



2025 Annual Report

Laying the Groundwork

Leading Today. Building for Tomorrow.



Synergy North is responsible for servicing electricity to the City of Kenora and the City of Thunder Bay. Synergy North distributes electricity to over 56,000 customers via a network of over 1,200 kilometres of overhead and underground power lines between both service territories. It is the local, front-line customer service face of the province's electrical industry providing for the reading of customer meters, billing, and offering energy conservation advice and programs. We plan, build, and maintain the local power line system and provide 24-hour emergency response.

“At Synergy North, our employees trust that safety comes first — because it does. We are committed to creating a workplace where everyone can work confidently, safely, and return home each day.”

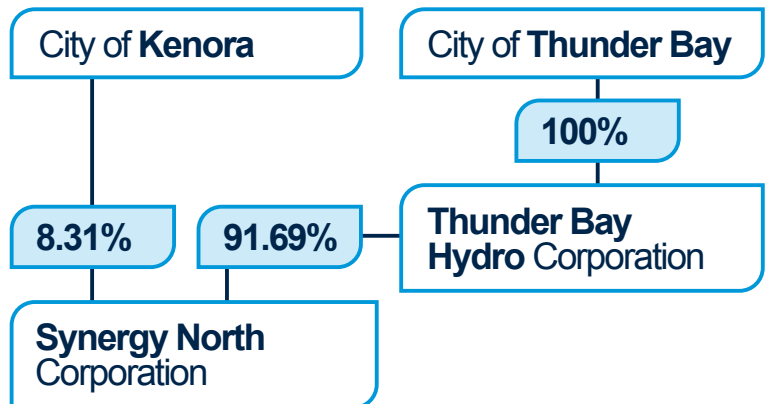
Mission

Customers choose Synergy North to power their lives with outstanding energy services delivered in a safe, reliable and trusted manner to our communities.

Vision

Your trusted partner for energy and related services.

Organizational Chart



Values



Reliable

Supply our products and services in a trustworthy, fair and dependable manner



Safety

Promote, work and live safely



Community

Lead by example to build a strong community



Excellence

Pursue being better in everything we do



Table of Contents

Laying the Groundwork	4
Message from the President	5
Message from the Board Chair	6
Governance	7
Long Term Corporate Goals	8
2025 Highlights	10
Building the Foundation for Our Strategic Plan	12
Strategic Initiative Highlights	14
System Reliability	18
Customers	24
People	34
2025 Financial Statement	39



Laying the Groundwork:

Leading Today. Building for Tomorrow.

For Synergy North 2025 marks a year where vision turned into structure, priorities became action plans, and early milestones signaled real momentum. In Thunder Bay and Kenora, the energy landscape is shifting quickly, propelled by electrification, digital innovation, rising customer expectations, and the need to build a more environmentally and economically resilient future.

The achievements of our 2022–2024 strategic cycle, including a successful Cost of Service application and a new Distribution System Plan, positioned us strongly for this next chapter. In 2025, we translated that preparation into focused action. Our 2025–2028 Strategic Plan sets a clear course to modernize our grid, strengthen reliability, support electrification, and enhance the customer experience.

Safety remains the foundation of everything we do. As our systems grow more complex and climate impacts intensify, our commitment to protecting our employees, contractors, and communities continues to guide every decision.

Synergy North is not simply adapting to change; we are helping lead it. By aligning our people, investments, and partnerships around a clear strategic direction, we are building a resilient utility prepared to power growth and opportunity across our region.

Together with our employees, partners, customers, and shareholders, we are leading today and building for tomorrow.



Message from the President



A key event of 2025 for Synergy North is the adoption of our 2025-2028 Strategic Plan. This work reflects the voices, insights, and ideas shared by employees across the organization and many key stakeholders. The experience and ideas of our employees and customers helped shape a strategy that reflects both the realities of the evolving energy sector and the priorities of the communities we serve.

The pillars, initiatives, and enabling strategies within the plan reflect our shared commitment to Safety, Reliability, Community, and Excellence. Every employee at Synergy North plays a role in bringing this plan to life through the decisions they make each day in support of our purpose to power people's lives.

Customers are electrifying more aspects of their daily lives, new technologies are emerging, and expectations for reliable and responsive service continue to grow. Our strategy recognizes these changes and prepares Synergy North to meet increasing electricity demand while continuing to deliver safe, dependable power to homes, businesses, and essential services across Thunder Bay and Kenora.

Safety continues to be our highest priority. This year we celebrated the milestone of 1,000 days without a lost time injury, a reflection of the strong safety culture shared by employees across the organization. Our "Speak Up for Safety" campaign reinforced that every member of our team has both the responsibility and the confidence to raise concerns and help protect one another and the public.

Reliability remains at the core of everything we do. In 2025, Synergy North achieved 99.98% system reliability, essentially meaning electricity was always available to customers virtually all year long. Delivering this level of service requires careful operational planning, sustained investment in infrastructure, and the dedication of our crews and employees who work every day—sometimes in challenging conditions—to keep the system running safely and efficiently.

At the same time, we continue to invest in the future of our electricity system. Through infrastructure upgrades, vegetation management, digital innovation, and energy efficiency initiatives, we are modernizing the grid and preparing for increased electrification. New planning tools and partnerships are also helping support regional growth and empowering customers to play an active role in building a more sustainable energy future.

We are committed to the communities that we serve and where we live. Through partnerships with local organizations, volunteerism by our employees, sponsorships and donations, and public safety campaigns, Synergy North continues to contribute to the strength and well-being of the communities we serve.

Throughout the year, employees asked for clearer communication and a stronger understanding of our vision for the future. We have taken important steps to respond to that feedback by strengthening internal communications and creating more opportunities for open dialogue across the organization. Speaking up and sharing ideas, whether about safety, reliability, or how we can better serve customers, is fundamental to how we work together.

With a clear plan in place and with continued collaboration across our organization, I am confident that Synergy North will remain a leader in safety, reliability, innovation, and community support. We have a bright future ahead, and by working safely we will continue to deliver on our promise to customers.

A handwritten signature in blue ink, which appears to read "Rene Gallant". The signature is fluid and cursive, with a long horizontal line extending to the right.

Rene Gallant
President & CEO, Synergy North Corporation

Message from the Board Chair

On behalf of the Board of Directors, I am pleased to present our Annual Report and to share a reflection on the past year, a year marked by meaningful progress and disciplined stewardship of Synergy North's long-term interests.

We are proud of our industry-leading safety culture, and we continue to champion the well-being of our employees, our contractors, and the communities we serve. This year also marked an important moment of external recognition. We were honoured to receive the 2025 Ontario One Call Transformative Safety Education & Engagement Award for our innovative "Call Before You Dig" public safety campaign, which contributed to a 40% reduction in digups in Thunder Bay and Kenora.

This was a year of extraordinary change for Synergy North. Throughout this period of transition and transformation, the Board, our CEO, the Executive Management Team, and our employees demonstrated unwavering professionalism, adaptability, and grace. The pace and significance of the changes we navigated together were substantial, and I am deeply proud to work alongside such a stellar group of individuals. Their commitment, resilience, and collaborative spirit have been foundational to our success and continue to inspire confidence in the promising future ahead.

