City of Hamilton

HAMILTON ENTERPRISES HOLDINGCORPORATION SHAREHOLDER AGENDA

Date: June 24, 2024

Time: Immediately following Hamilton Utilities Corporation Shareholder Meeting

Location: Council Chambers
Hamilton City Hall
71 Main Street West

Angela McRae, Legislative Coordinator (905) 546-2424 ext. 5987

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1. APPROVAL OF AGENDA

   (Added Items, if applicable, will be noted with *)

2. DECLARATIONS OF INTEREST

3. APPROVAL OF MINUTES OF PREVIOUS MEETING

   3.1 June 8, 2023

4. COMMUNICATIONS

   4.1 Correspondence from Hamilton Enterprises Holding Corporation, respecting Hamilton Enterprises Holding Corporation Executive Overview 2024

   Recommendation: Be received.

5. PRESENTATIONS

   5.1 Hamilton Enterprises Holding Corporation - Annual General Meeting 2024

6. SHAREHOLDER RESOLUTIONS

6.1 Shareholder Resolutions:

Audited Consolidated Financial Statements - Year Ended December 31, 2023;
Appointment and Remuneration of Auditor;
Directors of the Corporation

7. PRIVATE AND CONFIDENTIAL

8. ADJOURNMENT

HAMILTON ENTERPRISES HOLDING CORPORATION SHAREHOLDER ANNUAL GENERAL MEETING MINUTES 23-001

9:30 a.m.
June 8, 2023
Council Chambers, 2nd Floor
Hamilton City Hall
71 Main Street West, Hamilton, Ontario

Present: Mayor A. Horwath
Deputy Mayor C. Kroetsch (Chair)
Councillors C. Cassar, B. Clark, J. P. Danko, M. Francis, T. Hwang, T. Jackson, T. McMeekin, N. Nann, E. Pauls, M. Spadafora, M. Tadeson, A. Wilson, M. Wilson

Absent: Councillor J. Beattie – Personal

THE FOLLOWING ITEMS WERE REFERRED TO COUNCIL FOR CONSIDERATION:

1. Audited Consolidated Financial Statements of Hamilton Enterprises Holding Corporation - Year Ended December 31, 2022; Appointment and Remuneration of Auditor; Directors of the Corporation; Addition of Clarifying Language to USD (Item 6.1)

(Clark/Hwang)
WHEREAS the City of Hamilton is the sole shareholder of the Corporation (the “Sole Shareholder”);

NOW THEREFORE the Council of the City of Hamilton, acting in its capacity as representative of the Sole Shareholder, RESOLVES AS FOLLOWS:

(a) AUDITED CONSOLIDATED FINANCIAL STATEMENTS – YEAR ENDED DECEMBER 31, 2022

BE IT RESOLVED that the Audited Consolidated Financial Statements of the Corporation for the year ended December

31, 2022 (attached hereto as Appendix “A”), as approved by the Board of Directors of the Corporation, be received and approved by the Shareholder.

(b) APPOINTMENT AND REMUNERATION OF AUDITOR

BE IT RESOLVED that the present auditor of the Corporation, KPMG LLP, be appointed as the auditor of the Corporation for the 2023 fiscal year of the Corporation at a remuneration to be fixed by the Directors of the Corporation, the Directors of the Corporation being hereby authorized to fix such remuneration.

(c) DIRECTORS OF THE CORPORATION

WHEREAS it has heretofore been resolved that the Corporation shall have seven (7) Directors;

AND WHEREAS the Shareholder Direction and Unanimous Shareholder Declaration from the Sole Shareholder to the Corporation (the “USD”) states in Section 4.04(i) that the Mayor of the City of Hamilton (the “Mayor) shall serve as a Director of the Corporation unless the Mayor is also a Director of Alectra Inc., in which case the Council of the City of Hamilton (“Council”) shall select a member of Council to serve instead of the Mayor (the “Mayor’s Surrogate”);

AND WHEREAS the Mayor is a Director of Alectra Inc. and it is therefore desirable to elect a member of Council to serve as the Mayor’s Surrogate;

AND WHEREAS Tammy Hwang was selected by Council to serve as the Mayor’s Surrogate;

AND WHEREAS the term of Christa Wessel as a Private Director of the Corporation will expire on June 30, 2023;

AND WHEREAS it is desirable to elect Anna Ventresca as a Private Director of the Corporation for a one (1) year term commencing on July 1, 2023 and expiring on June 30, 2024 and the Nominating Committee of the Corporation has prepared a written recommendation in support of such action, attached hereto as Appendix “B” (“Recommendation A”);

AND WHEREAS the respective terms of Tony Thoma and Elizabeth DiDonato as Private Directors of the Corporation will expire on June 30, 2023 and it is desirable for both parties to continue as Private Directors of the Corporation for additional three (3) year terms expiring on June 30, 2026 and the Nominating Committee of the Corporation has prepared a written recommendation in support of such action, attached hereto as Appendix "C" ("Recommendation B");

BE IT RESOLVED:

(i) that Tammy Hwang, being a resident Canadian and having consented to act as the Mayor's Surrogate on the Board of Directors of the Corporation, is elected as a Director of the Corporation to serve as the Mayor's Surrogate;

(ii) that Recommendations A and B be and the same are hereby received by the Sole Shareholder;

(iii) that the recommendation in Recommendation A is hereby approved and Anna Ventresca, being a resident Canadian and having consented to act as a Private Director of the Corporation, is elected as a Private Director of the Corporation to hold office for a one (1) year term commencing on July 1, 2023 and expiring on June 30, 2024 and thereafter until their successor is duly elected or appointed;

(iv) that that the recommendations in Recommendation B are hereby approved and each of Tony Thoma and Elizabeth DiDonato, each being a resident Canadian and each having previously consented to act as a Private Director of the Corporation, is elected as a Private Director of the Corporation to hold office for an additional three (3) year term commencing on July 1, 2023, and expiring on June 30, 2026 and continuing thereafter until their successors are duly elected or appointed; and

(v) that the Sole Shareholder approves the preparation of all necessary documents and/or agreements to give effect to the foregoing and the Corporation's President (or designate) is hereby authorized and directed to execute, on behalf of the Corporation, all such necessary documents and/or agreements or to take any action deemed necessary in respect of any of the foregoing.

(d) ADDITION OF CLARIFYING LANGUGE TO USD

WHEREAS it is desirable for the Sole Shareholder to add certain clarifying language to the USD in relation to the re-appointment of incumbent Private Directors to the Board of Directors of the Corporation.

BE IT RESOLVED:

(i) that the following language is hereby added by the Sole Shareholder to the USD as a new paragraph to Section 4.09(iii):

"For greater certainty and notwithstanding anything to the contrary herein, on or about the conclusion of a Private Director's term the Nominating Committee of the Corporation may recommend to the Shareholder the re-appointment of an incumbent Private Director and the Shareholder may choose to re-appoint such Private Director for another term of up to three years."

(ii) that the Mayor and City Clerk are hereby authorized and directed to sign and/or dispatch and deliver all other agreements, documents, notices, articles and/or certificates to be signed and/or dispatched or delivered under or in connection with the USD or to take any action deemed necessary in respect of any of the foregoing.

Result: MOTION, CARRIED by a vote of 14 to 0, as follows:

Yes	-	Mayor Andrea Horwath	
Yes	-	Ward 1	Councillor Maureen Wilson
Yes	-	Ward 2	Councillor Cameron Kroetsch
Yes	-	Ward 3	Councillor Nrinder Nann
Yes	-	Ward 4	Councillor Tammy Hwang
Yes	-	Ward 5	Councillor Matt Francis
Yes	-	Ward 6	Councillor Tom Jackson
Yes	-	Ward 7	Councillor Esther Pauls
Yes	-	Ward 8	Councillor J. P. Danko
Yes	-	Ward 9	Councillor Brad Clark
Absent	-	Ward 10	Councillor Jeff Beattie
Yes	-	Ward 11	Councillor Mark Tadeson
Yes	-	Ward 12	Councillor Craig Cassar
Yes	-	Ward 13	Councillor Alex Wilson
Absent	-	Ward 14	Councillor Mike Spadafora
Yes	-	Ward 15	Councillor Ted McMeekin

FOR INFORMATION:

(a) CHANGES TO THE AGENDA (Item 1)

The Committee Clerk advised that there were no changes to the agenda:

(Hwang/Cassar)
That the agenda for the June 8, 2023 Hamilton Enterprises Holding Corporation Annual General Meeting, be approved, as presented.

Result: MOTION, CARRIED by a vote of 13 to 0, as follows:

Yes	-	Mayor Andrea Horwath	
Yes	-	Ward 1	Councillor Maureen Wilson
Yes	-	Ward 2	Councillor Cameron Kroetsch
Yes	-	Ward 3	Councillor Nrinder Nann
Yes	-	Ward 4	Councillor Tammy Hwang
Yes	-	Ward 5	Councillor Matt Francis
Yes	-	Ward 6	Councillor Tom Jackson
Yes	-	Ward 7	Councillor Esther Pauls
Absent	-	Ward 8	Councillor J. P. Danko
Yes	-	Ward 9	Councillor Brad Clark
Absent	-	Ward 10	Councillor Jeff Beattie
Absent	-	Ward 11	Councillor Mark Tadeson
Yes	-	Ward 12	Councillor Craig Cassar
Yes	-	Ward 13	Councillor Alex Wilson
Yes	-	Ward 14	Councillor Mike Spadafora
Yes	-	Ward 15	Councillor Ted McMeekin

(b) DECLARATIONS OF INTEREST (Item 2)

There were no declarations of interest.

(c) APPROVAL OF MINUTES OF PREVIOUS MEETING (Item 3)

(i) June 17, 2022 (Items 3.1)

(Nann/Hwang)
That the Minutes of the June 17, 2022 Hamilton Enterprises Holding Corporation Shareholder meeting, be approved, as presented.

Result: MOTION, CARRIED by a vote of 13 to 0, as follows:

Yes	-	Mayor Andrea Horwath	
Yes	-	Ward 1	Councillor Maureen Wilson
Yes	-	Ward 2	Councillor Cameron Kroetsch
Yes	-	Ward 3	Councillor Nrinder Nann
Yes	-	Ward 4	Councillor Tammy Hwang

Yes	-	Ward 5	Councillor Matt Francis
Yes	-	Ward 6	Councillor Tom Jackson
Yes	-	Ward 7	Councillor Esther Pauls
Absent	-	Ward 8	Councillor J. P. Danko
Yes	-	Ward 9	Councillor Brad Clark
Absent	-	Ward 10	Councillor Jeff Beattie
Absent	-	Ward 11	Councillor Mark Tadeson
Yes	-	Ward 12	Councillor Craig Cassar
Yes	-	Ward 13	Councillor Alex Wilson
Yes	-	Ward 14	Councillor Mike Spadafora
Yes	-	Ward 15	Councillor Ted McMeekin

(d) COMMUNICATIONS (Item 4)

(i) Correspondence from Hamilton Enterprises Holding Corporation, respecting Hamilton Enterprises Holding Corporation Executive Overview (Item 4.1)

(Cassar/Pauls)
That the correspondence, respecting Hamilton Enterprises Holding Corporation Executive Overview, be received.

Result: MOTION, CARRIED by a vote of 14 to 0, as follows:

Yes	-	Mayor Andrea Horwath	
Yes	-	Ward 1	Councillor Maureen Wilson
Yes	-	Ward 2	Councillor Cameron Kroetsch
Yes	-	Ward 3	Councillor Nrinder Nann
Yes	-	Ward 4	Councillor Tammy Hwang
Yes	-	Ward 5	Councillor Matt Francis
Yes	-	Ward 6	Councillor Tom Jackson
Yes	-	Ward 7	Councillor Esther Pauls
Yes	-	Ward 8	Councillor J. P. Danko
Yes	-	Ward 9	Councillor Brad Clark
Absent	-	Ward 10	Councillor Jeff Beattie
Absent	-	Ward 11	Councillor Mark Tadeson
Yes	-	Ward 12	Councillor Craig Cassar
Yes	-	Ward 13	Councillor Alex Wilson
Yes	-	Ward 14	Councillor Mike Spadafora
Yes	-	Ward 15	Councillor Ted McMeekin

(e) PRESENTATIONS (Item 6)

(i) 2023 Hamilton Enterprises Holding Corporation - Annual General Meeting (Item 5.1)

Laurie Tugman, Chairman of the Board, Hamilton Enterprises Holding Corporation; and, Jeff Cowan, President and CEO of Hamilton

Enterprises Holding Corporation, addressed Committee and provided a presentation respecting the Hamilton Enterprises Holding Corporation.

(Hwang/Tadeson)
That the Presentation respecting, 2023 Hamilton Enterprises Holding Corporation – Annual General Meeting, be received.

Result: MOTION, CARRIED by a vote of 14 to 0, as follows:

Yes	-	Mayor Andrea Horwath	
Yes	-	Ward 1	Councillor Maureen Wilson
Yes	-	Ward 2	Councillor Cameron Kroetsch
Yes	-	Ward 3	Councillor Nrinder Nann
Yes	-	Ward 4	Councillor Tammy Hwang
Yes	-	Ward 5	Councillor Matt Francis
Yes	-	Ward 6	Councillor Tom Jackson
Yes	-	Ward 7	Councillor Esther Pauls
Yes	-	Ward 8	Councillor J. P. Danko
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Absent	-	Ward 10	Councillor Jeff Beattie
Yes	-	Ward 11	Councillor Mark Tadeson
Yes	-	Ward 12	Councillor Craig Cassar
Yes	-	Ward 13	Councillor Alex Wilson
Absent	-	Ward 14	Councillor Mike Spadafora
Yes	-	Ward 15	Councillor Ted McMeekin

(f) ADJOURNMENT (Item 8)

(Pauls/Hwang)
That, there being no further business, the Hamilton Enterprises Holding Corporation Shareholder meeting, be adjourned at 10:41 a.m.

Result: MOTION, CARRIED by a vote of 14 to 0, as follows:

Yes	-	Mayor Andrea Horwath	
Yes	-	Ward 1	Councillor Maureen Wilson
Yes	-	Ward 2	Councillor Cameron Kroetsch
Yes	-	Ward 3	Councillor Nrinder Nann
Yes	-	Ward 4	Councillor Tammy Hwang
Yes	-	Ward 5	Councillor Matt Francis
Yes	-	Ward 6	Councillor Tom Jackson
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Yes	-	Ward 12	Councillor Craig Cassar
Yes	-	Ward 13	Councillor Alex Wilson

Absent	-	Ward 14	Councillor Mike Spadafora
Yes	-	Ward 15	Councillor Ted McMeekin

Respectfully submitted,

____
Deputy Mayor Cameron Kroetsch
Chair, Hamilton Enterprises
Holding Corporation Shareholder

____
Angela McRae
Legislative Coordinator
Office of the City Clerk

Hamilton Enterprises Holding Corporation

Corporate Overview

June 2024

Executive Summary

This executive summary has been prepared to provide an overview of Hamilton Enterprises Holding Corporation (HEHCo) and its subsidiary businesses operating under the brand of Hamilton Community Enterprises (HCE).

