceed these standards whenever possible; proactive pollution prevention and efficient management of natural resources through conservation and energy efficiency

measures; and a commitment to continuous improvement, regularly reviewing and adjusting our practices to align with sustainability goals, particularly the development of renewable energy to help limit global temperature rise.

(4.6.1.5) Environmental policy content

Environmental commitments

☑ Commitment to comply with regulations and mandatory standards

☑ Other environmental commitment, please specify **:**proactive pollution prevention and efficient management of natural resources through conservation and energy efficiency measure

Climate-specific commitments

☑ Commitment to net-zero emissions

Social commitments

☑ Other social commitment, please specify **:**We endeavor to eliminate inequalities from our business and advocate for an equitable culture through the adoption of policies and practices free of discrimination.

Additional references/Descriptions

☑ Description of impacts on natural resources and ecosystems

(4.6.1.6) Indicate whether your environmental policy is in line with global environmental treaties or policy goals

Select all that apply

☑ Yes, in line with the Paris Agreement

(4.6.1.7) Public availability

Select from:

☑ Publicly available

(4.6.1.8) Attach the policy

APUC-Commitment-to-the-Environment (1).pdf
[Add row]

(4.10) Are you a signatory or member of any environmental collaborative frameworks or initiatives?

	Are you a signatory or member of any environmental collaborative frameworks or initiatives?
	Select from: ☑ No, and we do not plan to within the next two years

[Fixed row]

(4.11) In the reporting year, did your organization engage in activities that could directly or indirectly influence policy, law, or regulation that may (positively or negatively) impact the environment?

(4.11.1) External engagement activities that could directly or indirectly influence policy, law, or regulation that may impact the environment

Select all that apply

☑ Yes, we engaged directly with policy makers

☑ Yes, we engaged indirectly through, and/or provided financial or in-kind support to a trade association or other intermediary organization or individual whose activities could influence policy, law, or regulation

(4.11.2) Indicate whether your organization has a public commitment or position statement to conduct your engagement activities in line with global environmental treaties or policy goals

Select from:

☑ Yes, we have a public commitment or position statement in line with global environmental treaties or policy goals

(4.11.3) Global environmental treaties or policy goals in line with public commitment or position statement

Select all that apply

☑ Paris Agreement

☑ Sustainable Development Goal 6 on Clean Water and Sanitation

☑ Another global environmental treaty or policy goal, please specify **:**Net Zero by 2050

(4.11.4) Attach commitment or position statement

AQN-Fact-Sheet--Net-Zero.pdf

(4.11.5) Indicate whether your organization is registered on a transparency register

Select from:

☑ Yes

(4.11.6) Types of transparency register your organization is registered on

Select all that apply

☑ Mandatory government register

(4.11.7) Disclose the transparency registers on which your organization is registered & the relevant ID numbers for your organization

For the transparency registers, AQN relies on third-party lobbyist on our behalf. For Canada, our registration ID is 776067-372283. For the US, our House ID is 321000095, and our Senate ID is 32486-1005496.

(4.11.8) Describe the process your organization has in place to ensure that your external engagement activities are consistent with your environmental commitments and/or transition plan

We have established a process to align our external engagement activities with our environmental commitments and transition plan. This process, centrally coordinated by our sustainability team, involves collaboration with Corporate Communications, Compliance, and Business Units to maintain a unified approach across business divisions and geographies. Additionally, we have a Lobbying Policy in place to ensure that our government affairs activities are conducted ethically and transparently. This policy requires that all lobbying activities are consistent with our corporate values and compliant with applicable laws and regulations. It also mandates annual reviews and training for lobbyists to prevent conflicts of interest and support alignment with our environmental strategies. By maintaining this process and adhering to our Lobbying Policy, we endeavor to have our external engagements consistently support our environmental commitments and transition plan, driving progress toward our sustainability goals.
[Fixed row]

(4.11.1) On what policies, laws, or regulations that may (positively or negatively) impact the environment has your organization been engaging directly with policy makers in the reporting year?

Row 1

(4.11.1.1) Specify the policy, law, or regulation on which your organization is engaging with policy makers

1) Electric Vehicle (EV) incentives, 2) Clean energy tax credits through the Inflation Reduction Act (IRA), 3) Canadian federal budget, and 4) Renewable Natural Gas (RNG)

(4.11.1.2) Environmental issues the policy, law, or regulation relates to

Select all that apply

☑ Climate change

(4.11.1.3) Focus area of policy, law, or regulation that may impact the environment

Low-impact production and innovation

☑ Circular economy

☑ Low environmental impact innovation and R&D

(4.11.1.4) Geographic coverage of policy, law, or regulation

Select from:

☑ National

(4.11.1.5) Country/area/region the policy, law, or regulation applies to

Select all that apply

☑ Canada

☑ United States of America

(4.11.1.6) Your organization's position on the policy, law, or regulation

Select from:

☑ Support with no exceptions

(4.11.1.8) Type of direct engagement with policy makers on this policy, law, or regulation

Select all that apply

☑ Participation in working groups organized by policy makers

☑ Submitting written proposals/inquiries

☑ Other, please specify **:**Attend meetings and provide input on proposals. Work with trade associations to provide comments and feedback to legislative and regulatory proposals.

(4.11.1.9) Funding figure your organization provided to policy makers in the reporting year relevant to this policy, law, or regulation (currency)

0

(4.11.1.10) Explain the relevance of this policy, law, or regulation to the achievement of your environmental commitments and/or transition plan, how this has informed your engagement, and how you measure the success of your engagement

We are not disclosing funding figures. However, key elements like EV incentives, clean energy tax credits through the Inflation Reduction Act (IRA) and Canadian federal budget, as well as RNG policies, are central to AQNs climate transition plan. EV incentives foster broader adoption of electric vehicles, reducing greenhouse gas emissions and promoting electricity as an alternative to fossil-fuels. The IRA's clean energy tax credits and those from the Canadian budget facilitate investment in renewable energy projects, encouraging a shift away from fossil fuels. Lastly, policies and laws surrounding RNG stimulate its development and uptake, providing an alternative path to decarbonization. Collectively, these elements stimulate clean energy growth, drive innovation, and increase the demand for sustainable energy, promoting AQN's climate transition objectives.

(4.11.1.11) Indicate if you have evaluated whether your organization’s engagement on this policy, law, or regulation is aligned with global environmental treaties or policy goals

Select from:

☑ No, we have not evaluated

[Add row]

(4.11.2) Provide details of your indirect engagement on policy, law, or regulation that may (positively or negatively) impact the environment through trade associations or other intermediary organizations or individuals in the reporting year.

Row 1

(4.11.2.1) Type of indirect engagement

Select from:

☑ Indirect engagement via a trade association

(4.11.2.4) Trade association

North America

☑ American Gas Association

(4.11.2.5) Environmental issues relevant to the policies, laws, or regulations on which the organization or individual has taken a position

Select all that apply

☑ Climate change

(4.11.2.6) Indicate whether your organization's position is consistent with the organization or individual you engage with

Select from:

☑ Mixed

(4.11.2.7) Indicate whether your organization attempted to influence the organization or individual's position in the reporting year

Select from:

☑ No, we did not attempt to influence their position

(4.11.2.8) Describe how your organization's position is consistent with or differs from the organization or individual's position, and any actions taken to influence their position

AQN is aligned with the American Gas Association (AGA) position on pro-gas positions and initiatives like RNG. The AGA represents over 200 local energy companies and advocates for natural gas due to its cleanliness, efficiency, and affordability. The association also aligns with the integration of RNG into the gas network. RNG will likely play critical roles in decarbonizing the gas grid. However, specific positions can vary among AGA members and over time. For the most accurate and current stance, please consult the AGA's official resources.

(4.11.2.9) Funding figure your organization provided to this organization or individual in the reporting year (currency)

281593

(4.11.2.10) Describe the aim of this funding and how it could influence policy, law or regulation that may impact the environment

Trade association membership fee

(4.11.2.11) Indicate if you have evaluated whether your organization's engagement is aligned with global environmental treaties or policy goals

Select from:

☑ No, we have not evaluated

Row 2

(4.11.2.1) Type of indirect engagement

Select from:

☑ Indirect engagement via a trade association

(4.11.2.4) Trade association

North America

☑ Edison Electric Institute (EII)

(4.11.2.5) Environmental issues relevant to the policies, laws, or regulations on which the organization or individual has taken a position

Select all that apply

☑ Climate change

(4.11.2.6) Indicate whether your organization's position is consistent with the organization or individual you engage with

Select from:

☑ Consistent

(4.11.2.7) Indicate whether your organization attempted to influence the organization or individual's position in the reporting year

Select from:

☑ No, we did not attempt to influence their position

(4.11.2.8) Describe how your organization's position is consistent with or differs from the organization or individual's position, and any actions taken to influence their position

AQN is aligned with the Edison Electric Institute (EEI) objectives. They actively support the transition to a clean energy future. The EEI has made it clear that their members are investing heavily in clean and renewable energy sources, as well as technology to capture and store carbon emissions, to help meet the demands of customers, regulators, and policymakers for cleaner energy options. In line with a clean energy and net zero emissions target, the EEI advocates for a diverse mix of clean energy resources, including wind, solar, nuclear, hydropower, and natural gas combined with carbon capture and storage. They also support increased energy efficiency measures, grid modernization efforts, and the electrification of transportation and other sectors to reduce overall emissions.

(4.11.2.9) Funding figure your organization provided to this organization or individual in the reporting year (currency)

365554

(4.11.2.10) Describe the aim of this funding and how it could influence policy, law or regulation that may impact the environment

Trade association membership fee

(4.11.2.11) Indicate if you have evaluated whether your organization's engagement is aligned with global environmental treaties or policy goals

Select from:

☑ No, we have not evaluated

Row 3

(4.11.2.1) Type of indirect engagement

Select from:

☑ Indirect engagement via a trade association

(4.11.2.4) Trade association

North America

☑ American Clean Power Association (formerly AWEA)

(4.11.2.5) Environmental issues relevant to the policies, laws, or regulations on which the organization or individual has taken a position

Select all that apply

☑ Climate change

(4.11.2.6) Indicate whether your organization's position is consistent with the organization or individual you engage with

Select from:

☑ Consistent

(4.11.2.7) Indicate whether your organization attempted to influence the organization or individual's position in the reporting year

Select from:

☑ No, we did not attempt to influence their position

(4.11.2.8) Describe how your organization's position is consistent with or differs from the organization or individual's position, and any actions taken to influence their position

AQN is aligned with the American Clean Power Association (ACPA) objectives. This U.S.-based association represents companies from across the clean energy sector. The ACPA promotes policies and advocates for government action that encourages the growth of American renewable energy. They support incentives like tax credits, subsidies, and renewable portfolio standards that make it more affordable to install renewable energy systems. Also, they work to highlight the economic benefits of renewable energy, including job creation and investment opportunities.

(4.11.2.9) Funding figure your organization provided to this organization or individual in the reporting year (currency)

485000

(4.11.2.10) Describe the aim of this funding and how it could influence policy, law or regulation that may impact the environment

Trade association membership fee

(4.11.2.11) Indicate if you have evaluated whether your organization's engagement is aligned with global environmental treaties or policy goals

Select from:
☑ No, we have not evaluated

Row 4

(4.11.2.1) Type of indirect engagement

Select from:
☑ Indirect engagement via a trade association

(4.11.2.4) Trade association

North America

☑ Other trade association in North America, please specify :Canadian Renewable Energy Association (CanREA)

(4.11.2.5) Environmental issues relevant to the policies, laws, or regulations on which the organization or individual has taken a position

Select all that apply

☑ Climate change

(4.11.2.6) Indicate whether your organization's position is consistent with the organization or individual you engage with

Select from:

☑ Consistent

(4.11.2.7) Indicate whether your organization attempted to influence the organization or individual's position in the reporting year

Select from:

☑ No, we did not attempt to influence their position

(4.11.2.8) Describe how your organization's position is consistent with or differs from the organization or individual's position, and any actions taken to influence their position

AQN is aligned with the CanREA objectives. CanREA represents the wind energy, solar energy, and energy storage industries in Canada. CanREA advocates for the responsible and sustainable growth of these sectors in Canada's energy mix. The association supports a range of policies and initiatives that promote renewable energy, including government incentives, research and development efforts, and market-based mechanisms. They often work towards facilitating the transition to a more diversified, low-cost, and low-carbon electricity grid.

(4.11.2.9) Funding figure your organization provided to this organization or individual in the reporting year (currency)

13260

(4.11.2.10) Describe the aim of this funding and how it could influence policy, law or regulation that may impact the environment

Trade association membership fee

(4.11.2.11) Indicate if you have evaluated whether your organization's engagement is aligned with global environmental treaties or policy goals

Select from:
☑ No, we have not evaluated

Row 5

(4.11.2.1) Type of indirect engagement

Select from:
☑ Indirect engagement via a trade association

(4.11.2.4) Trade association

North America
☑ Other trade association in North America, please specify **:**Electricity Canada (formerly Canadian Electricity Association)

(4.11.2.5) Environmental issues relevant to the policies, laws, or regulations on which the organization or individual has taken a position

Select all that apply
☑ Climate change

(4.11.2.6) Indicate whether your organization's position is consistent with the organization or individual you engage with

Select from:
☑ Consistent

(4.11.2.7) Indicate whether your organization attempted to influence the organization or individual's position in the reporting year

Select from:

☑ No, we did not attempt to influence their position

(4.11.2.8) Describe how your organization's position is consistent with or differs from the organization or individual's position, and any actions taken to influence their position

AQN is aligned with the Electricity Canada objectives. Electricity Canada represents the interests of the Canadian electricity industry and is committed towards a sustainable and low-carbon future. They support financial mechanisms such as incentives and tax credits that can encourage the development and deployment of clean energy technologies. These kinds of incentives can help to offset the costs of clean energy projects, make renewable energy more competitive with fossil fuels, drive innovation, and attract investment in the clean energy sector.

(4.11.2.9) Funding figure your organization provided to this organization or individual in the reporting year (currency)

25478

(4.11.2.10) Describe the aim of this funding and how it could influence policy, law or regulation that may impact the environment

Trade association membership fee

(4.11.2.11) Indicate if you have evaluated whether your organization's engagement is aligned with global environmental treaties or policy goals

Select from:

☑ No, we have not evaluated

Row 6

(4.11.2.1) Type of indirect engagement

Select from:

☑ Indirect engagement via a trade association

(4.11.2.4) Trade association

North America

☑ National Association of Water Companies

(4.11.2.5) Environmental issues relevant to the policies, laws, or regulations on which the organization or individual has taken a position

Select all that apply

☑ Water

(4.11.2.6) Indicate whether your organization's position is consistent with the organization or individual you engage with

Select from:

☑ Consistent

(4.11.2.7) Indicate whether your organization attempted to influence the organization or individual's position in the reporting year

Select from:

☑ No, we did not attempt to influence their position

(4.11.2.8) Describe how your organization's position is consistent with or differs from the organization or individual's position, and any actions taken to influence their position

Our organization aligns with the National Association of Water Companies (NAWC) in prioritizing water equity, customer focus, safety, reliability, and community investment. We are committed to ensuring that all customers have access to safe, reliable, and affordable water, similar to NAWC's principles.

(4.11.2.9) Funding figure your organization provided to this organization or individual in the reporting year (currency)

236767

(4.11.2.10) Describe the aim of this funding and how it could influence policy, law or regulation that may impact the environment

Trade association membership fee

(4.11.2.11) Indicate if you have evaluated whether your organization's engagement is aligned with global environmental treaties or policy goals

Select from:
☑ No, we have not evaluated
[Add row]

(4.12) Have you published information about your organization's response to environmental issues for this reporting year in places other than your CDP response?

Select from:
☑ Yes

(4.12.1) Provide details on the information published about your organization's response to environmental issues for this reporting year in places other than your CDP response. Please attach the publication.

Row 1

(4.12.1.1) Publication

Select from:
☑ In voluntary sustainability reports

(4.12.1.3) Environmental issues covered in publication

Select all that apply
☑ Climate change

☑ Water
☑ Biodiversity

(4.12.1.4) Status of the publication

Select from:
☑ Complete

(4.12.1.5) Content elements

Select all that apply
☑ Strategy
☑ Governance
☑ Emission targets
☑ Emissions figures
☑ Risks & Opportunities
☑ Value chain engagement
☑ Biodiversity indicators
☑ Water accounting figures

(4.12.1.6) Page/section reference

Climate Change Section: Climate resiliency and energy efficiency Page: 22 Water Management Section: Water Management Page: 27 Biodiversity Section: Land use and biodiversity Page: 25. These sections of the report provide detailed information on AQN's efforts and policies related to climate change, water management, and biodiversity, highlighting the company's commitment to sustainability and environmental stewardship.

(4.12.1.7) Attach the relevant publication

AQN-ESG-Report-2023 (1).pdf

(4.12.1.8) Comment

We publish a detailed information about our organization's response to environmental issues in our 2023 Sustainability Report. This report serves as a resource for investors and stakeholders to learn more about our environmental initiatives, strategies, and performance. It covers a wide range of topics, including our efforts to address climate change, manage water resources, and protect biodiversity. The 2023 Sustainability Report is designed to provide transparency and insight into our commitment to sustainability and environmental stewardship.
[Add row]

C5. Business strategy

(5.1) Does your organization use scenario analysis to identify environmental outcomes?

Climate change

(5.1.1) Use of scenario analysis

Select from:
☑ Yes

(5.1.2) Frequency of analysis

Select from:
☑ Every three years or less frequently

Water

(5.1.1) Use of scenario analysis

Select from:
☑ Yes

(5.1.2) Frequency of analysis

Select from:
☑ Every three years or less frequently
[Fixed row]

(5.1.1) Provide details of the scenarios used in your organization’s scenario analysis.

Climate change

(5.1.1.1) Scenario used

Physical climate scenarios

☑ RCP 8.5

(5.1.1.2) Scenario used SSPs used in conjunction with scenario

Select from:

☑ SSP5

(5.1.1.3) Approach to scenario

Select from:

☑ Qualitative

(5.1.1.4) Scenario coverage

Select from:

☑ Organization-wide

(5.1.1.5) Risk types considered in scenario

Select all that apply

☑ Acute physical

☑ Chronic physical

(5.1.1.6) Temperature alignment of scenario

Select from:

☑ 3.5ºC - 3.9ºC

(5.1.1.7) Reference year

2020

(5.1.1.8) Timeframes covered

Select all that apply

☑ 2080

☑ 2090

☑ 2100

(5.1.1.9) Driving forces in scenario

Finance and insurance

☑ Other finance and insurance driving forces, please specify **:**Economic Growth: Assumes high economic growth rates leading to increased energy demand and fossil fuel use.

Relevant technology and science

☑ Other relevant technology and science driving forces, please specify **:**Technological Development: Slow progress in energy efficiency and low-carbon technologies, leading to continued high carbon intensity.

Macro and microeconomy

☑ Domestic growth

☑ Other macro and microeconomy driving forces, please specify **:**Energy Use: Heavy reliance on fossil fuels (coal, oil, natural gas) with slow adoption of renewable energy technologies.

(5.1.1.10) Assumptions, uncertainties and constraints in scenario

The RCP 8.5 scenario in the Algonquin 2020 Climate Change Assessment report is based on several key assumptions. It assumes continued high economic growth predominantly powered by fossil fuels, leading to increased greenhouse gas emissions due to reliance on traditional energy sources and minimal adoption of renewable energy technologies. Significant global population growth is assumed, resulting in higher energy demands and amplified reliance on fossil fuels. Energy consumption remains heavily dependent on coal, oil, and natural gas, with minimal improvements in energy efficiency and a slow transition to renewable sources. Technological advancements in renewable energy and energy efficiency progress slowly, resulting in prolonged dependence on high-emission energy sources. Additionally, there is a lack of stringent climate policies and regulatory frameworks to curb emissions, including minimal international cooperation on climate initiatives and insufficient support for low-carbon technologies and infrastructure investments. These assumptions collectively lead to a pathway where greenhouse gas concentrations rise significantly, causing substantial increases in global temperatures and associated climate impacts by the end of the century.

(5.1.1.11) Rationale for choice of scenario

The rationale for using the RCP 8.5 scenario in the Algonquin 2020 Climate Change Assessment report is based on its relevance to high-carbon scenarios with minimal mitigation efforts. This scenario assumes high greenhouse gas emissions resulting from continued and increased use of fossil fuels, slow technological advancements in renewable energy, and lack of stringent climate policies. The RCP 8.5 scenario is utilized to assess the potential physical impacts and risks associated with higher global temperatures, such as increased severity and frequency of extreme weather events, rising sea levels, and other significant climate-related disruptions. By considering the worst-case scenario, the organization can better understand and prepare for the most severe potential impacts on its operations, infrastructure, and overall business strategy.

