

**Subject: Hydro Ottawa Holding Inc. (d/b/a Hydro Ottawa Group) –  
2024 Annual Report**

**File Number: ACS2025-OCC-HOH-0001**

**Report to the Shareholder of Hydro Ottawa Holding Inc. and Council on  
June 25, 2025**

**Submitted on June 18, 2025**

**Submitted by Bryce Conrad, President and Chief Executive Officer,  
Hydro Ottawa Holding Inc.**

**Contact Person: Bryce Conrad, President and Chief Executive Officer,  
Hydro Ottawa Holding Inc.**

***(613) 738-5499 x3933, BryceConrad@hydroottawa.com***

**Ward: Citywide**

**Objet : Société de portefeuille d'Hydro Ottawa inc. (faisant affaire sous le nom de  
Groupe Hydro Ottawa) – Rapport annuel 2024**

**Numéro de dossier : ACS2025-OCC-HOH-0001**

**Rapport à l'actionnaire de la Société de portefeuille d'Hydro Ottawa inc.  
et au Conseil municipal le 25 juin 2025**

**Soumis le 18 juin 2025 par Bryce Conrad, président et chef de la direction de la  
Société de portefeuille d'Hydro Ottawa inc.**

**Personne ressource : Bryce Conrad, président et chef de la direction de la  
Société de portefeuille d'Hydro Ottawa inc.**

***613 738-5499, poste 3933 – BryceConrad@hydroottawa.com***

**Quartier : À l'échelle de la Ville**

## **REPORT RECOMMENDATIONS**

**That Council:**

- 1. Receive the Audited Consolidated Financial Statements of Hydro Ottawa Holding Inc. for the year ended December 31, 2024 as set out in the Annual Report at Document 1 (issued separately and on file with the City Clerk);**
- 2. Appoint KPMG LLP as the auditor for Hydro Ottawa Holding Inc. for the year ending December 31, 2025;**
- 3. Approve the recommendation of the Nominating Committee of the Board of Directors of Hydro Ottawa Holding Inc., specifically, that Council appoint the persons identified at Document 2 (immediately follows the report) to serve as members of the Board of Hydro Ottawa Holding Inc. for the corresponding terms as specified;**
- 4. Authorize the Mayor and the City Clerk to sign a written resolution on behalf of the City of Ottawa as shareholder of Hydro Ottawa Holding Inc. setting out the resolutions approved by City Council.**

## **RECOMMANDATIONS DU RAPPORT**

**Que le Conseil municipal :**

- 1. reçoive les états financiers consolidés audités de la Société de portefeuille d'Hydro Ottawa inc. pour l'exercice clos le 31 décembre 2024, qui sont présentés dans son Rapport annuel, soit le document n° 1 (publié séparément et déposé auprès de la greffière municipale) ;**
- 2. nomme KPMG s.r.l. / S.E.N.C.R.L. comme auditeur de la Société de portefeuille d'Hydro Ottawa inc. pour l'exercice qui prendra fin le 31 décembre 2025 ;**
- 3. approuve la recommandation formulée par le Comité de nomination des membres du conseil d'administration de la Société de portefeuille d'Hydro Ottawa inc., plus précisément que le Conseil municipal nomme les personnes mentionnées dans le document n° 2 (qui suit le présent rapport), afin qu'elles siègent au conseil d'administration de la Société de portefeuille d'Hydro Ottawa inc. pour un mandat de la durée précisée ; et**

4. autorise le maire et la greffière municipale à signer au nom de la Ville d'Ottawa, en sa qualité d'actionnaire de la Société de portefeuille d'Hydro Ottawa inc., une résolution écrite énonçant les résolutions approuvées par le Conseil municipal.

## EXECUTIVE SUMMARY

### Assumption and Analysis

Hydro Ottawa Holding Inc. (HOHI or “the corporation”) was created as a result of the *Electricity Act, 1998* (Ontario), which required all hydro utilities to operate as business corporations.<sup>1</sup> Under this structure, Hydro Ottawa Holding Inc. is a for-profit company that continues to be wholly owned by the City of Ottawa, and is governed by an independent Board of Directors appointed by its shareholder.