HCE provides community-focused, low-carbon energy and mission-critical data solutions across the Greater Toronto Hamilton Area. With expertise that integrates across thermal energy (District Energy & Geo-Exchange), electrical (Co-Generation, Solar) and data (fibre optic and wireless), HCE is uniquely positioned to design and operate an innovative mix of services targeted towards efficiency, resiliency and sustainability that enables the communities, and businesses within them to combat the effects of climate change and to break down the barriers towards accessing broadband and digital services.

	Laurie Tugman Chair of Board *Member of ARM* *Member of HRG*	
Greg McCamus Chair of Audit & Risk Management (ARM)	Julia Kamula Chair of Human Resource & Governance (HRG) *Member of ARM*	Councillor Tammy Hwang Mayor Surrogate
Tony Thoma Private Director *Member of HRG*	Elizabeth DiDonato Private Director *Member of ARM*	Anna Vantresca Private Director *Member of HRG*

Figure 1. HEHCo Director Composition

HEHCo is a holding company wholly owned by the City of Hamilton, incorporated and existing under the Ontario Business Corporation Act. A Unanimous Shareholders Declaration governs the activities of HEHCo and its subsidiaries companies. There's an independent Board of Directors comprised of the Mayor or Mayor Surrogate and six Private Director appointees with skills, expertise and executive-level experience in the energy and technology sectors. (See Figure 1 for the current Director composition)

HEHCo is a distinct and separate entity from Hamilton Utilities Corporation (HUC) and was formed in 2017 after the merger of Horizon Utilities to form Alectra. All commercial business activities reside in HEHCo, while HUC's sole purpose is to manage the City of Hamilton's 17.3% principal ownership in Alectra Utilities.

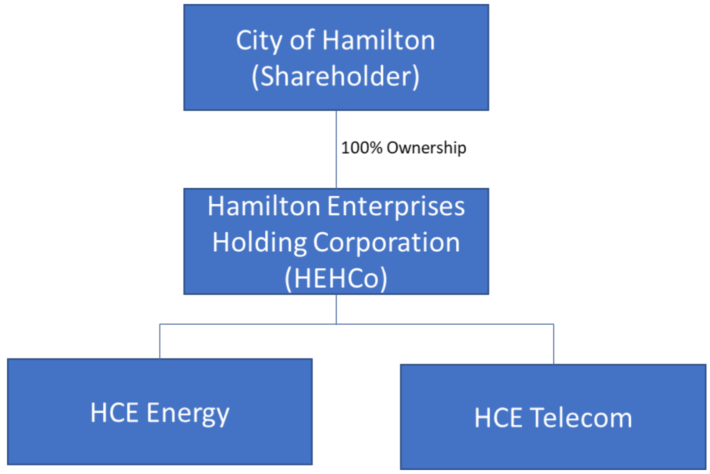


Figure 2. Corporate Structure

Hamilton Community Enterprises (HCE) is the commercial operating brand of Hamilton Enterprise Holding Corporation (HEHCo) and provides facilities-based (capital assets) utility solutions across both the non-regulated Energy (District Energy and Renewable power) and Telecommunication (Internet) sectors. HCE competes in the enterprise market as a for-profit entity, with the cash generated through its operating activity re-invested into the organization to fund growth, operating activities, and capital maintenance programs.

Working alongside Municipalities, Education, Health Care, Essential Services, Utilities and Private sectors, HCE continues to deepen its understanding of the needs of our customers and how they work with and for their communities. We create smart solutions for smart cities by integrating our energy and data expertise.

HCE is well aligned with the strategic priorities of the City of Hamilton and is focused on creating Shareholder Value through the lens of generating Economic, Social and Environmental returns.

HCE's vision, mission and corporate strategic objectives were developed with substantial consideration towards the strategic priorities of the City of Hamilton. HCE's vision is to connect and power our communities with innovative solutions creating a smart, sustainable future, with the mission to be a visionary leader, redefining how energy and data technologies are delivered through value-creating integrated utility solutions.

Climate Change and digital transformation drive unprecedented challenges and create new opportunities at a pace never experienced before. Given its Municipal ownership and innovative mix of technologies, HCE is uniquely positioned to deliver solutions that matter most to the betterment of our businesses and communities. HCE's formula of success is to innovate locally, solving problems and creating value within our community, then operationalize and commercialize these innovations to generate revenue across a larger market and geographical area.

Appendix

HCE Telecom and HCE Energy Overviews

HCE Telecom Overview

HCE Telecom was incorporated in 2015 after a successful proof-of-concept pilot program initiated by the City of Hamilton's IT division and fulfilled by HEHCo. Subsequently, a business plan was developed to create a regional, fibre optic Internet Service Provider (ISP) with the City of Hamilton's corporate Wide Area Network as its anchor client.

During this time, HCE Telecom executed Municipal Access Agreements within Hamilton and neighbouring municipalities and began deploying fibre optics in Hamilton and Halton regions. With over 100km of fibre optic assets installed and strategic data centres across the GTHA, HCE Telecom has continued growing, servicing Government, Education, Health Care and Essential Services (MUSH) and Enterprise businesses providing Internet, Data, Voice and Cloud services.

Since its incorporation, HCE Telecom has rapidly grown to provide services to over 220 clients at over 2000 unique locations. It is a trusted provider to the area's most significant and demanding Internet, Data and Voice users. HCE provides a modern and desirable portfolio of services with many notable and referenceable accounts.

Looking beyond only economic returns, HCE Telecom applies its expertise towards providing a social benefit to the community as well, to maximize access to the Internet and make digital services more accessible to Hamiltonians.

Listening closely to the vision expressed by the City's leadership, including the Chief Digital Officer, Community Housing Hamilton, Hamilton Public Library, and Public Health, HCE seeks to deliver on the goal of doing good in our community. Some examples include the growing delivery of outdoor Wi-Fi in public spaces that connects over 5000 people to City of Hamilton-supplied Internet. In addition, HCE telecom has provided mission-critical voice services that have delivered over 880,000 calls to Hamilton's COVID-19 hotline to support the community pandemic response and have also enabled high-quality and cost-effective Internet to over 1000 units within Hamilton public housing without hidden fees or restrictive terms.

HCE Energy Overview

HCE Energy was founded in 2002, following the de-regulation occurring in the Ontario Electricity Sector, enabling Municipalities to incorporate for-profit subsidiary corporations to compete in the non-regulated energy sector. Several government programs at the time funded natural gas co-generation projects to reduce Ontario's carbon emissions away from coal power generation. Through Hamilton Hydro and with support from the City of Hamilton, it gave rise to the District Energy System at 79 Bay St, commonly called the Downtown District Energy System (DES). The system was built to provide heat (thermal energy) to 11 properties, totalling approximately 2.5 million square feet within Hamilton's downtown core while generating 3.5MW of electricity. A 25-year property lease was signed with the Hamilton Wentworth District School Board at the Sir John A McDonald High School that expires in 2028 and coincides with the expiry of the thermal Energy Services Agreement (ESA) with the City of Hamilton in 2028.

The DES supplies 15.5MW of thermal energy with 8.5MW tied to an Energy Services Agreement (ESA) with the City of Hamilton (integrated closely with the Central Utilities Plant), 3MW to Victoria Park Community Homes and 4MW divided amongst Templar Flats, Alectra, and the Police ISF building. In 2019, the co-generation component of the DES was changed to a peak-shaving model and away from its original 16hr x 5d mode of operations providing energy savings and reduced carbon emissions to the City. Through this electrical peak saving, HCE saves the City of Hamilton between $500k to $1M annually from its utility bill by reducing the City's peak electricity demand associated with the Class A electrical meter within the Central Utilities Plant (CUP). This meter is the primary electrical feed for City Hall, Convention Center, Hamilton Place, Ellen Fairclough Building, Central Library, Market and Parking Garage.

HCE owns and operates the Central Utilities Plant beneath the Hamilton Art Gallery; beyond electrical distribution, it is the primary cooling source for several City of Hamilton and downtown commercial properties. In addition to cooling the buildings listed above, it also provides cooling to First Ontario Centre. The CUP is a candidate location to relocate the downtown DES upon its lease expiry at Sir John A. It presents an opportunity to harvest the waste heat from its centralized cooling process as a low-carbon heating resource to reduce greenhouse gas emissions to City buildings.

In 2010, HCE expanded to the McMaster Innovation Park by developing, owning, and operating a low-carbon heating and cooling solution based on Geo-Exchange and advanced energy harvesting and control technologies. In 2015, HCE Energy began to green its electricity portfolio by building Solar Photo Voltaic (PV) assets. HCE Energy owns and operates more than 3.7 MW of renewable solar electricity generation. Additionally, HCE was awarded a Combined Heat & Power Standard Offer Program contract from the IESO. In 2018, a 2.0MW co-generation system was installed at the Portlands West Energy Center at the Hamilton Port Authority's Pier 10 location, which provides electricity to the grid providing reliability and security of energy supply; the system also supplies process steam and hot water to industrial customers including Collective Arts and Sucro Can.

HCE is supportive and engaged in the implementation of Hamilton's Community Energy and Emissions Plan. Among our contributions is a call for building developers and owners to conserve energy and adopt low-carbon and high-efficiency heating and cooling solutions. Additionally, HCE is committed to helping communities recover and reuse valuable thermal energy. Currently, upwards of 60% of the energy used in factories, cooling towers, data centres, sports arenas, water treatment facilities, power plants and other sources is routinely expelled into our atmosphere and waterways. This needs to be addressed as part of the global pursuit of net zero.

Looking towards the future, HCE believes energy harvesting is a proven strategy to conserve energy, lower operating costs, and reduce GHG emissions. In addition, it presents a strategic economic and environmental opportunity for Hamilton, given its Industrial Bayfront Corridor. It is also an effective way to stimulate job training, construction, and employment in the circular economy. That's why HCE is leading the way with our Energy Harvesting Project and related initiatives, and in March 2023, HCE launched a year-long study that will dive into the technical and commercial viability of harvesting residual thermal energy from Hamilton's Industrial Bayfront as a source of heating for all types of buildings, new and old.

Hamilton Enterprises Holding Corporation

AGM – June 24th, 2024

Introduction
Corporate Overview

The City of Hamilton and surrounding area is transforming quickly, deeply and irrevocably

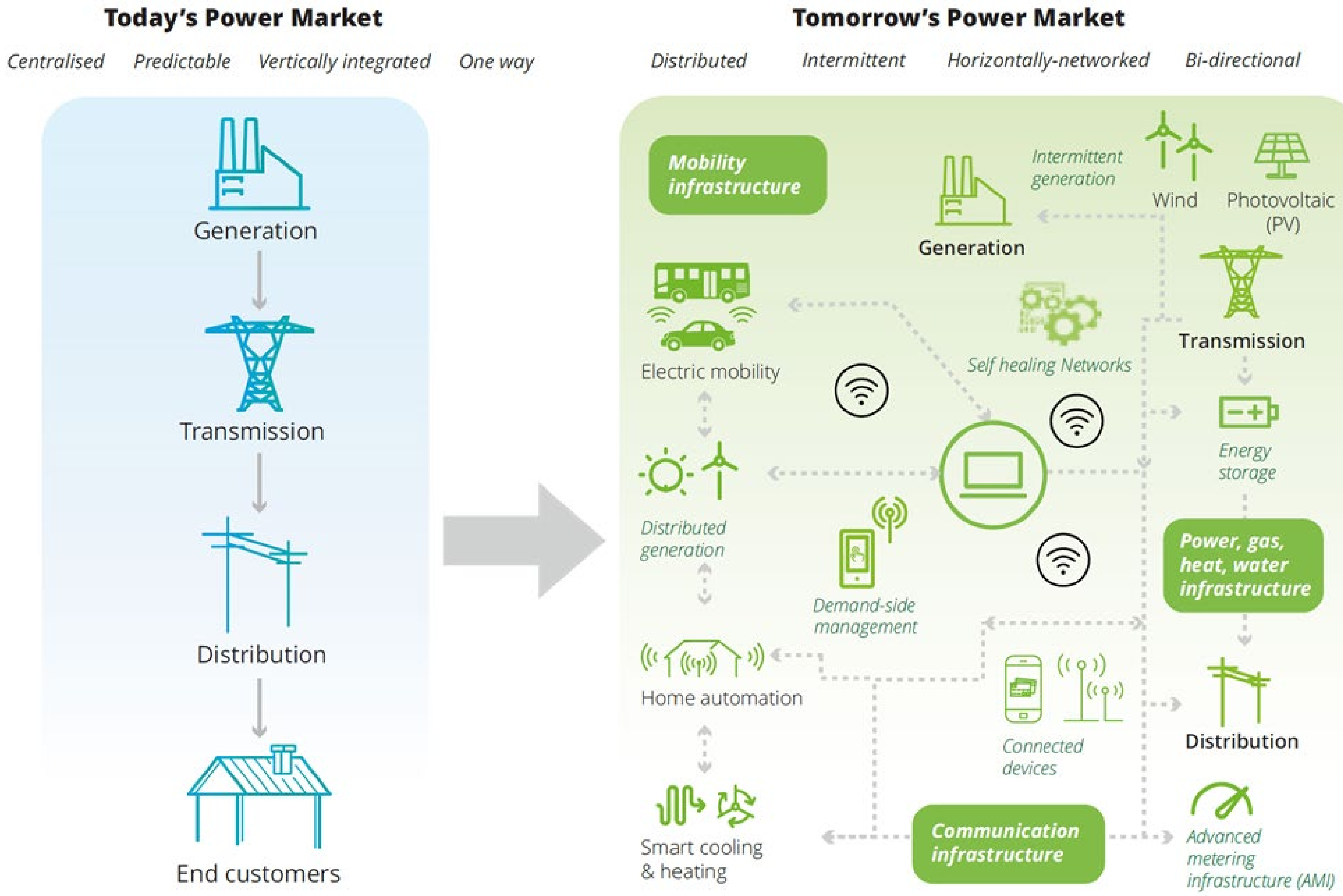
Climate change and digital transformation are driving unprecedented challenges and opportunities in communities.