Water

(5.1.1.1) Scenario used

Physical climate scenarios

☑ RCP 8.5

(5.1.1.2) Scenario used SSPs used in conjunction with scenario

Select from:

☑ SSP5

(5.1.1.3) Approach to scenario

Select from:

☑ Qualitative

(5.1.1.4) Scenario coverage

Select from:

☑ Organization-wide

(5.1.1.5) Risk types considered in scenario

Select all that apply

☑ Acute physical

☑ Chronic physical

(5.1.1.6) Temperature alignment of scenario

Select from:

☑ 3.5ºC - 3.9ºC

(5.1.1.7) Reference year

2020

(5.1.1.8) Timeframes covered

Select all that apply

☑ 2080

☑ 2090

☑ 2100

(5.1.1.9) Driving forces in scenario

Direct interaction with climate

☑ On asset values, on the corporate

Macro and microeconomy

☑ Domestic growth

(5.1.1.10) Assumptions, uncertainties and constraints in scenario

The RCP 8.5 scenario in the Algonquin 2020 Climate Change Assessment report is based on several key assumptions. It assumes continued high economic growth predominantly powered by fossil fuels, leading to increased greenhouse gas emissions due to reliance on traditional energy sources and minimal adoption of renewable energy technologies. Significant global population growth is assumed, resulting in higher energy demands and amplified reliance on fossil fuels. Energy consumption remains heavily dependent on coal, oil, and natural gas, with minimal improvements in energy efficiency and a slow transition to renewable sources. Technological advancements in renewable energy and energy efficiency progress slowly, resulting in prolonged dependence on high-emission energy sources. Additionally, there is a lack of stringent climate policies and regulatory frameworks to curb emissions, including minimal international cooperation on climate initiatives and insufficient support for low-carbon technologies and infrastructure investments. These assumptions collectively lead to a pathway where greenhouse gas concentrations rise significantly, causing substantial increases in global temperatures and associated climate impacts by the end of the century.

(5.1.1.11) Rationale for choice of scenario

The rationale for using the RCP 8.5 scenario in the Algonquin 2020 Climate Change Assessment report is based on its relevance to high-carbon scenarios with minimal mitigation efforts. This scenario assumes high greenhouse gas emissions resulting from continued and increased use of fossil fuels, slow technological advancements in renewable energy, and lack of stringent climate policies. The RCP 8.5 scenario is utilized to assess the potential physical impacts and risks associated with higher global temperatures, such as increased severity and frequency of extreme weather events, rising sea levels, and other significant climate-related disruptions. By considering the worst-case scenario, the organization can better understand and prepare for the most severe potential impacts on its operations, infrastructure, and overall business strategy.

Climate change

(5.1.1.1) Scenario used

Climate transition scenarios

☑ IEA STEPS (previously IEA NPS)

(5.1.1.3) Approach to scenario

Select from:

☑ Qualitative

(5.1.1.4) Scenario coverage

Select from:

☑ Organization-wide

(5.1.1.5) Risk types considered in scenario

Select all that apply

☑ Acute physical

☑ Chronic physical

☑ Policy

☑ Technology

(5.1.1.6) Temperature alignment of scenario

Select from:

☑ 2.5ºC - 2.9ºC

(5.1.1.7) Reference year

2022

(5.1.1.8) Timeframes covered

Select all that apply

☑ 2100

(5.1.1.9) Driving forces in scenario

Local ecosystem asset interactions, dependencies and impacts

☑ Climate change (one of five drivers of nature change)

Finance and insurance

☑ Sensitivity of capital (to nature impacts and dependencies)

Macro and microeconomy

☑ Domestic growth

(5.1.1.10) Assumptions, uncertainties and constraints in scenario

The IEA WEO Stated Policies Scenario (STEPS) was used to analyze a low-transition, high-carbon pathway. This scenario models out a warming potential of 2.7 degrees by 2100, with technology and policy assumptions made out to 2040.

(5.1.1.11) Rationale for choice of scenario

Due to the range of potential futures possible, the selection of the most relevant high carbon scenario is required to benchmark exposure in the future. As such, we have selected the high carbon scenarios in line with 2.7C which corresponds to the SSP2-4.5 scenario outlined in the most recent IPCC report.

Climate change

(5.1.1.1) Scenario used

Climate transition scenarios

☑ IEA NZE 2050

(5.1.1.3) Approach to scenario

Select from:

☑ Qualitative

(5.1.1.4) Scenario coverage

Select from:

☑ Organization-wide

(5.1.1.5) Risk types considered in scenario

Select all that apply

☑ Acute physical

☑ Chronic physical

☑ Policy

☑ Market

☑ Technology

(5.1.1.6) Temperature alignment of scenario

Select from:

☑ 1.5°C or lower

(5.1.1.7) Reference year

2022

(5.1.1.8) Timeframes covered

Select all that apply

☑ 2050

(5.1.1.9) Driving forces in scenario

Local ecosystem asset interactions, dependencies and impacts

☑ Climate change (one of five drivers of nature change)

Finance and insurance

☑ Sensitivity of capital (to nature impacts and dependencies)

Regulators, legal and policy regimes

☑ Global regulation

☑ Level of action (from local to global)

☑ Global targets

Direct interaction with climate

☑ On asset values, on the corporate

Macro and microeconomy

☑ Domestic growth

(5.1.1.10) Assumptions, uncertainties and constraints in scenario

The IEA NZE 2050 scenario was used to analyze a high-transition risk scenario with less exposure to physical climate-risks. This scenario models out a more severe decarbonization pathways results in a warming potential of approximately 1.5 degrees with various technology, policy, and market assumptions.

(5.1.1.11) Rationale for choice of scenario

Scenarios aligned with a Net Zero by 2050 future are chosen by AQN as they align with the company's goal of achieving the same feat.

[Add row]

(5.1.2) Provide details of the outcomes of your organization’s scenario analysis.

Climate change

(5.1.2.1) Business processes influenced by your analysis of the reported scenarios

Select all that apply

☑ Risk and opportunities identification, assessment and management

☑ Strategy and financial planning

☑ Resilience of business model and strategy

☑ Target setting and transition planning

(5.1.2.2) Coverage of analysis

Select from:

☑ Organization-wide

(5.1.2.3) Summarize the outcomes of the scenario analysis and any implications for other environmental issues

Climate related risks that impact our business are typically integrated into many elements of financial planning including, revenue forecasts, long term planning, impacts to operating costs planning, capital expenditures, capital allocation and our acquisitions and divestments strategies. For example, changes in weather patterns or increased likelihood and severity of wildfires may increase our indirect costs by increased insurance premiums and increased potential for reduced availability of insurance. The scenario analysis findings are the foundation for climate-risks to be formally integrated into AQN's ERM framework where similar climate-risks are reviewed during ERM risk register review processes.

Water

(5.1.2.1) Business processes influenced by your analysis of the reported scenarios

Select all that apply

☑ Risk and opportunities identification, assessment and management

☑ Strategy and financial planning

☑ Resilience of business model and strategy

(5.1.2.2) Coverage of analysis

Select from:

☑ Organization-wide

(5.1.2.3) Summarize the outcomes of the scenario analysis and any implications for other environmental issues

Water use is a major factor in our thermal and water/wastewater utilities. The climate-related scenario analysis workshops we held in early 2020 identified a number of physical risks for each of our business groups. During the workshops, synthesized versions of the described scenarios were discussed to analyse the short, medium, and long-term climate-related risks and opportunities they present for AQN. The identified physical risks are: increased severity and variability of storms, lower precipitation and depleting water table levels.
[Fixed row]

(5.2) Does your organization's strategy include a climate transition plan?

(5.2.1) Transition plan

Select from:

☑ Yes, we have a climate transition plan which aligns with a 1.5°C world

(5.2.3) Publicly available climate transition plan

Select from:

☑ Yes

(5.2.4) Plan explicitly commits to cease all spending on, and revenue generation from, activities that contribute to fossil fuel expansion

Select from:

☑ No, and we do not plan to add an explicit commitment within the next two years

(5.2.6) Explain why your organization does not explicitly commit to cease all spending on and revenue generation from activities that contribute to fossil fuel expansion

As an active participant in the transition to a low-carbon energy future, we are committed to seeking opportunities for business growth while leveraging our experience in emissions reduction. AQN has made significant investment into renewable energy and fossil fuel replacement technologies (e.g., wind, solar, renewable natural gas), and will continue to do so in future. However, as a critical service provider we cannot cease all spending related to fossil fuels without a viable, commercially available substitute to supply our customer base with the energy services they require. The regulatory environment we operate in, and associated customer affordability and service reliability standards embedded within, need to be acknowledged. We advocate for an orderly and reasonable transition that includes reducing reliance on fossil fuels, while ensuring capacity to meet customer needs. We also acknowledge the likely role for emission offsets in reaching our net-zero goals as a potential pathway to balancing carbon emission against critical energy services.

(5.2.7) Mechanism by which feedback is collected from shareholders on your climate transition plan

Select from:

☑ We have a different feedback mechanism in place

(5.2.8) Description of feedback mechanism

Our organization currently does not have a formal feedback mechanism in place for shareholders to provide input on our climate transition plan. However, shareholders and stakeholders are encouraged to bring up their feedback and concerns during the Annual General Meeting (AGM) or through other available forums if needed. This approach allows for an open dialogue and that feedback can be gathered and addressed as necessary.

(5.2.9) Frequency of feedback collection

Select from:

☑ More frequently than annually

(5.2.10) Description of key assumptions and dependencies on which the transition plan relies

Our transition plan relies on many factors such as stakeholder expectations, business profitability, customer affordability, service reliability, and technical suitability of low-carbon technologies. Key to achieving our long-term net-zero plan is supportive policy and regulatory frameworks that will enable investment over time.

(5.2.11) Description of progress against transition plan disclosed in current or previous reporting period

Compared to the 2022 reporting year, our scope 1 and 2 GHG emissions reduced by approximately 11%. We've successfully achieved the goal of reducing our company-wide scope 1 and 2 emissions by one million metric tons compared to the 2017 base year level.

(5.2.12) Attach any relevant documents which detail your climate transition plan (optional)

AQN-Fact-Sheet--Net-Zero.pdf

(5.2.13) Other environmental issues that your climate transition plan considers

Select all that apply

☑ No other environmental issue considered

[Fixed row]

(5.3) Have environmental risks and opportunities affected your strategy and/or financial planning?

(5.3.1) Environmental risks and/or opportunities have affected your strategy and/or financial planning

Select from:

☑ Yes, both strategy and financial planning

(5.3.2) Business areas where environmental risks and/or opportunities have affected your strategy

Select all that apply

☑ Products and services

☑ Upstream/downstream value chain

☑ Investment in R&D

☑ Operations

[Fixed row]

(5.3.1) Describe where and how environmental risks and opportunities have affected your strategy.

Products and services

(5.3.1.1) Effect type

Select all that apply

☑ Risks

☑ Opportunities

(5.3.1.2) Environmental issues relevant to the risks and/or opportunities that have affected your strategy in this area

Select all that apply

☑ Climate change

☑ Water

(5.3.1.3) Describe how environmental risks and/or opportunities have affected your strategy in this area

Climate change is exerting a transformative influence on the power sector, compelling AQN to adapt and evolve its corporate strategy. Decarbonization has become a central theme driving our industry, and in response, we have prioritized the construction of renewable generation as a cornerstone of our decarbonization strategy. As we progress on our net-zero journey, we remain committed to exploring a range of decarbonization options. We operate RNG projects, capitalizing on the opportunity to harness sustainable energy sources, while our battery storage program for residential applications is addressing the challenges associated with peak demand and contributing to the overall sustainability of our operations. We continue to evaluate emerging technologies, engage in research and development, and seek innovative solutions to drive our decarbonization agenda forward. Climate risk assessment, both physical and financial, has helped shape our business strategy. Risks identified, as per the TCFD framework, have influenced investment and operational decisions by highlighting priority issues for both near and long-term time frames. Examples include prioritizing fire mitigation planning and investment in our California electrical utility, evaluating climate impacts to our water businesses, and responding to regulatory and market pressure to reduce GHG emissions in our gas distribution businesses. In each case, we attempt to respond to identified risks in an appropriate manner to reduce future negative outcomes for the organization.

Upstream/downstream value chain

(5.3.1.1) Effect type

Select all that apply

☑ Risks

☑ Opportunities

(5.3.1.2) Environmental issues relevant to the risks and/or opportunities that have affected your strategy in this area

Select all that apply

☑ Climate change

☑ Water

(5.3.1.3) Describe how environmental risks and/or opportunities have affected your strategy in this area

Environmental risks and opportunities have shaped our strategic approach in both upstream and downstream operations. Upstream, we have updated our procurement policy to include questions about climate impacts, ensuring we assess potential suppliers' environmental practices and their ability to manage climate-related risks. Additionally, new suppliers are now required to complete a sustainability questionnaire, enabling us to evaluate their environmental performance and commitment to reducing their environmental footprint. Downstream, we have implemented water and energy efficiency programs to help our customers reduce their environmental impacts, supporting them in achieving their sustainability goals while contributing to broader environmental conservation efforts. Furthermore, to assist our customers in decarbonizing, we offer initiatives such as electric vehicle (EV) charging infrastructure, energy storage solutions, and other incentive programs aimed at reducing greenhouse gas emissions and supporting the transition to a low-carbon economy.

Investment in R&D

(5.3.1.1) Effect type

Select all that apply

☑ Risks

☑ Opportunities

(5.3.1.2) Environmental issues relevant to the risks and/or opportunities that have affected your strategy in this area

Select all that apply

☑ Climate change

☑ Water

(5.3.1.3) Describe how environmental risks and/or opportunities have affected your strategy in this area

Climate change and decarbonization have created opportunities for AQN to support R&D investments/emerging technologies to help reduce our carbon footprint. We have operating RNG facilities and RNG development projects underway. AQN is aware that technologies will drive significant innovation in the renewable energy business under a low carbon scenario. Low-carbon enabling technologies will improve and be deployed that increase storage capabilities and options such as distributed energy storage. Electric vehicles are another example of a technology that will be increasingly deployed. Both enable and drive demand for electricity. Reduced use of natural gas will also increase the demand for electricity in the space heating market. In addition, as a part of AQN's ongoing TCFD efforts and business strategy, water opportunities are expected to be assessed in the future. At the current time, risks workshops have been held with our water utilities. We are currently working to assess these risks and opportunities. Once this is completed, water related issues are expected to be integrated into AQN's strategic business plan.

Operations

(5.3.1.1) Effect type

Select all that apply

☑ Risks

☑ Opportunities

(5.3.1.2) Environmental issues relevant to the risks and/or opportunities that have affected your strategy in this area

Select all that apply

☑ Climate change

☑ Water

(5.3.1.3) Describe how environmental risks and/or opportunities have affected your strategy in this area

Climate risks play a significant role in shaping AQN's strategic decisions and operational sustainability strategy. Our operations are directly impacted by a range of climate-related factors, including evolving regulations, increasing compliance costs, shifting investor perceptions, and the changing patterns of weather events. To address these risks and capitalize on the emerging opportunities, AQN incorporates climate change-related issues into our medium-term planning, spanning a timeframe of 5 to 10 years. We recognize the need to assess and mitigate climate risks as we make operational decisions and plan for future investments, acquisitions, and developments. Central to our operational sustainability strategy is the development, provision, and construction of renewable energy generation, as well as enhancement in our preparedness, recovery, and damage mitigation plans for more frequent fire and severe weather occurrence By investing in renewable energy sources, we not only reduce our carbon footprint but also position ourselves to leverage the growing market demand for clean energy. In doing so, AQN is proactively managing climate risks, enhancing our resilience, and positioning ourselves as a leader in sustainable energy solutions. By integrating climate considerations into our operational decision-making, we are committed to driving positive environmental outcomes while also creating long-term value. As for water, as a part of AQN's ongoing TCFD efforts and business strategy, water opportunities are expected to be assessed in the future. At the current time, risks workshops have been held with our water utilities. We are currently working to assess these risks and opportunities. Once this is completed, water related issues are expected to be integrated into AQN's strategic business plan.
[Add row]

(5.3.2) Describe where and how environmental risks and opportunities have affected your financial planning.

Row 1

(5.3.2.1) Financial planning elements that have been affected

Select all that apply

☑ Revenues
☑ Indirect costs
☑ Capital expenditures
☑ Capital allocation
☑ Acquisitions and divestments

(5.3.2.2) Effect type

Select all that apply
☑ Risks
☑ Opportunities

(5.3.2.3) Environmental issues relevant to the risks and/or opportunities that have affected these financial planning elements

Select all that apply
☑ Climate change
☑ Water

(5.3.2.4) Describe how environmental risks and/or opportunities have affected these financial planning elements

Climate and water related risks and opportunities that impact our business are typically integrated into many elements of financial planning including, revenue forecasts, long term planning, impacts to operating costs planning, capital expenditures, capital allocation and our acquisitions and divestments strategies. For example, changes in weather patterns or increased likelihood and severity of wildfires may increase our indirect costs by increased insurance premiums and increased potential for reduced availability of insurance. As for water, as a part of AQN's ongoing TCFD efforts and business strategy, water related risk and opportunities are expected to be assessed in the future. At the current time, risk workshops have been held with our water utilities. We are currently working to assess these risks and assign appropriate risk ratings and identify opportunities. In addition, AQN aligns to Sustainable Development Goals (SDG) 6: Clean Water and Sanitation by striving to (a) provide safe and reliable drinking water and wastewater services and (b) maintain healthy water ecosystems by employing best practices in efficiency, conservation, re-use, and recycling of water.
[Add row]

(5.4) In your organization’s financial accounting, do you identify spending/revenue that is aligned with your organization’s climate transition?

	Identification of spending/revenue that is aligned with your organization's climate transition
	Select from: ☑ No, but we plan to in the next two years

[Fixed row]

(5.5) Does your organization invest in research and development (R&D) of low-carbon products or services related to your sector activities?

(5.5.1) Investment in low-carbon R&D

Select from:
☑ Yes

(5.5.2) Comment

Climate change and the drive for decarbonization has created opportunities for AQN to engage with emerging technologies such as battery technology and renewable natural gas (RNG). In addition, we are members of trade associations which do research in a variety of areas.
[Fixed row]

(5.5.7) Provide details of your organization's investments in low-carbon R&D for your sector activities over the last three years.

Row 1

(5.5.7.1) Technology area

Select from:

☑ Battery storage

(5.5.7.2) Stage of development in the reporting year

Select from:

☑ Pilot demonstration

(5.5.7.3) Average % of total R&D investment over the last 3 years

0

(5.5.7.4) R&D investment figure in the reporting year (unit currency as selected in 1.2) (optional)

0

(5.5.7.5) Average % of total R&D investment planned over the next 5 years

0

(5.5.7.6) Explain how your R&D investment in this technology area is aligned with your climate commitments and/or climate transition plan

The Regulated Services Group's New Hampshire utility has a Battery Storage Program that emphasizes our commitment to low-carbon research and development. We provide Tesla Powerwalls, a type of home battery system, to our customers with no upfront costs. This innovation is designed to store energy when demand is low, then deploy it during peak consumption periods, consequently lessening the strain on the grid. A key advantage of this program is that it provides a backup power source during grid outages. Additionally, it contributes to reducing the overall expense of maintaining and upgrading the electrical grid, and lowers peak demand charges. Most importantly, this initiative represents a significant stride in our ongoing efforts to reduce carbon emissions. By lessening the need for fossil-fuel based peaking power plants, we're actively contributing to the global transition to a low-carbon economy. While participants are obliged to allow our utility to manage the Powerwall during peak times, they retain the benefit of using it as a backup power source during outages. Although the program's availability is limited and priority is given to residents in high-outage areas, we offer incentives for customer involvement, reinforcing our dedication to developing and promoting low-carbon technologies. In November 2022, an Interim Evaluation Report was conducted on the Battery Storage Pilot. The Interim Evaluation Report detailed the results of Phase 1 of the Pilot Program, which ran from December 2020 to August 2022 with 96 residential participants. Given the success of Phase 1, AQN is contemplating moving forward to Phase 2. Approximately 1.8 million has been allocated towards the battery pilot project, with a prospective expenditure of up to 3 million projected for the coming five years. However, if the project does not receive approval from the New Hampshire Public Utilities Commission, we foresee no additional expenses.