#### Recommendation 1

##### Receive the Financial Statements

Under the Ontario *Business Corporations Act* and the terms of the Shareholder Declaration issued by the City of Ottawa, Hydro Ottawa Holding Inc. is required to place before its shareholder, the City of Ottawa, annual financial statements relating to the corporation. Council is requested to receive the Audited Consolidated Financial Statements of Hydro Ottawa Holding Inc. for the year ended December 31, 2024 as set out in the Annual Report at Document 1.

#### Recommendation 2

##### Appoint an Auditor for the Corporation

Pursuant to Section 149 of the Ontario *Business Corporations Act*, the shareholder is also required to appoint an auditor for the corporation. Council is requested to appoint KPMG LLP (KPMG) as the auditor of Hydro Ottawa Holding Inc. for the year ending December 31, 2025.

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<sup>1</sup> The corporation is legally incorporated under the name “Hydro Ottawa Holding Inc.” As of June 2025, the corporation is operating under the brand “Hydro Ottawa Group.” Seeing as the recommendations set forth in this Report to Council involve formal obligations under the Ontario *Business Corporations Act*, such as the appointments of an external auditor and members of the Board of Directors, the corporation’s legal name—Hydro Ottawa Holding Inc.—is used throughout.

### Recommendation 3

#### Appoint Board Directors

The Shareholder Declaration for Hydro Ottawa Holding Inc. requires that members of the Board of Directors for HOHI be appointed by the City of Ottawa. Council is requested to appoint the persons identified at Document 2 to serve on the HOHI Board for the corresponding terms as specified.

### Recommendation 4

#### Authorize the Mayor and the City Clerk to sign a Written Resolution

Consistent with the requirements of the Ontario *Business Corporations Act*, which requires that matters to be dealt with at the annual general meeting be approved through passage of an ordinary resolution, Council is requested to authorize the Mayor and the City Clerk to sign a written resolution on behalf of the City of Ottawa as shareholder of Hydro Ottawa Holding Inc. setting out the resolutions approved by City Council.

### **Financial Implications**

#### Recommendation 1

In accordance with the Council-approved dividend policy, Hydro Ottawa Holding Inc. will deliver a dividend of \$22.3 million to the City of Ottawa in 2025 (based on 2024 results), bringing cumulative dividends paid to over \$391 million since 2005.

### **Public Consultation / Input**

Notice of this meeting will be posted on the City's website as per Section 36 of the City's Procedure By-law.

### **SOMMAIRE**

#### **Hypothèse et analyse**

La Société de portefeuille d'Hydro Ottawa inc. (« la Société ») a été créée par suite de l'adoption de la *Loi de 1998 sur l'électricité* de l'Ontario, qui oblige toutes les

compagnies d'électricité à exercer leurs activités en tant que sociétés par actions.<sup>2</sup> Selon cette structure, la Société de portefeuille d'Hydro Ottawa inc. est une entreprise à but lucratif demeurant la propriété exclusive de la Ville d'Ottawa et elle est régie par un conseil d'administration indépendant dont les membres sont nommés par son actionnaire.

#### Recommandation n° 1

##### Recevoir les états financiers

En vertu de la *Loi sur les sociétés par actions* de l'Ontario et des dispositions de la *Déclaration de l'actionnaire* émise par la Ville d'Ottawa, la Société doit présenter à son actionnaire, la Ville d'Ottawa, ses états financiers annuels. Le Conseil municipal est prié de recevoir les états financiers consolidés audités de la Société de portefeuille d'Hydro Ottawa inc. pour l'exercice clos le 31 décembre 2024 présentés dans son Rapport annuel, soit le document n° 1.

#### Recommandation n° 2

##### Nommer un auditeur pour la Société

En vertu de l'article 149 de la *Loi sur les sociétés par actions* de l'Ontario, l'actionnaire est également tenu de nommer un auditeur pour la Société. Le Conseil municipal est prié de nommer KPMG s.r.l. / S.E.N.C.R.L. comme auditeur de la Société de portefeuille d'Hydro Ottawa inc. pour l'exercice qui prendra fin le 31 décembre 2025.

#### Recommandation n° 3

##### Nommer les membres du conseil d'administration

En vertu de la *Déclaration de l'actionnaire* pour la Société de portefeuille d'Hydro Ottawa inc., les membres du conseil d'administration de la Société doivent être nommés par la Ville d'Ottawa. Le Conseil municipal est prié de nommer les personnes mentionnées dans le document n° 2 afin qu'elles siègent au conseil d'administration de la Société pour un mandat de la durée précisée.