This year also represented a significant leadership transition. After ten years of exemplary service, Gary Armstrong concluded his tenure as Board Chair. On behalf of the Board, I extend our sincere gratitude for Gary's outstanding leadership, steady guidance, and deep commitment to the corporation's mission and values. His thoughtful stewardship has strengthened our foundation and positioned us well for the next era of growth and modernization.

One of the most significant accomplishments this year was the approval of our 2025–2028 Strategic Plan, representing a major milestone in our corporation's history. The plan charts a bold course for Synergy North as we respond to rapid electrification, evolving customer expectations, emerging digital technologies, and a growing demand for environmental and economic resilience. This strategy positions Synergy North to lead change, responsibly, strategically, and in partnership with the communities we serve—while ensuring continued reliability, affordability, and long-term value.

Throughout the year, the Board maintained robust oversight, engaging deeply with management on strategy, risk management, governance, and culture. We continued our work to ensure the company is well-positioned for the future: investing in innovation, enhancing governance practices, and supporting leadership development across the organization. We remain committed to transparency, accountability, and the highest standards of corporate responsibility.

Looking ahead, we recognize both the opportunities and uncertainties that define today's environment. The Board is confident that the company's strategic direction, strong financial foundation, and exceptional leadership team will enable us to continue delivering value in the years to come.

Thank you for your continued confidence and commitment. Your support enables us to pursue our vision with purpose and momentum. Together, we will build on this year's achievements and continue advancing toward a strong and sustainable future.



Barbara Eccles, LLM, ICD.D
Board Chair



Governance

Board of Directors

Barb Eccles, HBS, JD, LLM, ICD.D^{1,2}

Board Chair

John McDougall^{*2}

Vice-Chair

Gary Armstrong, FCPA, FCMA^{1,2}

Director

Dan Topatigh, CPA, CA²

Director & Chair, Audit Committee

Jonathan Webber, MBA, CPA, CPHR, ICD.D^{*1}

Director & Chair, Governance Committee

John Guerard, MAcc, CPA, CA^{*2}

Director

Murray Walberg, MBA, ICD.D^{*1}

Director

Maria Vasanelli, M.Ed, MBA^{*1}

Director

** Independent Directors*

¹ Governance Committee Member

² Audit Committee Member

Executive Management Team

Rene Gallant

President & Chief Executive Officer

Andy Armitage, MBA

*Vice President, Customer Care,
IT & Strategic Planning (January – October 2025)*

Karla Bailey, P.Eng, MBA

*Vice President, System Planning,
Asset Management & Engineering*

Aaron Blazina, CPA, CA

*Vice President, Finance,
Regulatory Affairs & Purchasing*

Amy Kembel, MBA, CRSP, CHSC, CHRL

*Vice President, Human Resources,
Safety & Corporate Risk/Chief Privacy Officer*

Garrett Moulard

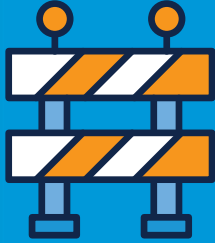
*Vice President, Lines Construction,
Maintenance & Operations*

Katie Speziale, CPA, CA, CBV

*Vice President, Strategy, Customer Experience,
& Information Services (November 2025)*



Long Term Corporate Goals



Promote, work and live safety achieving positive health and safety outcomes for employees and the public.

The potential danger associated with the product we work with everyday cannot be overstated. It is critical that the utility's primary focus remain on the safety of our staff and the public.



Pursue being better in everything we do resulting in increased shareholder and customer value.

Synergy North Corporation is a valuable asset, owned by the City of Thunder Bay and the City of Kenora. The owners have the right to expect that the value of this asset will increase. The Board and Management of the utility are making this growth a priority.



Supply electricity and related services in a trustworthy, fair and dependable manner supporting our customers in achieving their goals.

The provision of electricity to the residents and businesses in Thunder Bay, Kenora and the Fort William First Nation is our reason for existence and is critical to the economy and the quality of life of residents throughout our service territories.



Lead where we live and operate as an integral part of the community.

We strive to be part of the fabric of the communities we serve, supporting local events and causes, assisting with local initiatives and being present where needed and called upon.



93%
of employees
agree that safety
is the top priority

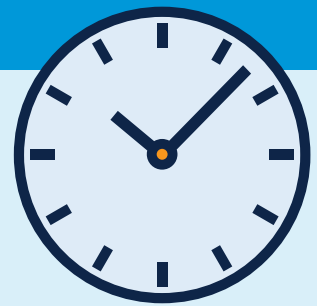


2025 Highlights >>

employees
contributed
160+
volunteer
hours
in support of
community
organizations



**Zero
Incidents:**
1,306 Days
**Without a
Lost Time Injury**
(as of December 31, 2025)

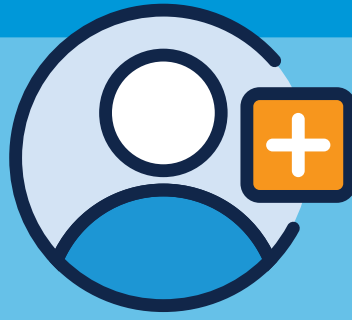


99.33%
of locates
completed
on time



650+
Grade 3/4 students
across Thunder Bay
elementary schools
participated in the
Be Power Safe program

40.73%
of customers
are on
e-billing



2,700
new customer
accounts



\$119,194
contributed in community
donations supporting local
organizations and initiatives



330+
kilometres
of vegetation
management
work completed



100% ESA Compliance:
Full compliance achieved
in the annual Electrical Safety
Authority (ESA) audit under
Ontario Regulation 22/04



Building the Foundation for Our Strategic Plan

The development of Synergy North's 2025–2028 Strategic Plan began with extensive engagement across the organization and with key stakeholders. Employees from all departments participated in workshops and discussions to share perspectives on the company's future direction. Their feedback was captured in a report titled *"What We Heard,"* ensuring employee insights directly shaped the strategy.

The Strategic Plan provides a clear roadmap for navigating a rapidly evolving electricity sector, grounded in Synergy North's core priorities — *our people, our customers, and reliable service*. Within these areas of focus, eight strategic initiatives guide our work, creating a framework to modernize the grid, support electrification, strengthen resilience, empower employees, and enhance the customer experience.

Following the development and launch of the Strategic Plan, Synergy North focused on laying the foundation for implementation. Dedicated cross-functional teams were established for each strategic initiative, kickoff meetings were held, and key performance indicators, milestones, and accountability measures were defined. Together, these early efforts are helping prepare the organization for coordinated execution as the strategic initiatives move forward.



“Our Strategic Plan reflects the voices of our employees and the priorities of our communities, ensuring we are prepared to meet the energy needs of today and tomorrow.”





STRATEGIC INITIATIVE HIGHLIGHTS

System Investment

Maintain and Modernize Our Infrastructure to Meet Growing Customer Demand and Support Electrification.

Synergy North is implementing its approved Distribution System Plan, advancing infrastructure investments that support system reliability and long-term electrification. Progress included voltage conversion work that will enable the retirement of aging substations. These upgrades are expected to reduce system losses, simplify operations, and improve safety and reliability.

Supporting this work is a strong focus on condition monitoring as part of our asset management approach. Through cable testing, pole strength assessments, transformer oil analysis, and visual inspections, the utility gathers critical data that helps inform infrastructure planning and ensure assets are replaced at the right time to balance cost, risk, and performance.