Row 3

(5.5.7.1) Technology area

Select from:

☑ Other, please specify **:**Transportation electrification

(5.5.7.2) Stage of development in the reporting year

Select from:

☑ Pilot demonstration

(5.5.7.3) Average % of total R&D investment over the last 3 years

0

(5.5.7.4) R&D investment figure in the reporting year (unit currency as selected in 1.2) (optional)

0

(5.5.7.5) Average % of total R&D investment planned over the next 5 years

0

(5.5.7.6) Explain how your R&D investment in this technology area is aligned with your climate commitments and/or climate transition plan

In 2020, AQN filed for approval with the Missouri Public Service Commission (MPSC) for a suite of EV programs. With the approval of the MPSC, these programs are expected to be launched to Missouri customers in October 2023 with the goal to facilitate a seamless transition to low-carbon, electric mobility. Among the initiatives is the Ready Charge Program, which assists in the deployment of public EV charging stations - a crucial infrastructure for widespread EV adoption. Similarly, the Commercial Electrification Program is designed to support the introduction of EV charging stations in workplaces and for commercial fleets, providing another low-carbon transportation solution. The proposed Commercial EV Rate program is expected to improve the cost-effectiveness of commercial EV chargers, a vital component in the EV ecosystem. For residential customers, the Residential Smart Charge Program is designed to promote the installation of smart home Level 2 EV chargers, encouraging electricity usage during off-peak times and facilitating efficient grid operation. The Electric School Bus Program will back the deployment of utility-owned smart chargers for school buses, thus promoting a more sustainable mode of transportation for the younger generation. Finally, the Non-Road Program aims to stimulate the adoption of non-road electric transportation equipment, expanding the reach of low-carbon technologies beyond traditional vehicles.

Row 4

(5.5.7.1) Technology area

Select from:

☑ Other, please specify **:**Solar energy generation

(5.5.7.2) Stage of development in the reporting year

Select from:

☑ Full/commercial-scale demonstration

(5.5.7.3) Average % of total R&D investment over the last 3 years

0

(5.5.7.4) R&D investment figure in the reporting year (unit currency as selected in 1.2) (optional)

0

(5.5.7.5) Average % of total R&D investment planned over the next 5 years

0

(5.5.7.6) Explain how your R&D investment in this technology area is aligned with your climate commitments and/or climate transition plan

Community solar projects, such as those developed under the Regulated Services Group's Solar Subscription Program, represent an exceptional approach to promoting the use of renewable, low-carbon energy technologies. By subscribing to these programs, customers have the opportunity to contribute to a greener, more sustainable future, helping to reduce reliance on fossil fuels, lower greenhouse gas emissions, and promote energy independence. The Solar Subscription Program from the Regulated Services Group offers customers an opportunity to subscribe to a share of energy produced from a community solar garden. This eliminates the need for individual customers to install, maintain, or finance their own solar panels. Instead, by paying a monthly subscription fee, customers receive solar energy credits applied to their bill. This model makes adopting low-carbon technology a convenient and accessible option for many people. One of the advantages of this program is the way that all the energy generated by the community solar garden is utilized efficiently. It either supplies power directly to the subscribers or sends excess power back to the grid. AQN currently has another community solar project currently under development. This upcoming project further signifies AQN's

continued commitment to low-carbon technology and the expansion of renewable energy options for its customers. Please note that we are currently unable to disclose the investment related information for community solar project.

Row 5

(5.5.7.1) Technology area

Select from:

☑ Other, please specify **:**Hydrogen

(5.5.7.2) Stage of development in the reporting year

Select from:

☑ Pilot demonstration

(5.5.7.3) Average % of total R&D investment over the last 3 years

0

(5.5.7.4) R&D investment figure in the reporting year (unit currency as selected in 1.2) (optional)

0

(5.5.7.5) Average % of total R&D investment planned over the next 5 years

0

(5.5.7.6) Explain how your R&D investment in this technology area is aligned with your climate commitments and/or climate transition plan

New York Gas is piloting innovative electrolyzer technology and providing hydrogen to their local office. This advanced technology, which is now operational at our Massena New York office, provides another approach for AQN on our journey to meeting decarbonization and sustainability goals. For this project, AQN partnered with Ecolectro, an electrolyzer technology company based right in Ithaca, NY, Campos Fabrication, and New England Controls, Inc. (NECI) for the design, construction and startup of the blending test equipment. The project will demonstrate how the electrolyzer technology, combined with blending equipment, can provide renewable energy to a property in a sustainable way. The Electrolyzer will be located outside of the local AQN Massena office and will create Green Hydrogen, which will then be blended back into the office's natural gas supply to provide the building heat. By utilizing the hydrogen generated on site and blending it

into a dedicated section of the natural gas infrastructure, AQN will be utilizing clean hydrogen to heat our office building for the lifetime of the pilot. Please note that we are currently unable to disclose the investment related information for the hydrogen pilot project.
[Add row]

(5.7) Break down, by source, your organization's CAPEX in the reporting year and CAPEX planned over the next 5 years.

Coal – hard

(5.7.1) CAPEX in the reporting year for power generation from this source (unit currency as selected in 1.2)

0

(5.7.2) CAPEX in the reporting year for power generation from this source as % of total CAPEX for power generation in the reporting year

0

(5.7.3) CAPEX planned over the next 5 years for power generation from this source as % of total CAPEX planned for power generation over the next 5 years

0

(5.7.5) Explain your CAPEX calculations, including any assumptions

We are not able to disclose our CAPEX information.

Lignite

(5.7.1) CAPEX in the reporting year for power generation from this source (unit currency as selected in 1.2)

0

(5.7.2) CAPEX in the reporting year for power generation from this source as % of total CAPEX for power generation in the reporting year

0

(5.7.3) CAPEX planned over the next 5 years for power generation from this source as % of total CAPEX planned for power generation over the next 5 years

0

(5.7.5) Explain your CAPEX calculations, including any assumptions

We are not able to disclose our CAPEX information.

Oil

(5.7.1) CAPEX in the reporting year for power generation from this source (unit currency as selected in 1.2)

0

(5.7.2) CAPEX in the reporting year for power generation from this source as % of total CAPEX for power generation in the reporting year

0

(5.7.3) CAPEX planned over the next 5 years for power generation from this source as % of total CAPEX planned for power generation over the next 5 years

0

(5.7.5) Explain your CAPEX calculations, including any assumptions

We are not able to disclose our CAPEX information.

Gas

(5.7.1) CAPEX in the reporting year for power generation from this source (unit currency as selected in 1.2)

0

(5.7.2) CAPEX in the reporting year for power generation from this source as % of total CAPEX for power generation in the reporting year

0

(5.7.3) CAPEX planned over the next 5 years for power generation from this source as % of total CAPEX planned for power generation over the next 5 years

0

(5.7.5) Explain your CAPEX calculations, including any assumptions

We are not able to disclose our CAPEX information.

Sustainable biomass

(5.7.1) CAPEX in the reporting year for power generation from this source (unit currency as selected in 1.2)

0

(5.7.2) CAPEX in the reporting year for power generation from this source as % of total CAPEX for power generation in the reporting year

0

(5.7.3) CAPEX planned over the next 5 years for power generation from this source as % of total CAPEX planned for power generation over the next 5 years

0

(5.7.5) Explain your CAPEX calculations, including any assumptions

We are not able to disclose our CAPEX information.

Other biomass

(5.7.1) CAPEX in the reporting year for power generation from this source (unit currency as selected in 1.2)

0

(5.7.2) CAPEX in the reporting year for power generation from this source as % of total CAPEX for power generation in the reporting year

0

(5.7.3) CAPEX planned over the next 5 years for power generation from this source as % of total CAPEX planned for power generation over the next 5 years

0

(5.7.5) Explain your CAPEX calculations, including any assumptions

We are not able to disclose our CAPEX information.

Waste (non-biomass)

(5.7.1) CAPEX in the reporting year for power generation from this source (unit currency as selected in 1.2)

0

(5.7.2) CAPEX in the reporting year for power generation from this source as % of total CAPEX for power generation in the reporting year

0

(5.7.3) CAPEX planned over the next 5 years for power generation from this source as % of total CAPEX planned for power generation over the next 5 years

0

(5.7.5) Explain your CAPEX calculations, including any assumptions

We are not able to disclose our CAPEX information.

Nuclear

(5.7.1) CAPEX in the reporting year for power generation from this source (unit currency as selected in 1.2)

0

(5.7.2) CAPEX in the reporting year for power generation from this source as % of total CAPEX for power generation in the reporting year

0

(5.7.3) CAPEX planned over the next 5 years for power generation from this source as % of total CAPEX planned for power generation over the next 5 years

0

(5.7.5) Explain your CAPEX calculations, including any assumptions

We are not able to disclose our CAPEX information.

Geothermal

(5.7.1) CAPEX in the reporting year for power generation from this source (unit currency as selected in 1.2)

0

(5.7.2) CAPEX in the reporting year for power generation from this source as % of total CAPEX for power generation in the reporting year

0

(5.7.3) CAPEX planned over the next 5 years for power generation from this source as % of total CAPEX planned for power generation over the next 5 years

0

(5.7.5) Explain your CAPEX calculations, including any assumptions

We are not able to disclose our CAPEX information.

Hydropower

(5.7.1) CAPEX in the reporting year for power generation from this source (unit currency as selected in 1.2)

0

(5.7.2) CAPEX in the reporting year for power generation from this source as % of total CAPEX for power generation in the reporting year

0

(5.7.3) CAPEX planned over the next 5 years for power generation from this source as % of total CAPEX planned for power generation over the next 5 years

0

(5.7.5) Explain your CAPEX calculations, including any assumptions

We are not able to disclose our CAPEX information.

Wind

(5.7.1) CAPEX in the reporting year for power generation from this source (unit currency as selected in 1.2)

0

(5.7.2) CAPEX in the reporting year for power generation from this source as % of total CAPEX for power generation in the reporting year

0

(5.7.3) CAPEX planned over the next 5 years for power generation from this source as % of total CAPEX planned for power generation over the next 5 years

0

(5.7.5) Explain your CAPEX calculations, including any assumptions

We are not able to disclose our CAPEX information.

Solar

(5.7.1) CAPEX in the reporting year for power generation from this source (unit currency as selected in 1.2)

0

(5.7.2) CAPEX in the reporting year for power generation from this source as % of total CAPEX for power generation in the reporting year

0

(5.7.3) CAPEX planned over the next 5 years for power generation from this source as % of total CAPEX planned for power generation over the next 5 years

0

(5.7.5) Explain your CAPEX calculations, including any assumptions

We are not able to disclose our CAPEX information.

Marine

(5.7.1) CAPEX in the reporting year for power generation from this source (unit currency as selected in 1.2)

0

(5.7.2) CAPEX in the reporting year for power generation from this source as % of total CAPEX for power generation in the reporting year

0

(5.7.3) CAPEX planned over the next 5 years for power generation from this source as % of total CAPEX planned for power generation over the next 5 years

0

(5.7.5) Explain your CAPEX calculations, including any assumptions

We are not able to disclose our CAPEX information.

Fossil-fuel plants fitted with CCS

(5.7.1) CAPEX in the reporting year for power generation from this source (unit currency as selected in 1.2)

0

(5.7.2) CAPEX in the reporting year for power generation from this source as % of total CAPEX for power generation in the reporting year

0

(5.7.3) CAPEX planned over the next 5 years for power generation from this source as % of total CAPEX planned for power generation over the next 5 years

0

(5.7.5) Explain your CAPEX calculations, including any assumptions

We are not able to disclose our CAPEX information.

Other renewable (e.g. renewable hydrogen)

(5.7.1) CAPEX in the reporting year for power generation from this source (unit currency as selected in 1.2)

0

(5.7.2) CAPEX in the reporting year for power generation from this source as % of total CAPEX for power generation in the reporting year

0

(5.7.3) CAPEX planned over the next 5 years for power generation from this source as % of total CAPEX planned for power generation over the next 5 years

0

(5.7.5) Explain your CAPEX calculations, including any assumptions

We are not able to disclose our CAPEX information.

Other non-renewable (e.g. non-renewable hydrogen)

(5.7.1) CAPEX in the reporting year for power generation from this source (unit currency as selected in 1.2)

0

(5.7.2) CAPEX in the reporting year for power generation from this source as % of total CAPEX for power generation in the reporting year

0

(5.7.3) CAPEX planned over the next 5 years for power generation from this source as % of total CAPEX planned for power generation over the next 5 years

0

(5.7.5) Explain your CAPEX calculations, including any assumptions

We are not able to disclose our CAPEX information.
[Fixed row]

(5.7.1) Break down your total planned CAPEX in your current CAPEX plan for products and services (e.g. smart grids, digitalization, etc.).

Row 1

(5.7.1.1) Products and services

Select from:
☑ Other, please specify :n/a

(5.7.1.2) Description of product/service

We will not be providing a CAPEX plan.

(5.7.1.3) CAPEX planned for product/service

0

(5.7.1.4) Percentage of total CAPEX planned for products and services

0

(5.7.1.5) End year of CAPEX plan

2024
[Add row]

(5.9) What is the trend in your organization's water-related capital expenditure (CAPEX) and operating expenditure (OPEX) for the reporting year, and the anticipated trend for the next reporting year?

(5.9.1) Water-related CAPEX (+/- % change)

0

(5.9.2) Anticipated forward trend for CAPEX (+/- % change)

0

(5.9.3) Water-related OPEX (+/- % change)

0

(5.9.4) Anticipated forward trend for OPEX (+/- % change)

0

(5.9.5) Please explain

We will not be disclosing the water related CAPEX for 2023.
[Fixed row]

(5.10) Does your organization use an internal price on environmental externalities?

(5.10.1) Use of internal pricing of environmental externalities

Select from:

☑ No, and we do not plan to in the next two years

(5.10.3) Primary reason for not pricing environmental externalities

Select from:

☑ Not an immediate strategic priority

(5.10.4) Explain why your organization does not price environmental externalities

We have incentives for energy and water efficiency programs for our customers. However, we do not have an internal pricing systems within our operation at the moment, as it is not an immediate strategic priority for the company.
[Fixed row]

(5.11) Do you engage with your value chain on environmental issues?

	Engaging with this stakeholder on environmental issues	Environmental issues covered
Suppliers	*Select from:* ☑ Yes	*Select all that apply* ☑ Climate change ☑ Water
Customers	*Select from:* ☑ Yes	*Select all that apply* ☑ Climate change ☑ Water
Investors and shareholders	*Select from:* ☑ Yes	*Select all that apply* ☑ Climate change ☑ Water
Other value chain stakeholders	*Select from:*	*Select all that apply*

	Engaging with this stakeholder on environmental issues	Environmental issues covered
	☑ Yes	☑ Climate change ☑ Water

[Fixed row]

(5.11.1) Does your organization assess and classify suppliers according to their dependencies and/or impacts on the environment?

	Assessment of supplier dependencies and/or impacts on the environment
Climate change	*Select from:* ☑ No, we do not assess the dependencies and/or impacts of our suppliers, and have no plans to do so within two years
Water	*Select from:* ☑ No, we do not assess the dependencies and/or impacts of our suppliers, and have no plans to do so within two years

[Fixed row]

(5.11.2) Does your organization prioritize which suppliers to engage with on environmental issues?

Climate change

(5.11.2.1) Supplier engagement prioritization on this environmental issue

Select from:

☑ No, we do not prioritize which suppliers to engage with on this environmental issue

(5.11.2.3) Primary reason for no supplier prioritization on this environmental issue

Select from:

☑ Lack of internal resources, capabilities or expertise (e.g., due to organization size)

(5.11.2.4) Please explain

We do not prioritize which suppliers to engage with on environmental issues. This decision is based on resource limitations and the current transition of the company to a pure play utility.

Water

(5.11.2.1) Supplier engagement prioritization on this environmental issue

Select from:

☑ No, we do not prioritize which suppliers to engage with on this environmental issue

(5.11.2.3) Primary reason for no supplier prioritization on this environmental issue

Select from:

☑ Lack of internal resources, capabilities or expertise (e.g., due to organization size)

(5.11.2.4) Please explain

We do not prioritize which suppliers to engage with on environmental issues. This decision is based on resource limitations and the current transition of the company to a pure play utility.
[Fixed row]

(5.11.5) Do your suppliers have to meet environmental requirements as part of your organization’s purchasing process?

Climate change

(5.11.5.1) Suppliers have to meet specific environmental requirements related to this environmental issue as part of the purchasing process

Select from:

☑ No, and we do not plan to introduce environmental requirements related to this environmental issue within the next two years

(5.11.5.2) Policy in place for addressing supplier non-compliance

Select from:

☑ No, we do not have a policy in place for addressing non-compliance

(5.11.5.3) Comment

AQN is undergoing a business transition to become a pure play regulated utility company. The update of the procurement process to include environmental requirement is of low strategic priority at the moment. However, we do ask our suppliers to complete an ESG related questionnaire of a part of their onboarding process.

Water

(5.11.5.1) Suppliers have to meet specific environmental requirements related to this environmental issue as part of the purchasing process

Select from:

☑ No, and we do not plan to introduce environmental requirements related to this environmental issue within the next two years

(5.11.5.2) Policy in place for addressing supplier non-compliance

Select from:

☑ No, we do not have a policy in place for addressing non-compliance

(5.11.5.3) Comment

AQN is undergoing a business transition to become a pure play regulated utility company. The update of the procurement process to include environmental requirement is of low strategic priority at the moment. However, we do ask our suppliers to complete an ESG related questionnaire of a part of their onboarding process.

[Fixed row]

(5.11.7) Provide further details of your organization’s supplier engagement on environmental issues.

Climate change

(5.11.7.2) Action driven by supplier engagement

Select from:

☑ Other, please specify **:**Onboarding ESG questionnaire

(5.11.7.3) Type and details of engagement

Information collection

☑ Other information collection activity, please specify **:**The survey includes a set of questions designed to assess AQN's suppliers' environmental, social, and governance practices and commitments.

(5.11.7.4) Upstream value chain coverage

Select all that apply

☑ Tier 1 suppliers

(5.11.7.5) % of tier 1 suppliers by procurement spend covered by engagement

Select from:

☑ Unknown

(5.11.7.6) % of tier 1 supplier-related scope 3 emissions covered by engagement

Select from:

☑ Unknown

(5.11.7.9) Describe the engagement and explain the effect of your engagement on the selected environmental action

AQN has implemented a climate-related supplier engagement strategy to enhance the resilience of its value chain. AQN recognizes the importance of working closely with suppliers and customers to drive sustainability and mitigate climate-related risks. During the evaluation process or at the time of onboarding, new vendors are required to complete a Supplier Sustainability Survey. This survey helps assess suppliers' sustainability practices and their alignment with AQN's objectives. Engaging commercial and industrial customers is another key aspect of AQN's climate-related supplier engagement strategy. AQN seeks to find innovative and customized solutions that enable customers to achieve cost savings, energy conservation, emissions reduction, and increased resilience. This approach encourages customers to adopt sustainable practices and align their operations with AQN's climate objectives. Furthermore, AQN has initiated efforts to engage suppliers on ESG topics. This engagement aims to raise awareness among suppliers about the importance of improving corporate citizenship throughout their operations and value chain.

(5.11.7.11) Engagement is helping your tier 1 suppliers engage with their own suppliers on the selected action

Select from:

☑ Unknown

Water

(5.11.7.2) Action driven by supplier engagement

Select from:

☑ Other, please specify **:**Onboarding ESG questionnaire

(5.11.7.3) Type and details of engagement

Information collection

☑ Other information collection activity, please specify **:**The survey includes a set of questions designed to assess AQN's suppliers' environmental, social, and governance practices and commitments.

(5.11.7.4) Upstream value chain coverage

Select all that apply

☑ Tier 1 suppliers

(5.11.7.5) % of tier 1 suppliers by procurement spend covered by engagement

Select from:

☑ Unknown

(5.11.7.7) % tier 1 suppliers with substantive impacts and/or dependencies related to this environmental issue covered by engagement

Select from:
☑ Unknown

(5.11.7.9) Describe the engagement and explain the effect of your engagement on the selected environmental action

AQN acknowledges the significance of water-related matters, and we are actively taking steps to evaluate and address them across our value chain. Our approach involves assessing water-related risks, collaborating with suppliers, and engaging with stakeholders. We have initiated efforts to engage our suppliers on sustainability concerns, including the distribution of Supplier Sustainability Questionnaires that cover water-related aspects.

(5.11.7.11) Engagement is helping your tier 1 suppliers engage with their own suppliers on the selected action

Select from:
☑ Unknown
[Add row]

(5.11.9) Provide details of any environmental engagement activity with other stakeholders in the value chain.

Climate change

(5.11.9.1) Type of stakeholder

Select from:
☑ Customers

(5.11.9.2) Type and details of engagement

Other
☑ Other, please specify **:**Partnering, constructing, developing, operating, and owning renewable energy assets. Delivery of energy efficiency programming and innovation to residential and commercial customers.

(5.11.9.3) % of stakeholder type engaged

Select from:

☑ Unknown

(5.11.9.4) % stakeholder-associated scope 3 emissions

Select from:

☑ Unknown

(5.11.9.5) Rationale for engaging these stakeholders and scope of engagement

AQN aims to improve the resilience of our value chain through effective engagement with its customers. AQN actively partners with large multinational companies to develop and produce clean energy that reduces third-party Scope 2 emissions and AQN's own Scope 3 emissions associated with downstream energy usage. AQN also actively engages with commercial, industrial, and residential customers to seek innovative solutions that can enable cost savings, energy conservation and emissions reduction, and increased resilience. We actively promote energy efficiency and innovative energy solutions to our regulated utility customers.