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<sup>2</sup> La Société est légalement constituée en personne morale sous la dénomination « Société de portefeuille d'Hydro Ottawa inc. ». Depuis juin 2025, elle exerce ses activités sous le nom de « Groupe Hydro Ottawa ». Étant donné que les recommandations formulées dans le présent rapport au Conseil municipal entraînent des obligations officielles en vertu de la *Loi sur les sociétés par actions* de l'Ontario, comme la nomination d'un auditeur externe et des membres du conseil d'administration, le nom légal de la Société – Société de portefeuille d'Hydro Ottawa inc. – est utilisé tout au long du présent document.

## Recommandation n° 4

### Autoriser le maire et la greffière municipale à signer une déclaration écrite

Conformément aux exigences de la *Loi sur les sociétés par actions* de l'Ontario, qui précise que les questions devant être traitées à l'assemblée générale annuelle doivent faire l'objet d'une résolution ordinaire, le Conseil municipal est prié d'autoriser le maire et la greffière municipale à signer au nom de la Ville d'Ottawa, en sa qualité d'actionnaire de la Société de portefeuille d'Hydro Ottawa inc., une résolution écrite énonçant les résolutions approuvées par le Conseil municipal.

## **Incidence financière**

### Recommandation n° 1

Conformément à la politique sur les dividendes approuvée par le Conseil municipal, la Société versera à la Ville d'Ottawa des dividendes de 22,3 millions de dollars en 2025 (en fonction des résultats de 2024). Ce montant porte à plus de 391 millions les dividendes cumulatifs versés depuis 2005.

## **Consultation publique – rétroaction**

L'avis de convocation à l'assemblée générale annuelle sera publié sur le site Web de la Ville conformément à l'article 36 de son Règlement de procédure.

## **BACKGROUND**

Hydro Ottawa Holding Inc. was created as a result of the *Electricity Act, 1998* (Ontario), which required all hydro utilities to operate as business corporations. Under this structure, Hydro Ottawa Holding Inc. is a for-profit company that continues to be wholly owned by the City of Ottawa, and is governed by an independent Board of Directors appointed by its shareholder.

## **DISCUSSION**

### **Recommendation 1**

#### **Receive the Financial Statements**

Under the Ontario *Business Corporations Act* and the terms of the Shareholder Declaration issued by the City of Ottawa, Hydro Ottawa Holding Inc. is required to place before its shareholder, the City of Ottawa, annual financial statements relating to the corporation.

The 2024 audited financial statements consolidate financial information relating to Hydro Ottawa Holding Inc. and its subsidiaries. These financial statements were approved by the Board of Directors of Hydro Ottawa Holding Inc. at its meeting on April 24, 2025. KPMG, the corporation's independent external auditor, has provided an unqualified opinion on the corporation's consolidated financial statements. KPMG's opinion states *"the accompanying financial statements present fairly, in all material respects, the consolidated financial position of [Hydro Ottawa Holding Inc.] as at end of December 31, 2024, and its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with International Financial Reporting Standards as issued by the International Accounting Standards Board."*

2024 marked the fourth year of performance under the company's 2021-2025 Strategic Direction. Following two exceptionally challenging years in 2022 and 2023, 2024 marked a return to strong operational and financial results. Our core business lines performed well, we made critical investments in our infrastructure, and we advanced numerous partnerships and projects which are helping to transition the community towards more sustainable energy solutions.

With respect to key financial metrics for 2024, our consolidated net income was \$42.1 million, which fell short of our Strategic Direction target of \$53 million. We delivered a consolidated return on equity of 7.8% and in accordance with the Council-approved dividend policy, our 2024 performance has yielded a \$22.3 million dividend payable to our shareholder, the City of Ottawa. This will bring cumulative dividends paid to over \$391 million since 2005.

As of October 2024, a new corporate structure was put in place. New holding companies were situated beneath the parent company (HOHI) and responsibility for debt issuance was transferred to one of these new entities. This action provided an immediate benefit to our credit rating and will increase our financial capacity, positioning us for long-term growth and earnings.

