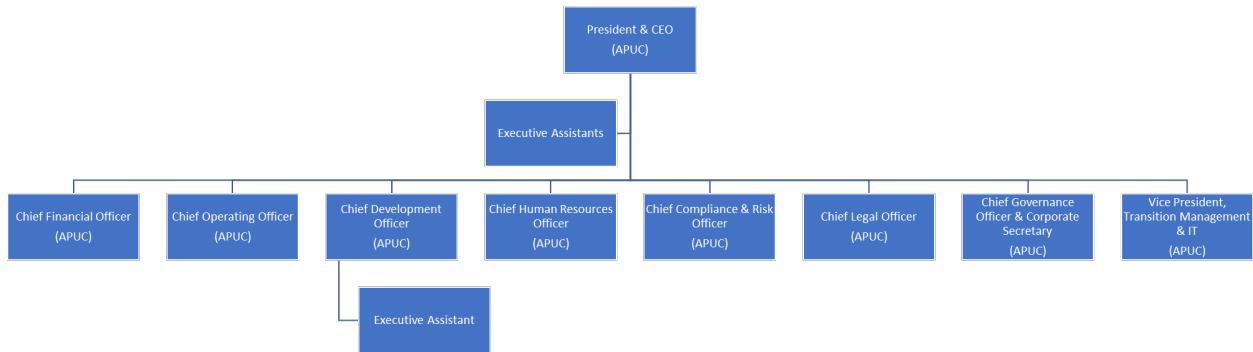


## ALGONQUIN POWER & UTILITIES CORP. Outline & Summary of Shared Services Model



Algonquin Power & Utilities Corp. (“APUC”) is the ultimate corporate parent, providing financial management, strategic management, corporate governance, administrative and support services to Liberty Utilities, Liberty Power, and its international utilities in Chile and Bermuda. APUC is a publicly traded holding company and provides substantial benefits to its regulated utilities and generation facilities through executive management, access to capital markets and the issuance of long-term debt and equity, and access to short-term credit facilities.

APUC incurs the following types of costs: (i) strategic management costs (board of director, third-party legal services, accounting services, tax planning and filings, insurance, and required auditing); (ii) capital access costs (communications, investor relations, trustee fees, escrow and transfer agent fees); (iii) financial control costs (audit and tax expenses); and (iv) administrative (rent, depreciation, general office costs).

Liberty Utilities (Canada) Corp. (“Liberty Utilities Canada”) provides Liberty Utilities (and its regulated utilities) and Liberty Power with the following services: accounting, administration, corporate finance, human resources (including training and development), information technology, rates and regulatory affairs, environment, health and safety, and security, customer service, procurement, risk management, legal, and utility planning. Specific examples of these services include, but are not limited to: (i) budgeting, forecasting, and financial reporting services including preparation of reports and preservation of records, cash management (including electronic fund transfers, cash receipts processing, managing short-term borrowings and investments with third parties); (ii) development of customer service policies and procedures; (iii) development of human resource policies and procedures; (iv) selection of information systems and equipment for accounting, engineering, administration, customer service, emergency restoration and other functions and implementation thereof; (v) development, placement and administration of insurance coverages and employee benefit programs, including group insurance and retirement annuities, property inspections and valuations for insurance; (vi) purchasing services including

preparation and analysis of product specifications, requests for proposals and similar solicitations; and vendor and vendor-product evaluations; and (vii) development of regulatory strategy.

A shared services business unit called Liberty Algonquin Business Services (“LABS”) provides shared services to Liberty Utilities and Liberty Power. LABS includes employees based both in Canada (“LABS Canada”) and the United States (“LABS US”). LABS provides accounting, administration, corporate finance, human resources, training, information technology, rates and regulatory affairs, environment, health and safety, and security, customer service, procurement, risk management, legal, and utility planning to both Liberty Utilities (and its regulated utilities) and Liberty Power.