(5.11.9.6) Effect of engagement and measures of success

AQN's track record as a strong candidate for corporate Power Purchase Agreements (PPAs) is recognized through our extensive list of customers. Large multinational organizations seek to procure clean energy from AQN's renewable energy assets, leveraging AQN's technical expertise in developing, constructing and operating renewable energy facilities. Through a local based approach, AQN seeks to align our service offerings with the needs of our customers. Whether it is through advocating for regulatory incentives and rates, partnering with research institutes for energy retrofit studies, administering technology adoption, or bringing together inter-departmental teams that collaborate to develop these innovative solutions, AQN strives to have superior engagement with our customers and value chain. AQN's suppliers are also becoming more aware of ESG-related issues through the participation of ESG assessments intended to inform AQN of overall ESG awareness and resiliency.

Water

(5.11.9.1) Type of stakeholder

Select from:

☑ Customers

(5.11.9.2) Type and details of engagement

Education/Information sharing

☑ Educate and work with stakeholders on understanding and measuring exposure to environmental risks

☑ Run an engagement campaign to educate stakeholders about the environmental impacts about your products, goods and/or services

Other

☑ Other, please specify **:**Engaging with customers from our water utility companies on water conservation.

(5.11.9.3) % of stakeholder type engaged

Select from:

☑ Unknown

(5.11.9.5) Rationale for engaging these stakeholders and scope of engagement

AQN pumps, treats, and delivers potable and non-potable water to homes, schools, hospitals, and businesses. We offer various conservation programs, educational workshops, and technologies to our customers to help them understand water-related issues. For example, our Liberty Utilities (part of our Regulated Services Group) webpage for residential customers in Compton, California and Avondale, Arizona focuses on smart water use and conservation. These webpages serve as a resource hub for residents to access water conservation tips, rebate programs, watering guidelines, and information on ongoing drought conditions. They aim to encourage responsible water use and support customers in their conservation efforts to support a sustainable water supply for the community. 1, Water Conservation Tips: Liberty Utilities offers practical tips and suggestions to help residents reduce water consumption. 2. Rebate Programs: The webpage provides information on available rebate programs that incentivize customers to upgrade their homes with water-saving devices and fixtures. 3. Watering Schedule: There is guidance on setting appropriate watering schedules for lawns and landscapes, taking into account the local climate and water restrictions. 4. Conservation Programs: Liberty Utilities offers conservation programs to support customers in their efforts to save water. 5. Drought Information: The webpage provides updates and information related to drought conditions in the region.

(5.11.9.6) Effect of engagement and measures of success

The primary impact of engagement and water conservation measures is the reduction in water consumption. This can be measured through data on water usage before and after implementing conservation efforts. Decreased water consumption indicates successful engagement and conservation practices.
[Add row]

C6. Environmental Performance - Consolidation Approach

(6.1) Provide details on your chosen consolidation approach for the calculation of environmental performance data.

Climate change

(6.1.1) Consolidation approach used

Select from:

☑ Operational control

(6.1.2) Provide the rationale for the choice of consolidation approach

Operational control is selected by AQN as it typically corresponds to what relevant stakeholders envision to be the area of responsibility of an organization from an emissions perspective. Under the operational control approach, AQN includes within its GHG accounting and reporting boundary facilities and/or operations where the company has operational control and can implement operational policies that impact emissions.

Water

(6.1.1) Consolidation approach used

Select from:

☑ Operational control

(6.1.2) Provide the rationale for the choice of consolidation approach

Operational control is selected by AQN for water security metrics to be aligning with emission metrics.

Plastics

(6.1.1) Consolidation approach used

Select from:

☑ Other, please specify **:**AQN is not currently not assessing environmental impacts of plastics.

(6.1.2) Provide the rationale for the choice of consolidation approach

AQN is not currently not assessing environmental impacts of plastics.

Biodiversity

(6.1.1) Consolidation approach used

Select from:
☑ Operational control

(6.1.2) Provide the rationale for the choice of consolidation approach

Operational control is selected by AQN for biodiversity metrics to be aligning with all other environmental metrics.
[Fixed row]

C7. Environmental performance - Climate Change

(7.1) Is this your first year of reporting emissions data to CDP?

Select from:
☑ No

(7.1.1) Has your organization undergone any structural changes in the reporting year, or are any previous structural changes being accounted for in this disclosure of emissions data?

	Has there been a structural change?
	Select all that apply ☑ No

[Fixed row]

(7.1.2) Has your emissions accounting methodology, boundary, and/or reporting year definition changed in the reporting year?

(7.1.2.1) Change(s) in methodology, boundary, and/or reporting year definition?

Select all that apply
☑ Yes, a change in methodology

(7.1.2.2) Details of methodology, boundary, and/or reporting year definition change(s)

Historically, a more conservative approach was used to quantify fugitive methane emissions from wastewater treatment facilities, by assuming that all AQN's wastewater treatment facilities use anaerobic processes. It has now been confirmed that AQN's wastewater treatment facilities are primarily using aerobic processes. As such, a new quantification methodology has been developed to quantify associated fugitive methane emissions. Base year and historical year emissions have also been adjusted to reflect the methodology change.
[Fixed row]

(7.1.3) Have your organization's base year emissions and past years' emissions been recalculated as a result of any changes or errors reported in 7.1.1 and/or 7.1.2?

(7.1.3.1) Base year recalculation

Select from:
☑ Yes

(7.1.3.2) Scope(s) recalculated

Select all that apply
☑ Scope 1

(7.1.3.3) Base year emissions recalculation policy, including significance threshold

Our base year and historical year Scope 1 emissions were recalculated in 2023 due to a methodology update on fugitive wastewater methane emissions. A baseline recalculation is required when the following conditions are met: the facilities in operation in the reporting year changed from those in the base year in a non-organic way; changes in calculation methods, data monitoring, emissions factors and other assumptions have taken place; errors have been discovered in calculation methods and assumptions; operational boundaries have been modified in comparison to the base year; and the cumulative effect of expected changes from the base year recalculation exceed 5% of base year emissions.

(7.1.3.4) Past years' recalculation

Select from:
☑ Yes
[Fixed row]

(7.2) Select the name of the standard, protocol, or methodology you have used to collect activity data and calculate emissions.

Select all that apply

☑ IPCC Guidelines for National Greenhouse Gas Inventories, 2006

☑ The Greenhouse Gas Protocol: A Corporate Accounting and Reporting Standard (Revised Edition)

☑ The Greenhouse Gas Protocol: Scope 2 Guidance

☑ The Greenhouse Gas Protocol: Corporate Value Chain (Scope 3) Standard

☑ US EPA Mandatory Greenhouse Gas Reporting Rule

(7.3) Describe your organization’s approach to reporting Scope 2 emissions.

(7.3.1) Scope 2, location-based

Select from:

☑ We are reporting a Scope 2, location-based figure

(7.3.2) Scope 2, market-based

Select from:

☑ We have no operations where we are able to access electricity supplier emission factors or residual emissions factors and are unable to report a Scope 2, market-based figure

(7.3.3) Comment

All of AQN's Scope 2 emission figures are location-based. Market-based emissions are equal to location-based emissions because there are no contractual instruments used in the calculation of Scope 2 emissions.
[Fixed row]

(7.4) Are there any sources (e.g. facilities, specific GHGs, activities, geographies, etc.) of Scope 1, Scope 2 or Scope 3 emissions that are within your selected reporting boundary which are not included in your disclosure?

Select from:

☑ No

(7.5) Provide your base year and base year emissions.

Scope 1

(7.5.1) Base year end

12/31/2017

(7.5.2) Base year emissions (metric tons CO2e)

3609003.99

(7.5.3) Methodological details

GHG emissions are calculated following the Greenhouse Gas Protocol Corporate Standard (GHG Protocol). Emission factors for fuel combustion related emission are sourced from best-practice references such as the Canadian National Inventory Report and USEPA's GHG Emission Factors Hub. In addition, AQN has unique emission sources that are specific to the type of the utilities. Specifically, for fugitive SF6 emissions released from electric power systems, emissions are tracked and calculated in general accordance with the methodology outlined in the USEPA 40 CFR 98 Subpart DD (Electrical Transmission and Distribution Equipment Use). Fugitive CH4 emissions from natural gas distribution mains and services are quantified following the methodology outlined in the USEPA 40 CFR 98 Subpart W (Petroleum and Natural Gas System). As for fugitive CH4 emissions from wastewater treatment facilities, emissions are quantified using a methodology derived from Volume 5 Chapter 6 of the 2019 Refinement to the 2006 IPCC Guidelines for National Greenhouse Gas Inventories and the Inventory of US Greenhouse Gas Emissions and Sinks.

Scope 2 (location-based)

(7.5.1) Base year end

12/31/2017

(7.5.2) Base year emissions (metric tons CO2e)

88247.71

(7.5.3) Methodological details

Emissions associated with the generation of purchased electricity are calculated by applying the average regional emission factors sourced from various jurisdictions to the amount of grid electricity consumed. Emissions associated with electricity loss from the electric distribution systems are quantified using state-level average grid loss factors with data published from the US Energy Information Administration.

Scope 2 (market-based)

(7.5.1) Base year end

01/01/1900

(7.5.2) Base year emissions (metric tons CO2e)

0

(7.5.3) Methodological details

Our reported Scope 2 emissions are location-based.

Scope 3 category 1: Purchased goods and services

(7.5.1) Base year end

01/01/1900

(7.5.2) Base year emissions (metric tons CO2e)

0

(7.5.3) Methodological details

We currently do not have a Scope 3 emission reduction target, and do not have a base year for Scope 3 emissions.

Scope 3 category 2: Capital goods

(7.5.1) Base year end

01/01/1900

(7.5.2) Base year emissions (metric tons CO2e)

0

(7.5.3) Methodological details

We currently do not have a Scope 3 emission reduction target, and do not have a base year for Scope 3 emissions.

Scope 3 category 3: Fuel-and-energy-related activities (not included in Scope 1 or 2)

(7.5.1) Base year end

01/01/1900

(7.5.2) Base year emissions (metric tons CO2e)

0

(7.5.3) Methodological details

We currently do not have a Scope 3 emission reduction target, and do not have a base year for Scope 3 emissions.

Scope 3 category 4: Upstream transportation and distribution

(7.5.1) Base year end

01/01/1900

(7.5.2) Base year emissions (metric tons CO2e)

0

(7.5.3) Methodological details

We currently do not have a Scope 3 emission reduction target, and do not have a base year for Scope 3 emissions.

Scope 3 category 5: Waste generated in operations

(7.5.1) Base year end

01/01/1900

(7.5.2) Base year emissions (metric tons CO2e)

0

(7.5.3) Methodological details

We currently do not have a Scope 3 emission reduction target, and do not have a base year for Scope 3 emissions.

Scope 3 category 6: Business travel

(7.5.1) Base year end

01/01/1900

(7.5.2) Base year emissions (metric tons CO2e)

0

(7.5.3) Methodological details

We currently do not have a Scope 3 emission reduction target, and do not have a base year for Scope 3 emissions.

Scope 3 category 7: Employee commuting

(7.5.1) Base year end

01/01/1900

(7.5.2) Base year emissions (metric tons CO2e)

0

(7.5.3) Methodological details

We currently do not have a Scope 3 emission reduction target, and do not have a base year for Scope 3 emissions.

Scope 3 category 8: Upstream leased assets

(7.5.1) Base year end

01/01/1900

(7.5.2) Base year emissions (metric tons CO2e)

0

(7.5.3) Methodological details

We currently do not have a Scope 3 emission reduction target, and do not have a base year for Scope 3 emissions.

Scope 3 category 9: Downstream transportation and distribution

(7.5.1) Base year end

01/01/1900

(7.5.2) Base year emissions (metric tons CO2e)

0

(7.5.3) Methodological details

We currently do not have a Scope 3 emission reduction target, and do not have a base year for Scope 3 emissions.

Scope 3 category 10: Processing of sold products

(7.5.1) Base year end

01/01/1900

(7.5.2) Base year emissions (metric tons CO2e)

0

(7.5.3) Methodological details

We currently do not have a Scope 3 emission reduction target, and do not have a base year for Scope 3 emissions.

Scope 3 category 11: Use of sold products

(7.5.1) Base year end

01/01/1900

(7.5.2) Base year emissions (metric tons CO2e)

0

(7.5.3) Methodological details

We currently do not have a Scope 3 emission reduction target, and do not have a base year for Scope 3 emissions.

Scope 3 category 12: End of life treatment of sold products

(7.5.1) Base year end

01/01/1900

(7.5.2) Base year emissions (metric tons CO2e)

0

(7.5.3) Methodological details

We currently do not have a Scope 3 emission reduction target, and do not have a base year for Scope 3 emissions.

Scope 3 category 13: Downstream leased assets

(7.5.1) Base year end

01/01/1900

(7.5.2) Base year emissions (metric tons CO2e)

0

(7.5.3) Methodological details

We currently do not have a Scope 3 emission reduction target, and do not have a base year for Scope 3 emissions.

Scope 3 category 14: Franchises

(7.5.1) Base year end

01/01/1900

(7.5.2) Base year emissions (metric tons CO2e)

0

(7.5.3) Methodological details

We currently do not have a Scope 3 emission reduction target, and do not have a base year for Scope 3 emissions.

Scope 3 category 15: Investments

(7.5.1) Base year end

01/01/1900

(7.5.2) Base year emissions (metric tons CO2e)

0

(7.5.3) Methodological details

We currently do not have a Scope 3 emission reduction target, and do not have a base year for Scope 3 emissions.

Scope 3: Other (upstream)

(7.5.1) Base year end

01/01/1900

(7.5.2) Base year emissions (metric tons CO2e)

0

(7.5.3) Methodological details

We currently do not have a Scope 3 emission reduction target, and do not have a base year for Scope 3 emissions.

Scope 3: Other (downstream)

(7.5.1) Base year end

01/01/1900

(7.5.2) Base year emissions (metric tons CO2e)

0

(7.5.3) Methodological details

We currently do not have a Scope 3 emission reduction target, and do not have a base year for Scope 3 emissions.
[Fixed row]

(7.6) What were your organization’s gross global Scope 1 emissions in metric tons CO2e?

Reporting year

(7.6.1) Gross global Scope 1 emissions (metric tons CO2e)

2081332.14

(7.6.3) Methodological details

GHG emissions are calculated following the Greenhouse Gas Protocol Corporate Standard (GHG Protocol). Emission factors for fuel combustion related emission are sourced from best-practice references such as the Canadian National Inventory Report and USEPA’s GHG Emission Factors Hub. In addition, AQN has unique emission sources that are specific to the type of the utilities. Specifically, for fugitive SF6 emissions released from electric power systems, emissions are tracked and calculated in general accordance with the methodology outlined in the USEPA 40 CFR 98 Subpart DD (Electrical Transmission and Distribution Equipment Use). Fugitive CH4 emissions from natural gas distribution mains and services are quantified following the methodology outlined in the USEPA 40 CFR 98 Subpart W (Petroleum and Natural Gas System). As for fugitive CH4 emissions from wastewater treatment facilities, emissions are quantified using a methodology derived from Volume 5 Chapter 6 of the 2019 Refinement to the 2006 IPCC Guidelines for National Greenhouse Gas Inventories and the Inventory of US Greenhouse Gas Emissions and Sinks.

Past year 1

(7.6.1) Gross global Scope 1 emissions (metric tons CO2e)

2350049.57

(7.6.2) End date

12/31/2022

(7.6.3) Methodological details

GHG emissions are calculated following the Greenhouse Gas Protocol Corporate Standard (GHG Protocol). Emission factors for fuel combustion related emission are sourced from best-practice references such as the Canadian National Inventory Report and USEPA's GHG Emission Factors Hub. In addition, AQN has unique emission sources that are specific to the type of the utilities. Specifically, for fugitive SF6 emissions released from electric power systems, emissions are tracked and calculated in general accordance with the methodology outlined in the USEPA 40 CFR 98 Subpart DD (Electrical Transmission and Distribution Equipment Use). Fugitive CH4 emissions from natural gas distribution mains and services are quantified following the methodology outlined in the USEPA 40 CFR 98 Subpart W (Petroleum and Natural Gas System). As for fugitive CH4 emissions from wastewater treatment facilities, emissions are quantified using a methodology derived from Volume 5 Chapter 6 of the 2019 Refinement to the 2006 IPCC Guidelines for National Greenhouse Gas Inventories and the Inventory of US Greenhouse Gas Emissions and Sinks.

Past year 2

(7.6.1) Gross global Scope 1 emissions (metric tons CO2e)

2093050.09

(7.6.2) End date

12/31/2021

(7.6.3) Methodological details

GHG emissions are calculated following the Greenhouse Gas Protocol Corporate Standard (GHG Protocol). Emission factors for fuel combustion related emission are sourced from best-practice references such as the Canadian National Inventory Report and USEPA's GHG Emission Factors Hub. In addition, AQN has unique emission sources that are specific to the type of the utilities. Specifically, for fugitive SF6 emissions released from electric power systems, emissions are tracked and calculated in general accordance with the methodology outlined in the USEPA 40 CFR 98 Subpart DD (Electrical Transmission and Distribution Equipment Use). Fugitive CH4 emissions from natural gas distribution mains and services are quantified following the methodology outlined in the USEPA 40 CFR 98 Subpart W (Petroleum and Natural Gas System). As for fugitive CH4 emissions from wastewater treatment facilities, emissions are quantified using a methodology derived from Volume 5 Chapter 6 of the 2019 Refinement to the 2006 IPCC Guidelines for National Greenhouse Gas Inventories and the Inventory of US Greenhouse Gas Emissions and Sinks.
[Fixed row]

(7.7) What were your organization's gross global Scope 2 emissions in metric tons CO2e?

Reporting year

(7.7.1) Gross global Scope 2, location-based emissions (metric tons CO2e)

88737.03

(7.7.2) Gross global Scope 2, market-based emissions (metric tons CO2e) (if applicable)

88737.03

(7.7.4) Methodological details

Emissions associated with the generation of purchased electricity are calculated by applying the average regional emission factors sourced from various jurisdictions to the amount of grid electricity consumed. Emissions associated with electricity loss from the electric distribution systems are quantified using state-level average grid loss factors with data published from the US Energy Information Administration.
[Fixed row]

(7.8) Account for your organization’s gross global Scope 3 emissions, disclosing and explaining any exclusions.

Purchased goods and services

(7.8.1) Evaluation status

Select from:
☑ Relevant, calculated

(7.8.2) Emissions in reporting year (metric tons CO2e)

78544.2

(7.8.3) Emissions calculation methodology

Select all that apply
☑ Hybrid method

(7.8.4) Percentage of emissions calculated using data obtained from suppliers or value chain partners

0

(7.8.5) Please explain

This includes estimated emissions from AQN's top 7 identified vendors (by total dollars spent in 2023) for purchased goods and services (excluding expenses on financial institutions and energy procurement), and emissions associated with AQN's total water supply/withdrawal in 2023. For emissions from the top 7 vendors of purchased goods and services, emissions were calculated by multiplying the dollar spent on each of the vendors with relevant emission factors (e.g., average emissions per monetary value of goods) published in the "Supply Chain GHG Emission Factors v1.2" database by the United States Environmental Agency (USEPA). For emissions associated with AQN's total water supply/withdrawal, emissions were estimated by applying the water supply emission factor (e.g., average emissions per thousand m3 of water withdrawal) published by the United Kingdom Department for Environment Food & Rural Affairs (UK DEFRA) in its 2023 Conversion Factors for Company Reporting of Greenhouse Gas Emissions to AQN's total annual water supply/withdrawal value in 2023.

Capital goods

(7.8.1) Evaluation status

Select from:

☑ Relevant, calculated

(7.8.2) Emissions in reporting year (metric tons CO2e)

0

(7.8.3) Emissions calculation methodology

Select all that apply

☑ Other, please specify **:**We are not able to separate the dollar spend between “Capital goods” and “Purchased goods and services” for the 2023 reporting year. Emissions from “capital goods” have been included under Category 1 Purchased goods and services.

(7.8.4) Percentage of emissions calculated using data obtained from suppliers or value chain partners

0

(7.8.5) Please explain

We are not able to separate the dollar spend between "Capital goods" and "Purchased goods and services" for the 2023 reporting year. Emissions from "capital goods" have been included under Category 1 Purchased goods and services.

Fuel-and-energy-related activities (not included in Scope 1 or 2)

(7.8.1) Evaluation status

Select from:

☑ Relevant, calculated

(7.8.2) Emissions in reporting year (metric tons CO2e)

1051668.96

(7.8.3) Emissions calculation methodology

Select all that apply

☑ Fuel-based method

(7.8.4) Percentage of emissions calculated using data obtained from suppliers or value chain partners

0

(7.8.5) Please explain

This Category includes emissions from the following subcategories: 1) upstream generation emissions of distributed electricity, 2) upstream production & transmission emissions of distributed gas, 3) upstream emissions of purchased and consumed fuels, 4) upstream emissions of purchased and consumed electricity, and 5) Transmission & Distribution loss emissions of purchased and consumed electricity. Emissions were calculated by applying appropriate upstream emission factors sourced from various jurisdictions, such as the UK DEFRA and USEPA, to the amount of fuels and electricity that AQN consumed and delivered.