Major highlights from 2024 include the following:

- Delivering the highest-ever capital investment in our grid, with \$89.1 million directed to replacing aging infrastructure and adding system capacity, and another \$68.5 million to connecting over 6,000 new customers and supporting municipal infrastructure projects;
- Installing the first tranche of electric vehicle (EV) charging infrastructure to support the City of Ottawa's transition to a fully electrified bus fleet;
- Producing a record level of renewable energy across our 36 generating stations;

- Launching the Ottawa Retrofit Accelerator program to administer \$10 million in Federal funding to help building owners reduce their emissions and lower energy costs;
- Enabling the installation of over 440 EV chargers across the region;
- Completing the technical designs of an innovative wastewater heat recovery system which is set to provide sustainable, energy-efficient heating and cooling for a mixed-use development at LeBreton Flats; and
- Supporting our community through nearly \$370,000 in charitable fundraising and local sponsorships.

Details on Hydro Ottawa's financial results and business achievements in 2024 are documented in the corporation's Annual Report, which has been issued as Document 1 to this submission.

## **Recommendation 2**

### **Appoint an Auditor for the Corporation**

Pursuant to Section 149 of the Ontario *Business Corporations Act*, the shareholder is required to appoint an auditor for the corporation.

Most recently, financial statement audit services for Hydro Ottawa Holding Inc. have been provided by the firm KPMG. The firm's services were first retained for 2016 year-end under a multi-year engagement, following a request for proposals (RFP) and three-stage evaluation process overseen by a Selection Committee headed by the Chair of the Audit Committee. In recent years, various operational circumstances and constraints—including the impacts of the COVID-19 pandemic, the 2023 labour strike, and workloads associated with corporate restructuring and the 2026-2030 rate application—have induced the HOHI Board to extend the engagement with KPMG. The current engagement is set to expire on June 30, 2025, with the Board having approved a subsequent three-year term, commencing July 1, 2025 and ending June 30, 2028. The Board and management continue to be satisfied with the firm's expertise and service quality.

Under this extended agreement, the appointment of the auditor for 2025 year-end remains subject to Council approval.

Council is therefore now being requested to approve the first year of the extended engagement appointing KPMG as the auditor of Hydro Ottawa Holding Inc. and all wholly-owned subsidiaries for the year ending December 31, 2025.



## **Recommendation 3**

### **Appoint Board Directors**

The Shareholder Declaration for HOHI requires that members of the Board of Directors for HOHI (with the exception of the President and Chief Executive Officer) be appointed by the City of Ottawa. The City considers candidates recommended by the Nominating Committee of the HOHI Board, but is not obliged to select these candidates.

#### *Current Board Vacancies*

The term of one director of the HOHI Board is expiring on June 30, 2025 (see Document 3 for current members of the Boards). This member has served effectively on the Board of Directors and has contributed to the continued success of the company. The director has only served one term and has expressed an interest in continuing to serve for another term. In addition, the recent resignations of two Board members have created vacancies on the Board which require filling.

As explained below, the Nominating Committee is recommending a mix of appointments to ensure the HOHI Board maintains a full range of skills and expertise and is able to effectively meet the governance needs of the corporation consistent with its strategic objectives.

#### *Nominating Committee Recommendation – Appointment of Directors*

As per the selection process set out in the Shareholder Declaration for HOHI, the Governance and Management Resources Committee (GMRC) of the Board of HOHI has reviewed the Board competency profile and the gaps that term expirations in 2025 would create in terms of breadth and depth of experience, knowledge and expertise. Among the priorities identified were the need for diversity, engineering expertise and energy industry expertise.

Based on the results of the GMRC's review, the Nominating Committee is recommending the reappointment of one existing HOHI Board member and the appointment of two new members, for terms as set out in Document 2.

The profiles of the recommended candidates are on file with the City Clerk for consultation by the Mayor and Members of Council. Updated profiles of all current members of the HOHI Board are posted on the company's website at [hydroottawagroup.com](http://hydroottawagroup.com).

### *Composition of the Nominating Committee*

The Nominating Committee of HOHI is comprised of the Board Chair, Bernie Ashe, the Mayor, Mark Sutcliffe, and the two members of the Council of the City of Ottawa who are directors of the Board of HOHI (Councillors Laura Dudas and Allan Hubley). The terms of reference for the Nominating Committee can be found in the charter attached at Document 4.

### *HOHI Shareholder Declaration Criteria and Process for Selection of Directors*

In arriving at its recommendation, the Nominating Committee gave due regard to the requirements for the composition of the HOHI Board of Directors, the selection criteria set out in the Shareholder Declaration (attached at Document 5), as well as recruiting priorities identified through a board profile review conducted late last year to assess current board capacity versus the current and future governance needs of the corporation consistent with its strategic objectives.