With expertise that integrates across thermal energy, renewables and data technologies, HCE provides transformative community-centric solutions throughout the Greater Toronto Hamilton Area

HCE is where energy innovation meets digital excellence

How the Energy Landscape is Evolving in our Community

Energy and Data Unite in the Transformation of our City



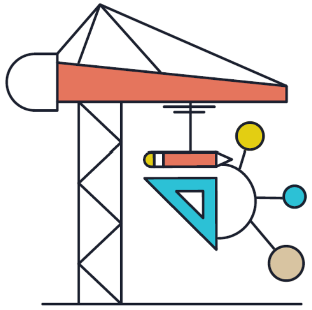
Source: Deloitte

HCE VISION

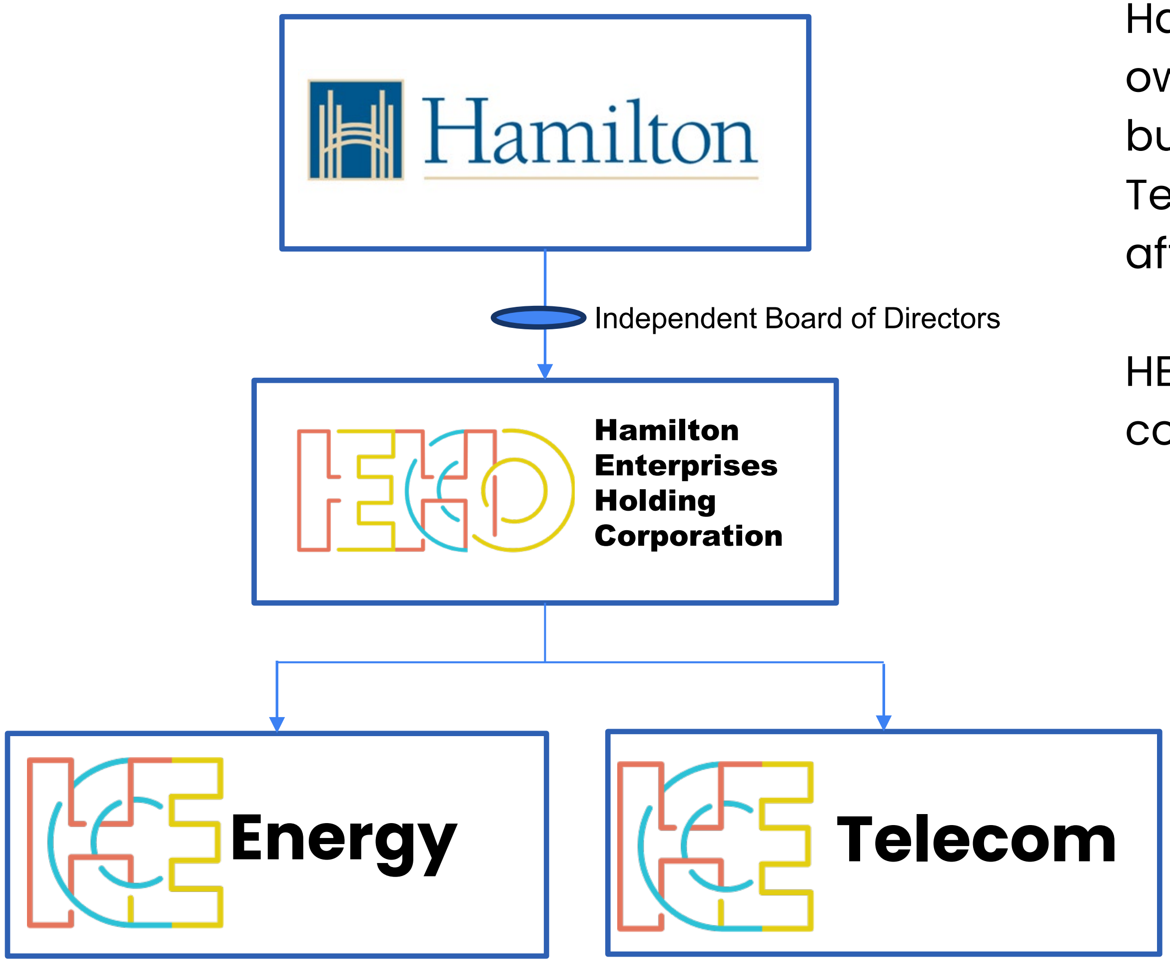
To be a recognized leader that accelerates Canada towards a sustainable future through innovations that connect and power our communities in bold new ways

HCE MISSION

We transform the ways that our customers connect by reimagining how internet and energy technologies are delivered. We combine these to create new possibilities for better outcomes, smarter communities and a sustainable future



Introduction
Corporate Structure - HEHCo



Hamilton Enterprises Holding Corporation (**HEHCo**) is wholly - owned by the City of Hamilton and contains two subsidiary businesses that operate in the non-regulated Energy and Telecommunication sectors. HEHCo was established in 2017 after Horizon Utilities merged to form Alectra.

HEHCo's subsidiary businesses operate under the commercial brand of Hamilton Community Enterprises (**HCE**).

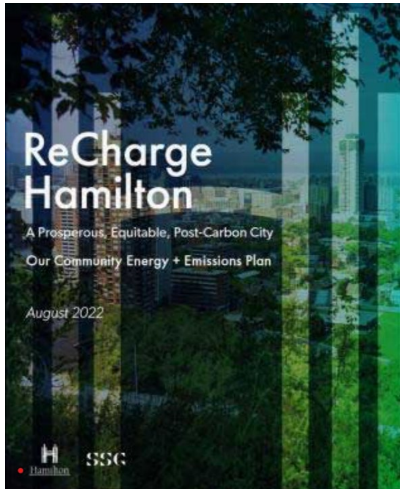
Subsidiary Businesses

- Hamilton Community Enterprises - Energy
- Hamilton Community Enterprises - Telecom

City of Hamilton Council Priorities
Common Purpose

We are working in partnership with Council, City Staff and the wider community to enable the priorities that aim to create a sustainable, vibrant and transparent City

Sustainable Economic & Ecological Development
Safe and Thriving Neighbourhoods
Responsiveness & Transparency



Introduction
HCE Energy

Founded in 2002, HCE Energy provides environmentally sustainable District Energy and Renewable Technology solutions to the City of Hamilton and various other public and private institutions

Value Proposition

- **Reliability & Resiliency**
- **Improved Energy Efficiency**
- **Lower Cost to Carbon Neutral**
- **Operation & Maintenance Management**

District Energy | Solar PV | Distributed Energy Resources | Geo-Exchange | Operations & Maintenance Services

Founded in 2015, HCE Telecom provides mission-critical Internet and data technology solutions to the MUSH sector and Enterprise businesses across the Greater Toronto Hamilton Region.

Value Proposition

- **Reliability & Security**
- **Superior Customer Service**
- **Knowledge & Experience**
- **Innovative Outcomes**

Internet | Voice | Wi-Fi | Private Networks | Data Centre | Cloud | Design & Build

A few of our Customers

HCE Engaged in the Community

PIVOT

OVG
OAK VIEW GROUP

THE COMMONS

ENGINEERING
W Booth School of Engineering Practice and Technology
McMaster University

MOHAWK
FUTURE READY

precinct GROUP

A PROJECT BY
SLATE
STEELPORT

alinea

ArcelorMittal
DOFASCO | HAMILTON

THE WATERFRONT SHORES
PIER 8

hamilton
chamber of commerce
your voice in business

NEW HORIZON
DEVELOPMENT GROUP

HAMILTON INDUSTRIAL ENVIRONMENTAL ASSOCIATION
HIEA

CENTRE FOR
CLIMATE CHANGE
MANAGEMENT
AT MOHAWK COLLEGE

Air Liquide

How HCE Generates Shareholder Value

HCE is Committed to Policies and Practices that Recognize our Responsibility to the Economic, Social and Environmental Well-Being of the Citizens and Businesses of Hamilton

Economic

Generates non-levy-based returns across the private and public sectors within Hamilton

Provides high-quality, responsive and cost-effective services to the City

Deploys capital assets that make Hamilton more resilient, secure and green

Social

HCE uses its technology and expertise to solve local challenges where people matter more than profit

Identifies and removes barriers to make services more accessible

Promotes local education, skills development and opportunities that foster productive and sustainable communities

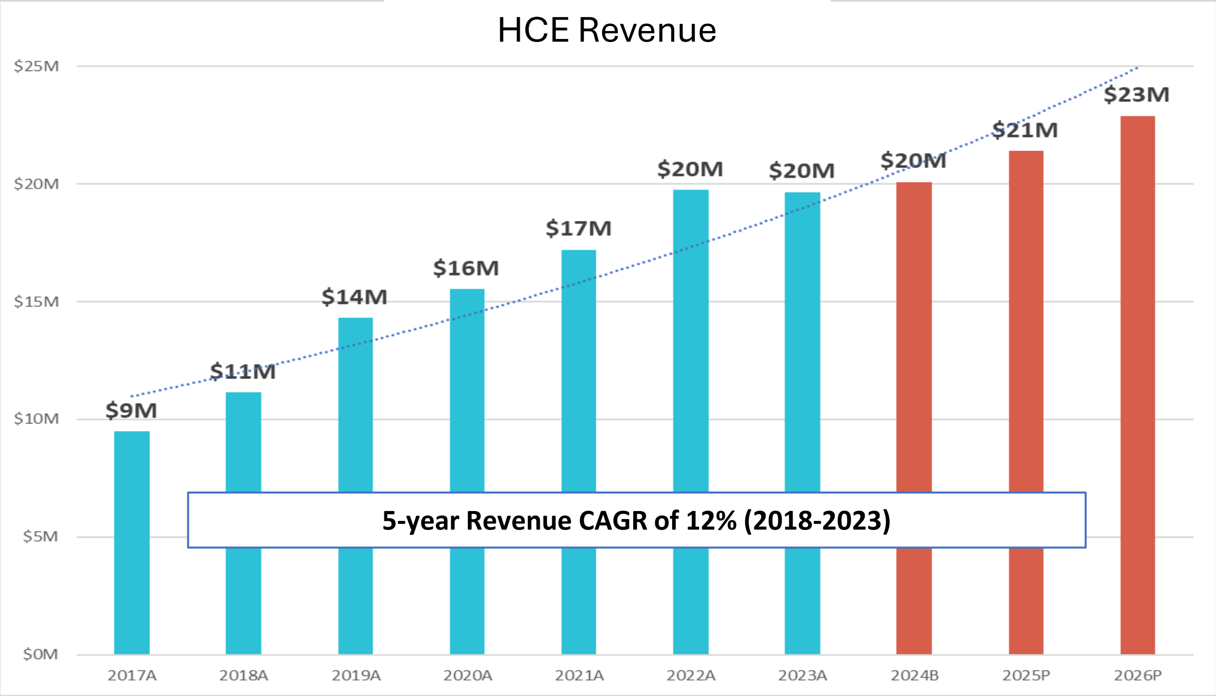
Environmental

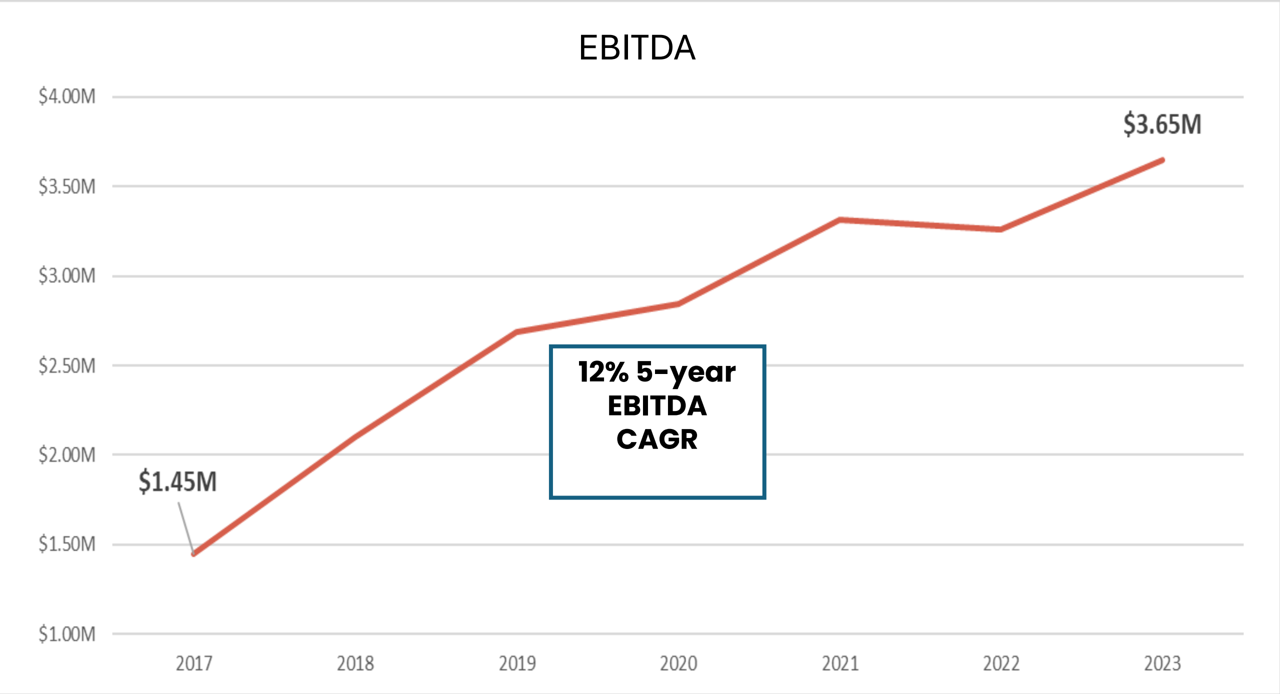
Reduces Hamilton's GHG footprint through low-carbon energy solutions

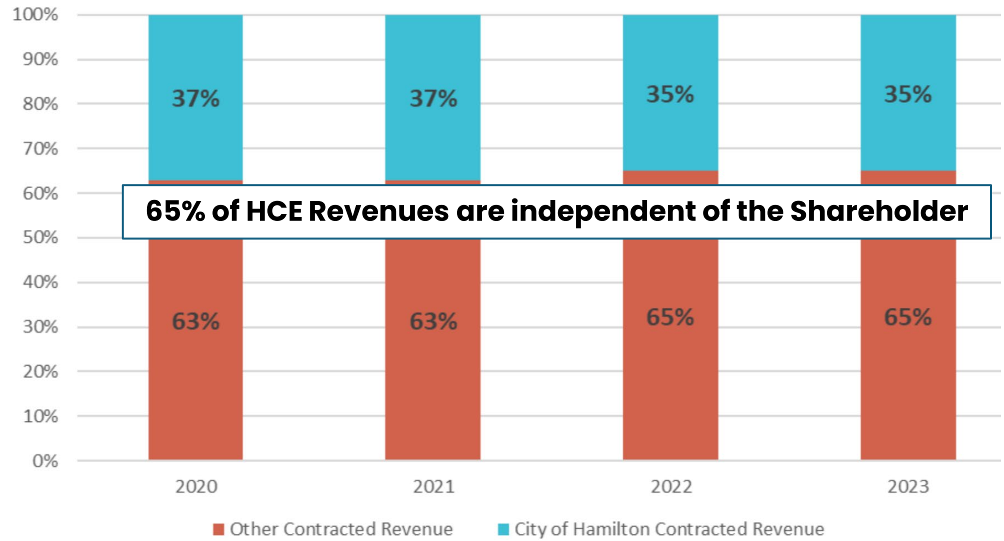
Enables Hamilton's transition to a Net Zero Community

How HCE Generates Shareholder Value

Financial Performance







Through proceeds from its operations, HEHCo has re-invested $8M+ into the Hamilton economy, supporting green energy and Internet initiatives over the last 5 years

Economic

Hamilton

How HCE Generates Shareholder Value

HCE is making the Internet more accessible and maximizing access to Municipal services