This shared services business model allows the company to charge or allocate costs to entities within and across the entire APUC umbrella of companies. By allocating shared corporate services over the entire organization under our Cost Allocation Manual, regulated utilities such as The Empire District Electric Company (“Empire”) have access to a vast array of services that would be more costly to obtain or would be less robust than if Empire operated on a stand-alone basis.

In addition to APUC, Liberty Utilities Canada, and LABS, the operating utilities are organized under a regional structure. This regionalization provides a more effective management and reporting hierarchy by allowing groups of state or commodity utilities to report to regional managers for specific functions. These state/commodity utility employees also have a dotted line reporting relationship to the state President or commodity Vice President. This regional structure offers several benefits. First, it allows the state Presidents to focus on overall utility operations, state utility commission processes, customer satisfaction and community relations rather than managing individuals with a wide range of functional responsibilities. Second, this structure also allows for a sharing of expertise among states and provides for some common support functions that would be too cumbersome to provide at a corporate level and too costly to support at an individual state/utility level. Last, the regional structure provides for a manageable span of control for the number of individuals reporting to a single manager. That reporting structure is more efficient and results in better overall operation and management.

The benefits of this shared service model are significant, including:

1. Access to Skilled Strategic Management. This means Empire and the other regulated utilities in Missouri enjoy access to wide ranging expertise and resources. That is a direct result of the nationwide utility footprint of Liberty Utilities and is a direct result of our shared services model.
2. Controls and Processes. Through this business model, controls and processes are in place to ensure that accounting methodologies are consistent with generally accepted accounting principles. That means that Empire benefits from sound accounting, financial, capital investment and operational expertise.
3. Economies of Scale. By sharing nationwide and regional resources with other utilities, Empire enjoys the benefits of lower overall cost structures while at the same time maintaining a

local flavor in its day-to-day operations and customer contact. Further, as the Liberty Utilities portfolio grows, its overall costs will increase proportionally less than they would if Empire was operating without this support.

4. Access to Capital. APUC is the entity that is traded on the Toronto Stock Exchange and New York Stock Exchange and ensures that Empire has uninterrupted access to capital. Through this business model, Liberty Utilities and its regulated utilities (including Empire and the other Missouri regulated utilities) have substantial access to capital (both debt and equity) to fund utility operations, improvements and acquisitions. APUC has access to the equity and debt capital markets as recently demonstrated by its issuance of 57.5 million shares of common equity in July 2020, raising gross proceeds of C\$983 million, while its US-based subsidiary, Liberty Utilities, has raised \$1.9 billion in private debt placements since 2012, the most recent being a \$600 million 10-year note issuance in September 2020. This capital markets activity is used to fund capital investment, acquisitions and growth.

As outlined above and in accordance with the CAM, Empire receives the following allocations:

**APUC** – Empire receives an allocation of labor and non-labor costs incurred for the APUC executive leadership team that provides financial and strategic management, corporate governance, and oversight of administrative support services to Liberty Utilities, Liberty Power, and their subsidiaries, as well as the international subsidiaries in Chile and Bermuda. Empire also receives an allocation of costs incurred by APUC for strategic management (board of director, third-party legal services, accounting services, tax planning and filings, insurance and required auditing), capital access costs (communications, investor relations, trustee fees, escrow and transfer agent fees), financial controls costs (audit and tax expenses), and other administrative costs (general office costs, rent, depreciation).

**Liberty Utilities Canada** – Empire receives allocations of labor and non-labor costs incurred by Liberty Utilities Canada for regulated company services (executive, regulatory strategy, energy procurement, operations, utility planning, customer experience, and administration) provided to Liberty Utilities and its subsidiaries. These allocations of services are provided by employees physically located in Canada, who are employed by Liberty Utilities (Canada) Corp.

**LABS Canada** – Empire also receives an allocation of shared services costs provided under the LABS shared services business unit by Canadian-based employees, employed by Liberty Utilities Canada.

**Liberty Utilities Service Corp. (“LUSC”)** – Empire receives allocations of labor and non-labor costs incurred for regulated company services (executive, regulatory, energy procurement, operations, utility planning, customer experience, and administration) provided to Liberty Utilities and its subsidiaries. These allocations of services are provided by U.S.-based employees who are employed by LUSC.