## **Recommendation 4**

### **Authorize the Mayor and City Clerk to Sign a Written Resolution**

Consistent with the requirements of the Ontario *Business Corporations Act*, which requires that matters to be dealt with at the annual general meeting be approved through passage of an ordinary resolution, Council is requested to authorize the Mayor and the City Clerk to sign a written resolution on behalf of the City of Ottawa as shareholder of Hydro Ottawa Holding Inc. setting out the resolutions approved by City Council.

## **FINANCIAL IMPLICATIONS**

### Recommendation 1

In accordance with the Council-approved dividend policy, Hydro Ottawa Holding Inc. has declared and will deliver a dividend of \$22.3 million to the City of Ottawa in 2025 (based on 2024 results).

**LEGAL IMPLICATIONS**

There are no legal impediments to implementing the recommendations of this report.

**COMMENTS BY THE WARD COUNCILLOR(S)**

This item is city-wide.

**ADVISORY COMMITTEE(S) COMMENTS**

This section is not applicable to this report.

**CONSULTATION**

Notice of this meeting will be posted on the City's website as per Section 36 of the City's Procedure By-law.

**ACCESSIBILITY IMPACTS**

This section is not applicable to this report.

**ASSET MANAGEMENT IMPLICATIONS**

This section is not applicable to this report.

**CLIMATE IMPLICATIONS**

This section is not applicable to this report.

**DELEGATION OF AUTHORITY IMPLICATIONS**

This section is not applicable to this report.

**ECONOMIC IMPLICATIONS**

This section is not applicable to this report.

**ENVIRONMENTAL IMPLICATIONS**

This section is not applicable to this report.

**INDIGENOUS, GENDER AND EQUITY IMPLICATIONS**

This section is not applicable to this report.

**RISK MANAGEMENT IMPLICATIONS**

This section is not applicable to this report.

**RURAL IMPLICATIONS**

This section is not applicable to this report.

**TECHNOLOGY IMPLICATIONS**

This section is not applicable to this report.

**TERM OF COUNCIL PRIORITIES**

This section is not applicable to this report.

**SUPPORTING DOCUMENTATION**

Document 1: 2024 Annual Report (including Audited Consolidated Financial Statements) of Hydro Ottawa Holding Inc. (issued separately and on file with the City Clerk)

Document 2: Recommended Appointments and Reappointment to the Hydro Ottawa Holding Inc. Board of Directors and Corresponding Terms (immediately follows the report)

Document 3: Current Members of the Boards of Directors (immediately follows the report)

Document 4: Nominating Committee Charter (immediately follows the report)

Document 5: HOHI Shareholder Declaration Criteria for Selection of Directors (immediately follows the report)

**DISPOSITION**

The City Clerk to advise Hydro Ottawa Holding Inc. of the outcome of the City Council meeting.

**Document 1**

2024 Annual Report (including Audited Consolidated Financial Statements)  
of Hydro Ottawa Holding Inc.

Issued separately

**Document 2**

Recommended Appointments and Reappointment to the  
Hydro Ottawa Holding Inc. Board of Directors and Corresponding Terms

<b>Name</b>	<b>Board</b>	<b>Term</b>	<b>Effective Date</b>	<b>End of Term</b>
Catherine Clark	Hydro Ottawa Holding Inc.	Reappointment for 3 years	July 1, 2025	June 30, 2028
Brian Doxtator	Hydro Ottawa Holding Inc.	Appointment for 3 years	July 1, 2025	June 30, 2028
Melissa Kruyne	Hydro Ottawa Holding Inc.	Appointment for 3 years	July 1, 2025	June 30, 2028

**Document 3**Current Members of the Boards of DirectorsHydro Ottawa Holding Inc.

<b>Name</b>	<b>Member of the Board Since</b>	<b>End of Term</b>
Bernie Ashe (Chair)	July 1, 2022 Chair since October 26, 2023	June 30, 2027
Catherine Clark	July 1, 2022	June 30, 2025
Bryce Conrad	August 15, 2011	Ex officio
Matt Davies	July 1, 2018	June 30, 2027
Councillor Laura Dudas	December 14, 2022	November 30, 2026 (serves while in office)
Jacqueline Gauthier	July 1, 2020	June 30, 2026
Councillor Allan Hubley	January 29, 2025	November 30, 2026 (serves while in office)
Paul McCarney	July 1, 2020	June 30, 2026
Madeleine Meilleur	October 26, 2023	June 30, 2026
Lynn Norton	October 26, 2023	June 30, 2026