Upstream transportation and distribution

(7.8.1) Evaluation status

Select from:

☑ Relevant, calculated

(7.8.2) Emissions in reporting year (metric tons CO2e)

0

(7.8.3) Emissions calculation methodology

Select all that apply

☑ Fuel-based method

(7.8.4) Percentage of emissions calculated using data obtained from suppliers or value chain partners

0

(7.8.5) Please explain

Emissions from fuel upstream transportation and distribution have been included under Category 3: Fuel-and-energy-related activities (not included in Scope 1 or 2).

Waste generated in operations

(7.8.1) Evaluation status

Select from:

☑ Relevant, calculated

(7.8.2) Emissions in reporting year (metric tons CO2e)

35290.89

(7.8.3) Emissions calculation methodology

Select all that apply

☑ Waste-type-specific method

(7.8.4) Percentage of emissions calculated using data obtained from suppliers or value chain partners

0

(7.8.5) Please explain

This includes emissions associated with the treatment of various types of wastes and wastewater generated by AQN. Emissions were estimated using the emission factor approach with emission factors sourced from UK DEFRA's Conversion Factors for Company Reporting of Greenhouse Gas Emissions

Business travel

(7.8.1) Evaluation status

Select from:

☑ Relevant, calculated

(7.8.2) Emissions in reporting year (metric tons CO2e)

763.75

(7.8.3) Emissions calculation methodology

Select all that apply

☑ Distance-based method

(7.8.4) Percentage of emissions calculated using data obtained from suppliers or value chain partners

100

(7.8.5) Please explain

This includes emissions associated with air travels that occurred in 2023. The detailed travel information was provided by our travel agency. Emissions were quantified by applying the proper emission factors of short-haul, medium-haul, and long-haul flights sourced from USEPA GHG Emissions Factor Hub published in 2023 to the total travelled distance of each distance group. Note that the usage of our travel agency currently does not cover our entire employee base. Only employees who used the traveling booking systems have been captured.

Employee commuting

(7.8.1) Evaluation status

Select from:

☑ Relevant, calculated

(7.8.2) Emissions in reporting year (metric tons CO2e)

8584.36

(7.8.3) Emissions calculation methodology

Select all that apply

☑ Hybrid method

(7.8.4) Percentage of emissions calculated using data obtained from suppliers or value chain partners

100

(7.8.5) Please explain

Emissions were estimated based on the employee commuter survey conducted for the 2022 reporting year, and the total number of employees in 2023.

Upstream leased assets

(7.8.1) Evaluation status

Select from:

☑ Not relevant, explanation provided

(7.8.5) Please explain

We take an operational control-based approach. The emissions under all leased offices are reported under scope 1 and 2 emissions.

Downstream transportation and distribution

(7.8.1) Evaluation status

Select from:

☑ Not relevant, explanation provided

(7.8.5) Please explain

Emissions from downstream transmission and distribution losses of our generated electricity were already reported under scope 1 emissions.

Processing of sold products

(7.8.1) Evaluation status

Select from:

☑ Not relevant, explanation provided

(7.8.5) Please explain

AQN's products are final products that do not require any further processing.

Use of sold products

(7.8.1) Evaluation status

Select from:

☑ Relevant, calculated

(7.8.2) Emissions in reporting year (metric tons CO2e)

2073422.13

(7.8.3) Emissions calculation methodology

Select all that apply

☑ Methodology for direct use phase emissions, please specify **:**The emissions were calculated by applying the natural gas combustion emission factors to the total amount of natural gas that AQN delivered to our customers.

(7.8.4) Percentage of emissions calculated using data obtained from suppliers or value chain partners

0

(7.8.5) Please explain

This was calculated by applying the natural gas combustion emission factor sourced from USEPA's GHG Emission Factors Hub (published in 2023) to the total amount of natural gas that was delivered to industrial, commercial, and residential customers in the 2023 reporting year.

End of life treatment of sold products

(7.8.1) Evaluation status

Select from:
☑ Not relevant, explanation provided

(7.8.5) Please explain

This category is not directly applicable to AQN. AQN's products are final products that do not require end of life analysis.

Downstream leased assets

(7.8.1) Evaluation status

Select from:
☑ Not relevant, explanation provided

(7.8.5) Please explain

In our Oakville head office in Ontario, AQN leases office space to tenants. The emissions generated from the leased space is minimal and is not captured in our scope 3 emissions.

Franchises

(7.8.1) Evaluation status

Select from:

☑ Not relevant, explanation provided

(7.8.5) Please explain

AQN does not have any franchises.

Investments

(7.8.1) Evaluation status

Select from:

☑ Relevant, calculated

(7.8.2) Emissions in reporting year (metric tons CO2e)

1668463.86

(7.8.3) Emissions calculation methodology

Select all that apply

☑ Supplier-specific method

(7.8.4) Percentage of emissions calculated using data obtained from suppliers or value chain partners

100

(7.8.5) Please explain

Investment emissions were calculated by applying AQN's percentage ownership to a facility's total gross Scope 1 and 2 emissions. The reported emissions include emissions from a 7.52% and 12.0% ownership in the Plum Point and Iatan coal power plants respectively, and 42.15% ownership interest in Atlantica Sustainable Infrastructure PLC.

Other (upstream)

(7.8.1) Evaluation status

Select from:

☑ Not relevant, explanation provided

(7.8.5) Please explain

Not relevant to our business.

Other (downstream)

(7.8.1) Evaluation status

Select from:

☑ Not relevant, explanation provided

(7.8.5) Please explain

Not relevant to our business.
[Fixed row]

(7.9) Indicate the verification/assurance status that applies to your reported emissions.

	Verification/assurance status
Scope 1	*Select from:* ☑ Third-party verification or assurance process in place
Scope 2 (location-based or market-based)	*Select from:* ☑ Third-party verification or assurance process in place
Scope 3	*Select from:* ☑ Third-party verification or assurance process in place

[Fixed row]

(7.9.1) Provide further details of the verification/assurance undertaken for your Scope 1 emissions, and attach the relevant statements.

Row 1

(7.9.1.1) Verification or assurance cycle in place

Select from:
☑ Annual process

(7.9.1.2) Status in the current reporting year

Select from:
☑ Complete

(7.9.1.3) Type of verification or assurance

Select from:
☑ Limited assurance

(7.9.1.4) Attach the statement

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(7.9.1.5) Page/section reference

1

(7.9.1.6) Relevant standard

Select from:
☑ Other, please specify :Canadian Standards on Assurance Engagements (CSAE) 3410, Assurance Engagements on Greenhouse Gas Statements

(7.9.1.7) Proportion of reported emissions verified (%)

100
[Add row]

(7.9.2) Provide further details of the verification/assurance undertaken for your Scope 2 emissions and attach the relevant statements.

Row 1

(7.9.2.1) Scope 2 approach

Select from:
☑ Scope 2 location-based

(7.9.2.2) Verification or assurance cycle in place

Select from:
☑ Annual process

(7.9.2.3) Status in the current reporting year

Select from:
☑ Complete

(7.9.2.4) Type of verification or assurance

Select from:
☑ Limited assurance

(7.9.2.5) Attach the statement

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(7.9.2.6) Page/ section reference

1

(7.9.2.7) Relevant standard

Select from:
☑ Other, please specify :Canadian Standards on Assurance Engagements (CSAE) 3410, Assurance Engagements on Greenhouse Gas Statements

(7.9.2.8) Proportion of reported emissions verified (%)

100
[Add row]

(7.9.3) Provide further details of the verification/assurance undertaken for your Scope 3 emissions and attach the relevant statements.

Row 1

(7.9.3.1) Scope 3 category

Select all that apply

☑ Scope 3: Fuel and energy-related activities (not included in Scopes 1 or 2)
☑ Scope 3: Investments
☑ Scope 3: Use of sold products

(7.9.3.2) Verification or assurance cycle in place

Select from:
☑ Annual process

(7.9.3.3) Status in the current reporting year

Select from:
☑ Complete

(7.9.3.4) Type of verification or assurance

Select from:
☑ Limited assurance

(7.9.3.5) Attach the statement

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(7.9.3.6) Page/section reference

1

(7.9.3.7) Relevant standard

Select from:
☑ Other, please specify :Canadian Standards on Assurance Engagements (CSAE) 3410, Assurance Engagements on Greenhouse Gas Statements

(7.9.3.8) Proportion of reported emissions verified (%)

100

[Add row]

(7.10) How do your gross global emissions (Scope 1 and 2 combined) for the reporting year compare to those of the previous reporting year?

Select from:
☑ Decreased

(7.10.1) Identify the reasons for any change in your gross global emissions (Scope 1 and 2 combined), and for each of them specify how your emissions compare to the previous year.

Change in renewable energy consumption

(7.10.1.1) Change in emissions (metric tons CO2e)

0

(7.10.1.2) Direction of change in emissions

Select from:
☑ No change

(7.10.1.3) Emissions value (percentage)

0

(7.10.1.4) Please explain calculation

At AQN, many of our renewable power generation facilities use our self-generated renewable electricity. However, we are currently not tracking the internal electricity consumption. As such, it is considered no change compared to the previous reporting year.

Other emissions reduction activities

(7.10.1.1) Change in emissions (metric tons CO2e)

5719.13

(7.10.1.2) Direction of change in emissions

Select from:

☑ Decreased

(7.10.1.3) Emissions value (percentage)

0.23

(7.10.1.4) Please explain calculation

Our gas utilities in the US have been gradually replacing cast iron and unprotected steel gas mains/services with less leak prone plastic mains/services to reduce fugitive methane emissions from our gas distribution systems, which resulted in reduced fugitive emissions. Note that 2022 emissions have been adjusted using the AR5 GWP for methane to make it comparable to 2022 emissions. The reduction percentage was calculated based on updated 2022 Scope 1 and 2 emissions.

Divestment

(7.10.1.1) Change in emissions (metric tons CO2e)

0

(7.10.1.2) Direction of change in emissions

Select from:

☑ No change

(7.10.1.3) Emissions value (percentage)

0

(7.10.1.4) Please explain calculation

No change in 2023.

Acquisitions

(7.10.1.1) Change in emissions (metric tons CO2e)

0

(7.10.1.2) Direction of change in emissions

Select from:
☑ No change

(7.10.1.3) Emissions value (percentage)

0

(7.10.1.4) Please explain calculation

No change in 2023.

Mergers

(7.10.1.1) Change in emissions (metric tons CO2e)

0

(7.10.1.2) Direction of change in emissions

Select from:
☑ No change

(7.10.1.3) Emissions value (percentage)

0

(7.10.1.4) Please explain calculation

No change in 2023.

Change in output

(7.10.1.1) Change in emissions (metric tons CO2e)

216550.18

(7.10.1.2) Direction of change in emissions

Select from:

☑ Decreased

(7.10.1.3) Emissions value (percentage)

8.88

(7.10.1.4) Please explain calculation

Decreased power generation from natural gas-fired generation facilities at Empire Electric. The reduction percentage was calculated based on updated 2022 Scope 1 and 2 emissions.

Change in methodology

(7.10.1.1) Change in emissions (metric tons CO2e)

0

(7.10.1.2) Direction of change in emissions

Select from:

☑ No change

(7.10.1.3) Emissions value (percentage)

0

(7.10.1.4) Please explain calculation

No change in 2023.

Change in boundary

(7.10.1.1) Change in emissions (metric tons CO2e)

0

(7.10.1.2) Direction of change in emissions

Select from:
☑ No change

(7.10.1.3) Emissions value (percentage)

0

(7.10.1.4) Please explain calculation

No change in 2023.

Change in physical operating conditions

(7.10.1.1) Change in emissions (metric tons CO2e)

0

(7.10.1.2) Direction of change in emissions

Select from:
☑ No change

(7.10.1.3) Emissions value (percentage)

0

(7.10.1.4) Please explain calculation

No change in 2023.

Unidentified

(7.10.1.1) Change in emissions (metric tons CO2e)

0

(7.10.1.2) Direction of change in emissions

Select from:
☑ No change

(7.10.1.3) Emissions value (percentage)

0

(7.10.1.4) Please explain calculation

No change in 2023.

Other

(7.10.1.1) Change in emissions (metric tons CO2e)

46911.3

(7.10.1.2) Direction of change in emissions

Select from:
☑ Decreased

(7.10.1.3) Emissions value (percentage)

1.92

(7.10.1.4) Please explain calculation

This covers all remaining difference between 2023 and recalculated 2022 emissions.
[Fixed row]

(7.10.2) Are your emissions performance calculations in 7.10 and 7.10.1 based on a location-based Scope 2 emissions figure or a market-based Scope 2 emissions figure?

Select from:
☑ Location-based

(7.12) Are carbon dioxide emissions from biogenic carbon relevant to your organization?

Select from:
☑ No

(7.15) Does your organization break down its Scope 1 emissions by greenhouse gas type?

Select from:
☑ Yes

(7.15.1) Break down your total gross global Scope 1 emissions by greenhouse gas type and provide the source of each used global warming potential (GWP).

Row 1

(7.15.1.1) Greenhouse gas

Select from:

☑ CO2

(7.15.1.2) Scope 1 emissions (metric tons of CO2e)

1999381.25

(7.15.1.3) GWP Reference

Select from:
☑ IPCC Fifth Assessment Report (AR5 – 100 year)

Row 2

(7.15.1.1) Greenhouse gas

Select from:
☑ CH4

(7.15.1.2) Scope 1 emissions (metric tons of CO2e)

76440.87

(7.15.1.3) GWP Reference

Select from:
☑ IPCC Fifth Assessment Report (AR5 – 100 year)

Row 3

(7.15.1.1) Greenhouse gas

Select from:
☑ N2O

(7.15.1.2) Scope 1 emissions (metric tons of CO2e)

2382.59

(7.15.1.3) GWP Reference

Select from:
☑ IPCC Fifth Assessment Report (AR5 – 100 year)

Row 4

(7.15.1.1) Greenhouse gas

Select from:
☑ SF6

(7.15.1.2) Scope 1 emissions (metric tons of CO2e)

3127.43

(7.15.1.3) GWP Reference

Select from:
☑ IPCC Fifth Assessment Report (AR5 – 100 year)
[Add row]

(7.15.3) Break down your total gross global Scope 1 emissions from electric utilities value chain activities by greenhouse gas type.

Fugitives

(7.15.3.1) Gross Scope 1 CO2 emissions (metric tons CO2)

0

(7.15.3.2) Gross Scope 1 methane emissions (metric tons CH4)

2654.57

(7.15.3.3) Gross Scope 1 SF6 emissions (metric tons SF6)

0.133

(7.15.3.4) Total gross Scope 1 emissions (metric tons CO2e)

78285.99

(7.15.3.5) Comment

Including fugitive CH4 and SF6 emissions from natural gas distribution facilities, natural gas power plants, electric generation facilities/substations, and wastewater facilities. Fugitive N2O emissions from wastewater facilities were included in total gross Scope 1 GHG emissions.

Combustion (Electric utilities)

(7.15.3.1) Gross Scope 1 CO2 emissions (metric tons CO2)

1980425.211

(7.15.3.2) Gross Scope 1 methane emissions (metric tons CH4)

75.067

(7.15.3.3) Gross Scope 1 SF6 emissions (metric tons SF6)

0

(7.15.3.4) Total gross Scope 1 emissions (metric tons CO2e)

1984062.88

(7.15.3.5) Comment

Including CO2 and CH4 emissions from stationary and Mobile combustion for both regulated and non-regulated power generation facilities and electric utilities. N2O emissions were included in total gross Scope 1 GHG emissions.

Combustion (Gas utilities)

(7.15.3.1) Gross Scope 1 CO2 emissions (metric tons CO2)

8244.107

(7.15.3.2) Gross Scope 1 methane emissions (metric tons CH4)

0.098

(7.15.3.3) Gross Scope 1 SF6 emissions (metric tons SF6)

0

(7.15.3.4) Total gross Scope 1 emissions (metric tons CO2e)

8250.55

(7.15.3.5) Comment

Including CO2 and CH4 emissions from stationary and Mobile combustion for gas utilities. N2O emissions were included in total gross Scope 1 GHG emissions.

Combustion (Other)

(7.15.3.1) Gross Scope 1 CO2 emissions (metric tons CO2)

10711.934

(7.15.3.2) Gross Scope 1 methane emissions (metric tons CH4)

0.291

(7.15.3.3) Gross Scope 1 SF6 emissions (metric tons SF6)

0

(7.15.3.4) Total gross Scope 1 emissions (metric tons CO2e)

10732.71

(7.15.3.5) Comment

Including CO2 and CH4 emissions from stationary and Mobile combustion for gas utilities. N2O emissions were included in total gross Scope 1 GHG emissions. Including CO2 and CH4 emissions from stationary and Mobile combustion for office, renewable natural gas (RNG) facilities, and water/wastewater facilities. N2O emissions were included in total gross Scope 1 GHG emissions.

Emissions not elsewhere classified

(7.15.3.1) Gross Scope 1 CO2 emissions (metric tons CO2)

0

(7.15.3.2) Gross Scope 1 methane emissions (metric tons CH4)

0

(7.15.3.3) Gross Scope 1 SF6 emissions (metric tons SF6)

0

(7.15.3.4) Total gross Scope 1 emissions (metric tons CO2e)

0

(7.15.3.5) Comment

n/a
[Fixed row]

(7.16) Break down your total gross global Scope 1 and 2 emissions by country/area.

	Scope 1 emissions (metric tons CO2e)	Scope 2, location-based (metric tons CO2e)	Scope 2, market-based (metric tons CO2e)
Bermuda	*345259.85*	*0*	*0*
Canada	*3304.89*	*780.42*	*780.42*
Chile	*8199.42*	*29426.51*	*29426.51*
United States of America	*1724567.97*	*58530.09*	*58530.09*

[Fixed row]

(7.17) Indicate which gross global Scope 1 emissions breakdowns you are able to provide.

Select all that apply

☑ By business division

☑ By activity

(7.17.1) Break down your total gross global Scope 1 emissions by business division.

	Business division	Scope 1 emissions (metric ton CO2e)
Row 1	*Regulated Service Group*	*1972546*
Row 2	*Renewable Energy Group*	*108786.14*

[Add row]

(7.17.3) Break down your total gross global Scope 1 emissions by business activity.

	Activity	Scope 1 emissions (metric tons CO2e)
Row 1	*Stationary fuel combustion*	*1989361.3*
Row 2	*Mobile fuel combustion*	*13684.84*
Row 3	*Fugitive emissions from natural gas distribution*	*66456.87*
Row 4	*Fugitive emissions from wastewater treatment*	*8701.7*
Row 5	*Fugitive emissions from electrical equipment (SF6)*	*3127.43*

[Add row]

(7.19) Break down your organization’s total gross global Scope 1 emissions by sector production activity in metric tons CO2e.

	Gross Scope 1 emissions, metric tons CO2e	Comment
Electric utility activities	*1987369.67*	*This includes emissions from all of our regulated and non-regulated power generation facilities and electric utilities.*

[Fixed row]

(7.20) Indicate which gross global Scope 2 emissions breakdowns you are able to provide.

Select all that apply

☑ By business division

☑ By activity

(7.20.1) Break down your total gross global Scope 2 emissions by business division.

	Business division	Scope 2, location-based (metric tons CO2e)	Scope 2, market-based (metric tons CO2e)
Row 1	*Regulated Service Group*	*83932.95*	*83932.95*
Row 2	*Renewable Energy Group*	*4804.08*	*4804.08*

[Add row]

(7.20.3) Break down your total gross global Scope 2 emissions by business activity.

	Activity	Scope 2, location-based (metric tons CO2e)	Scope 2, market-based (metric tons CO2e)
Row 1	*Purchased grid electricity*	*71940.73*	*71940.73*
Row 2	*Transmission & distribution loss of delivered electricity by electric utilities*	*16796.3*	*16796.3*

[Add row]

(7.22) Break down your gross Scope 1 and Scope 2 emissions between your consolidated accounting group and other entities included in your response.

	Scope 1 emissions (metric tons CO2e)	Scope 2, location-based emissions (metric tons CO2e)	Please explain
Consolidated accounting group	*2081332.13*	*88737.03*	*This includes all of AQN's Scope 1 and 2 emissions using the operational control consolidation approach.*
All other entities	*0*	*0*	*n/a*

[Fixed row]

(7.23) Is your organization able to break down your emissions data for any of the subsidiaries included in your CDP response?

Select from:

☑ Yes

(7.23.1) Break down your gross Scope 1 and Scope 2 emissions by subsidiary.