Constructed the mission-critical data network supporting the rollout of Next Gen 911 in Hamilton

Provided secure on-demand Internet for high-impact sporting events, like the Grey Cup as well as in-community services supporting mobile learning and public health services

Created public Internet access for Wi-Fi across Hamilton Public Library locations

Supported the City of Hamilton through its cyber security response by creating new parallel data infrastructure in real-time to minimize the impact to services

Social

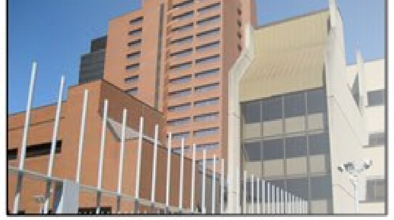
How HCE Generates Shareholder Value

HCE is a local sustainability champion

Hamilton City Hall


Lister Block

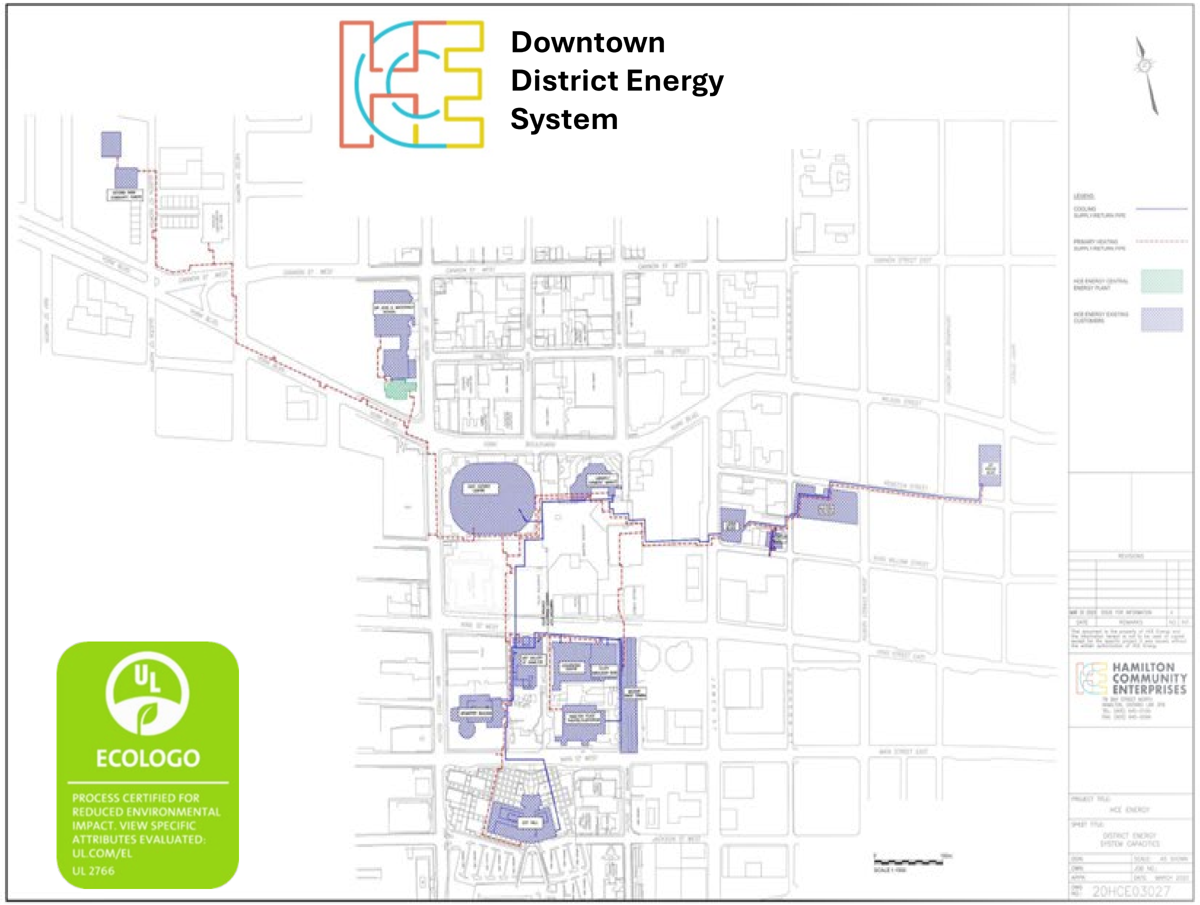

FirstOntario Centre


Hamilton Convention Centre

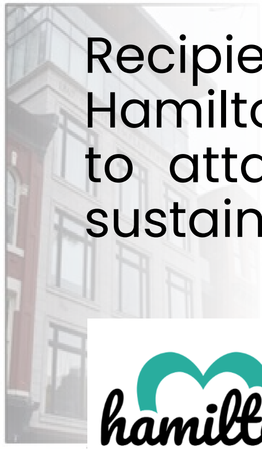

David Braley Health Sciences Centre


Alectra Utilities Office

Art Gallery of Hamilton




Victoria Park Community Homes



HCE has reduced its annual carbon intensity by 35% over the last 5 years

Recipient of the Sustainable Hamilton Award. HCE is committed to attaining a greener and more sustainable future for Hamilton

hamilton GIVES AWARDS

PRESENTED BY AND IN PARTNERSHIP WITH:

We are the proud

WINNER

of the inaugural Hamilton Gives

Sustainable Hamilton Award

Environmental

Hamilton


about reducing greenhouse gas emissions
hamilton
GIVES
AWARDS

Notable Highlights

Canada's Thermal Corridor

energy harvesting initiative

PRESENTED BY HAMILTON COMMUNITY ENTERPRISES

- ✓ Carbon-free heating to over 320 thirty-story towers
- ✓ $300m+ infrastructure investment opportunity
- ✓ Economically viable project
- ✓ Completion of Study targeted for Q4 2024

Hamilton's Pathway to being Canada's Decarbonization Leader

Environmental

Our Pathway to a Low-Carbon Future

The Three C's Pathway

CONSERVE

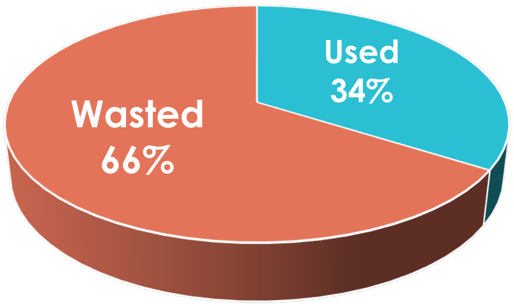
Reduce the Demand for Energy

- Smart Buildings
- IoT / AI / Cyber Security

Use Energy Effectively

- Higher Efficiencies
- Energy Harvesting
- Sharing

Canadian Energy Utilization



Source: Canadian Energy Systems Analysis Research – Ontario's 2013 Energy Systems

CONNECT

Integrated Energy Networks

- Buildings become connected through Thermal Networks as a Campus
- Campuses become Integrated Community Energy Systems

CONVERT

Eliminate Fossil Fuel Source

- Long Term final step to Decarbonization

Environmental

Summary

Continued Engagement

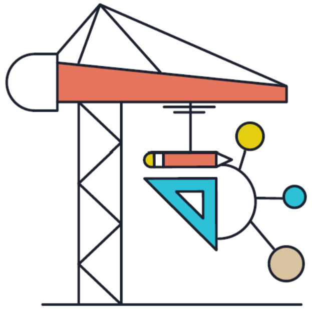
HCE sees an opportunity for Hamilton to become the fastest-decarbonizing community in Canada, attracting new investments into infrastructure, creating jobs and increasing the competitiveness of local businesses and the quality of life of its residents

HCE seeks to further its engagement with this council and staff on the implementation of policies, standards and pilot programs that support district and renewable energy solutions

Together, let’s lead by example and develop innovative local solutions that enable the priorities that aim to create a sustainable, vibrant and transparent City

Thank You

www.hce.net



Connected Technologies For A Sustainable Future

HEHCo Resolutions

- Approval of the 2023 Audited Financial Statements
- Appointment & Remuneration of the Auditor for 2024
- Appointment of Directors of Hamilton Enterprises Holding Corporation

HAMILTON ENTERPRISES HOLDING CORPORATION
(the "Corporation")

RESOLUTIONS OF THE SOLE SHAREHOLDER OF THE CORPORATION

WHEREAS the City of Hamilton is the sole shareholder of the Corporation (the "Sole Shareholder");

NOW THEREFORE the Council of the City of Hamilton, acting in its capacity as representative of the Sole Shareholder, RESOLVES AS FOLLOWS:

1. AUDITED CONSOLIDATED FINANCIAL STATEMENTS – YEAR ENDED DECEMBER 31, 2023

BE IT RESOLVED that the Audited Consolidated Financial Statements of the Corporation for the year ended December 31, 2023 (attached hereto as Appendix "A"), as approved by the Board of Directors of the Corporation, be received and approved by the Sole Shareholder.

2. APPOINTMENT AND REMUNERATION OF AUDITOR

BE IT RESOLVED that the present auditor of the Corporation, KPMG LLP, be appointed as the auditor of the Corporation for the 2024 fiscal year of the Corporation at a remuneration to be fixed by the Directors of the Corporation, the Directors of the Corporation being hereby authorized to fix such remuneration.

3. DIRECTORS OF THE CORPORATION

WHEREAS it has heretofore been resolved that the Corporation shall have seven (7) Directors;

AND WHEREAS at the 2021 Annual General Meeting of the Corporation Greg McCamus was elected as a Private Director of the Corporation for a three (3) year term expiring on June 30, 2024;

AND WHEREAS it is desirable to re-elect Greg McCamus as a Private Director of the Corporation for a three (3) year term commencing on July 1, 2024 and expiring on June 30, 2027 and the Nominating Committee of the Corporation has prepared a written recommendation in support of such action, attached hereto as Appendix "B" ("Recommendation A");

AND WHEREAS at the 2023 Annual General Meeting of the Corporation Anna Ventresca was elected as a Private Director of the Corporation for a one (1) year term expiring on June 30, 2024;

AND WHEREAS it is desirable to elect Anna Ventresca as a Private Director of the Corporation for a three (3) year term commencing on July 1, 2024 and expiring on June 30, 2027 and the Nominating Committee of the Corporation has prepared a written recommendation in support of such action, attached hereto as Appendix "C" ("Recommendation B");

BE IT RESOLVED:

(i) that Recommendations A and B be and the same are hereby received by the Sole Shareholder;

(ii) that the recommendation in Recommendation A is hereby approved and Greg McCamus, being a resident Canadian and having previously consented to act as a Private Director of the Corporation, is re-elected as a Private Director of the Corporation to hold office for a three (3) year term commencing on July 1, 2024 and expiring on June 30, 2027 and thereafter until their successor is duly elected or appointed;

(iii) that the recommendations in Recommendation B are hereby approved and Anna Ventresca, being a resident Canadian and having previously consented to act as a Private Director of the Corporation, is re-elected as a Private Director of the Corporation to hold office for a three (3) year term commencing on July 1, 2024 and expiring on June 30, 2027 and thereafter until their successor is duly elected or appointed; and

(iv) that the Sole Shareholder approves the preparation of all necessary documents and/or agreements to give effect to the foregoing and the Corporation's President (or designate) is hereby authorized and directed to execute, on behalf of the Corporation, all such necessary documents and/or agreements or to take any action deemed necessary in respect of any of the foregoing.

THE FOREGOING RESOLUTIONS are hereby consented to by the Sole Shareholder, pursuant to the provisions of the *Business Corporation Act* (Ontario).

DATED the 24th day of June 2024.

CITY OF HAMILTON

By: ______________________________
A. Horwath
Mayor

By: ______________________________
J. Pilon
Acting City Clerk

Hamilton Enterprises Holding Corporation
Independent Auditor’s Report to the Shareholder and Consolidated Financial Statements
Year Ended December 31, 2023

Hamilton Enterprises Holding Corporation

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KPMG LLP
Commerce Place
21 King Street West, Suite 700
Hamilton, ON L8P 4W7
Canada
Telephone 905 523 8200
Fax 905 523 2222

INDEPENDENT AUDITOR'S REPORT

To the Shareholder of Hamilton Enterprises Holding Corporation

Opinion

We have audited the consolidated financial statements of Hamilton Enterprises Holding Corporation (the Entity), which comprise:

- the consolidated statement of financial position as at December 31, 2023
- the consolidated statement of loss and comprehensive loss for the year then ended
- the consolidated statement of changes in equity for the year then ended
- the consolidated statement of cash flows for the year then ended
- and notes to the consolidated financial statements, including a summary of material accounting policies

(Hereinafter referred to as the "financial statements").

In our opinion, the accompanying financial statements present fairly, in all material respects, the consolidated financial position of the Entity as at December 31, 2023, and its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with IFRS Accounting Standards.

Basis for Opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the ***"Auditor's Responsibilities for the Audit of the Financial Statements"*** section of our auditor's report.

We are independent of the Entity in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada and we have fulfilled our other ethical responsibilities in accordance with these requirements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with IFRS Accounting Standards, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Entity's ability to continue as a going concern, disclosing as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Entity or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Entity’s financial reporting process.

Auditor’s Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor’s report that includes our opinion.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists.

Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgment and maintain professional skepticism throughout the audit.

We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion.

  The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Entity's internal control.

Page 3

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Entity's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor’s report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor’s report. However, future events or conditions may cause the Entity to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the group Entity to express an opinion on the financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

KPMG LLP

Chartered Professional Accountants, Licensed Public Accountants

Hamilton, Canada

March 21, 2024

Hamilton Enterprises Holding Corporation

Consolidated Statement of Financial Position

As at December 31, 2023, with comparative information for 2022
(stated in thousands of Canadian dollars)

	2023	2022
Assets		
Current assets		
Cash and cash equivalents *[note 4]*	$ 3,743	$ 2,701
Restricted cash *[note 5]*	200	172
Accounts receivable	2,540	4,073
Accounts receivable from related parties under common control *[note 17]*	2,727	2,683
Other current assets	1,058	615
Derivative assets *[note 7]*	192	288
	10,460	10,532
Non-current assets		
Property, plant and equipment *[note 8]*	42,467	44,583
Intangible assets *[note 9]*	798	937
Right-of-use assets *[note 10]*	3,024	3,275
Deferred payments in lieu of income taxes *[note 11]*	6,262	5,999
Goodwill	571	571
	53,122	55,365
Total assets	**$ 63,582**	**$ 65,897**

Hamilton Enterprises Holding Corporation

Consolidated Statement of Financial Position

As at December 31, 2023, with comparative information for 2022
(stated in thousands of Canadian dollars)

	2023	2022
Liabilities		
Current liabilities		
Accounts payable and accrued liabilities	$ 2,746	$ 3,462
Asset retirement obligation	44	44
Amounts owing to related parties under common control *[note 17]*	15,663	15,666
Current portion of lease liabilities *[note 10]*	221	210
Current portion of long-term borrowings *[note 7]*	807	714
Current portion of amounts owing to Parent *[note 6]*	324	324
Deferred revenue	794	244
	20,599	20,664
Non-current liabilities		
Long-term borrowings *[note 7]*	11,755	12,563
Lease liabilities *[note 10]*	3,160	3,369
Amounts owing to Parent *[note 6]*	4,860	5,184
Employee future benefits *[note 12]*	216	216
Deferred payments in lieu of income taxes *[note 11]*	7,173	6,989
	27,164	28,321
Total liabilities	**47,763**	**48,985**
Shareholder's equity		
Share capital *[note 14]*	37,986	37,986
Accumulated other comprehensive income	(15)	(30)
Retained deficit	(22,152)	(21,044)
Total shareholder's equity	**15,819**	**16,912**
Contingencies *[note 19]*		
Total liabilities and shareholder's equity	**$ 63,582**	**$ 65,897**

The accompanying notes are an integral part of these consolidated financial statements.