Hydro Ottawa Limited

<b>Name</b>	<b>Member of the Board Since</b>	<b>End of Term</b>
Bernie Ashe (Chair)	Chair since October 26, 2023	June 30, 2027
Bryce Conrad	August 15, 2011	Ex officio
Laurie Heuff	January 24, 2025	Serves while in position

## Document 4

### **HYDRO OTTAWA HOLDING INC.**

#### **Nominating Committee Charter**

## **1. Definitions**

In this Charter the following terms will have the meanings set forth below:

**“Board”** means the board of directors of Hydro Ottawa Holding Inc.;

**“Board Diversity Policy”** means the Diversity Policy approved by the Hydro Ottawa Holding Inc. Board of Directors in its current version or as the same may from time to time be amended or replaced;

**“Charter”** means this Charter of the Nominating Committee of the board of directors of Hydro Ottawa Holding Inc. in its current version or as the same may from time to time be amended or replaced;

**“Committee”** means the Nominating Committee of the Hydro Ottawa Holding Inc. Board of Directors;

**“Corporation”** means Hydro Ottawa Holding Inc., a corporation existing under the Ontario *Business Corporations Act*;

**“Director(s)”** means a member of the board of directors of Hydro Ottawa Holding Inc.;

**“GMRC”** means the Governance and Management Resources Committee of the board of directors of Hydro Ottawa Holding Inc.;

**“Management”** means the President and Chief Executive Officer of Hydro Ottawa Holding Inc. and those reporting directly to the President and Chief Executive Officer of Hydro Ottawa Holding Inc., in addition to employees of Hydro Ottawa Holding Inc. in a supervisor, manager, director, and vice president level role;

**“Shareholder”** means the City of Ottawa; and

**“Shareholder Declaration”** means the unanimous shareholder agreement between Hydro Ottawa Holding Inc. and the City of Ottawa as now enacted or as the same may from time to time be amended or replaced.



## 2. Composition

- a) The Committee is a Board committee which shall be comprised of up to 4 members of which:
  - i. one (1) shall be the Mayor of the City of Ottawa;
  - ii. one (1) shall be the Board Chair as an *ex officio* voting member; and
  - iii. the remainder shall be the Directors that are also members of the Council of the City of Ottawa.
  
- b) The following skill set is encouraged in the selection of Committee members:
  - i. previous board experience;
  - ii. familiarity with the legal and regulatory requirements of directorships and executive human resources management;
  - iii. previous experience in the recruitment, selection, motivation, evaluation and leadership of directors and senior executives; and
  - iv. excellent interpersonal and conflict resolution skills.

It is not necessary for any one member of the Committee to possess all of the skill set items. However, it is preferable that each skill set item (and parts thereof) be present in the Committee's composition.

- c) The Chair of the Committee shall be the Chair of the Board.

## 3. Terms of Reference

- a) The purpose of the Committee is to identify and evaluate potential candidates for appointment as Directors to the Board.
- b) The Committee shall make recommendations to the Shareholder regarding the appointment of candidates as Directors.
- c) For the purpose of carrying out items (a) and (b) in this section, the Committee shall:
  - i. review with the Board, or the GMRC, the selection criteria for the appointment of directors to the Board and any suggested changes to the selection criteria set out in the Shareholder Declaration;
  - ii. receive from the Board, or the GMRC, any selection criteria for the appointment of Directors to the Board in addition to those set out in the Shareholder Declaration;
  - iii. develop processes to identify, evaluate and nominate potential candidates for appointment as Directors to the Board in accordance with the requirements of the Shareholder Declaration and the Board Diversity Policy;

- iv. have the authority to choose, in its sole discretion, such outside consultants to help the Committee identify candidates and to investigate their suitability for appointment as Directors, as per the requirements of the Shareholder Declaration and the Board Diversity Policy; and
- v. examine and report on any other matters necessary to meet the purposes of the Committee.