Advancing Technology

Accelerate Digital Transformation to Enable a Smarter Grid, Empower Employees, and Elevate the Customer Experience.

Synergy North is accelerating digital transformation by reviewing and improving key operational processes. Initial business process reviews are focusing on meter exchanges, new customer connections, and unplanned outage response.

The team is mapping workflows to identify inefficiencies and explore opportunities where technology, including artificial intelligence, can improve efficiency and decision-making.

To support this work, Synergy North began developing a formal Artificial Intelligence Policy and Governance Framework to guide the responsible use of AI technologies across the organization while maintaining regulatory compliance, privacy protection, and cybersecurity standards.

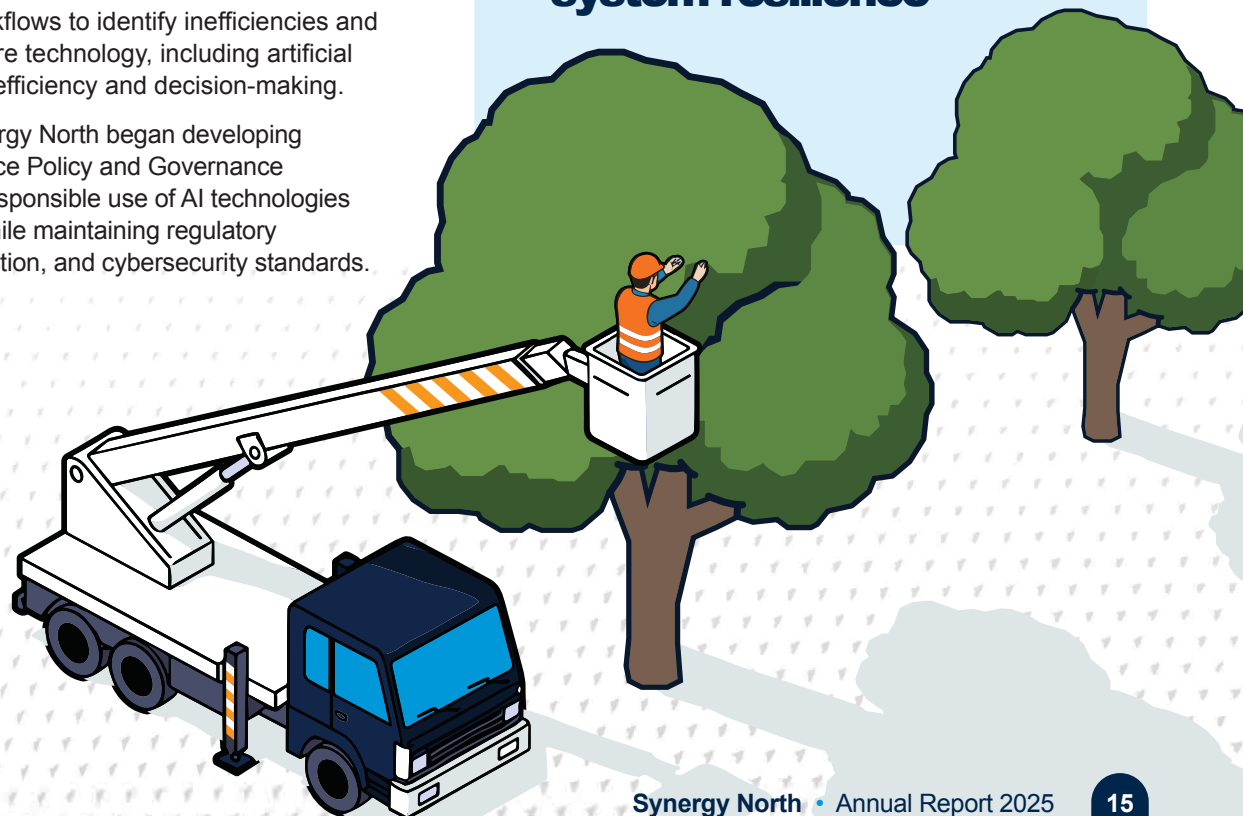
Risk and Business Continuity

Strengthen Synergy North's Ability to Anticipate, Withstand, and Adapt to Risk.

Synergy North continues to strengthen its ability to anticipate, withstand, and adapt to risk by enhancing risk management practices and reinforcing business continuity planning across the organization. Initial documentation and testing of a comprehensive Business Continuity Plan have been completed across all departments, with the team now focused on addressing gaps identified through the process.

Leadership also began modernizing the organization's Enterprise Risk Management program to strengthen the company's ability to anticipate and respond to emerging risks. In the coming year, efforts will focus on communicating the refreshed program and its priorities to employees across the organization.

\$2.7 Million
Invested
in vegetation
management to
reduce outage risk
and strengthen
system resilience



DER Enablement and Electrification Planning

Anticipate and Meet Growing Demand for Electricity from EVs, Transit, Heat Pumps, And Industry.

Electrification and net-zero initiatives are gaining attention and momentum across Canada, and Synergy North is preparing to meet the anticipated increase in electricity demand. To support this objective, the team has begun evaluations of programs and development of key performance indicators to measure and guide the organization's readiness to meet future electricity demand.

Synergy North also collaborated with Hydro One, the IESO, and other Northwestern Ontario utilities on the Integrated Regional Plan to review and evaluate electricity demand forecasts and identify infrastructure needs for the next 20 years.

Lastly, a major milestone was the announcement of the Confederation College Grid Innovation Fund Project, along with early progress on predictive grid software capable of exporting real-time load data from the Birch substation.

Customer Experience and Value

Build Trust Through Transparency, Education, and Local Presence.

To support closer connections with customers and the community, the team completed the 2026–2028 Customer Experience and Value Execution Plan, establishing a guide to strengthen engagement and build deeper relationships with those we serve.

Key priorities include the revitalization of the Local Advisory Council, a group that brings forward customer perspectives to help guide planning, decision-making, and community priorities as the electricity sector evolves. Recruitment for new members is underway, with the council expected to begin meetings in spring of 2026.

The Have Your Say online engagement platform will also be relaunched, supporting transparency and two-way dialogue with customers as Synergy North prepares for its 2029 Cost of Service and Distribution System Plan filings. Together, these initiatives help customers better understand the value delivered through a safe, reliable, and modern electricity system while strengthening trust and engagement with the communities we serve.

100%
On-Time Connections

All customer connections completed within Ontario Energy Board service standards.



94%

Overall Customer Satisfaction



Employee Engagement and Safety

Champion A Culture of Safety, Teamwork, and Shared Purpose.

Building on the results of the 2024 Employee Engagement Survey, Synergy North launched an action plan focused on strengthening communication, building trust, and reinforcing a shared vision for the future. New opportunities for open dialogue were introduced across the organization, including “Ask Me Anything” sessions during all-staff meetings, encouraging honest, two-way feedback between employees and leadership.

Safety remained the top priority. The Committed to Safety campaign, “Speak Up for Safety,” reinforced Synergy North’s strong safety culture by encouraging employees to report near misses and potential hazards. At the same time, employee wellness initiatives and enhanced internal communications helped keep staff engaged, informed, and supported.