On behalf of the Board:

Director

Director

Consolidated Statement of Loss and Comprehensive Loss

Year ended December 31, 2023, with comparative information for 2022
(stated in thousands of Canadian dollars)

	2023	2022
Revenue:		
Solar generation	$ 1,365	$ 1,421
Electricity, heating and cooling service charges	10,884	11,242
Telecommunication	7,409	6,971
Other income	7	109
Total revenue	19,665	19,743
Expenses:		
Cost of sales	10,739	11,476
Operating expenses	5,277	5,007
Depreciation and amortization *[note 8, 9, 10]*	3,846	3,899
	19,862	20,382
Loss from operating activities	(197)	(639)
Finance income *[note 15]*	141	73
Finance charges *[note 15]*	(1,131)	(667)
Loss before payment in lieu of income tax recovery	(1,187)	(1,233)
Payments in lieu of income tax expense (recovery) *[note 11]*	(79)	112
Loss for the year	(1,108)	(1,345)
Net loss attributable to:		
Shareholder of the Corporation	(1,108)	(1,337)
Non-controlling interest of a subsidiary	–	(8)
	(1,108)	(1,345)
Other comprehensive income		
Remeasurement of defined benefit obligation	15	85
	15	85
Total comprehensive loss	$ (1,093)	$ (1,260)

The accompanying notes are an integral part of these consolidated financial statements.

Consolidated Statement of Changes in Equity

Year ended December 31, 2023, with comparative information for 2022
(stated in thousands of Canadian dollars)

2023	**Share capital**	**Retained deficit**	**Accumulated other comprehensive loss**	**Non-Controlling Interest**	**2023 Total**
Balance at January 1	$ 37,986	$ (21,044)	$ (30)	$ –	$ 16,912
Net loss	–	(1,108)	–	–	(1,108)
Other comprehensive income	–	–	15	–	15
Acquisition of interest from non-controlling interest	–	–	–	–	–
Balance at December 31	$ 37,986	$ (22,152)	$ (15)	$ –	$ 15,819

2022	**Share capital**	**Retained deficit**	**Accumulated other comprehensive loss**	**Non-Controlling Interest**	**2022 Total**
Balance at January 1	$ 37,986	$ (19,758)	$ (115)	$ 59	$ 18,172
Net loss	–	(1,337)	–	(8)	(1,345)
Other comprehensive income	–	–	85	–	85
Acquisition of interest from non-controlling interest	–	51	–	(51)	–
Balance at December 31	$ 37,986	$ (21,044)	$ (30)	$ –	$ 16,912

The accompanying notes are an integral part of these consolidated financial statements.

Consolidated Statement of Cash Flows

Year ended December 31, 2023, with comparative information for 2022
(stated in thousands of Canadian dollars)

	2023	2022
OPERATING ACTIVITIES		
Net loss	$ (1,108)	$ (1,345)
Adjustments for:		
Depreciation and amortization *[notes 8, 9, 10]*	3,846	3,899
Payments in lieu of income tax recovery *[note 11]*	(79)	112
Finance income	(141)	(73)
Finance charges	1,131	667
Finance income received	141	73
Finance charges paid	(1,035)	(1,105)
Disposal of property, plant and equipment *[note 8]*	–	308
Income taxes paid	–	(11)
Change in employee future benefits	15	15
Change in other assets and liabilities *[note 16]*	877	132
Net cash from operating activities	3,647	2,672
INVESTING ACTIVITIES		
Acquisition and transfer of property, plant and equipment *[note 8]*	(1,340)	(1,010)
Acquisition of shares from non-controlling interest	–	(23)
Acquisition of intangible assets *[note 9]*	–	(23)
Net cash used in investing activities	(1,340)	(1,056)
FINANCING ACTIVITIES		
Repayment of long-term borrowings	(715)	(637)
Repayment of lease liabilities	(198)	(186)
Repayment of amounts owing to Parent	(324)	(324)
Net cash used in financing activities	(1,237)	(1,147)
Increase in cash and cash equivalents	1,070	469
Cash, cash equivalents and restricted cash, beginning of year	2,873	2,404
Cash, cash equivalents and restricted cash, end of year	$ 3,943	$ 2,873

The accompanying notes are an integral part of these consolidated financial statements.

Notes to the Consolidated Financial Statements

Year ended December 31, 2023
(stated in thousands of Canadian dollars)

1. REPORTING ENTITY

On December 18, 2017, Hamilton Enterprises Holding Corporation (the "Corporation") was incorporated under the Business Corporations Act (Ontario). The Corporation is wholly owned by the City of Hamilton and is located in the City of Hamilton.

The Corporation, through its wholly owned subsidiaries, generates electricity, provides heat, cooling, electrical energy and voice and data solutions through fibre optic technologies to its customers The Corporation's subsidiaries include:

- Hamilton Infrastructure Projects Corporation ("HIPCo") – 100% (2022: 100%)
  - HCE Energy Inc. ("HCE") – 100% (2022: 100%)
    - HIPCO-CUP ("CUP") Projects Corporation – 100% (2022: 100%)
    - HIPCO-FIT5 Projects Corporation – 100% (2022: 100%)
    - HIPCO-MIP Projects Corporation – 100% (2022: 100%)
      - Longwood Energy Inc. – 50% (2022: 50%) – Joint Operation
    - HIPCO-FIT4 ("FIT4") Projects Corporation – 100% (2022: 100%)
      - 2622882 Ontario Inc – 100% (2022: 100%)
    - HIPCO-Portlands ("Portlands") Projects Corporation – 100% (2022: 100%)
- Hamilton Ventures Corporation ("HVCO") – 100% (2022: 100%)
  - HCE Telecom Inc. ("Telecom") – 100% (2022: 100%)
  - HCE Energy (2017) Inc. – 100% (2022: 100%)
    - HCE Energy (2018) Inc. – 100% (2022: 100%)
    - Hamover Power Limited Partnership ("Hamover LP") – 74.99% (2022: 74.99%)
      - 2219506 Ontario Inc. – 100% (2022: 100%)
  - Hamover Power General Partnership ("Hamover GP") – 75% (2022: 75%)

HCE Energy 2017 Inc. is a limited partner with 74.99% interest in Hamover LP, with 25% interest held by a third party and 0.01% interest held by Hamover GP. Hamover LP leases solar farm to its 100% owned subsidiary, 2291506 Ontario Inc. 2291506 Ontario Inc. generates solar revenue through approved IESO Feed-in-Tariff ("FIT") contracts. Hamover LP acquired 100% ownership of 2291506 Ontario Inc. during 2022 year by acquiring the 15% non-controlling interest not already owned.

Notes to the Consolidated Financial Statements

Year ended December 31, 2023
(stated in thousands of Canadian dollars)

1. REPORTING ENTITY (continued)

HVCO, a wholly owned subsidiary of Corporation, has a 75% interest in Hamover GP which is the general partner in Hamover LP. Hamover GP manages the operations of Hamover LP. However, key economic decisions relating to Hamover LP requires approval of shareholders holding 80% voting rights in Hamover GP. Therefore, the Corporation, through its subsidiary, cannot unilaterally take the relevant economic decisions of Hamover LP without consent of the other partner and therefore have Joint Control over Hamover LP with a third party and the joint arrangement is concluded to be a Joint Operation. Therefore, the consolidated financial statements include Corporation's proportionate interest in financial statements of the Joint Operation.

HCE, CUP and Portlands provide various thermal heat, cooling and electricity to certain institutional, industrial and commercial customers through a district heating system.

Telecom provides voice and data solutions for businesses using fibre optic technologies. FIT4 and 2622882 generate solar revenue through approved IESO Feed-in-Tariff ("FIT") contracts.

All other entities operate as a holding company with no direct operating activity.

The address of the Corporation's registered office is 79 Bay Street North, Hamilton, Ontario, Canada.

2. BASIS OF PREPARATION

(a) Statement of compliance

The Corporation's financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRS").

(b) Approval of the consolidated financial statements

The consolidated financial statements were approved by the Board of Directors on March 21, 2024.

(c) Basis of measurement

The consolidated financial statements have been prepared on the historical cost basis unless otherwise stated.

(d) Functional and presentation currency

These consolidated financial statements are presented in Canadian dollars, which is the Corporation's functional currency. All financial information presented in Canadian dollars has been rounded to the nearest thousand.

2. BASIS OF PREPARATION (continued)

(e) Use of estimates and judgements

The preparation of consolidated financial statements in conformity with IFRS requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses and disclosure of contingent assets and liabilities. Actual results may differ from those estimates. Information about assumptions and estimation uncertainties that have a significant risk of resulting in material adjustment is included in the following notes:

(i) Notes 3(d), (e), (m), (g)(ii), 8, 9, 10 – estimation of useful lives of property, plant, and equipment, intangible assets and right-of-use assets and impairment of non-financial assets.

(ii) Notes 3(h), 12 – Employee future benefits: measurements of the defined benefit obligation and key actuarial assumptions

(iii) Notes 3(m), 10 – leases – discount rate

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the year in which the estimates are revised and in any future periods affected.

Information about judgements made in applying accounting policies that have the most significant effects on the amounts recognized in the consolidated financial statements is included in the following notes:

(i) Notes 3(n), 19 – Contingencies: whether a contingency is a liability

(ii) Note 3(m) – leases – whether an arrangement contains a lease; lease term; underlying leased asset value

Notes to the Consolidated Financial Statements

3. MATERIAL ACCOUNTING POLICIES

The accounting policies set out below have been applied consistently to all years presented in these consolidated financial statements.

(a) Basis of consolidation

These consolidated financial statements include the accounts of the corporations as described in the reporting entity in note 1. Subsidiaries are entities controlled by the Corporation. The financial statements of the subsidiaries are included in these consolidated financial statements from the date on which control commences until the date on which control ceases. All subsidiaries are consolidated at 100%. As described in note 1, the consolidated financial statements also include Corporations proportionate interest in Joint Operations; Hamover LP and Longwood Energy Inc. in which Corporation, through its subsidiaries, holds 75% and 50% interests respectively. Hamover Power LP controls 2291506 Ontario Inc. in which it has an 100% interest (2022: 100%). All inter-company accounts and transactions have been eliminated.

(b) Financial instruments

All financial assets and all financial liabilities with the exception for the derivative liability are recognized initially at fair value plus any directly attributable transaction costs. Subsequently, they are measured at amortized cost using the effective interest method less any impairment for the financial assets as described in note 3(g)(i). The derivative liability is classified as a financial liability at fair value through profit or loss. Transaction costs are expensed in the year as incurred.

(c) Revenue recognition

Telecommunication

Telecommunications revenue is recognized in income over time as the performance obligation is satisfied. Connection charges are recognized as income at a point in time when the network connection is installed at a base location and the performance obligation satisfied.

Solar generation

The performance obligations are recognized over time using an output method to measure the satisfaction of the performance obligation. The value of the electricity services transferred to the customer is determined on the basis of cyclical meter readings plus estimated customer usage since the last meter reading date to the end of the year and represents the amount that the Corporation has the right to bill.

Notes to the Consolidated Financial Statements

Year ended December 31, 2023
(stated in thousands of Canadian dollars)

3. MATERIAL ACCOUNTING POLICIES (continued)

(c) Revenue recognition (continued)

Heating and cooling

These charges comprise charges to customers for use of the Corporation's electricity and thermal distribution systems. The performance obligations are recognized over time using an output method to measure the satisfaction of the performance obligation. The value of the electricity and thermal services transferred to the customer is determined on the basis of cyclical meter readings plus estimated customer usage since the last meter reading date to the end of the year and represents the amount that the Corporation has the right to bill.

Other revenue

The performance obligations for the provision of services is recognized over time using an input method based on labour hours and resources consumed to measure the satisfaction of the performance obligation. The value of services transferred to the customer is determined based on the agree-upon price with the customer and represents the amount that the customer has the right to bill for services completed to date.

(d) Property, plant and equipment

Items in property, plant and equipment ("PP&E") are measured at historical cost or deemed cost established on the transition date, less accumulated depreciation and accumulated impairment losses, if any.

Cost includes expenditures that are directly attributable to the acquisition of the asset.

The cost of self-constructed assets includes contracted services, materials and transportation, direct labour, directly attributable overhead costs, borrowing costs and any other costs directly attributable to bringing the asset to a working condition for its intended use. Borrowing costs on qualifying assets are capitalized as part of the cost of the asset using the weighted average cost of debt incurred on the Corporation's external borrowings. Qualifying assets are considered to be those that take a substantial period of time to construct.

When parts of an item of PP&E have different useful lives, they are accounted for as separate items (major components) of PP&E.

Major spare parts and standby equipment are recognized as items of PP&E.

3. MATERIAL ACCOUNTING POLICIES (continued)

(d) Property, plant and equipment (continued)

The cost of replacing part of an item of PP&E is recognized in the carrying amount of the item if it is probable that the future economic benefits embodied within the part will flow to the Corporation and its cost can be measured reliably. The carrying amount of the replaced part is derecognized. The costs of the day-to-day servicing of PP&E are recognized in income or loss as incurred.

Depreciation is recognized in income or loss on a straight-line basis over the estimated useful life of each part or component of an item of PP&E. Working-progress (“WIP”) assets are not depreciated until the project is complete and the asset is available for use.

The estimated useful lives for the current and comparative years are as follows:

Other PP&E	3 to 10 years
Buildings	25 years
Fibre & Data network	15 to 70 years
Heating and electricity generation equipment	7 to 50 years

Gains and losses on disposal of an item of PP&E are determined by comparing the proceeds from disposal with the carrying amount of PP&E and are recognized in income or loss.

Depreciation methods, useful lives and residual values, if any, are reviewed at each reporting date and adjusted prospectively.

(e) Intangible assets and Goodwill

Intangible assets with a finite life are measured at cost less accumulated amortization. Amortization is recognized in net income on a straight-line basis over the estimated useful life of the intangible asset from the date that they are available for use.

The estimated useful lives for the current and comparative years are as follows:

Computer software	3 to 5 years
Licenses	5 years
Customer contracts	3 years
Feed-in Tariff agreements	20 years

Goodwill arising on the acquisition of subsidiaries is subsequently measured at cost less accumulated impairment losses as described in note 3(g)(ii).