#### **4. Operating Principles**

The Committee shall fulfill its responsibilities within the context of the following principles:

a) Conduct

Committee members and nominees for appointment to the Board are expected to operate in compliance with the Corporation's Code of Business Conduct, any policies, applicable laws and regulations governing the Corporation.

b) Communications

The Committee Chair and members of the Committee expect to have direct, open and frank communications throughout the year with the Board, Management and other key Committee advisors as applicable.

c) Committee Expectations and Information Needs

The Committee shall communicate its expectations to the Board, Management and/or the GMRC with respect to the nature, timing and extent of its information needs. The Committee expects that all reasonably required and available information (including minutes) relating to each matter to be dealt with by the Committee at its meetings will be received from the Board, Management and/or the GMRC within a reasonable time frame in advance of each Committee meeting.

d) Reliance on Experts

In contributing to the Committee's discharging of its duties under this Charter, each member of the Committee shall be entitled to rely in good faith upon:

- i. the reports of the Corporation represented to him or her by the Board Chair, the Chair of the GMRC, an officer of the Corporation or in a written report of external advisors with respect to the recruitment and selection of Directors; and
- ii. any report of a lawyer, accountant, appraiser or other person whose profession lends credibility to a statement made by any such person.

e) In Camera Meetings

The members of the Committee shall meet in private session as part of each meeting, (i.e., without Management present). The Committee shall meet in private session as often as it deems necessary.

## **5. Operating Procedures**

- a) The Committee shall meet as circumstances dictate to carry out the responsibilities set out in this Charter. Meetings shall be held at the call of the Committee Chair or upon the request of two (2) members of the Committee;
- b) A quorum shall be a majority of the members;
- c) In the absence of the Committee Chair, the Committee members present shall appoint an acting chair;
- d) Committee meeting agendas shall be the responsibility of the Chair of the Committee in consultation with the Board Chair, Committee members and Management;
- e) To assist the Committee in discharging its responsibilities, the Committee may, after consultation with the Board Chair, retain at the expense of the Corporation, one or more persons having special expertise that will assist the Committee in discharging its responsibilities; and
- f) The Committee shall report to the Shareholder its recommendations for the appointment of Directors to the Board.

## **6. Limitations on the Committee's Responsibilities**

In contributing to the Committee's discharging of its responsibilities under this Charter, each member of the Committee shall be obliged only to exercise the care, diligence and skill that a reasonably prudent person would exercise in comparable circumstances. Nothing in this Charter is intended, or may be construed, to impose on any member of the Committee a standard of care or diligence that is in any way more onerous or extensive than the standard to which all Directors are subject. The essence of the Committee's responsibilities is to satisfy itself (but not to ensure) that the nominating policies, procedures and practices of the Corporation (i) are being conducted effectively and in compliance with all applicable laws, statutes and regulations; (ii) are reasonable and appropriate in the circumstances given the nature of the organization and its strategy; and (iii) are sufficiently and accurately reported upon to the Board.

Hydro Ottawa Holding Inc. Nominating Committee Charter History:

Approved by the Board of Directors: May 14, 2009

Revised: August 28, 2014

Revised: June 18, 2019

Revised: July 1, 2022

Revised: June 13, 2024

Revised: June 19, 2025

**Document 5**HOHI Shareholder Declaration Criteria for Selection of DirectorsSection 3.6 of Shareholder Declaration

- i. The process used by the Nominating Committee shall be designed to ensure that each Director satisfies the following criteria:
  - Demonstrates integrity and high ethical standards
  - Has career experience and expertise relevant to HOHI's business purposes, financial responsibilities and risk profile
  - Demonstrates an appreciation of the fiduciary duties of a Director
  - Demonstrates well-developed listening, communicating and influencing skills
  - Demonstrates an interest in and a commitment to devote the time necessary so that the individual Directors can actively participate in Board and Committee discussions and debate
  - Demonstrates an understanding of the role of Hydro Ottawa as a service to local ratepayers
  - Demonstrates an understanding of the role of Hydro Ottawa as an asset of taxpayers
  
- ii. The process used by the Nominating Committee shall be designed to maintain a Board having the following competencies among one or more directors:
  - Strong business background
  - Strong financial background including financial accreditation
  - Industry sector experience in the areas of business of the subsidiary companies
  - Strategic planning and corporate stewardship experience
  - Competitive business experience
  - An awareness of the needs of the Corporation's customers
  - Public or private marketing financing experience
  - Board experience