To further improve employee engagement, Synergy North launched a modernized electronic Employee Engagement Survey using updated research methods. Results indicate that 64% of employees reported positive engagement, providing a baseline to measure future progress. These findings will help guide engagement initiatives and inform the organization’s action plan, as enhancing employee engagement remains a corporate priority for 2026.



Workforce Development

Attract, Retain, and Empower Top Talent While Driving Operational Effectiveness.

Focused on attracting, developing, and retaining talent, the team began its work towards building a skilled, adaptable workforce capable of supporting Synergy North’s evolving operational needs and long-term strategic goals.

Key initiatives included launching a pay equity review to strengthen legislative compliance while advancing equity and inclusion across the organization. The team also researched and evaluated potential partners to support meaningful cultural awareness learning, with implementation planned for 2026. These efforts align with progress in leadership representation, with 38% of Board and Executive positions currently held by women or individuals from underrepresented groups, reflecting Synergy North’s commitment to building a more inclusive leadership team.

In addition, a Performance Excellence pilot program was designed and launched, informed by employee listening sessions. The program focuses on building leadership competencies aligned with Synergy North’s core values, strengthening management capability, supporting succession planning, and connecting individual development with the organization’s strategic priorities.

Community Partnership

Engaging Our Customer Base Through Collaboration and Leadership

The team began a comprehensive review of Synergy North’s stakeholder relationships to better understand and strengthen how we engage with the many partners connected to our work each year. This work will inform the development of a formal Stakeholder Engagement Plan, targeted for completion next year. The team will also work with strategic initiative leaders to ensure the plan’s guiding principles are reflected across related initiatives and organizational activities.

Through this work, Synergy North will ensure consistent and meaningful engagement with municipal leaders, industry partners, community organizations, First Nations communities and customers as the company advances its strategic priorities.





SYSTEM RELIABILITY

We Are Building a Modern Grid That Supports Electrification.


Keeping the Power On

Electricity reliability remained exceptionally strong in 2025, with Synergy North delivering power to customers 99.98% of the time. This high level of performance is reflected in two key industry measures: the System Average Interruption Frequency Index (SAIFI), which captures how often outages occur, and the System Average Interruption Duration Index (SAIDI), which measures how long they last.

In 2025, Synergy North recorded a SAIFI of 2.0759, meaning the average customer experienced just over two outages throughout the year. The corresponding SAIDI of 0.7843 indicates that total outage time per customer was less than one hour. Essentially the power to our customers was always on.

Maintaining this high level of reliability requires ongoing investment in infrastructure, proactive system maintenance, and timely response when outages occur. These results reflect the strength and resilience of Synergy North's distribution system.

This performance is a testament to the dedication of our teams and our continued efforts to strengthen and modernize the system. Through investments in reliability, vegetation management, technology and infrastructure renewal, Synergy North continues to deliver dependable power to homes, businesses, and essential services across our communities.



In 2025, customers had reliable power
99.98%
of the year.

Investing in Reliability

Our 2025 Assets & Capital Construction



\$12.252M
Capital Renewal

System upgrades took place in the following neighbourhoods in 2025:

Projects (4kV & 25kV)	Budget	Actual
Court/Elgin Area Rebuild / Voltage Conversion, Frame & String	\$2,264,758	\$2,115,519
Tupper Dorothy Rebuild & 4kV Voltage Conversion, Frame & String	\$2,124,732	\$2,482,256
Ontario Second Rebuild & 4kV Voltage Conversion, Frame & String	\$1,796,356	\$2,066,158
Parsons-High PH1 Rebuild & 4kV Voltage Conversion, Pole Set	\$998,497	\$889,136
21F5 Rebuild & 4kV Voltage Conversion	\$897,505	\$490,862
Villa Cumberland PH1 (COTB Driven w River/Water St. Roundabout)	\$400,000	\$396,079
Lines Safety Reports	\$583,113	\$971,953
Transformer / Switch / Switchgear	\$1,121,130	\$1,333,086
Design / Forestry	\$720,122	\$786,766

Vegetation Management 21F5 Rebuild

Vegetation management work was a key component of the 21F5 Rebuild project, building on the 2-metre clearance program initiated in 2024. Most work was completed in the Thunder Bay Northside where crews performed roadside trimming using truck-mounted equipment.

In the summer months, efforts shifted to easement areas located in residential backyards, where tracked lifts and climbing crews were used to access infrastructure in more challenging locations.

Building Resilience Through Major Storm Events

In 2025, Synergy North experienced four significant weather-related events, two of which met the Ontario Energy Board's reporting threshold. In addition, several shorter-duration incidents affected localized areas across the service territory, reflecting the ongoing impact of weather variability on system operations.

These storms were characterized by sudden, high-intensity wind conditions that developed rapidly and caused concentrated damage in specific areas. Many outage locations were situated in laneways, backyards, easements, municipal rights-of-way, and rural sections of the system, adding complexity to restoration efforts during challenging weather and low-light conditions.

Response activities extended beyond regular working hours, often late into the night and early morning. Crews worked safely and efficiently in darkness, high winds, and wet conditions, navigating difficult access points while maintaining an unwavering focus on safety.

These events demonstrated the strength of our coordinated response. Teams across Lines and Operations, Engineering, and Customer Service worked seamlessly together in a shared commitment to restore power quickly, safely, and professionally.

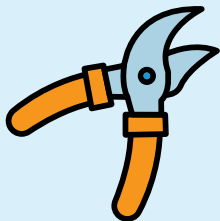
Through each storm, Synergy North reinforced its foundation of reliability, teamwork, and resilience, continuing to lead today while building a stronger, more prepared system for tomorrow.



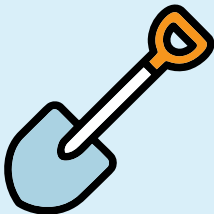
▲ Synergy North crews responded to storm damage, restoring power quickly and safely for customers.

Proactive Investment in System Reliability

Vegetation remains one of the leading causes of outages. In 2025, our teams completed:



318.62 kilometres of scheduled maintenance trimming



2.91 kilometres of capital corridor clearing



9.38 kilometres of targeted work in Kenora

Together, this represents continued advancement of our multi-year forestry management plan and strengthens system resilience heading into future seasons.



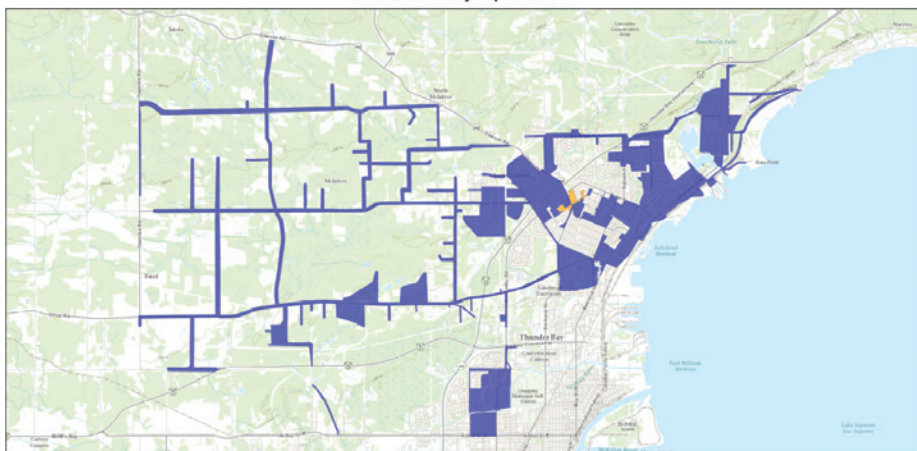
Continued Progress in Vegetation Management

Synergy North continued implementation of the Forestry Management Plan established in 2022, advancing proactive vegetation control across our service territory.