Row 1

(7.23.1.1) Subsidiary name

Regulated Service Group

(7.23.1.2) Primary activity

Select from:

☑ Electricity networks

(7.23.1.3) Select the unique identifier you are able to provide for this subsidiary

Select all that apply

☑ Ticker symbol

(7.23.1.7) Ticker symbol

AQN

(7.23.1.12) Scope 1 emissions (metric tons CO2e)

1972546

(7.23.1.13) Scope 2, location-based emissions (metric tons CO2e)

83932.95

(7.23.1.14) Scope 2, market-based emissions (metric tons CO2e)

83932.95

(7.23.1.15) Comment

1) AQN's operations are organized across two primary business units consisting of the Regulated Services Group and the Renewable Energy Group. The Regulated Services Group owns and operates a portfolio of regulated electric, water distribution and wastewater collection, and natural gas utility systems and transmission operations in the United States, Canada, Bermuda and Chile. Its portfolio includes power generation (from both renewables and non-renewable sources) and distribution, natural gas distribution, and water distribution and wastewater treatment services. For simplicity of reporting, we have provided aggregated data in respect of the Regulated Services rather than specific legal entities within the Regulated Service Group. 2) Market-based emissions are equal to location-based emissions because there are no contractual instruments used in the calculation of Scope 2 emissions.

Row 2

(7.23.1.1) Subsidiary name

Renewable Energy Group

(7.23.1.2) Primary activity

Select from:

☑ Wind Generation

(7.23.1.3) Select the unique identifier you are able to provide for this subsidiary

Select all that apply

☑ Ticker symbol

(7.23.1.7) Ticker symbol

AQN

(7.23.1.12) Scope 1 emissions (metric tons CO2e)

108786.14

(7.23.1.13) Scope 2, location-based emissions (metric tons CO2e)

4804.08

(7.23.1.14) Scope 2, market-based emissions (metric tons CO2e)

4804.08

(7.23.1.15) Comment

1) AQN's operations are organized across two primary business units consisting of the Regulated Services Group and the Renewable Energy Group. The Renewable Energy Group owns and operates, or has investments in, a diversified portfolio of non-regulated renewable and thermal energy generation assets. For simplicity of reporting, we have provided aggregated data in respect of our Renewable Energy Group, rather than specific legal entities within the Renewable Energy Group. 2) Market-based emissions are equal to location-based emissions because there are no contractual instruments used in the calculation of Scope 2 emissions.
[Add row]

(7.29) What percentage of your total operational spend in the reporting year was on energy?

Select from:

☑ More than 40% but less than or equal to 45%

(7.30) Select which energy-related activities your organization has undertaken.

	Indicate whether your organization undertook this energy-related activity in the reporting year
Consumption of fuel (excluding feedstocks)	*Select from:* ☑ Yes
Consumption of purchased or acquired electricity	*Select from:* ☑ Yes
Consumption of purchased or acquired heat	*Select from:* ☑ No
Consumption of purchased or acquired steam	*Select from:* ☑ No
Consumption of purchased or acquired cooling	*Select from:* ☑ No
Generation of electricity, heat, steam, or cooling	*Select from:* ☑ Yes

[Fixed row]

(7.30.1) Report your organization’s energy consumption totals (excluding feedstocks) in MWh.

Consumption of fuel (excluding feedstock)

(7.30.1.1) Heating value

Select from:

☑ HHV (higher heating value)

(7.30.1.2) MWh from renewable sources

0

(7.30.1.3) MWh from non-renewable sources

10272774.66

(7.30.1.4) Total (renewable and non-renewable) MWh

10272774.66

Consumption of purchased or acquired electricity

(7.30.1.1) Heating value

Select from:
☑ HHV (higher heating value)

(7.30.1.2) MWh from renewable sources

0

(7.30.1.3) MWh from non-renewable sources

185776.06

(7.30.1.4) Total (renewable and non-renewable) MWh

185776.06

Consumption of self-generated non-fuel renewable energy

(7.30.1.1) Heating value

Select from:
☑ HHV (higher heating value)

(7.30.1.2) MWh from renewable sources

0

(7.30.1.4) Total (renewable and non-renewable) MWh

0

Total energy consumption

(7.30.1.1) Heating value

Select from:
☑ HHV (higher heating value)

(7.30.1.2) MWh from renewable sources

0

(7.30.1.3) MWh from non-renewable sources

10458550.73

(7.30.1.4) Total (renewable and non-renewable) MWh

10458550.73
[Fixed row]

(7.30.6) Select the applications of your organization’s consumption of fuel.

	Indicate whether your organization undertakes this fuel application
Consumption of fuel for the generation of electricity	*Select from:* ☑ Yes
Consumption of fuel for the generation of heat	*Select from:* ☑ Yes
Consumption of fuel for the generation of steam	*Select from:* ☑ No
Consumption of fuel for the generation of cooling	*Select from:* ☑ No
Consumption of fuel for co-generation or tri-generation	*Select from:* ☑ No

[Fixed row]

(7.30.7) State how much fuel in MWh your organization has consumed (excluding feedstocks) by fuel type.

Sustainable biomass

(7.30.7.1) Heating value

Select from:
☑ HHV

(7.30.7.2) Total fuel MWh consumed by the organization

0

(7.30.7.3) MWh fuel consumed for self-generation of electricity

0

(7.30.7.4) MWh fuel consumed for self-generation of heat

0

(7.30.7.8) Comment

We don't consume sustainable biomass at AQN.

Other biomass

(7.30.7.1) Heating value

Select from:
☑ HHV

(7.30.7.2) Total fuel MWh consumed by the organization

0

(7.30.7.3) MWh fuel consumed for self-generation of electricity

0

(7.30.7.4) MWh fuel consumed for self-generation of heat

0

(7.30.7.8) Comment

We don't consume biomass at AQN.

Other renewable fuels (e.g. renewable hydrogen)

(7.30.7.1) Heating value

Select from:
☑ HHV

(7.30.7.2) Total fuel MWh consumed by the organization

0

(7.30.7.3) MWh fuel consumed for self-generation of electricity

0

(7.30.7.4) MWh fuel consumed for self-generation of heat

0

(7.30.7.8) Comment

We don't consume other renewable fuels at AQN.

Coal

(7.30.7.1) Heating value

Select from:
☑ HHV

(7.30.7.2) Total fuel MWh consumed by the organization

0

(7.30.7.3) MWh fuel consumed for self-generation of electricity

0

(7.30.7.4) MWh fuel consumed for self-generation of heat

0

(7.30.7.8) Comment

We don't consume coal at AQN.

Oil

(7.30.7.1) Heating value

Select from:
☑ HHV

(7.30.7.2) Total fuel MWh consumed by the organization

1247292.05

(7.30.7.3) MWh fuel consumed for self-generation of electricity

1247178.12

(7.30.7.4) MWh fuel consumed for self-generation of heat

113.93

(7.30.7.8) Comment

This includes light fuel oil, residual fuel oil, kerosene, and used oil consumed by AQN for power generation and heating.

Gas

(7.30.7.1) Heating value

Select from:
☑ HHV

(7.30.7.2) Total fuel MWh consumed by the organization

8864644.67

(7.30.7.3) MWh fuel consumed for self-generation of electricity

8814305.3

(7.30.7.4) MWh fuel consumed for self-generation of heat

50339.37

(7.30.7.8) Comment

This includes all natural gas and propane gas consumed by AQN for power generation and heating, as well as CNG consumed by corporate fleet.

Other non-renewable fuels (e.g. non-renewable hydrogen)

(7.30.7.1) Heating value

Select from:
☑ HHV

(7.30.7.2) Total fuel MWh consumed by the organization

160837.94

(7.30.7.3) MWh fuel consumed for self-generation of electricity

104129.22

(7.30.7.4) MWh fuel consumed for self-generation of heat

56708.72

(7.30.7.8) Comment

This includes all other non-renewable types of fuels used for power generation, heating, and corporate owned fleet.

Total fuel

(7.30.7.1) Heating value

Select from:
☑ HHV

(7.30.7.2) Total fuel MWh consumed by the organization

10272774.66

(7.30.7.3) MWh fuel consumed for self-generation of electricity

10165612.64

(7.30.7.4) MWh fuel consumed for self-generation of heat

107162.03

(7.30.7.8) Comment

This includes all fuels consumed by AQN for power generation, heating, and corporate owned fleet.
[Fixed row]

(7.30.9) Provide details on the electricity, heat, steam, and cooling your organization has generated and consumed in the reporting year.

Electricity

(7.30.9.1) Total Gross generation (MWh)

14133090.02

(7.30.9.2) Generation that is consumed by the organization (MWh)

0

(7.30.9.3) Gross generation from renewable sources (MWh)

9772659.07

(7.30.9.4) Generation from renewable sources that is consumed by the organization (MWh)

0

Heat

(7.30.9.1) Total Gross generation (MWh)

0

(7.30.9.2) Generation that is consumed by the organization (MWh)

0

(7.30.9.3) Gross generation from renewable sources (MWh)

0

(7.30.9.4) Generation from renewable sources that is consumed by the organization (MWh)

0

Steam

(7.30.9.1) Total Gross generation (MWh)

0

(7.30.9.2) Generation that is consumed by the organization (MWh)

0

(7.30.9.3) Gross generation from renewable sources (MWh)

0

(7.30.9.4) Generation from renewable sources that is consumed by the organization (MWh)

0

Cooling

(7.30.9.1) Total Gross generation (MWh)

0

(7.30.9.2) Generation that is consumed by the organization (MWh)

0

(7.30.9.3) Gross generation from renewable sources (MWh)

0

(7.30.9.4) Generation from renewable sources that is consumed by the organization (MWh)

0
[Fixed row]

(7.30.16) Provide a breakdown by country/area of your electricity/heat/steam/cooling consumption in the reporting year.

Bermuda

(7.30.16.1) Consumption of purchased electricity (MWh)

0

(7.30.16.2) Consumption of self-generated electricity (MWh)

0

(7.30.16.4) Consumption of purchased heat, steam, and cooling (MWh)

0

(7.30.16.5) Consumption of self-generated heat, steam, and cooling (MWh)

0

(7.30.16.6) Total electricity/heat/steam/cooling energy consumption (MWh)

0.00

Canada

(7.30.16.1) Consumption of purchased electricity (MWh)

4652.59

(7.30.16.2) Consumption of self-generated electricity (MWh)

0

(7.30.16.4) Consumption of purchased heat, steam, and cooling (MWh)

0

(7.30.16.5) Consumption of self-generated heat, steam, and cooling (MWh)

0

(7.30.16.6) Total electricity/heat/steam/cooling energy consumption (MWh)

4652.59

Chile

(7.30.16.1) Consumption of purchased electricity (MWh)

78668.53

(7.30.16.2) Consumption of self-generated electricity (MWh)

0

(7.30.16.4) Consumption of purchased heat, steam, and cooling (MWh)

0

(7.30.16.5) Consumption of self-generated heat, steam, and cooling (MWh)

0

(7.30.16.6) Total electricity/heat/steam/cooling energy consumption (MWh)

78668.53

United States of America

(7.30.16.1) Consumption of purchased electricity (MWh)

102454.94

(7.30.16.2) Consumption of self-generated electricity (MWh)

0

(7.30.16.4) Consumption of purchased heat, steam, and cooling (MWh)

0

(7.30.16.5) Consumption of self-generated heat, steam, and cooling (MWh)

0

(7.30.16.6) Total electricity/heat/steam/cooling energy consumption (MWh)

102454.94
[Fixed row]

(7.33) Does your electric utility organization have a transmission and distribution business?

Select from:
☑ Yes

(7.33.1) Disclose the following information about your transmission and distribution business.

Row 1

(7.33.1.1) Country/area/region

Select from:
☑ Other, please specify **:**US and Bermuda

(7.33.1.2) Voltage level

Select from:
☑ Distribution (low voltage)

(7.33.1.3) Annual load (GWh)

6561.5

(7.33.1.4) Annual energy losses (% of annual load)

5.13

(7.33.1.5) Scope where emissions from energy losses are accounted for

Select from:

☑ Scope 2 (location-based)

(7.33.1.6) Emissions from energy losses (metric tons CO2e)

16796.3

(7.33.1.7) Length of network (km)

21753.45

(7.33.1.8) Number of connections

309000

(7.33.1.9) Area covered (km2)

25367

(7.33.1.10) Comment

1) The following metrics have included both our electric utilities in the US and Bermuda: annual load (GWh), length of network (km), number of connections, and area covered (km2). All other metrics are for US only. 2) The annual load metric reported is our total customer usage (including all of residential, commercial, and industrial customers) in 2023. 3) The annual energy losses are the average of state-average grid losses in California, Missouri, and New Hampshire. 4) The electricity distributed by our Bermuda utility is generated by ourselves, and all generation emissions have already been captured as Scope 1 emissions. As such, there are no Scope 2 line loss emissions for our Bermuda location.

[Add row]

(7.45) Describe your gross global combined Scope 1 and 2 emissions for the reporting year in metric tons CO2e per unit currency total revenue and provide any additional intensity metrics that are appropriate to your business operations.

Row 1

(7.45.1) Intensity figure

0.000804321

(7.45.2) Metric numerator (Gross global combined Scope 1 and 2 emissions, metric tons CO2e)

2170069.17

(7.45.3) Metric denominator

Select from:
☑ unit total revenue

(7.45.4) Metric denominator: Unit total

2698000000

(7.45.5) Scope 2 figure used

Select from:
☑ Location-based

(7.45.6) % change from previous year

8.83

(7.45.7) Direction of change

Select from:

☑ Decreased

(7.45.8) Reasons for change

Select all that apply

☑ Other emissions reduction activities

☑ Change in output

(7.45.9) Please explain

2023 emissions were less than 2022 primarily due to increased electricity production from renewable sources.
[Add row]

(7.46) For your electric utility activities, provide a breakdown of your Scope 1 emissions and emissions intensity relating to your total power plant capacity and generation during the reporting year by source.

Oil

(7.46.1) Absolute scope 1 emissions (metric tons CO2e)

345259.85

(7.46.2) Emissions intensity based on gross or net electricity generation

Select from:

☑ Gross

(7.46.3) Scope 1 emissions intensity (Gross generation)

639.37

(7.46.4) Scope 1 emissions intensity (Net generation)

639.37

Gas

(7.46.1) Absolute scope 1 emissions (metric tons CO2e)

1632840.95

(7.46.2) Emissions intensity based on gross or net electricity generation

Select from:
☑ Gross

(7.46.3) Scope 1 emissions intensity (Gross generation)

427.33

(7.46.4) Scope 1 emissions intensity (Net generation)

427.33

Hydropower

(7.46.1) Absolute scope 1 emissions (metric tons CO2e)

118.06

(7.46.2) Emissions intensity based on gross or net electricity generation

Select from:
☑ Gross

(7.46.3) Scope 1 emissions intensity (Gross generation)

0.19

(7.46.4) Scope 1 emissions intensity (Net generation)

0.19

Wind

(7.46.1) Absolute scope 1 emissions (metric tons CO2e)

345.62

(7.46.2) Emissions intensity based on gross or net electricity generation

Select from:
☑ Gross

(7.46.3) Scope 1 emissions intensity (Gross generation)

0.04

(7.46.4) Scope 1 emissions intensity (Net generation)

0.04

Solar

(7.46.1) Absolute scope 1 emissions (metric tons CO2e)

34.26

(7.46.2) Emissions intensity based on gross or net electricity generation

Select from:
☑ Gross

(7.46.3) Scope 1 emissions intensity (Gross generation)

0.05

(7.46.4) Scope 1 emissions intensity (Net generation)

0.05

Total

(7.46.1) Absolute scope 1 emissions (metric tons CO2e)

1978598.74

(7.46.2) Emissions intensity based on gross or net electricity generation

Select from:
☑ Gross

(7.46.3) Scope 1 emissions intensity (Gross generation)

140.00
[Fixed row]

(7.52) Provide any additional climate-related metrics relevant to your business.

Row 1

(7.52.1) Description

Select from:
☑ Other, please specify **:**Renewable electricity generation capacity (%)

(7.52.2) Metric value

68

(7.52.3) Metric numerator

100

(7.52.4) Metric denominator (intensity metric only)

68

(7.52.5) % change from previous year

3

(7.52.6) Direction of change

Select from:

☑ Increased

(7.52.7) Please explain

More renewable (e.g. wind and solar) capacity was added to our generation portfolio in 2023, to increase the renewable capacity % from 65% in 2022 to 68% in 2023. [Add row]

(7.53) Did you have an emissions target that was active in the reporting year?

Select all that apply

☑ Absolute target

(7.53.1) Provide details of your absolute emissions targets and progress made against those targets.

Row 1

(7.53.1.1) Target reference number

Select from:

☑ Abs 1

(7.53.1.2) Is this a science-based target?

Select from:

☑ No, and we do not anticipate setting one in the next two years

(7.53.1.5) Date target was set

12/31/2019

(7.53.1.6) Target coverage

Select from:

☑ Organization-wide

(7.53.1.7) Greenhouse gases covered by target

Select all that apply

☑ Carbon dioxide (CO2)

☑ Methane (CH4)

☑ Nitrous oxide (N2O)

☑ Sulphur hexafluoride (SF6)

(7.53.1.8) Scopes

Select all that apply

☑ Scope 1

☑ Scope 2

(7.53.1.9) Scope 2 accounting method

Select from:

☑ Location-based

(7.53.1.11) End date of base year

12/31/2017

(7.53.1.12) Base year Scope 1 emissions covered by target (metric tons CO2e)

3609003.99

(7.53.1.13) Base year Scope 2 emissions covered by target (metric tons CO2e)

88247.71

(7.53.1.31) Base year total Scope 3 emissions covered by target (metric tons CO2e)

0.000

(7.53.1.32) Total base year emissions covered by target in all selected Scopes (metric tons CO2e)

3697251.700

(7.53.1.33) Base year Scope 1 emissions covered by target as % of total base year emissions in Scope 1

100

(7.53.1.34) Base year Scope 2 emissions covered by target as % of total base year emissions in Scope 2

100

(7.53.1.53) Base year emissions covered by target in all selected Scopes as % of total base year emissions in all selected Scopes

100

(7.53.1.54) End date of target

12/31/2023

(7.53.1.55) Targeted reduction from base year (%)

41.31

(7.53.1.56) Total emissions at end date of target covered by target in all selected Scopes (metric tons CO2e)

2169917.023

(7.53.1.57) Scope 1 emissions in reporting year covered by target (metric tons CO2e)

2081332.13

(7.53.1.58) Scope 2 emissions in reporting year covered by target (metric tons CO2e)

88737.03

(7.53.1.77) Total emissions in reporting year covered by target in all selected scopes (metric tons CO2e)

2170069.160

(7.53.1.78) Land-related emissions covered by target

Select from:

☑ No, it does not cover any land-related emissions (e.g. non-FLAG SBT)

(7.53.1.79) % of target achieved relative to base year

99.99

(7.53.1.80) Target status in reporting year

Select from:

☑ Achieved

(7.53.1.82) Explain target coverage and identify any exclusions

In 2019, we set the emission target of reducing our company-wide Scope 1 and 2 GHG emissions by one million metric tons from 2017 levels by 2023. All Scope 1 and 2 emissions have been covered in this target.

(7.53.1.83) Target objective

The target was to reduce our company-wide Scope 1 and 2 emissions by one million metric tons from 2017 levels.

(7.53.1.85) Target derived using a sectoral decarbonization approach

Select from:

☑ No

(7.53.1.86) List the emissions reduction initiatives which contributed most to achieving this target

The target has been met, primarily due to the retirement of the Asbury coal power generation facility.
[Add row]

(7.54) Did you have any other climate-related targets that were active in the reporting year?

Select all that apply

☑ Targets to increase or maintain low-carbon energy consumption or production

☑ Net-zero targets

(7.54.1) Provide details of your targets to increase or maintain low-carbon energy consumption or production.

Row 1

(7.54.1.1) Target reference number

Select from:

☑ Low 1

(7.54.1.2) Date target was set

12/31/2019

(7.54.1.3) Target coverage

Select from:

☑ Organization-wide

(7.54.1.4) Target type: energy carrier

Select from:

☑ Electricity

(7.54.1.5) Target type: activity

Select from:

☑ Production

(7.54.1.6) Target type: energy source

Select from:

☑ Renewable energy source(s) only

(7.54.1.7) End date of base year

12/31/2017

(7.54.1.8) Consumption or production of selected energy carrier in base year (MWh)

42.2

(7.54.1.9) % share of low-carbon or renewable energy in base year

42.2

(7.54.1.10) End date of target

12/31/2023

(7.54.1.11) % share of low-carbon or renewable energy at end date of target

75

(7.54.1.12) % share of low-carbon or renewable energy in reporting year

68.1

(7.54.1.13) % of target achieved relative to base year

78.96

(7.54.1.14) Target status in reporting year

Select from:

☑ Expired

(7.54.1.16) Is this target part of an emissions target?