3. MATERIAL ACCOUNTING POLICIES (continued)

(f) Other assets – materials and supplies

Materials and supplies, the majority of which is consumed by the Corporation in the provision of its services, is valued at the lower of cost and net realizable value, with cost being determined on a weighted average cost basis, and includes expenditures incurred in acquiring the materials and supplies and other costs incurred in bringing them to their existing location and condition.

(g) Impairment

(i) Financial assets

A loss allowance for expected credit losses on financial assets measured at amortized cost is recognized at the reporting date. The loss allowance is measured at an amount equal to the lifetime expected credit losses for the asset.

(ii) Non-financial assets

The carrying amounts of the Corporation's non-financial assets, other than inventory and deferred tax assets, are reviewed at each reporting date to determine whether there is any indication of impairment. Goodwill is tested for impairment annually irrespective of any indicator.

If any such indication exists, then the asset's recoverable amount is estimated.

For the purpose of impairment testing, assets are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or groups of assets (the "cash-generating unit"). The recoverable amount of an asset or cash-generating unit is the greater of its value in use and its fair value less costs to sell. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset.

An impairment loss is recognized if the carrying amount of an asset or its cash-generating unit exceeds its estimated recoverable amount. Impairment losses are recognized in net income.

Impairment losses recognized in prior periods are assessed at each reporting date for any indications that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortization, if no impairment loss had been recognized.

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3. MATERIAL ACCOUNTING POLICIES (continued)

(h) Employee future benefits

(i) Pension plan

The Corporation provides a pension plan for all its full-time employees through Ontario Municipal Employees Retirement System (OMERS). OMERS is a multi-employer pension plan which operates as the Ontario Municipal Employees Retirement Fund ("the Fund"), and provides pensions for employees of Ontario municipalities, local boards, public utilities and school boards. The Fund is a contributory defined benefit pension plan, which is financed by equal contributions from participating employers and employees, and by the investment earnings of the Fund.

OMERS is a defined benefit plan. However, as OMERS does not track information for individual employers, sufficient information is not available to enable the Corporation to account for the plan as a defined benefit plan, the plan has been accounted for as a defined contribution plan.

Obligations for contributions to defined contribution pension plans are recognized as an employee benefit expense in income or loss when they are due.

(ii) Other than pension

The Corporation provides its retired employees with post-retirement life insurance. In addition, the Corporation provides post-retirement medical benefits beyond those provided by government sponsored plans for those employees who retire with least 20 years of service and eligible to receive an OMERS pension. These benefits are provided through a group defined benefit plan. The Corporation has reflected the defined benefit costs and related liabilities, as calculated by the actuary, in these consolidated financial statements.

The obligations for these post-employment benefit plans are actuarially determined by applying the projected unit credit method and reflect management's best estimate of certain underlying assumptions. Remeasurements of the net defined benefit obligations, including actuarial gains and losses and the return on plan assets, are recognized immediately on other comprehensive income. When the benefits of a plan are improved, the portion of the increased benefit relating to past service by employees is recognized immediately in profit or loss.

Notes to the Consolidated Financial Statements

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3. MATERIAL ACCOUNTING POLICIES (continued)

(i) Finance income and finance charges

Finance income is recognized in income or loss as it accrues, using the effective interest method. Finance income comprises interest earned on cash and cash equivalents and unrealized gains on derivatives.

Finance charges are calculated using the effective interest rate method with the exception of the derivative liability and are recognized as an expense unless they are capitalized as part of the cost of qualifying assets. Finance charges comprises interest expense on borrowings, finance lease liabilities, accretion of asset retirement obligations and unrealized loss on derivative liabilities.

(j) Payments in lieu of income taxes

The Corporation and some of its subsidiaries are exempt from taxes under the Income Tax Act (Canada) (“ITA”) and the Ontario Corporations Tax Act (“OCTA”) (collectively the “Tax Acts”).

Pursuant to the *Electricity Act, 1998 (Ontario)* (“EA”), and as a consequence of its exemption from income taxes under the Tax Acts, the Corporation and some of its subsidiaries are required to make payments in lieu of corporate income taxes (“PILs”) to the Ontario Electricity Financial Corporation (“OEFC”). These payments are calculated in accordance with the Tax Acts. Some of the Corporation’s subsidiaries are not exempt from taxes under the ITA and accordingly calculate and pay income tax in accordance with the Tax Acts to the Canada Revenue Agency.

PILs comprises current and deferred tax for both the taxable and exempt subsidiaries. Payments in lieu of income taxes is recognized in net income except to the extent that it relates to items recognized either in comprehensive income or directly in equity, in which case, it is recognized in comprehensive income or equity.

Current PILs is the expected tax payable on the taxable income for the year, using tax rates enacted or substantively enacted at the reporting date, and any adjustment to tax payable in respect of previous years.

Deferred PILS comprise the net tax effects of temporary differences between the tax basis of assets and liabilities and their respective carrying amounts for accounting purposes, as well as for tax losses available to be carried forward to future years that are likely to be realized.

Deferred tax assets and liabilities are measured using enacted or substantively enacted tax rates, at the reporting date, expected to apply to taxable income in the years in which those temporary differences are expected to be recovered or settled. The effect on deferred tax assets and liabilities of a change in tax rates is recognized in income in the year that includes the date of enactment or substantive enactment.

3. MATERIAL ACCOUNTING POLICIES (continued)

(j) Payments in lieu of income taxes (continued)

A deferred tax asset is recognised to the extent that it is probable that future taxable profits will be available against which the temporary difference can be utilized. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realized.

(k) Business reorganizations between entities under common control

Business reorganizations between entities under common control are accounted for at book value on a retrospective basis with comparative information restated to present financial information as if the restructuring had occurred prior to the date of restructuring.

(l) Set-off and reporting on a net basis

Assets and liabilities and income and expenses are not offset and reported on a net basis unless required or permitted by IFRS. Offsetting is permitted for financial assets and financial liabilities when, and only when, the Corporation has a legally enforceable right to set-off and intends either to settle on a net basis, or to realize the asset and settle the liability simultaneously.

(m) Leases

At inception of a contract, the Corporation assess whether the contract is or contains a lease. A contract is determined to contain a lease if it provides the Corporation with the right to control the use of an identified asset for a period of time in exchange for consideration. Contracts determined to contain a lease are accounted for as leases. For leases and contracts that contain a lease, the Corporation recognizes a right-of-use asset and a lease liability at the lease commencement date. The right-of-use asset is initially measured at cost which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentives received.

The right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term. The estimated useful lives of right-of-use assets are determined on the same basis as those of property, plant and equipment. Subsequent to initial recognition, the right-of-use asset is recognized at cost less any accumulated depreciation and any accumulated impairment losses, adjusted for certain remeasurements of the corresponding lease liability.

3. MATERIAL ACCOUNTING POLICIES (continued)

(m) Leases (continued)

The lease liability is initially measured at the present value of lease payments plus the present value of lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease, or if that rate cannot be readily determined, the Corporation’s incremental borrowing rate.

The lease liability is subsequently measured at amortized cost using the effective interest method. It is remeasured when there is a change in future lease payments arising from a change in an index or rate, if there is a change in the Corporation’s estimate of the amount expected to be payable under a residual value guarantee, or if the Corporation changes its assessment of whether it will exercise a purchase, extension or termination option. When the lease liability is remeasured in this way, a corresponding adjustment is made to the carrying amount of the right-of-use asset, or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero.

The Corporation has elected not to recognize right-of-use assets and lease liabilities for leases that have a lease term of 12 months or less or for leases of low value assets. The Corporation recognizes the lease payments associated with these leases as an expense on a straight-line basis over the lease term.

(n) Provisions

A provision is recognized if, as a result of a past event, the Corporation has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability.

(o) Amendments to accounting standards effective in 2023

The Corporation adopted Disclosure of Accounting Policies (Amendments to IAS 1 and IFRS Practice Statement 2) effective January 1, 2023. These amendments require the disclosure of material rather than significant accounting policies. The amendments provide guidance on the application of materiality to disclosure of accounting policies, assisting entities to provide useful, entity-specific accounting policy information that users need to understand other information in the consolidated financial statements.

(stated in thousands of Canadian dollars)

4. CASH AND CASH EQUIVALENTS

Cash and cash equivalents consist of overnight deposits in Canadian chartered banks.

5. RESTRICTED CASH

The restricted cash balance subject to the restrictions may only be used for dealing with specific expenses as per contract with certain vendors (i.e. maintenance purpose) and is unavailable to the Corporation for general use elsewhere in its business. These expenses are expected to be incurred within the next 12 months of the reporting period.

6. AMOUNTS OWING TO PARENT

Amounts totaling $5,184 (2022 - $5,508) owing to the City of Hamilton (the "City") are due December 31, 2039, bearing interest at a fixed interest rate of 4.06% throughout the term of the loan. The loan is payable in annual principal repayments of $324 plus interest. The amounts owing to the City relate to the Corporation's acquisition of the City of Hamilton's Central Utilities Plant ("CUP").

The borrowings are secured by the assets of the CUP with a net book value of $8,533 (2022 - $8,702) with a cross-company guarantee provided by a corporation under common control.

Interest expense for the amounts owing to parent was $174 (2022 - $192). Principal payments on the amounts owing to parent are due as follows:

2024	$	324
2025		324
2026		324
2027		324
2028		324
Thereafter		3,564
	$	5,184

Notes to the Consolidated Financial Statements

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7. LONG-TERM BORROWINGS

	2023	2022
Bank loans	$ 5,835	$ 6,176
Term Loan – Tranche A	4,541	4,799
Term Loan – Tranche B	2,186	2,302
	12,562	13,277
Less: current portion	807	714
	$ 11,755	$ 12,563

The Corporation holds three bank loans. The first bank loan bears interest at 2.39% per annum and is repayable in monthly instalments of $26 principal and interest paid on the declining principal balance. The principal amount outstanding at December 31, 2023 is $3,196 (2022 - $3,379). The loan held by Hamover Power LP (the "Partnership") is due January 12, 2037 and is secured by guarantees of Hamilton Enterprises Holding Corporation, Port Dover Farms Inc. and the Corporation's subsidiary 2291506 Ontario Inc. (the "Subsidiary") and a registered security interest in the rooftop solar power generation equipment owned by the "Partnership. The loan is further secured by an assignment of the assets between the Partnership and its subsidiary and the Feed-in Tariff contracts held by the subsidiary. In January 2016, the Partnership entered into an interest rate swap agreement with a notional value of $5,760. Under the terms of the agreement, the Partnership was contracted to pay interest at a fixed rate of 2.46% while receiving a variable rate equivalent to the one-month Canadian Dollar Offer Rate. In February 2023, the Company and the lender modified the swap agreement to change the repayment terms from a fixed monthly payment of blended principal and interest to a monthly fixed principal payment (of $26 per month) with interest paid on the declining principal balance. The effect of the change is to accelerate the repayment of principal. This change also reduced the swap rate to 2.39% from 2.46%. When combined with the stamping fee of 1.77%, the effective interest rate is 4.16% per year. With the change effective February 2023, the annual repayment of interest will be a fixed amount of $320. The interest rate swap agreement is recorded at fair value and is in a net favorable position of $192 (2022 - favorable $288). The unrealized gain (loss) of $(96) (2022 - $438) recognized during the year is included in Finance charges.

The loan is subject to 2-year cash settlement payment due dates throughout the term of the loan, with the next due date being December 2025.

The second bank loan was entered in 2020 and bears interest at 5.69% per annum and is repayable in monthly instalments of principal and interest of $22 and matures August 2029. The principal amount outstanding is $2,639 (2022 - $2,752). The loan is secured by the related equipment for which the loan was issued.

Notes to the Consolidated Financial Statements

Year ended December 31, 2023
(stated in thousands of Canadian dollars)

7. LONG-TERM BORROWINGS (continued)

The third bank loan is comprised of a loan from the federal government through National Bank of Canada under the Canada Emergency Business Account (CEBA) program. The principal amount outstanding is $nil (2022 - $45). The loan was received in two tranches of $40 and $20 respectively. The loan is non-interest bearing and was forgivable up to $20 ($10 from each tranche) if the loan was repaid before the due date of December 31, 2022. If the loan is not repaid at December 31, 2023, the loan will become due and payable on December 31, 2025 and will bear interest at 5% with interest payment frequency determined by the financial institution. The loan was fully repaid during 2023.

In 2018, the Corporation entered into a lending agreement in two tranches secured by certain district energy assets which are due March and September 16, 2036 respectively. Tranche A was issued in the amount of $5,853 and bears interest at 5.322% per annum, repayable in blended quarterly principal and interest repayments of $127. Tranche B was issued in the amount of $2,733 and bears interest at 5.419% per annum, repayable in blended quarterly principal and interest repayments of $60.

Repayment of long-term debt for the year ended December 31:

2024	$	807
2025		783
2026		812
2027		845
2028		879
Thereafter		8,436
	$	12,562

(stated in thousands of Canadian dollars)

8. PROPERTY, PLANT AND EQUIPMENT

	Buildings	Heating and Electricity Generation infrastructure	Fibre & Data network	Other PP&E	WIP	2023 Total	2022 Total
Cost or deemed cost							
Balance at January 1	$ 1,704	$ 52,997	$ 10,374	$ 2,708	$ 525	$ 68,308	$ 67,606
Additions	–	1,277	153	100	347	1,877	1,010
Transfers	–	–	–	–	(537)	(537)	–
Disposals	–	–	–	–	–	–	(308)
Balance at December 31	$ 1,704	$ 54,274	$ 10,527	$ 2,808	$ 335	$ 69,648	$ 68,308

	Buildings	Heating and Electricity Generation infrastructure	Fibre & Data network	Other PP&E	WIP	2023 Total	2022 Total
Accumulated depreciation							
Balance at January 1	$ 1,189	$ 15,979	$ 4,668	$ 1,889	$ –	$ 23,725	$ 20,225
Depreciation charge	97	2,836	369	154	–	3,456	3,500
Balance at December 31	$ 1,286	$ 18,815	$ 5,037	$ 2,043	$ –	$ 27,181	$ 23,725

Carrying amounts	
December 31, 2023	$ 42,467
December 31, 2022	$ 44,583

Rooftop solar assets owned by a subsidiary of the Corporation with a net book value of $3,543 (2022 - $3,813) are subject to a registered security interest with respect to long term issued to the Corporation (note 7). Assets with a net book value of $5,332 (2022 - $5,408) are subject to a security interest for one of the Corporation's subsidiary's long-term debt (note 7). Assets with a net book value of $8,533 (2022 - $8,702) are subject to a security interest for one of the Corporation's subsidiary's long-term debt with the Parent (note 6). Assets with a net book value of $6,461 (2022 - $6,814) are subject to a security interest for one of the Corporation's subsidiary's long-term debt (note 7).