Work in Thunder Bay progressed through the central areas of the city, focusing primarily on truck-accessible corridors as well as several large easement locations. In Kenora, targeted efforts in easement areas marked the completion of the community's first full vegetation management cycle, an important milestone in strengthening long-term system reliability.

Through disciplined oversight and systematic planning, Synergy North continues to reduce outage risk, enhance public safety, and lay the groundwork for a more resilient distribution system.

2025 Forestry Operations



1/26/2026
2025_Audit_Map
■ Maintenance
■ Capital Project

Scale: 1:104,448
0 0.75 1.5 3 mi
0 1.25 2.5 5 km
Map: © OpenStreetMap contributors, HERE, Garmin, FND, USGS, NGA, EPA, NPS, AAFCC, NRCAN

▲ Vegetation management progress supporting capital projects and ongoing system maintenance in 2025.



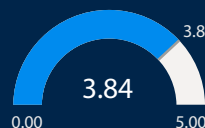
▲ *Project Partners, from left: Michelle Salo (Confederation College), Karla Bailey (Synergy North), Trevor Su (Powerconsumer), Thunder Bay-Atikokan MPP Kevin Holland, Robin Gould & Ryan Grau (Confederation College), Tim Schneider and Cathy Zheng (Backstone Energy Services)*

Information Systems and Cyber Security

Protecting critical infrastructure and customer information remains a key priority for Synergy North. As part of our commitment to maintaining strong cyber security practices, preparations are well underway for the Ontario Energy Board Cyber Security Framework Assessment, scheduled for 2026.

This mandatory assessment evaluates the maturity and effectiveness of the organization's cyber security controls against the OEB's established framework for Ontario utilities. The process includes a comprehensive third-party review of policies, technical safeguards, risk management practices, incident response capabilities, and governance structures.

Results from the assessment are expected in Summer 2026 and will help inform continuous improvement efforts as Synergy North works to further strengthen its cyber resilience and protect the reliability of the electricity system.



◀ *Synergy North's CIS CSC Enterprise Maturity Rating of 3.84, as measured in 2025.*

Advancing Energy Innovation in Northwestern Ontario

In 2025, Synergy North was proud to host the Honourable Kevin Holland, MPP for Thunder Bay–Atikokan, and other local leaders at our Operations Centre for a significant energy innovation announcement supporting the future of our regional grid.

Through the Independent Electricity System Operator's (IESO) Grid Innovation Fund, \$3.2 million has been awarded to a collaborative project involving Confederation College, Synergy North, Powerconsumer Inc., and Blackstone Energy Services Limited. The funding will support the installation and pilot of a large-scale electric heat pump and thermal energy storage system at Confederation College, the first project of its kind in Northwestern Ontario.

This innovative system will help reduce electricity demand during peak periods, enhance grid reliability, and contribute to long-term customer affordability. It represents a practical step toward modernizing local energy infrastructure while supporting Ontario's broader Energy for Generations plan.

The project reflects the strength of regional collaboration and underscores Synergy North's commitment to innovation, partnership, and sustainable community growth. By working together with industry, education, and government partners, we are helping position Northwestern Ontario as a leader in the transition to a smarter, more resilient energy future.

“This project is a powerful example of how collaboration within our community can drive real energy innovation.”

- Karla Bailey, Vice President, System Planning, Asset Management & Engineering



▲ *Large-scale electric heat pump and thermal storage facility at Confederation College—the first of its kind in Northwestern Ontario.*



CUSTOMERS

We Are a Trusted Partner That Delivers Exceptional Service.

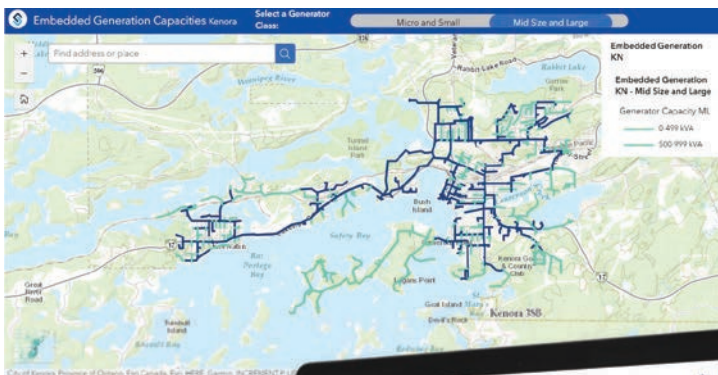
Enhancing Regional Growth with Advanced Digital Planning Tools

Synergy North expanded its support for regional growth with the launch of two interactive digital mapping tools that enhance infrastructure planning in Thunder Bay and Kenora.

The new Capacity Map and Embedded Generation Map provide developers, contractors, and infrastructure planners valuable insight into available electrical load and generation capacity across our service territory. The Capacity Map highlights areas with available distribution capacity, while the Embedded Generation Map identifies locations that may accommodate new electricity generation projects.

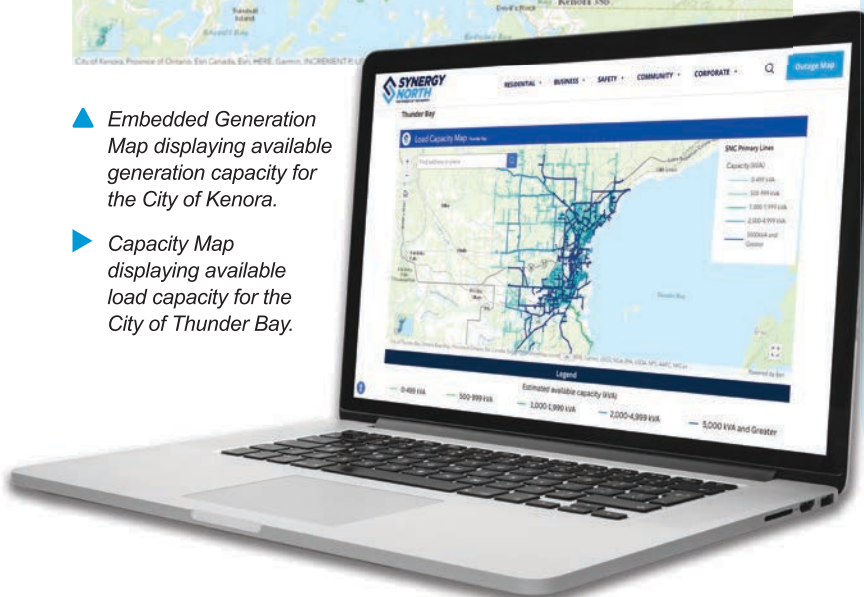
These tools represent an important step in modernizing how we support growth. By increasing transparency and accessibility to system information, Synergy North helps investors and builders make informed early-stage development decisions, encourages proactive engagement with our engineering team, and supports more efficient project planning.