This target is related to our emission reduction target. In 2021, the Regulated Services Group successfully completed its inaugural 'greening the fleet' initiative consisting of 600 MWs of new strategically located wind energy generation which is expected to provide benefits to the Regulated Services Group's electric customers in Missouri, Arkansas, Oklahoma and Kansas. AQN retired 200 MW of coal-fired generation from its Midwest generation portfolio which resulted in the reduction of over 1 million metric tons CO2e from AQN's scope 1 emissions.

(7.54.1.17) Is this target part of an overarching initiative?

Select all that apply

☑ Other, please specify **:**Increasing renewable % in our generation assets is a part of our "Greening the Fleet" initiative.

(7.54.1.19) Explain target coverage and identify any exclusions

This target covers all of our generation assets within both the Regulated Service Group and the Renewable Energy Group that AQN has the operational control over. Note that the 42.2% provided in the column of "Consumption or production of energy carrier in the base year (MWh)" is AQN's overall renewable generation % as of end of year 2017.

(7.54.1.20) Target objective

The objective was to increase the renewable % in our overall generation portfolio, from 42.2% in the base year (2017) to 75% in the target year (2023).
[Add row]

(7.54.3) Provide details of your net-zero target(s).

Row 1

(7.54.3.1) Target reference number

Select from:
☑ NZ1

(7.54.3.2) Date target was set

12/31/2021

(7.54.3.3) Target Coverage

Select from:
☑ Organization-wide

(7.54.3.4) Targets linked to this net zero target

Select all that apply
☑ Abs1

(7.54.3.5) End date of target for achieving net zero

12/31/2050

(7.54.3.6) Is this a science-based target?

Select from:

☑ Yes, we consider this a science-based target, but we have not committed to seek validation of this target by the Science Based Targets initiative within the next two years

(7.54.3.8) Scopes

Select all that apply

☑ Scope 1

☑ Scope 2

(7.54.3.9) Greenhouse gases covered by target

Select all that apply

☑ Carbon dioxide (CO2)

☑ Methane (CH4)

☑ Nitrous oxide (N2O)

☑ Sulphur hexafluoride (SF6)

(7.54.3.10) Explain target coverage and identify any exclusions

This target includes all AQN operationally-controlled assets.

(7.54.3.11) Target objective

The objective is to achieve net-zero by 2050 for scope 1 and scope 2 emissions across our business operations.

(7.54.3.12) Do you intend to neutralize any residual emissions with permanent carbon removals at the end of the target?

Select from:

☑ Yes

(7.54.3.13) Do you plan to mitigate emissions beyond your value chain?

Select from:

☑ No, and we do not plan to within the next two years

(7.54.3.14) Do you intend to purchase and cancel carbon credits for neutralization and/or beyond value chain mitigation?

Select all that apply

☑ Yes, we plan to purchase and cancel carbon credits for neutralization at the end of the target

(7.54.3.15) Planned milestones and/or near-term investments for neutralization at the end of the target

Currently our milestones are set to 2050 and interim targets are under development. Near term investments on certain technologies, such as hydrogen and RNG are already being made and further contemplated.

(7.54.3.17) Target status in reporting year

Select from:

☑ Underway

(7.54.3.19) Process for reviewing target

The process for reviewing performance target include: 1) updating emission profile annually and analyzing material emission sources; 2) year-over-year emission comparison and identifying emission gaps to reach net-zero by 2050; 3) identifying emission reduction opportunities; 4) engaging with the operations to implement emission reduction actions; and 5) updating net-zero emission reduction pathways.
[Add row]

(7.55) Did you have emissions reduction initiatives that were active within the reporting year? Note that this can include those in the planning and/or implementation phases.

Select from:

☑ Yes

(7.55.1) Identify the total number of initiatives at each stage of development, and for those in the implementation stages, the estimated CO2e savings.

	Number of initiatives	Total estimated annual CO2e savings in metric tonnes CO2e (only for rows marked *)
Under investigation	*1*	*`Numeric input*
To be implemented	*0*	*0*
Implementation commenced	*0*	*0*
Implemented	*1*	*5719.13*
Not to be implemented	*0*	*`Numeric input*

[Fixed row]

(7.55.2) Provide details on the initiatives implemented in the reporting year in the table below.

Row 1

(7.55.2.1) Initiative category & Initiative type

Fugitive emissions reductions

☑ Oil/natural gas methane leak capture/prevention

(7.55.2.2) Estimated annual CO2e savings (metric tonnes CO2e)

5719.13

(7.55.2.3) Scope(s) or Scope 3 category(ies) where emissions savings occur

Select all that apply

☑ Scope 1

(7.55.2.4) Voluntary/Mandatory

Select from:

☑ Voluntary

(7.55.2.5) Annual monetary savings (unit currency – as specified in C0.4)

0

(7.55.2.6) Investment required (unit currency – as specified in C0.4)

70000000

(7.55.2.7) Payback period

Select from:

☑ 4-10 years

(7.55.2.8) Estimated lifetime of the initiative

Select from:

☑ 3-5 years

(7.55.2.9) Comment

Our gas utilities in the United States have embarked on a concerted initiative to curtail fugitive methane emissions from our gas distribution systems. This has involved systematically replacing old, potentially leak-prone infrastructure, specifically cast iron and unprotected steel gas mains and services. In their place, we've been installing materials known for their lower risk of leakage, such as specific types of plastic. This move towards more secure and resilient materials minimizes the risk of methane - a potent greenhouse gas - escaping into the atmosphere from our systems. The numbers that we're reporting here represent a decrease in these unintended, or "fugitive," methane emissions from our gas utilities. The comparison provided is between the years 2023 and 2022 (note that 2022 emissions have been adjusted using the AR5 GWP for methane). It shows the progress made in our emission reduction efforts over this period, underlining the positive impact of our infrastructure upgrades. It's an important part of our commitment to reducing our environmental footprint and contributing to global efforts against climate change.
[Add row]

(7.55.3) What methods do you use to drive investment in emissions reduction activities?

Row 1

(7.55.3.1) Method

Select from:

☑ Dedicated budget for other emissions reduction activities

(7.55.3.2) Comment

AQN is proud to support the Electric Vehicle (“EV”) movement. AQN first launched its EV initiative in 2016 to help support and sponsor the local growth of local EV use. As part of this initiative, the Regulated Services Group has installed charging stations and plug ports at various locations. Additionally, the Regulated Services Group launched the Transportation Electrification Program, which will support the next phase in our customer’s journey to electrify their transportation needs. These new programs will provide additional benefits to individuals, businesses, and schools who are seeking to electrify their transportation needs.

Row 2

(7.55.3.1) Method

Select from:

☑ Dedicated budget for low-carbon product R&D

(7.55.3.2) Comment

AQN completed its acquisition of Sandhill Advanced Biofuels, LLC ("Sandhill") in August 2022. Sandhill is a developer of RNG anaerobic digestion projects located on dairy farms with a portfolio of four projects in the state of Wisconsin.

Row 3

(7.55.3.1) Method

Select from:

☑ Other **:**"Greening the Fleet"

(7.55.3.2) Comment

As the development of renewable energy resources becomes an increasingly important factor, AQN remains well-positioned for growth through our “greening the fleet” initiative. This initiative of investing in renewable energy to replace fossil fuel-based resources is anticipated to play a role in AQN’s path to net-zero. For example, AQN retired its Ashbury coal-fired plant and added 600 MW of wind energy generation.

Row 4

(7.55.3.1) Method

Select from:

☑ Compliance with regulatory requirements/standards

(7.55.3.2) Comment

Three of our facilities reduce or offset their greenhouse gas emissions or pay the applicable carbon tax.

Row 5

(7.55.3.1) Method

Select from:

☑ Dedicated budget for low-carbon product R&D

(7.55.3.2) Comment

Our New York Gas is piloting innovative electrolyzer technology and providing hydrogen to their local office. This advanced technology, which is now operational at their Massena New York office, provides another approach for AQN on our journey to meeting decarbonization and sustainability goals.
[Add row]

(7.58) Describe your organization's efforts to reduce methane emissions from your activities.

AQN is actively engaged in efforts to reduce methane emissions from its activities. Our gas pipeline replacement program has made significant progress over the past several years in our Massachusetts, New Hampshire, Illinois, and Georgia territories. Since 2017, approximately 61 miles of unprotected steel mains, 95 miles of cast iron mains, and 13,494 unprotected steel services have been replaced with less leak-prone plastic counterparts, resulting in a reduction of over 44% for each pipeline category, demonstrating a strong commitment to reducing methane emissions and combating climate change. Furthermore, AQN has been actively focusing on adopting best practices and engaging in community outreach to minimize excavation damage to its distribution systems. By taking proactive measures and collaborating with regional organizations, AQN aims to minimize the potential for methane leaks and promote the safe and efficient operation of its gas distribution network. In addition to these efforts, AQN has entered the RNG space through the acquisition of an anaerobic digestion RNG platform in Wisconsin. This initiative complements the RNG initiatives already implemented across every Liberty natural gas utility, which involve RNG contracts or RNG development projects. By

developing expertise in RNG, AQN aims to green its fuel supply to customers, considering that RNG can have a negative carbon intensity. This strategic focus on RNG further contributes to the reduction of methane emissions and supports the Company's commitment to a sustainable energy future.

(7.74) Do you classify any of your existing goods and/or services as low-carbon products?

Select from:

☑ Yes

(7.74.1) Provide details of your products and/or services that you classify as low-carbon products.

Row 1

(7.74.1.1) Level of aggregation

Select from:

☑ Group of products or services

(7.74.1.2) Taxonomy used to classify product(s) or service(s) as low-carbon

Select from:

☑ Green Bond Principles (ICMA)

(7.74.1.3) Type of product(s) or service(s)

Power

☑ Onshore wind

(7.74.1.4) Description of product(s) or service(s)

AQN generates renewable electricity via wind, which emits near zero GHGs compared to fossil fuel generation.

(7.74.1.5) Have you estimated the avoided emissions of this low-carbon product(s) or service(s)

Select from:

☑ Yes

(7.74.1.6) Methodology used to calculate avoided emissions

Select from:

☑ Other, please specify **:**We applied regional average non-baseload emission factors to our wind generation in each region to estimate avoided emissions.

(7.74.1.7) Life cycle stage(s) covered for the low-carbon product(s) or services(s)

Select from:

☑ Cradle-to-gate

(7.74.1.8) Functional unit used

MWh of electricity generated

(7.74.1.9) Reference product/service or baseline scenario used

GHG emissions from regional non-baseload power generation

(7.74.1.10) Life cycle stage(s) covered for the reference product/service or baseline scenario

Select from:

☑ Cradle-to-gate

(7.74.1.11) Estimated avoided emissions (metric tons CO2e per functional unit) compared to reference product/service or baseline scenario

0.6017738129

(7.74.1.12) Explain your calculation of avoided emissions, including any assumptions

We applied the US and Canada national average non-baseload emission factors to total wind generated electricity in US and Canada, respectively, to calculate total avoided emissions. We then divided the calculated total avoided emissions with the total wind generated electricity to estimate the average avoided emissions per MWh of electricity. Note that the revenue % disclosed below was calculated based on AQN's wind generation from the Renewable Energy Group.

(7.74.1.13) Revenue generated from low-carbon product(s) or service(s) as % of total revenue in the reporting year

7.394

Row 2

(7.74.1.1) Level of aggregation

Select from:
☑ Group of products or services

(7.74.1.2) Taxonomy used to classify product(s) or service(s) as low-carbon

Select from:
☑ Green Bond Principles (ICMA)

(7.74.1.3) Type of product(s) or service(s)

Power
☑ Hydropower

(7.74.1.4) Description of product(s) or service(s)

AQN generates renewable electricity via hydro, which emits near zero GHGs compared to fossil fuel generation.

(7.74.1.5) Have you estimated the avoided emissions of this low-carbon product(s) or service(s)

Select from:
☑ Yes

(7.74.1.6) Methodology used to calculate avoided emissions

Select from:

☑ Other, please specify **:**We applied regional average non-baseload emission factors to our hydroelectric generation in each region to estimate avoided emissions.

(7.74.1.7) Life cycle stage(s) covered for the low-carbon product(s) or services(s)

Select from:
☑ Cradle-to-gate

(7.74.1.8) Functional unit used

MWh of electricity generated

(7.74.1.9) Reference product/service or baseline scenario used

GHG emissions from regional non-baseload power generation

(7.74.1.10) Life cycle stage(s) covered for the reference product/service or baseline scenario

Select from:
☑ Cradle-to-gate

(7.74.1.11) Estimated avoided emissions (metric tons CO2e per functional unit) compared to reference product/service or baseline scenario

0.404663341

(7.74.1.12) Explain your calculation of avoided emissions, including any assumptions

We applied the US and Canada national average non-baseload emission factors to total hydro generated electricity in US and Canada, respectively, to calculate total avoided emissions. We then divided the calculated total avoided emissions with the total hydro generated electricity to estimate the average avoided emissions per MWh of electricity. Note that the revenue % disclosed below was calculated based on AQN's hydroelectric generation from the Renewable Energy Group.

(7.74.1.13) Revenue generated from low-carbon product(s) or service(s) as % of total revenue in the reporting year

1.312

Row 3

(7.74.1.1) Level of aggregation

Select from:

☑ Group of products or services

(7.74.1.2) Taxonomy used to classify product(s) or service(s) as low-carbon

Select from:

☑ Green Bond Principles (ICMA)

(7.74.1.3) Type of product(s) or service(s)

Power

☑ Solar PV

(7.74.1.4) Description of product(s) or service(s)

AQN generates renewable electricity via solar, which emits near zero GHGs compared to fossil fuel generation.

(7.74.1.5) Have you estimated the avoided emissions of this low-carbon product(s) or service(s)

Select from:

☑ Yes

(7.74.1.6) Methodology used to calculate avoided emissions

Select from:

☑ Other, please specify **:**We applied regional average non-baseload emission factors to our solar generation in each region to estimate avoided emissions.

(7.74.1.7) Life cycle stage(s) covered for the low-carbon product(s) or services(s)

Select from:

☑ Cradle-to-gate

(7.74.1.8) Functional unit used

MWh of electricity generated

(7.74.1.9) Reference product/service or baseline scenario used

GHG emissions from regional non-baseload power generation

(7.74.1.10) Life cycle stage(s) covered for the reference product/service or baseline scenario

Select from:
☑ Cradle-to-gate

(7.74.1.11) Estimated avoided emissions (metric tons CO2e per functional unit) compared to reference product/service or baseline scenario

0.6351391871

(7.74.1.12) Explain your calculation of avoided emissions, including any assumptions

We applied the US and Canada national average non-baseload emission factors to total solar generated electricity in US and Canada, respectively, to calculate total avoided emissions. We then divided the calculated total avoided emissions with the total solar generated electricity to estimate the average avoided emissions per MWh of electricity. Note that the revenue % disclosed below was calculated based on AQN's solar generation from the Renewable Energy Group.

(7.74.1.13) Revenue generated from low-carbon product(s) or service(s) as % of total revenue in the reporting year

1.149
[Add row]

(7.79) Has your organization canceled any project-based carbon credits within the reporting year?

Select from:
☑ No

C9. Environmental performance - Water security

(9.1) Are there any exclusions from your disclosure of water-related data?

Select from:
☑ No

(9.2) Across all your operations, what proportion of the following water aspects are regularly measured and monitored?

Water withdrawals – total volumes

(9.2.1) % of sites/facilities/operations

Select from:
☑ 76-99

(9.2.2) Frequency of measurement

Select from:
☑ Continuously

(9.2.3) Method of measurement

We measure water withdrawal at water producing sites using flow meters at the source.

(9.2.4) Please explain

AQN measures water withdrawal volumes across almost all our sites, including our thermal electric generating facilities and water/wastewater utilities.

Water withdrawals – volumes by source

(9.2.1) % of sites/facilities/operations

Select from:

☑ 76-99

(9.2.2) Frequency of measurement

Select from:

☑ Yearly

(9.2.3) Method of measurement

Water sources are recorded for almost all our sites. Where water is being withdrawn directly from the source, flow meters are used. For water provided by a third party, volume is obtained from water utility providers.

(9.2.4) Please explain

Water withdrawal sources for our facilities include surface water, groundwater and third-party water. Measuring this aspect allows us to better understand our water usage patterns and inform water-related targets.

Water withdrawals quality

(9.2.1) % of sites/facilities/operations

Select from:

☑ 76-99

(9.2.2) Frequency of measurement

Select from:

☑ Monthly

(9.2.3) Method of measurement

Water withdrawal quality is assessed through a variety of tests and measurements to validate physical, chemical, and biological properties of water. These parameters can provide insight into the health and safety of the water source, and determine whether its usage is suitable.

(9.2.4) Please explain

AQN strives to maintain compliance with regulatory water quality testing requirements. Where groundwater is used as a potable source water, the water quality is monitored in accordance with the relevant water-related regulatory requirements and permit conditions.

Water discharges – total volumes

(9.2.1) % of sites/facilities/operations

Select from:

☑ 76-99

(9.2.2) Frequency of measurement

Select from:

☑ Yearly

(9.2.3) Method of measurement

Water discharge is determined by flow meters. Where meters are not available, discharge is estimated.

(9.2.4) Please explain

Discharge water is monitored at facilities subject to water-related regulatory reporting and monitoring requirements and permit conditions and is measured where feasible (this includes wastewater transported off-site for treatment and/or discharged into ground).

Water discharges – volumes by destination

(9.2.1) % of sites/facilities/operations

Select from:

☑ 76-99

(9.2.2) Frequency of measurement

Select from:
☑ Yearly

(9.2.3) Method of measurement

Discharge destination varies depending on sites. Volumes by destination are reported by the sites.

(9.2.4) Please explain

AQN measures water discharge by destination. Water is discharged to surface water, to groundwater, to seawater, and to third party water.

Water discharges – volumes by treatment method

(9.2.1) % of sites/facilities/operations

Select from:
☑ Not monitored

(9.2.4) Please explain

AQN does not measure/track water discharges by treatment method.

Water discharge quality – by standard effluent parameters

(9.2.1) % of sites/facilities/operations

Select from:
☑ 76-99

(9.2.2) Frequency of measurement

Select from:
☑ Monthly

(9.2.3) Method of measurement

Water discharge quality is typically measured based on a number of standard parameters. These parameters are established by environmental agencies and can vary by region. In the US, all samples are collected following American Water Works Association (AWWA) Standard Methods and/or as directed by the laboratory running the analyses. All laboratories must be certified to analyze any parameters we submit to them. Sampling methods will vary depending upon the parameter being tested.

(9.2.4) Please explain

AQN monitors water discharge quality across our sites that are subject to relevant water-related monitoring and reporting regulatory requirement as well as permits and standards.

Water discharge quality – emissions to water (nitrates, phosphates, pesticides, and/or other priority substances)

(9.2.1) % of sites/facilities/operations

Select from:

☑ 76-99

(9.2.2) Frequency of measurement

Select from:

☑ Monthly

(9.2.3) Method of measurement

Water discharge quality is typically measured based on a number of standard parameters. These parameters are established by environmental agencies and can vary by region. In the US, all samples are collected following AWWA Standard Methods and/or as directed by the laboratory running the analyses. All laboratories must be certified to analyze any parameters we submit to them. Sampling methods will vary depending upon the parameter being tested.

(9.2.4) Please explain

Such monitoring is required by both federal and state regulations; The Regulated Services Group complies with the National Primary Drinking Water Regulations (NPDWR) as set forth by the USEPA under the Safe Drinking Water Act; and also complies with the primacy agency (state) regulations that are based on the NPDWR, and which can be stricter, but no less strict, than those set by the USEPA. For wastewater, The Regulated Services Group complies with the USEPAs Clean Water Act (CWA); and the state permits associated with CWA compliance and associated discharge limitations. The primary regulatory tool of the CWA is the National Pollutant Discharge Elimination System (NPDES), which sets basic pollutant discharge limits for point source discharges to waters of the US; States will often develop their own NPDES requirements, and from these develop their own discharge permits with which we must comply.

Water discharge quality – temperature

(9.2.1) % of sites/facilities/operations

Select from:

☑ 76-99

(9.2.2) Frequency of measurement

Select from:

☑ Yearly

(9.2.3) Method of measurement

Water-resistant thermometer, commercial grade; or online analyzer.

(9.2.4) Please explain

AQN monitors water discharge quality temperature across our sites subject to relevant water-related monitoring and reporting regulatory requirements as well as permit conditions.

Water consumption – total volume

(9.2.1) % of sites/facilities/operations

Select from:

☑ 76-99

(9.2.2) Frequency of measurement

Select from:

☑ Yearly

(9.2.3) Method of measurement

Calculated based on accounting methodology.

(9.2.4) Please explain

AQN measures water consumption across almost all our sites.

Water recycled/reused

(9.2.1) % of sites/facilities/operations

Select from:

☑ 1-25

(9.2.2) Frequency of measurement

Select from:

☑ Monthly

(9.2.3) Method of measurement

Measurement of water recycled/reused varies depending on sites. Some sites have flow meters in place to measure the volume of water moving in a closed loop in the system. Others estimate the volume of recycled water delivered to our customers.