(stated in thousands of Canadian dollars)

9. INTANGIBLE ASSETS

	Customer Contracts and Licenses	Computer software	Feed-in Tariff	2023 Total	2022 Total
Cost or deemed cost					
Balance at January 1	$ 2,240	$ 642	$ 661	$ 3,543	$ 3,520
Additions	–	–	–	–	23
Balance at December 31	$ 2,240	$ 642	$ 661	$ 3,543	$ 3,543

	Customer Contracts and Licenses	Computer software	Feed-in Tariff	2023 Total	2022 Total
Accumulated depreciation					
Balance at January 1	$ 1,863	$ 583	$ 160	$ 2,606	$ 2,458
Depreciation charge	75	31	33	139	148
Balance at December 31	$ 1,938	$ 614	$ 193	$ 2,745	$ 2,606

Carrying amounts	
December 31, 2023	$ 798
December 31, 2022	$ 937

10. RIGHT OF USE ASSETS AND FINANCE LEASES

	Land and buildings	Rooftops	Total
Right-of-use assets			
Cost			
Balance at January 1, 2023	$ 2,335	$ 1,944	$ 4,279
Balance at December 31, 2023	$ 2,335	$ 1,944	$ 4,279
Accumulated depreciation			
Balance at January 1, 2023	$ 566	$ 438	$ 1,004
Additions	141	110	251
Balance at December 31, 2023	$ 707	$ 548	$ 1,255
Carrying amounts			
At December 31, 2023	$ 1,628	$ 1,396	$ 3,024
At December 31, 2022	$ 1,769	$ 1,506	$ 3,275

(stated in thousands of Canadian dollars)

10. RIGHT OF USE ASSETS AND FINANCE LEASES (continued)

	Land and buildings	Rooftops	Total
Finance lease liability			
Balance at January 1, 2023	$ 1,934	$ 1,645	$ 3,579
Interest	99	79	178
Repayments	(212)	(164)	(376)
Balance at December 31, 2023	$ 1,821	$ 1,560	$ 3,381
At December 31, 2022	$ 1,934	$ 1,645	$ 3,579

Total cash outflows with respect to leasing arrangements during the year was $376 (2022 - $376) consisting of principal and interest of $198 and $178, respectively (2022 - $186 and $190).

The Corporation has several lease commitments for which the underlying asset value has been determined by the Corporation to be less than $5,000 USD. These assets have not been accounted for under IFRS 16 *Leases* due to their low value. As such, the Corporation has expensed $32 (2022 - $31) in income statement during the year for these leases.

Certain leases held by the Corporation provide the Corporation with extension options and termination options that may impact the term of the Lease which can impact the finance lease liability recognized in the statement of financial position. The Corporation has determined the lease term for all contracts based on all available information as at the reporting date.

The Corporation has leases for which certain payments made under the leasing arrangement are variable in nature and thus not included in the determination of the right-of-use asset and finance lease liability. These payments include payments for common area maintenance, insurance, and taxes. During the year, the Corporation recognized $32 (2022 - $31) as an expense in income statement relating to variable lease payments.

Repayment of finance lease liabilities for the principal portion are as follows:

2024	$ 221
2025	232
2026	244
2027	256
2028	264
Thereafter	2,164
	$ 3,381

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11. PAYMENTS IN LIEU OF INCOME TAXES

Current and deferred payments in lieu of income taxes

		2023		2022
Current payments in lieu of income taxes:				
Current year	$	–	$	(43)
Deferred payments in lieu of income taxes:				
Origination and reversal of temporary differences and other		(79)		155
		(79)		155
Payments in lieu of income expense (recovery)	$	(79)	$	112

Reconciliation of effective tax rate

		2023		2022
Loss before taxes	$	(1,187)	$	(1,233)
Canada and Ontario statutory Income tax rates		26.5%		26.5%
Expected tax recovery on income at statutory rates		(304)		(327)
Increase (decrease) in income taxes resulting from:				
Non-deductible expenses		3		2
Deferred PILS asset not recognized		210		397
Adjustments to prior provision		(31)		45
Other		43		(5)
Income tax expense (recovery)	$	(79)	$	112

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Year ended December 31, 2023
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11. PAYMENTS IN LIEU OF INCOME TAXES (continued)

Deferred tax balances

Significant components of the Corporation's deferred tax balances are as follows:

	2023	2022
Deferred payments in lieu of income taxes - liabilities:		
Property, plant, and equipment	$ (7,123)	$ (6,876)
Other	(50)	(113)
	(7,173)	(6,989)
Deferred payments in lieu of income taxes – assets:		
Non-capital losses	7,905	8,193
Right-of-use assets	519	80
Property, plant and equipment	590	302
Other	65	28
CMT carry forward	170	172
	9,249	8,775
Unrecognised deferred tax assets:		
Deductible temporary differences	348	105
Tax losses	2,639	2,671
Total unrecognised deferred tax assets	2,987	2,776
Net recognized deferred tax assets	$ 6,262	$ 5,999

Notes to the Consolidated Financial Statements

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12. EMPLOYEE FUTURE BENEFITS

The Corporation provides certain health, dental and life insurance benefits on behalf of its retired employees. These benefits are provided through a defined benefit plan. The Corporation has reflected the defined benefit costs and related liabilities, as calculated by the actuary, in these consolidated financial statements. The defined benefit obligation and the expense for the year ended December 31, 2023 was based on the most recent results and assumptions determined by an actuarial valuation as at December 31, 2023 and the next required valuation is required by December 31, 2026.

Information about the Corporation's unfunded defined benefit plan as a whole and changes in the present value of the defined benefit unfunded obligation and the defined benefit liability are as follows:

	2023	2022
Defined benefit obligation, beginning of year	$ 216	$ 286
Current service cost	14	16
Interest cost	11	9
Benefits paid during the year	(10)	(10)
Actuarial loss recognized in other comprehensive income	(15)	(85)
Defined benefit obligation, end of year	$ 216	$ 216

The main actuarial assumptions underlying the valuation are as follows:

(a) General inflation

The health care cost trend for prescription drugs is estimated to increase from 4.90% in 2023, fluctuating between 4.20% to 4.60% from 2024 to 2026. Other medical and dental expenses are assumed to increase at 4.0% per year.

(b) Discount rate

The obligation at the period end and the present value of future liabilities were determined using a discount rate of 5.05% (2022 - 5.05%) representing an estimate of the yield on high quality corporate bonds as at the valuation date. A 1% increase or decrease in the discount rate would result in a decrease of $31 or increase of $40 to the defined benefit obligation respectively.

(c) Salary levels

Future general salary and wage levels were assumed to increase at 3.30% (2022 - 3.30%) per year.

Notes to the Consolidated Financial Statements

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13. PENSION

The Corporation provides a pension plan for its employees through OMERS. The plan is a multi-employer, contributory defined benefit pension plan with equal contributions by the employer and its employees. In 2023, the Corporation made employer contributions of $409 to OMERS (2022 - $383) which are recognized in profit or loss during the year.

The Corporation expects to make a contribution of $409 to OMERS during the next fiscal year.

As at December 31, 2023, OMERS had approximately 612,000 members, of whom 30 are current employees of the Corporation. The most recently available OMERS annual report is for the year ended December 31, 2023, which reported that the plan was 97% funded.

14. SHARE CAPITAL

	2023	2022
Unlimited number of common shares 37,986 (2022 - 37,986) issued and outstanding)	$ 37,986	$ 37,986

Dividends

The holders of the common shares are entitled to receive dividends as declared from time to time.

The Corporation did not declare or pay a dividend in 2023 or 2022.

15. FINANCE INCOME AND CHARGES

	2023	2022
Interest income on bank deposits	$ 141	$ 73
Finance income	141	73
Lease liabilities	(178)	(190)
Unrealized gain (loss) on derivative liability (note 7)	(96)	438
Interest expense – Amounts owing to Parent (note 6)	(174)	(192)
Interest expense – long-term borrowings	(683)	(723)
Finance charges	(1,131)	(667)
Net finance costs recognized in income	$ (990)	$ (594)

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16. CASH FLOW INFORMATION

Net change in other assets and liabilities:

		2023		2022
Accounts receivable	$	1,533	$	(1,562)
Accounts receivable from related parties under common control		(44)		(28)
Other current assets		(443)		84
Accounts payable and accrued liabilities		(716)		1,517
Amounts owing to related parties under common control		(3)		52
Deferred revenue		550		69
	$	877	$	132

17. RELATED PARTY TRANSACTIONS

(a) Parent and ultimate controlling party

The parent company and ultimate controlling party is the City of Hamilton. The City of Hamilton produces financial statements that are available for public use. The Corporation has long-term borrowings outstanding with the City of Hamilton as described in note 6.

(b) Transactions with corporations under common control

Outstanding balances with related parties are as follows:

		2023		2022
Hamilton Utilities Corporation	$	2,496	$	2,502
Port Dover Farms Inc.		197		181
Other related parties		34		–
		2,727		2,683
Bright Ray Solar		(173)		(173)
Other related parties		(25)		(28)
Hamilton Utilities Corporation		(15,465)		(15,465)
		(15,663)		(15,666)
	$	(12,936)	$	(12,983)

Amounts owing to and from corporations under common control are non-interest bearing and have no fixed terms of repayment. The Corporation received management and administrative and billing fees from a corporation under common control in the amount of $156 (2022 - $258).

Notes to the Consolidated Financial Statements

17. RELATED PARTY TRANSACTIONS (continued)

(c) Key management personnel

The key management personnel of the Corporation has been defined as members of its board of directors and executive management team members. Total key management compensation for the Corporation in 2023 consisted of salaries and other short-term benefits as well as bonuses and amounted to $1,589 (2022 - $1,525).

18. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT

Fair value disclosure

The carrying values of cash and cash equivalents, accounts receivable, accounts receivable from and amounts owing to related parties under common control, accounts payable and accrued liabilities and deferred revenue approximate fair value because of the short maturity of these instruments.

The fair value of the long-term borrowings is $12,102.

The fair value of amounts owing to Parent is $5,348.

Financial risks

The Corporation understands the risks inherent in its business and defines them broadly as anything that could impact its ability to achieve its strategic objectives. The Corporation's exposure to a variety of risks such as credit risk, interest rate risk and liquidity risk as well as related mitigation strategies are discussed below. However, the risks described below are not exhaustive of all the risks nor will the mitigation strategies eliminate the Corporation's exposure to all risks listed.

(i) Credit risk

Financial assets carry credit risk that a counterparty will fail to discharge an obligation which could result in a financial loss. Financial assets held by the Corporation, such as accounts receivable, expose it to credit risk. The majority of accounts receivable was collected subsequent to year end.

The carrying amount of accounts receivable is reduced through an allowance for expected credit losses and the amount of the related impairment loss is recognized in profit or loss. Subsequent recoveries of receivables previously provisioned are credited to profit or loss. The balance of the allowance for expected credit losses at December 31, 2023 is $107 (2022 - $83).

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(stated in thousands of Canadian dollars)

18. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT (continued)

(ii) Market risk

Market risks primarily refer to the risk of loss resulting from changes in commodity prices, foreign exchange rates, and interest rates. The largest commodity contract, which is an executory contract, is in relation to the purchase of natural gas in the ordinary course of business. These are fixed price contracts to hedge against any fluctuations in the market price. The Corporation currently does not have any material foreign exchange or interest rate risk.

(iii) Liquidity risk

The Corporation monitors its liquidity risk to ensure access to sufficient funds to meet operational and investing requirements. The Corporation’s objective is to ensure that sufficient liquidity is on hand to meet obligations as they fall due while minimizing interest exposure.

The majority of accounts payable, as reported on the balance sheet, are due within 30 days.

(iv) Capital disclosures

The main objectives of the Corporation, when managing capital, are to ensure on-going access to funding to maintain infrastructure to supply services to customers, to prudently manage its capital structure and deliver appropriate financial returns. The Corporation’s definition of capital includes share capital and long-term borrowings. As at December 31, 2023, the amount of share capital is $37,986 (2022 - $37,986) and long-term borrowings amount to $12,562 (2022 - $13,277).

19. CONTINGENCIES

From time to time, the Corporation is involved in various litigation matters arising in the ordinary course of its business. The Corporation has no reason to believe that the disposition of any such current matter could reasonably be expected to have a materially adverse impact on the Corporation's financial position, results of operations or its ability to carry on any of its business activities.

HAMILTON COMMUNITY ENTERPRISES

RECOMMENDATION A

May 30, 2024

Hamilton Enterprises Holding Corporation
Nominating Committee Recommendation Report – 062424 - A

re: Private Director Nomination for re-appointment to Board of Hamilton Enterprises Holding Corporation

Background:

The Board of Directors of Hamilton Enterprises Holding Corporation ("HEHCo") is comprised of six (6) private Directors and the Mayor's surrogate for a total composition of seven (7) board members.

On June 23, 2021, the Shareholders resolved Greg McCamus be appointed as Director of HEHCo for a 3-year term, expiring June 30, 2024. Mr. McCamus is the Chair of the Audit and Risk Management (ARM) Committee, and is a highly valued Board member, bringing experience and expertise in strategic financial planning and risk oversight. Please find attached as *Appendix a) CV of Mr. McCamus*.

As the term for Greg McCamus is expiring in June 2024, the Nominating Committee of HEHCo seeks a reappointment for another three-year term.

Recommendation:

Inasmuch as Mr. McCamus has previously gone through the approval process of HEHCo, under the Shareholder's Direction given to HEHCo by the City of Hamilton (the "City") pursuant to 4.07 and 4.08 and 4.09 (iii) of the Unanimous Shareholders Declaration, dated June 6, 2018, it is recommended by the HEHCo Nominating Committee and the HEHCo Board of Directors the City's approval for the reappointment of Mr. McCamus for a three-year term as a private director of the HEHCo Board. Please find attached as *Appendix b) a current bio for Mr. McCamus.*

Attachments:
Appendix a) CV of Mr. McCamus
Appendix b) Biography of Mr. McCamus

APPENDIX A

Greg L. McCamus, MBA ICD.D

- A proven operational business leader with multi-industry experience driving change and implementing new strategic growth pathways.
- A leader in distribution logistics with a track record of implementing operational changes to improve productivity and customer execution through improved talent, technology, and operational discipline.
- A "go-to-market" innovator with extensive sales and marketing expertise in developing organic growth strategies from concept to execution with a focus on building differentiation for competitive advantage and implementing digital transformation.
- An authentic leader with a deep understanding of the actions necessary to drive strategic change and ability to build and attract talent.
- Extensive experience in M&A with more than 20 tuck-in acquisitions completed along with several strategic acquisitions and integrations.
- A clear understanding of the role of Directors through involvement on numerous Business and Volunteer Boards, through the ICD.D program, and through participation in the Superior Plus Board process.

Board Memberships

Business Boards

Director	Shared Technologies of Canada	1998 - 2000
Director	Canada Payphone Inc.	1998 - 2000

Volunteer Boards

Director	National Propane Gas Association (USA)	2017 - present
Director and Co-Chairman of the Roundtable on Technology	The Learning Partnership	2000 - 2006

Career Summary

Superior Plus Corporation **2005 - 2021**

A $2.9B EV TSX listed corporation with a focus on Energy Distribution and Specialty Chemicals

President, Superior Propane and Superior Plus Energy Distribution *2012 - 2021*

Responsible for overall leadership and strategy for the $800M Energy Distribution segment including Superior Propane (Canada) and Superior Plus Energy Services (US).