Through innovation and forward-thinking planning, Synergy North continues to strengthen its role as a partner in sustainable economic development, laying the groundwork for a resilient and future-ready energy system.



▲ Embedded Generation Map displaying available generation capacity for the City of Kenora.

▶ Capacity Map displaying available load capacity for the City of Thunder Bay.



“I recently used the Thunder Bay capacity map and found it fantastic. Synergy North has done an excellent job making it easier for users like me to identify renewable energy grid capacity. The information was so clear and comprehensive that I was able to answer my questions on my own.”

– Doug Urban P. Eng,
Jazz Solar

Customer Service Highlights



40.73%
customers on
e-Billing



4,072
customers on
Tiered Pricing Plan



52,464
customers on
Time-of-Use Pricing Plan



220
customers on Ultra-Low
Overnight Pricing Plan

Financial Assistance Programs

Synergy North continues to support customers experiencing financial hardship by connecting them with provincial assistance programs designed to help manage electricity costs.

Through the Ontario Electricity Support Program, \$1,568,364 in on-bill credits were provided to eligible low-income households, helping reduce monthly electricity costs.

Additional support was delivered through the Low-income Energy Assistance Program. In 2025, \$45,534 was distributed through partner agencies in Thunder Bay and Kenora to assist customers facing temporary financial difficulty and help prevent service disconnections.

These programs help ensure vulnerable customers can maintain access to safe and reliable electricity while receiving support during challenging times.

Local Advisory Council

In 2025, Synergy North began revitalizing its Local Advisory Council (LAC) to strengthen community engagement and ensure local perspectives inform key decisions about the electricity system.

Recruitment for new council members began this year, with plans to commence meetings in spring 2026. The Council will bring together community members from across our service area to share insights on customer needs, priorities, and emerging trends.

As the energy sector continues to evolve, the LAC will provide valuable input to help guide planning and decision-making, including system improvements, capital investments, and service priorities. By bringing diverse voices to the table, the Council will help ensure Synergy North remains closely connected to the communities it serves.

1,032
Local Homes
powered by
renewable assets
to date

(December 31, 2025)

Renewable Energy and Environmental Performance

Synergy North continues to advance renewable energy through its solar generation projects. To date, these installations have prevented more than 5,950 tonnes of CO₂ emissions and generated enough clean energy to power approximately 1,032 local homes for one year. These projects reflect the organization's commitment to environmental sustainability and to supporting the transition toward cleaner energy within the communities we serve.

Further investments are planned for Spring 2026, with capital upgrades being investigated at three solar generation sites: Port Arthur Arena, Mountdale, and the EMS facility. These improvements are intended to optimize system performance, increase energy production, and enhance long-term reliability.

Alongside renewable generation, Synergy North continues to monitor its operational environmental footprint as part of its commitment to responsible and sustainable operations. Tracking energy use across facilities helps identify opportunities to improve efficiency and reduce emissions.

- > Synergy North facilities consumed 23,008 units of CO₂ in 2025, a 7.8 percent reduction from 2024.

The organization is also working to reduce emissions from its fleet. Currently, 5% of Synergy North vehicles are hybrid or electric, supporting ongoing efforts to lower fuel consumption and greenhouse gas emissions.

Through investments in renewable energy, responsible resource management, and gradual fleet electrification, Synergy North continues to support a more sustainable energy future.



Energy Efficiency: eDSM Program Launch

Synergy North strengthened its commitment to energy efficiency with the launch of Energy Efficiency and Demand-Side Management (eDSM) programs through a strategic partnership with the Independent Electricity System Operator (IESO). This partnership marks the beginning of a new 12-year provincial initiative designed to promote long-term energy efficiency and reduce electricity demand across Ontario.

Under this regional delivery model, Synergy North leads program implementation in Thunder Bay and Kenora, while Thunder Bay Hydro Utility Services supports delivery to several neighbouring utilities, including Atikokan, Sioux Lookout, and Fort Frances. This coordinated approach strengthens regional collaboration and positions Synergy North as a key energy efficiency partner in Northwestern Ontario.

2025 Program Progress


Throughout the year, Synergy North focused on customer engagement, project development, and regional collaboration aligned with provincial conservation goals. The team conducted more than 40 targeted engagements with commercial, institutional, and small business customers, with a strong focus on the MUSH sector (municipalities, universities, schools, and hospitals).

These efforts generated over 65 potential energy efficiency projects across the region, several of which advanced with support from Save on Energy incentives totaling more than \$400,000. These initiatives contribute to measurable energy savings while helping customers reduce operating costs and improve energy performance.

Regional Collaboration

In partnership with ICF, the IESO's regional program delivery representative, Synergy North expanded outreach across Northwestern Ontario. Joint onsite visits with approximately 25 customers in Thunder Bay, Kenora, and Sioux Lookout helped identify additional opportunities for energy efficiency improvements.

This coordinated delivery model combines regional program expertise with trusted local utility relationships, helping customers better understand available incentives and move projects forward with confidence.



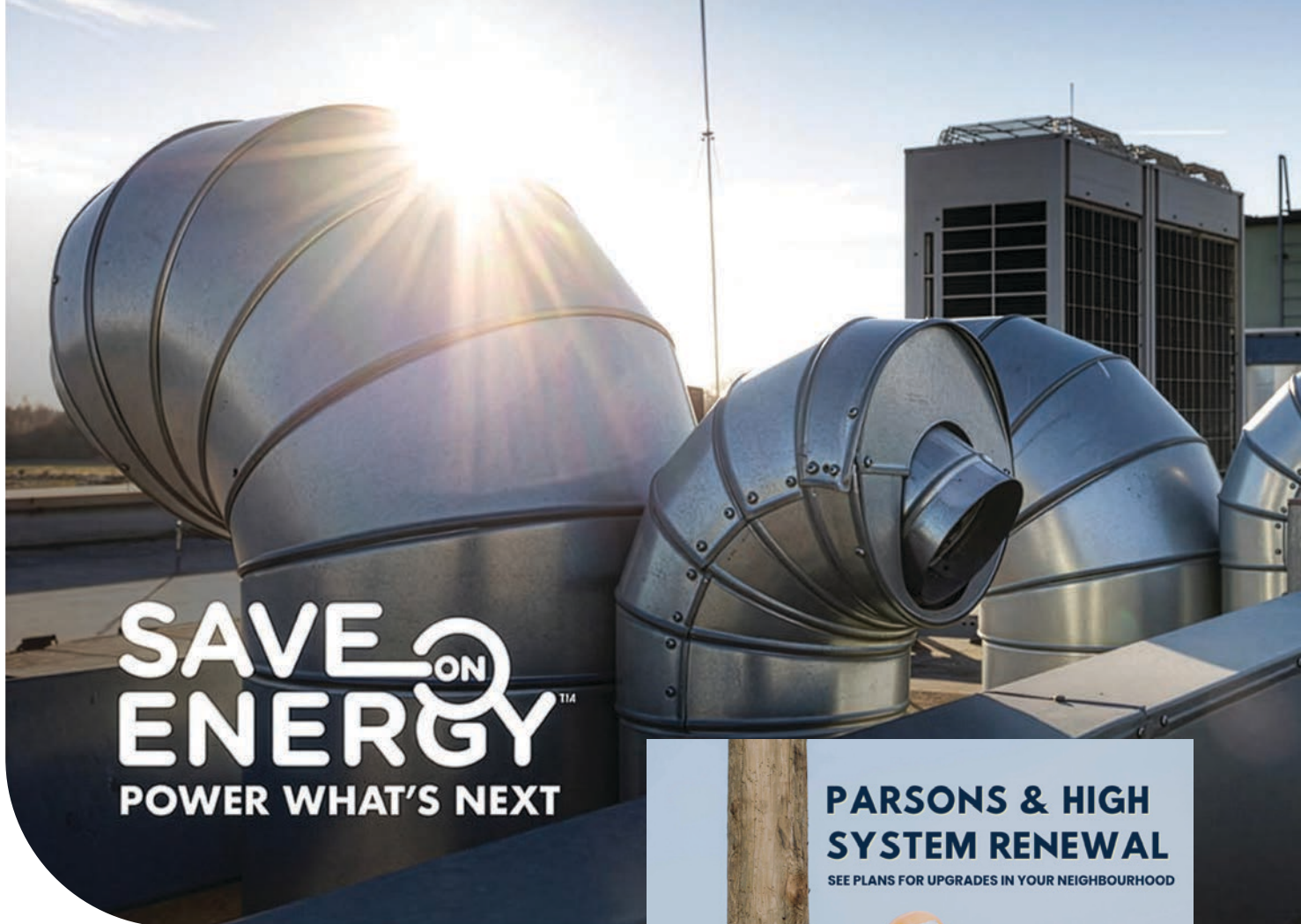
“When local utility relationships are combined with strong program expertise, customers gain clarity, confidence, and momentum. That alignment is what turns outreach into real projects.”