(9.2.4) Please explain

Some of AQN's reclaimed water is used for groundwater recharge, agriculture, irrigation for parks and golf courses, and some commercial uses like fugitive dust control for construction.

The provision of fully-functioning, safely managed WASH services to all workers

(9.2.1) % of sites/facilities/operations

Select from:

☑ 76-99

(9.2.2) Frequency of measurement

Select from:

☑ Yearly

(9.2.3) Method of measurement

WASH stations require regular monitoring as per location regulations. AQN is committed to ensuring all works have access to these services.

(9.2.4) Please explain

AQN facilities use running water for drinking, sanitation and hygiene purposes (including wash services).
[Fixed row]

(9.2.1) For your hydropower operations, what proportion of the following water aspects are regularly measured and monitored?

Fulfilment of downstream environmental flows

(9.2.1.1) % of sites/facilities/operations measured and monitored

Select from:

☑ 100%

(9.2.1.2) Please explain

To limit the impact of AQN's hydropower operations on the environment and natural stream flow, state/provincial and federal regulations are established for minimum water quality standards, such as monitoring dissolved oxygen.

Sediment loading

(9.2.1.1) % of sites/facilities/operations measured and monitored

Select from:

☑ 76 - 99%

(9.2.1.2) Please explain

To limit sediment accumulation at AQN's hydropower operations, maintenance occurs at hydropower facilities on an as needed basis.

Other, please specify

(9.2.1.1) % of sites/facilities/operations measured and monitored

Select from:
☑ Not relevant

(9.2.1.2) Please explain

n/a
[Fixed row]

(9.2.2) What are the total volumes of water withdrawn, discharged, and consumed across all your operations, how do they compare to the previous reporting year, and how are they forecasted to change?

Total withdrawals

(9.2.2.1) Volume (megaliters/year)

207480.7

(9.2.2.2) Comparison with previous reporting year

Select from:
☑ Higher

(9.2.2.3) Primary reason for comparison with previous reporting year

Select from:

☑ Increase/decrease in business activity

(9.2.2.4) Five-year forecast

Select from:

☑ Unknown

(9.2.2.5) Primary reason for forecast

Select from:

☑ Increase/decrease in business activity

(9.2.2.6) Please explain

Notes: 1) All metrics for this question include AQN's entire portfolio: electric, gas, water, wastewater, wind, solar, hydroelectric, thermal and office. 2) Our total withdrawal figure does not equal to the sum of total consumption and total discharges, as we not only consume water for our internal use, but also deliver water to customers via our water utilities.

Total discharges

(9.2.2.1) Volume (megaliters/year)

80321.61

(9.2.2.2) Comparison with previous reporting year

Select from:

☑ About the same

(9.2.2.3) Primary reason for comparison with previous reporting year

Select from:

☑ Increase/decrease in business activity

(9.2.2.4) Five-year forecast

Select from:

☑ Unknown

(9.2.2.5) Primary reason for forecast

Select from:

☑ Increase/decrease in business activity

(9.2.2.6) Please explain

Our 2023 total water discharge is similar to the 2022 level. Note: All metrics for this question includes AQN's entire portfolio: electric, gas, water, wastewater, wind, solar, hydroelectric, thermal and office.

Total consumption

(9.2.2.1) Volume (megaliters/year)

47578.51

(9.2.2.2) Comparison with previous reporting year

Select from:

☑ Higher

(9.2.2.3) Primary reason for comparison with previous reporting year

Select from:

☑ Change in accounting methodology

(9.2.2.4) Five-year forecast

Select from:

☑ Unknown

(9.2.2.5) Primary reason for forecast

Select from:

☑ Change in accounting methodology

(9.2.2.6) Please explain

We are in the process of pursuing improvements to our water measurement practices.
[Fixed row]

(9.2.4) Indicate whether water is withdrawn from areas with water stress, provide the volume, how it compares with the previous reporting year, and how it is forecasted to change.

(9.2.4.1) Withdrawals are from areas with water stress

Select from:

☑ Yes

(9.2.4.2) Volume withdrawn from areas with water stress (megaliters)

96947.48

(9.2.4.3) Comparison with previous reporting year

Select from:

☑ Higher

(9.2.4.4) Primary reason for comparison with previous reporting year

Select from:

☑ Increase/decrease in business activity

(9.2.4.5) Five-year forecast

Select from:

☑ Unknown

(9.2.4.6) Primary reason for forecast

Select from:

☑ Increase/decrease in business activity

(9.2.4.7) % of total withdrawals that are withdrawn from areas with water stress

46.73

(9.2.4.8) Identification tool

Select all that apply

☑ WRI Aqueduct

(9.2.4.9) Please explain

This includes high (baseline water stress level: 40–80%) and extremely high (baseline water stress level: 80%) water stress regions, as determined by the World Resources Institute (WRI) Aqueduct Water Risk Atlas. As New York Water data cannot be broken down by site, to be conservative, all of New York Water data are included in the high water stress metrics.
[Fixed row]

(9.2.7) Provide total water withdrawal data by source.

Fresh surface water, including rainwater, water from wetlands, rivers, and lakes

(9.2.7.1) Relevance

Select from:

☑ Relevant

(9.2.7.2) Volume (megaliters/year)

29284.3

(9.2.7.3) Comparison with previous reporting year

Select from:
☑ Lower

(9.2.7.4) Primary reason for comparison with previous reporting year

Select from:
☑ Increase/decrease in business activity

(9.2.7.5) Please explain

This has included withdrawal from surface water, recycled water, and harvested rain water.

Brackish surface water/Seawater

(9.2.7.1) Relevance

Select from:
☑ Not relevant

(9.2.7.5) Please explain

n/a

Groundwater – renewable

(9.2.7.1) Relevance

Select from:
☑ Relevant

(9.2.7.2) Volume (megaliters/year)

158247.57

(9.2.7.3) Comparison with previous reporting year

Select from:

☑ Lower

(9.2.7.4) Primary reason for comparison with previous reporting year

Select from:

☑ Increase/decrease in business activity

(9.2.7.5) Please explain

Note that we currently do not differentiate renewable groundwater and non-renewable groundwater. All of our groundwater withdrawal has been included in the "Groundwater – renewable" category.

Groundwater – non-renewable

(9.2.7.1) Relevance

Select from:

☑ Not relevant

(9.2.7.5) Please explain

Note that we currently do not differentiate renewable groundwater and non-renewable groundwater. All of our groundwater withdrawal has been included in the "Groundwater – renewable" category above.

Produced/Entrained water

(9.2.7.1) Relevance

Select from:
☑ Not relevant

(9.2.7.5) Please explain

n/a

Third party sources

(9.2.7.1) Relevance

Select from:
☑ Relevant

(9.2.7.2) Volume (megaliters/year)

19948.82

(9.2.7.3) Comparison with previous reporting year

Select from:
☑ Higher

(9.2.7.4) Primary reason for comparison with previous reporting year

Select from:
☑ Unknown

(9.2.7.5) Please explain

n/a
[Fixed row]

(9.2.8) Provide total water discharge data by destination.

Fresh surface water

(9.2.8.1) Relevance

Select from:
☑ Relevant

(9.2.8.2) Volume (megaliters/year)

52572.58

(9.2.8.3) Comparison with previous reporting year

Select from:
☑ About the same

(9.2.8.4) Primary reason for comparison with previous reporting year

Select from:
☑ Increase/decrease in business activity

(9.2.8.5) Please explain

n/a

Brackish surface water/seawater

(9.2.8.1) Relevance

Select from:
☑ Relevant

(9.2.8.2) Volume (megaliters/year)

26399.15

(9.2.8.3) Comparison with previous reporting year

Select from:

☑ About the same

(9.2.8.4) Primary reason for comparison with previous reporting year

Select from:

☑ Increase/decrease in business activity

(9.2.8.5) Please explain

All seawater discharge was from our operations in Chile.

Groundwater

(9.2.8.1) Relevance

Select from:

☑ Relevant

(9.2.8.2) Volume (megaliters/year)

175.69

(9.2.8.3) Comparison with previous reporting year

Select from:

☑ Lower

(9.2.8.4) Primary reason for comparison with previous reporting year

Select from:

☑ Unknown

(9.2.8.5) Please explain

This does not include water recharged to aquifers in Arizona.

Third-party destinations

(9.2.8.1) Relevance

Select from:
☑ Relevant

(9.2.8.2) Volume (megaliters/year)

1174.19

(9.2.8.3) Comparison with previous reporting year

Select from:
☑ Higher

(9.2.8.4) Primary reason for comparison with previous reporting year

Select from:
☑ Unknown

(9.2.8.5) Please explain

n/a
[Fixed row]

(9.2.10) Provide details of your organization’s emissions of nitrates, phosphates, pesticides, and other priority substances to water in the reporting year.

(9.2.10.1) Emissions to water in the reporting year (metric tons)

0

(9.2.10.2) Categories of substances included

Select all that apply

☑ Nitrates

☑ Pesticides

☑ Priority substances listed under the EU Water Framework Directive

(9.2.10.3) List the specific substances included

Cadmium, Lead, Mercury, Nickel, Dichloromethane, and Hexachlorobenzene

(9.2.10.4) Please explain

We have an ongoing monitoring program at our Palm Valley facility for various parameters including nitrates, pesticides, and some priority substances listed under the EU Water Framework Directive. However, we were not able to convert our lab analysis results to metric tonnes for disclosure purposes.
[Fixed row]

(9.3) In your direct operations and upstream value chain, what is the number of facilities where you have identified substantive water-related dependencies, impacts, risks, and opportunities?

	Identification of facilities in the value chain stage	Please explain
Direct operations	*Select from:*	*At the current time, we have not done a thorough assessment associated with substantive water-related dependencies, impacts, risks, and opportunities.*

	Identification of facilities in the value chain stage	Please explain
	☑ No, we have not assessed this value chain stage for facilities with water-related dependencies, impacts, risks, and opportunities, and are not planning to do so in the next 2 years	
Upstream value chain	*Select from:* ☑ No, we have not assessed this value chain stage for facilities with water-related dependencies, impacts, risks, and opportunities, and are not planning to do so in the next 2 years	*At the current time, we have not done a thorough assessment associated with substantive water-related dependencies, impacts, risks, and opportunities.*

[Fixed row]

(9.5) Provide a figure for your organization's total water withdrawal efficiency.

	Revenue (currency)	Total water withdrawal efficiency	Anticipated forward trend
	2698000000	*13003.62*	*Outstanding due to ongoing analysis.*

[Fixed row]

(9.7) Do you calculate water intensity for your electricity generation activities?

Select from:
☑ Yes

(9.7.1) Provide the following intensity information associated with your electricity generation activities.

Row 1

(9.7.1.1) Water intensity value (m3/denominator)

0.61

(9.7.1.2) Numerator: water aspect

Select from:

☑ Freshwater withdrawals

(9.7.1.3) Denominator

Select from:

☑ MWh

(9.7.1.4) Comparison with previous reporting year

Select from:

☑ Lower

(9.7.1.5) Please explain

1) The intensity value (0.61 m3/MWh) was calculated by dividing volume of water consumed by power generation assets by quantity of electricity generated. 2) 2022 intensity has been recalculated to be 0.68 m3/MWh. 3) At AQN, we are expanding our generation capacity with renewables, which require much less water usage per MWh of electricity generated. We anticipate that our overall water consumption intensity from power generation will be decreasing in the future.
[Add row]

(9.13) Do any of your products contain substances classified as hazardous by a regulatory authority?

(9.13.1) Products contain hazardous substances

Select from:

☑ No

(9.13.2) Comment

To mitigate the potential impact of chemical substances from our thermal facilities on water quality, regulatory agencies impose strict environmental regulations and permit requirements. Our facilities are required to implement appropriate treatment processes, monitor and manage chemical usage, and have emergency response plans in place to address any potential releases or spills.
[Fixed row]

(9.14) Do you classify any of your current products and/or services as low water impact?

(9.14.1) Products and/or services classified as low water impact

Select from:
☑ Yes

(9.14.2) Definition used to classify low water impact

At AQN, we generate renewable electricity from wind and solar which requires minimal application of water and hence have much lower water impact compared to traditional power generation from fossil fuel combustion.

(9.14.4) Please explain

We are continuously growing our renewable power generation capacity. As of December 31, 2023, 68% of our total installed generation capacity was from renewables.
[Fixed row]

(9.15) Do you have any water-related targets?

Select from:
☑ Yes

(9.15.1) Indicate whether you have targets relating to water pollution, water withdrawals, WASH, or other water-related categories.

Water pollution

(9.15.1.1) Target set in this category

Select from:

☑ No, and we do not plan to within the next two years

(9.15.1.2) Please explain

We are currently considering an enterprise-wide water assessment. Once completed, we expect to further examine water related targets. However, all locations within our company have established spill response protocols to prevent instances of water pollution.

Water withdrawals

(9.15.1.1) Target set in this category

Select from:

☑ Yes

Water, Sanitation, and Hygiene (WASH) services

(9.15.1.1) Target set in this category

Select from:

☑ No, and we do not plan to within the next two years

(9.15.1.2) Please explain

We are currently considering an enterprise-wide water assessment. Once completed, we expect to further examine water related targets. Currently WASH stations have been placed for use where required.

Other

(9.15.1.1) Target set in this category

Select from:
☑ Yes
[Fixed row]

(9.15.2) Provide details of your water-related targets and the progress made.

Row 1

(9.15.2.1) Target reference number

Select from:
☑ Target 1

(9.15.2.2) Target coverage

Select from:
☑ Business division

(9.15.2.3) Category of target & Quantitative metric

Water use efficiency
☑ Reduction of water withdrawals from groundwater

(9.15.2.4) Date target was set

01/01/2023

(9.15.2.5) End date of base year

12/31/1999

(9.15.2.6) Base year figure

30

(9.15.2.7) End date of target year

12/31/2023

(9.15.2.8) Target year figure

32

(9.15.2.9) Reporting year figure

77

(9.15.2.10) Target status in reporting year

Select from:

☑ Achieved

(9.15.2.11) % of target achieved relative to base year

2350

(9.15.2.12) Global environmental treaties/initiatives/ frameworks aligned with or supported by this target

Select all that apply

☑ Sustainable Development Goal 6

(9.15.2.13) Explain target coverage and identify any exclusions

Our water utilities in Arizona follows regulatory standards for implementing a certain number of water efficient best management practices (BMPs) implemented for each location. The minimum number of BMPs required for our five locations in Arizona (e.g., Beardsley, Cordes Lakes, Litchfield Park, Rio Rico, and Sierra Vista) is 32. We have implemented 77 BMPs by the end of 2023.

(9.15.2.15) Actions which contributed most to achieving or maintaining this target

AQN implements a diverse range of water efficiency programs that reduces water withdrawals from groundwater including programs to reduce water waste in our system and assisting customers to reduce their water use indoors and outdoors.

(9.15.2.16) Further details of target

The target year figure changed as the regulations for number of best management practices increased with the state's implementation of the 4th Active Management Area Plan, effective January 1, 2023.
[Add row]

C11. Environmental performance - Biodiversity

(11.2) What actions has your organization taken in the reporting year to progress your biodiversity-related commitments?

(11.2.1) Actions taken in the reporting period to progress your biodiversity-related commitments

Select from:

☑ Yes, we are taking actions to progress our biodiversity-related commitments

(11.2.2) Type of action taken to progress biodiversity- related commitments

Select all that apply

☑ Land/water protection

☑ Species management

☑ Education & awareness

☑ Other, please specify **:**Vegetation Management and Global Reporting Initiatives (GRI) alignment.

[Fixed row]

(11.3) Does your organization use biodiversity indicators to monitor performance across its activities?

	Does your organization use indicators to monitor biodiversity performance?	Indicators used to monitor biodiversity performance
	Select from: ☑ Yes, we use indicators	*Select all that apply* ☑ Response indicators

[Fixed row]

(11.4) Does your organization have activities located in or near to areas important for biodiversity in the reporting year?

	Indicate whether any of your organization's activities are located in or near to this type of area important for biodiversity	Comment
Legally protected areas	*Select from:* ☑ Not assessed	*We have not assessed activities located in or near to areas important for biodiversity.*
UNESCO World Heritage sites	*Select from:* ☑ Not assessed	*We have not assessed activities located in or near to areas important for biodiversity.*
UNESCO Man and the Biosphere Reserves	*Select from:* ☑ Not assessed	*We have not assessed activities located in or near to areas important for biodiversity.*
Ramsar sites	*Select from:* ☑ Not assessed	*We have not assessed activities located in or near to areas important for biodiversity.*
Key Biodiversity Areas	*Select from:* ☑ Not assessed	*We have not assessed activities located in or near to areas important for biodiversity.*
Other areas important for biodiversity	*Select from:* ☑ Not assessed	*We have not assessed activities located in or near to areas important for biodiversity.*

[Fixed row]

C13. Further information & sign off

(13.1) Indicate if any environmental information included in your CDP response (not already reported in 7.9.1/2/3, 8.9.1/2/3/4, and 9.3.2) is verified and/or assured by a third party?

(13.1.1) Other environmental information included in your CDP response is verified and/or assured by a third party

Select from:

☑ No, and we do not plan to obtain third-party verification/assurance of other environmental information in our CDP response within the next two years

(13.1.2) Primary reason why other environmental information included in your CDP response is not verified and/or assured by a third party

Select from:

☑ No standardized procedure

(13.1.3) Explain why other environmental information included in your CDP response is not verified and/or assured by a third party

We have not verified other environmental metrics due to the lack of standardized procedure and that this it not a strategic priority for the company at the moment. [Fixed row]

(13.2) Use this field to provide any additional information or context that you feel is relevant to your organization's response. Please note that this field is optional and is not scored.

(13.2.1) Additional information

Cautionary Note Regarding Forward-Looking Statements: Certain statements in this Questionnaire constitute "forward-looking information" within the meaning of applicable securities laws in each of the provinces and territories of Canada and the respective policies, regulations and rules under such laws and "forward-looking statements" within the meaning of the U.S. Private Securities Litigation Reform Act of 1995 (collectively, "forward-looking statements"). The words “will”, “believes”, “expects”, “may”, “might”, “intends”, “aims”, “anticipates”, “targets”, “budget”, “estimates”, “forecasts”, “plans”, “projects”, “schedule”, “could”, “will”, “would”, “seeks”,

“strives” (and grammatical variations of such terms) and similar expressions often identify forward-looking statements, although not all forward-looking statements contain these identifying words. Specific forward-looking statements in this Questionnaire include, but are not limited to: expectations regarding earnings; expected future growth; AQN’s operations; potential climate-related risks and opportunities, the impacts thereof to AQN, and the integration thereof into AQN’s strategic and business plans and enterprise risk management framework; current and planned capital expenditures; current and planned ESG, sustainability and/or decarbonization strategy, plans, practices, initiatives, targets and goals (including AQN’s expectations with respect thereto, progress thereof and its ability to achieve these plans, initiatives, targets and goals); AQN’s suppliers and supply chains; customer savings; management and governance processes; current and planned products, programs and services and the expected costs, benefits, success and adoption thereof; research and development, technologies and impacts thereof; ongoing and planned projects; potential future acquisitions and “greening the fleet” initiatives; regulatory policy initiatives; recovery of costs; executive compensation, including practices, goals and targets relating thereto; the transition to a low carbon economy; the effectiveness of AQN’s risk management; plans to collect, publish or provide information, including disclosure that aligns with TCFD recommendations; climate related-scenario analysis, including future plans to conduct climate-related scenario analysis; and the expected timing of publishing AQN’s 2023 ESG Report. Since forward-looking statements relate to future events and conditions, they rely upon assumptions and involve inherent risks and uncertainties. These statements are based on factors or assumptions that were applied in drawing a conclusion or making a forecast or projection, including assumptions based on historical trends, current conditions and expected future developments. AQN cautions that although it is believed that the assumptions are reasonable in the circumstances, these risks and uncertainties give rise to the possibility that actual results may differ materially from the expectations set out in the forward-looking statements. Material risk factors and assumptions include those set out in AQN's Management Discussion & Analysis and Annual Information Form for the year ended December 31, 2023, and in AQN's Management Discussion & Analysis for the three months ended March 31, 2023, each of which is available on SEDAR (at www.sedarplus.com) and EDGAR (at www.sec.gov/edgar). Given these risks, undue reliance should not be placed on these forward-looking statements, which apply only as of their dates. Other than as specifically required by law, AQN undertakes no obligation to update any forward-looking statements to reflect new information, subsequent or otherwise.

(13.2.2) Attachment (optional)

AQN-GHG-Verification-Report-2023.pdf
[Fixed row]

(13.3) Provide the following information for the person that has signed off (approved) your CDP response.

(13.3.1) Job title

President and CEO

(13.3.2) Corresponding job category

Select from:
☑ Chief Executive Officer (CEO)

[Fixed row]

(13.4) Please indicate your consent for CDP to share contact details with the Pacific Institute to support content for its Water Action Hub website.

Select from:
☑ No