Major Achievements:

- Led the successful turnaround of the Superior Propane business in Canada from a declining $55M EBITDA business in 2011 to a growing $135M EBITDA business in 2017 through a series of business improvement initiatives and strategic acquisitions.

- Improved operational efficiency by implementing sophisticated logistics, a new management system, and improved talent and leadership resulting in industry leading operating ratio improvements.
- Developed a new sales and marketing strategy based on the "digital advantage" digitization strategy leading to improvements in organic growth and customer retention through differentiation.
- Led a customer experience evolution that supported the highest customer growth in the industry and a 40-point improvement in customer net promoter score over 4 years.
- Introduced key talent initiatives to top grade leadership and implemented succession planning and career development resulting in double digit improvements in employee engagement
- An active participant at the Superior Plus Board over 12 years attending all board meetings, annual board strategy reviews and attending board committee's as required.

President, Superior Plus Energy Services and SEM *2005 - 2012*

Led Superior Plus Corp expansion into the US through acquisition building a solid and growing presence in the marketplace where Superior is now in the top 10 propane companies in the US.

Major Achievements:

- Led the acquisition and integration of more than 20 propane and fuel distribution companies to form a coherent, integrated division operating in target US markets with more than $40M in EBITDA
- Built a leadership team, sales and operations team with top talent to build and scale the US business, bringing Superior Propane's industry leading solutions to the US market
- Expanded Superior's SEM energy marketing business from start-up phase to exceed $20M in EBITDA in 4 years and then oversaw the divestiture of this division which was deemed non-core.

Callnet Enterprises (dba Sprint Canada) 2000 - 2004

An $800M TSX listed corporation that provided voice and data services to commercial and residential customers across Canada under the Sprint brand.

President, Sprint Canada Business Solutions

Responsible for the $330M Sprint Canada division selling voice and data networking solutions to Canadian businesses.

Major Achievements:

- Developed a new focussed strategy that revamped the existing organization, channel strategy, and management team resulting in industry leading growth in the wireline marketplace in Canada.
- Successfully completed the integration of new acquisitions that improved the strategic positioning of Sprint in the business segment.
- Strong performance led to the sale of Callnet to Rogers Communications Inc.

AT&T Canada / Unitel Communications 1990 - 2000

Unitel (formerly CNCP Telecommunications) was a telecom company that broke the long distance monopoly in Canada and was acquired by AT&T Corp and ultimately sold to MTS Allstream during the rapid growth of the competitive telecom business during the 1990s.

Sr VP Carrier Services and Affiliate Companies *1998 - 2000*

Responsible for wholesale sales to other telecom carriers in North America and also for AT&T's investments in affiliate companies

Major Achievements:

- Lead AT&T executive and board member responsible for AT&T's investments in Canada Payphone Corp. and Shared Technologies of Canada.
- Led the new venture investment effort to expand AT&Ts value proposition by buying positions in companies with value added solutions.

Other roles at AT&T Canada/ Unitel *1990 - 1998*

- Sr VP National, Government and Major Accounts
- Vice President Customer Service
- Sales VP General Business Market
- Direct of Marketing, GBM segment

Previous Experience

TIE Communications – President, TSI Midwest 1987 - 1990
Canadian Telecommunications Group (CTG) - Director of Marketing 1983 - 1987

Education

ICD.D designation from the Institute of Corporate Directors 2017
Masters of Business Administration, York University 1983
Honours Bachelor of Arts, Huron College, University of Western Ontario 1981

APPENDIX B

Biography – Mr. Greg McCamus

Chair, Audit and Risk Management Committee

Greg McCamus - Greg McCamus is a retired executive with senior operational leadership experience in the telecommunications and energy industries. Most recently he was President of Superior Plus Energy Distribution, a division of Superior Plus (TSX SPB.TO) and led the strategic transformation of Superior Propane in Canada and the entry of Superior into the US market where the company is now one of the largest propane distributors in North America. Prior to joining Superior in 2005 he held a number of senior executive roles in the competitive telecommunications industry with Call-Net Enterprises (Sprint Canada), AT&T Canada, and Unitel Communications.

Mr. McCamus holds an HBA from Huron University College (University of Western Ontario), an MBA from York University's Schulich School of Business, and the ICD.D designation from the Institute of Corporate Directors. He is a past member of the board of directors of the National Propane Gas Association and of The Learning Partnership.

HAMILTON COMMUNITY ENTERPRISES

May 30, 2024

RECOMMENDATION B

Hamilton Enterprises Holding Corporation
Nominating Committee Recommendation Report – 062424 – B

re: Private Director Nomination for re-appointment to Board of Hamilton Enterprises Holding Corporation

Background:

The Board of Directors of Hamilton Enterprises Holding Corporation (“HEHCo”) is comprised of six (6) private Directors and the Mayor’s surrogate for a total composition of seven (7) board members.

On June 8, 2023, the Shareholders resolved Anna Ventresca be appointed as Director of HEHCo for a 1-year term, expiring June 30, 2024. Ms. Ventresca holds a law degree and is a member of the Human Resources & Governance (HRG) Committee, bringing significant corporate governance experience and a strong vision, sensibility, and financial acumen. Please find attached as Appendix a) CV of Ms. Ventresca.

As the term for Anna Ventresca is expiring in June 2024, the Nominating Committee of HEHCo seeks a reappointment for a three-year term.

Recommendation:

Inasmuch as Ms. Ventresca has previously gone through the approval process of HEHCo, under the Shareholder’s Direction given to HEHCo by the City of Hamilton (the “City”) pursuant to 4.07 and 4.08 and 4.09 (iii) of the Unanimous Shareholders Declaration, dated June 6, 2018, it is recommended by the HEHCo Nominating Committee and the HEHCo Board of Directors the City’s approval for the reappointment of Ms. Ventresca for a three-year term as a private director of the HEHCo Board. Please find attached as Appendix b) a current bio for Ms. Ventresca.

Attachments:
Appendix a) CV of Ms. Ventresca
Appendix b) Biography of Ms. Ventresca

APPENDIX A

ANNA VENTRESCA, LL.B, ICD.D

An accomplished Legal Executive with cross-listed, publicly traded, large multi-national companies, as well as the public sector. With more than 20 years in highly regulated industries, a deep expertise in identifying, evaluating and mitigating risks as a member of executive management advising the Board of Directors and as a Board member. A proven track record leading complex global legal and compliance functions as well as comprehensive experience in leadership roles on various Boards.

Professional History

Hamilton Health Sciences — May 2017 - Aug 2020 (retired)

Head Office, Hamilton, Ontario
VP Legal, General Counsel & Corporate Secretary

- Reporting to the CEO and Board of Directors of Ontario's second largest hospital system, established a legal department and corporate secretarial function proper for size of organization.
- Responsible for enterprise risk management, privacy, insurance portfolio, litigation oversight, and general risk management and mitigation, all of which was elevated to a standard of best practices.
- Worked extensively with Board of Directors including regular presentations to Audit Committee and Board, provided governance training to the Board and assisted CEO in keeping the Board apprised of significant developments.

Nortel — Sept 2000 - Dec 2012

Global Headquarters, Mississauga, Ontario
General Counsel, Corporate Secretary & Chief Compliance Officer, Aug 2009-Dec 2012
Assistant General Counsel-Corporate & Assistant Secretary, Jul 2007 – Aug 2009
Associate General Counsel-Corporate & Assistant Secretary, Sept 2006 –Jul 2007
Assistant Secretary and Counsel- Securities, Aug 2005 – Sept 2006
Securities Counsel, Sept 2000 - Jul 2005

- Part of core team in the planning and preparation for Nortel's filing for creditor protection in Canada, the United States and in the United Kingdom on January 14, 2009, and since filing, part of senior management team working with the Canadian Monitor and several global advisors and other stakeholders in the restructuring process, while continuing with the responsibilities below in light of these developments.
- As General Counsel, Chief Compliance Officer & Corporate Secretary, oversight of all legal matters, and involved in all main transactions and developments in relation to creditor protection proceedings while working closely with senior leadership team and company's advisors; led legal teams responsible for: company's Canadian and U.S. compliance with securities laws; litigation; executive compensation matters; corporate communications; and corporate secretarial and governance. Set agendas for biweekly Board of Directors meetings.
- As Chief Compliance Officer, led a global team of compliance experts responsible for the oversight of the company's ethics and compliance policy including ethics hotline and investigations, FCPA matters, employee communications and training, and Business Code of Conduct. Direct reporting line into Audit Committee and reported on a regular basis to the Audit Committee on status of ethics compliance activities and resourcing.
- Pre creditor protection proceedings, and post as applicable, led the Public Markets legal group that supported the Control, Treasury, Investor Relations and Corporate Communications functions. Provided legal and strategic advice to executive management regarding U.S. and Canadian securities laws matters and generally responsible for Nortel's continuous disclosure obligations, including the Annual Report on Form 10-K, Quarterly Reports on Form 10-Q, Current Reports on Form 8-K, and equivalent Canadian filings, OSC and SEC comment letters, and various other regulatory reporting. Prime counsel on the company's four restatements and independent investigation, and worked extensively on the various regulatory matters in connection therewith, including settlement with the OSC and SEC.

- As Chair of the Disclosure Committee, responsible for implementing committee's mandate and updating the company's Disclosure Policies & Procedures. Set committee's agenda, determined matters to be brought forward for approval as well as developments in Canadian and U.S. disclosure rules under applicable securities laws. Coordinated cross functional materiality analyses of events and developments. Regular presentations to Audit Committee and Board of Directors on disclosure related matters.
- Partnered with Investor Relations and Corporate Communications in all aspects of communications, including earnings announcements and guidance updates, preparation of significant corporate press releases and related materials, advised CEO and senior management on disclosures both internal and external on a proactive and reactive basis; responsible for all corporate communications during creditor protection proceedings.
- Pre creditor protection filings, provided strategic advice and legal support to CFO and Treasury on all capital markets planning and transactions, including high yield and convertible notes offerings, and 2001 syndicated credit facilities and the company's first global security arrangements.
- Legal prime on remedial measures in internal controls and material weakness elimination projects, assisting the CFO and Finance function in development of project and preparation of documentation, both internally, to Audit Committee and reporting to regulators.
- As legal prime on the restatements and related activities, including assistance on resolution of accounting issues and responsibility for the preparation of bi-weekly press release updates and related filings, played a leadership role in preparation and filing of the restated financial statements and bringing the company current in its financial reporting.
- Pre creditor protection proceedings: Member of Nortel's Executive Leadership Team (top senior leaders, approximately 150 of the total 30,000 employees). Member of Nortel's Toronto Leadership Council. United Way Campaign Executive Sponsor and Chairperson for Nortel's Global Headquarters in 2008 and 2007, doubling campaign contribution in 2007 over 2006, and doubling participation levels in 2008 from 2007. Active mentor pursuant to various internal mentorship programs.

Philip Services — Nov 1995 - Aug 2000

Global Head Office, Hamilton, Ontario

Senior Counsel

- Working closely with a cross functional management team, legal prime on all aspects of over ten acquisitions during a two year period of both privately and publicly held companies primarily in the U.S. in the metals recycling and industrial services industries, including negotiating terms and conditions, preparation of Hart-Scott-Rodino filings and in one instance appearing before the U.S. Department of Justice, and addressing environmental and tax issues.
- Instrumental in the CCAA and Chapter 11 restructuring of the company as a debtor in possession during 1999 and 2000, including monitoring of compliance with court ordered restrictions on the company.
- Supported General Counsel in several corporate areas including financial reporting in compliance with both Canadian and U.S. regulatory requirements, cross border financings and credit facilities, executive employment matters, environmental issues, tax restructurings and oversight of the corporate and securities law clerks.

Lewis, Brown, Scarfone, Hawkins — Jun 1992 – Oct 1995

Hamilton, Ontario

Associate Lawyer, January 1994 - October 1995

- Concentrated in areas of corporate law, commercial transactions and mergers and acquisitions. Assisted in firm recruitment and client marketing.

Articling Student, Bar Admission Course, June 1992 - December 1993

- One year of articling training included rotations in corporate, mergers and acquisitions, tax, banking and finance, real estate, wills and estates and litigation

Education

University of Toronto, Rotman 2014
Toronto, Ontario
Directors Education Program, obtained ICD.D in 2014

The Law Society of Upper Canada 1994
Toronto, Ontario
Admitted as a member to the Law Society of Upper Canada

University of Western Ontario 1989-1992
London, Ontario
Bachelor of Laws

McMaster University 1984-1988
Hamilton, Ontario
Honours Bachelor of Arts, Experimental Psychology

Board Memberships

- Several year terms serving on the Boards of Hillfield Strathallan College (HSC), Art Gallery of Hamilton (AGH), Mohawk College and Hamilton Health Sciences (HHS). Chair of HSC and was incoming Chair of Mohawk and AGH when General Counsel role at HHS was taken on. Further served on several Committee Chair roles including Finance committees.
- Currently serves on the Board of Hamilton Enterprises Holding Corp, a wholly-owned subsidiary of the City of Hamilton where she is a member of the Human Resources & Governance Committee. She also currently is on the Board of the Hamilton Music Collective.

Interests

- Extensive travel, culinary skills, restoration of a century home
- Wide range of musical interests; Canadian Opera Company supporter; grade 8 piano
- Historic-based and global affairs literature
- Legal Aid Case Worker, Yearbook Editor, University of Western Ontario

APPENDIX B

Biography – Ms. Anna Ventresca

Anna Ventresca is an accomplished Legal Executive with cross listed, publicly traded, large, multinational companies, as well as the public sector. With more than 20 years' experience in highly regulated industries, Anna has developed a deep expertise in identifying, evaluating, and mitigating risks in both capacities as a member of executive management advising the Board of Directors and as a Board member. Anna has a proven record of leading legal and compliance functions as well as managing large teams globally.

Anna has extensive experience in Canadian and U.S. securities laws, corporate governance, corporate communication, investor relations, finance and treasury as well as insolvency, restructuring and crisis management, and health law. Most recently, Anna served as VP Legal Services, General Counsel & Corporate Secretary, Hamilton Health Sciences (HHS), Ontario's second largest hospital network. Prior to HHS, Anna was General Counsel, Corporate Secretary & Chief Compliance Officer, Nortel Networks where she led a global legal and compliance function of over 100 people during the company's four years of creditor protection under CCAA and Chapter11.

Anna completed the Directors Education Program at Rotman, University of Toronto, and obtained the ICD.D in 2014. She served on the Boards of Hillfield Strathallan College (HSC), Art Gallery of Hamilton (AGH), Mohawk College and Hamilton Health Sciences (HHS). She served as Chair of HSC and was incoming Chair of Mohawk and the AGH when she took on the General Counsel at HHS. Further, she served in several Committee Chair roles through these Board appointments including Chair of Finance committees. In addition to serving on the Board of Hamilton Community Enterprises, Anna is currently on the Board of the Hamiton Music Collective.