**- Giorgio Boccalon, Manager
Energy Efficiency Programs at ICF**

Looking Ahead

Looking forward, Synergy North will continue expanding eDSM programming to support conservation, electrification readiness, and grid optimization. New initiatives planned for 2026 will focus on addressing distribution system needs while delivering measurable benefits for customers and the broader electricity system.

Through this long-term commitment to conservation and efficiency, Synergy North is helping customers reduce energy use, lower emissions, and contribute to a more resilient and sustainable energy future.



Community Engagement Through Neighbourhood Meetings

Our Asset Management & Engineering team remains committed to transparency and proactive communication as major infrastructure projects advance across our service territory.

Through a series of “Neighbourhood Meetings” Synergy North provided updates on the Red River Rebuild project (21F5), and the Parsons–High System Renewal. These sessions offer residents a direct and accessible opportunity to learn about project scope, timelines, construction impacts, and the long-term benefits to system reliability.

Recordings and supporting materials are available online, ensuring customers have convenient and ongoing access to project information. Since transitioning from live sessions to pre-recorded neighbourhood meetings, community engagement has increased significantly, with average viewership rising more than twelvefold, reflecting strong and growing interest in our infrastructure initiatives.



▲ Social Media Advertising for the 2025 Neighbourhood Meetings

Volunteerism: Powering Community Beyond the Grid

At Synergy North, our commitment to community extends well beyond delivering reliable electricity. Throughout the year, our employees continued to demonstrate compassion, teamwork, and social responsibility by volunteering their time in our communities.



Anglers Alliance at Hogarth Riverview Manor

Staff spent a sunny day supporting residents at Hogarth Riverview Manor during the Anglers Alliance event, helping seniors enjoy riverside fishing and relaxation. Volunteers assisted with casting lines, shared stories, and created meaningful moments of connection. One resident summed up the impact best: *"I felt like one of the guys again."*

**Synergy North
staff helped
serve over
1,400
meals at the
Dew Drop Inn**

Dew Drop Inn

Twenty-four Synergy North employees volunteered at the Dew Drop Inn this year, serving meals, packing take-out orders, and supporting daily operations. For many, the experience offered not only an opportunity to give back, but also a deeper appreciation for the vital role community organizations play in supporting those in need.

"Volunteering at Dew Drop Inn was a gratifying experience. It provided an opportunity to directly help those in need by serving warm meals to individuals and families facing food insecurity. It was also a great chance to connect with others in the company, building new relationships and strengthening team bonds in a meaningful way."

Meghan, Synergy North Volunteer





EcoSuperior Pumpkin Parade

Our volunteers were proud to support the EcoSuperior Pumpkin Parade, helping bring the community together for an evening of creativity and environmental awareness. The event was filled with festive spirit, illuminated jack-o'-lanterns, and shared smiles, a celebration made possible by the dedication of volunteers and organizers alike.



Christmas Cheer

In December, team members volunteered with Christmas Cheer, helping load holiday hampers for local families. Each hamper included essential groceries, a turkey for Christmas dinner, and gifts for children through the Toys for Tots campaign.



Parade of Lights

Synergy North employees joined neighbours and friends at the annual Parade of Lights, contributing to the holiday magic that brightens our region each year.

Through these efforts and many others, Synergy North employees continue to embody our values of community, compassion, and service. Together, we are helping build stronger, more connected communities, not only through the power we deliver, but through the care we demonstrate every day.



28%
of Synergy North employees volunteered in 2025.





- ▲ Board members connect with Kenora Operations Centre staff during a team lunch and facility tour.
- ▶ Thunder Bay Hydro Corporation Board Meeting.



Strengthening Connections in Kenora

Fall marked an important milestone for Synergy North with its first Board of Directors meeting held in Kenora, reinforcing our commitment to serving and engaging both of our communities.

The visit brought together the Boards of Synergy North and Thunder Bay Hydro Corporation, to review strategic priorities, system investments, and progress under the 2025–2028 Strategic Plan. Hosting the meeting locally provided valuable insight into regional operations and strengthened alignment around our shared direction.

Board members met with Kenora Operations Centre staff to recognize their commitment to delivering safe, reliable service and concluded the visit with discussions alongside the City of Kenora Council and senior administration, reinforcing strong municipal partnerships and shared priorities.



- ▶ *President & CEO Rene Gallant presents a \$50,000 contribution to Bruno Niederer, Chair of the RFDA Building Hope Campaign.*

Building Stronger Communities Together

At Synergy North, giving back is rooted in connection, listening to community needs, supporting meaningful work, and showing up where it matters most. Our commitment to community is reflected in the partnerships we build and the initiatives we support, both today and for the future of Northwestern Ontario.

Through corporate giving programs and our employee-led Connections Committee, Synergy North works to strengthen relationships across our service territory and make a positive impact in the communities we serve. From supporting local organizations to participating in volunteer initiatives, our employees play an active role in helping address community needs.

Supporting the Local Arts

Synergy North recognizes the important role arts and culture play in building vibrant and connected communities. Through community sponsorships, we are proud to support organizations that enrich the cultural life of Northwestern Ontario.

This year, Synergy North contributed to both the Thunder Bay Community Auditorium and Magnus Theatre, helping sustain programming that brings arts, performance, and creative experiences to residents across the region.

Building Hope with the RFDA

Synergy North was proud to support the Thunder Bay Regional Food Distribution Association's Building Hope Capital Campaign with a \$50,000 commitment, reinforcing our long-standing partnership and shared commitment to community well-being.

The campaign will expand the RFDA's facility, increasing food storage and distribution capacity while enhancing community kitchen and learning spaces to better serve Northwestern Ontario.

As part of this partnership, Synergy North holds naming rights to the transition doors between the main building and warehouse, a space where safety comes first and PPE is required, symbolizing both the essential work taking place and our shared commitment to safety and care within the community.

Investing in Young Leaders Through Youth United

Synergy North was also proud to support the delivery of the Youth United in Kenora, aimed at empowering young people to learn, lead, and give back to their community. Through volunteerism and leadership opportunities, participants contribute to food security initiatives, mental well-being, and the creation of safe, welcoming community spaces.

In partnership with United Way Thunder Bay, Synergy North now also sponsors a Student Leadership Award, recognizing youth who demonstrate initiative and make a positive impact in their communities. Together, these efforts reflect our commitment to investing in the next generation and building stronger, more resilient communities for the future.



In 2025, Synergy North

donated \$119,194

to various non-profit organizations and initiatives to support the Thunder Bay and Kenora communities.



PEOPLE

A great place to work & grow.

Committed to Safety: Speak Up for Safety

Synergy North continued to strengthen its safety culture by establishing “Speak Up for Safety” as the theme for this year’s Committed to Safety events. The campaign encouraged employees across the organization to actively raise safety concerns, reinforce safe work practices, and support one another in maintaining a safe workplace.

In May, Synergy North hosted all-staff safety events in Kenora and Thunder Bay, where President Rene Gallant delivered an engaging presentation focused on the importance of speaking up when safety risks are identified. The presentation reinforced key safety principles, including the importance of clear communication, adherence to procedures, and the consistent use of personal protective equipment.

Later in the fall, the second Committed to Safety event featured keynote speaker Curt Minard, a Paralympian, para-snowboarder, and former Power Line Technician. Curt shared his personal journey following a life-changing workplace accident and emphasized how speaking up for safety can protect lives. His story of resilience and leadership provided both inspiration and practical lessons that resonated strongly with employees.

Through initiatives like these, Synergy North continues to reinforce that safety is a shared responsibility and a core value that guides everything we do.

Empowering Community Impact Through Employee Volunteering

Synergy North proudly launched its Employee Volunteering Incentive Policy, a new initiative that strengthens our commitment to Community and Excellence.

This program empowers eligible employees to take up to one full paid workday per calendar year, or two half days, to volunteer with a registered charitable organization of their choice. By supporting volunteerism on company time, Synergy North is investing not only in the professional growth of our employees, but also in the well-being of the communities we serve.

Through this initiative, employees are encouraged to share their time, skills, and energy in ways that matter most to them, from supporting local charities and youth programs to contributing to environmental and community-building efforts.

By enabling volunteerism, our goal is to foster a culture of engagement, pride, and shared responsibility. Together, we are building stronger communities, not only through the power we deliver, but through the impact we create beyond the grid.



▲ Jayson, a Synergy North employee, volunteering with Holy Family school.



124 Employees



17 New Hires



6 Retirements



▲ *Karla Bailey and Amy Kembel, accepting the Ontario One Call Transformative Safety Education & Engagement Award for our public awareness campaign, “Digging Safely is More Than Just a Call or Click” on behalf of Synergy North.*

1,000 Days Strong: A Milestone in Safety

On February 28, 2025, Synergy North reached an extraordinary milestone, 1,000 days without a lost time injury. This achievement reflects more than a number; it represents a deeply embedded culture of safety, accountability, and care across our organization.

Reaching this milestone required consistent focus, strong leadership, and a shared commitment from every employee. Through comprehensive training, proactive hazard identification, and a collective responsibility to look out for one another, our teams have demonstrated that safety is not simply a requirement, it is a core value.

While we celebrate this accomplishment, we remain vigilant. Safety is an ongoing commitment, especially as our systems grow more complex and our work environment continues to evolve. This milestone serves as both a proud achievement and a benchmark for the future.

Together, we have shown that safety at Synergy North is not just a policy, it is a way of life.

Provincial Recognition for Public Safety Leadership

Synergy North was honoured with the Ontario One Call Transformative Safety Education & Engagement Award for our public awareness campaign, “Digging Safely is More Than Just a Call or Click.”

This provincial recognition celebrates organizations that demonstrate exceptional leadership in promoting safe excavation practices through education, outreach, and community engagement.

Our campaign delivered an important safety message through a creative and relatable approach, introducing a “safety-obsessed neighbour” character to reinforce that safe digging involves more than contacting Ontario One Call. It emphasized verifying locates, maintaining proper documentation, and remaining vigilant throughout every stage of a project.

By combining storytelling with practical guidance, the campaign helped strengthen public awareness and reinforce safe behaviours among homeowners and contractors across Thunder Bay and Kenora.

This award reflects Synergy North’s ongoing commitment to public safety and the collaborative efforts of our teams to protect the communities we serve.

Hit the Brakes! Not Us!

Synergy North continued its “Hit the Brakes! Not Us!” roadside safety campaign, building on the momentum established in 2024 to further raise awareness about the risks faced by crews working near traffic.

Working near roadways remains one of the most significant safety hazards for Synergy North line crews, who often perform critical work just feet away from moving vehicles. The campaign reminds drivers that road safety is a shared responsibility, and that simple actions such as slowing down, respecting cone zones, and staying alert can help ensure every worker returns home safely at the end of the day.

Throughout the year, the campaign expanded with additional community events, social media outreach, and public engagement. Field staff shared personal perspectives on the importance of roadside safety, reinforcing a message that resonates across the organization: *“At the end of the day, we all just want to get home to our families.”*

By combining community engagement, powerful storytelling, and direct interaction with the public, the campaign continues to promote safer driving habits and reinforce Synergy North’s unwavering commitment to employee safety.



Just like all of you, we have families to get home to every day, so please slow down and pay attention in our work zones so we can go home safe.

- Sal, Synergy North employee



▲ The Hit the Brakes Pit crew at Summer in the Parks

Be Power Safe: Energizing the Next Generation

Spring once again saw Synergy North deliver its Be Power Safe educational program to over 650 Grade 3 and 4 students across elementary schools in Thunder Bay.

Designed to promote electrical safety awareness at an early age, the program uses engaging, age-appropriate demonstrations to help students understand how electricity works, recognize potential hazards, and practice safe behaviours at home and outdoors.

A highlight of each session was the participation of our Power Line Technicians, who shared their real-world experience and demonstrated the specialized personal protective equipment (PPE) they use every day. Their involvement brought the lessons to life and reinforced the importance of safety in a memorable and meaningful way.

Through initiatives like Be Power Safe, Synergy North continues to invest in community education, helping build a generation that is informed, confident, and safe around electricity.



▲ Paul, a Powerline Technician at Synergy North, speaking with Woodcrest School students about the importance of personal protective equipment.





2025 Financial Statement

Statement of Comprehensive Income

	2025	2024
Revenues	\$169,087,857	\$151,681,212
Expenses	\$159,459,677	\$147,189,661
Earnings before taxes	\$9,628,180	\$4,491,552
Payments in lieu of corporate taxes	\$2,570,592	\$631,009
Earnings for the year	\$7,057,588	\$3,860,542

Statement of Financial Position

Net capital expenditures for the year	\$15,281,050	\$14,993,807
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