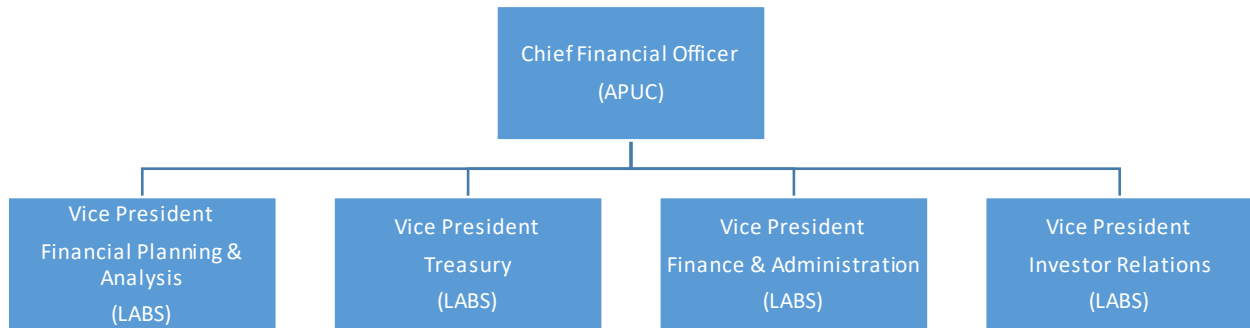
Regulated services provided by U.S.-based, LUSC employees can be categorized as those provided: 1) to a specific utility (i.e. Empire), 2) to a region (i.e. Central Region), or 3) to all of Liberty Utilities and its regulated subsidiaries.

- 1) Costs incurred by LUSC employees dedicated to a specific utility, like Empire, are directly charged and incurred by the utility. These costs are not included in the monthly intercompany corporate allocation billings to Empire.
- 2) Empire receives an allocation of services provided by LUSC employees for the Central Region. LUSC employees providing services to the Central Region are reflected on the APUC organizational chart as “LUSC – Central Region”.
- 3) Empire receives an allocation of regulated services provided by U.S.-based employees on behalf of all Liberty Utilities regulated subsidiaries. LUSC employees providing services to Liberty Utilities and all regulated subsidiaries are reflected on the APUC organizational chart as “LUSC – Corp. US”.

**LABS US** – Empire also receives an allocation of shared services costs provided under the LABS shared services business unit by U.S.-based employees, employed by LUSC.

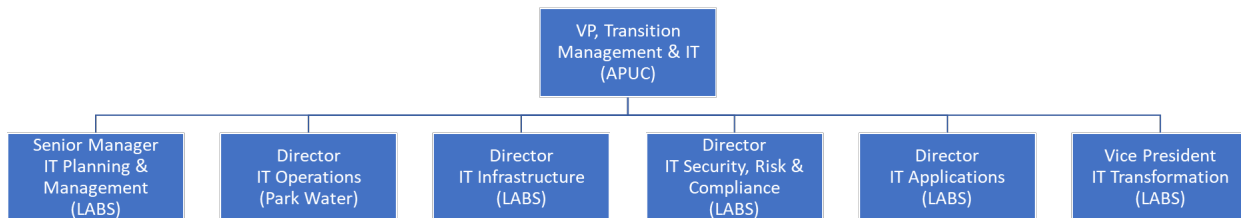
As of January 2021, APUC and its subsidiaries have a total of 2,666 employees. LUCB employs 26 employees based in Oakville who provide the regulated company services described above to Liberty Utilities, including Empire. There are 363 employees of LUCB and LUSC who provide shared services to Liberty Power and Liberty Utilities through the LABS business unit. And LUSC employs 865 employees in the Central Region, of which 535 are dedicated to provide utility services to Empire and 139 employees provide shared services to all of the utilities within the Central Region jurisdictions. The below organization charts reflect the leadership positions of each department, and do not include all of the employees in the APUC organization.

**FINANCE / TREASURY**



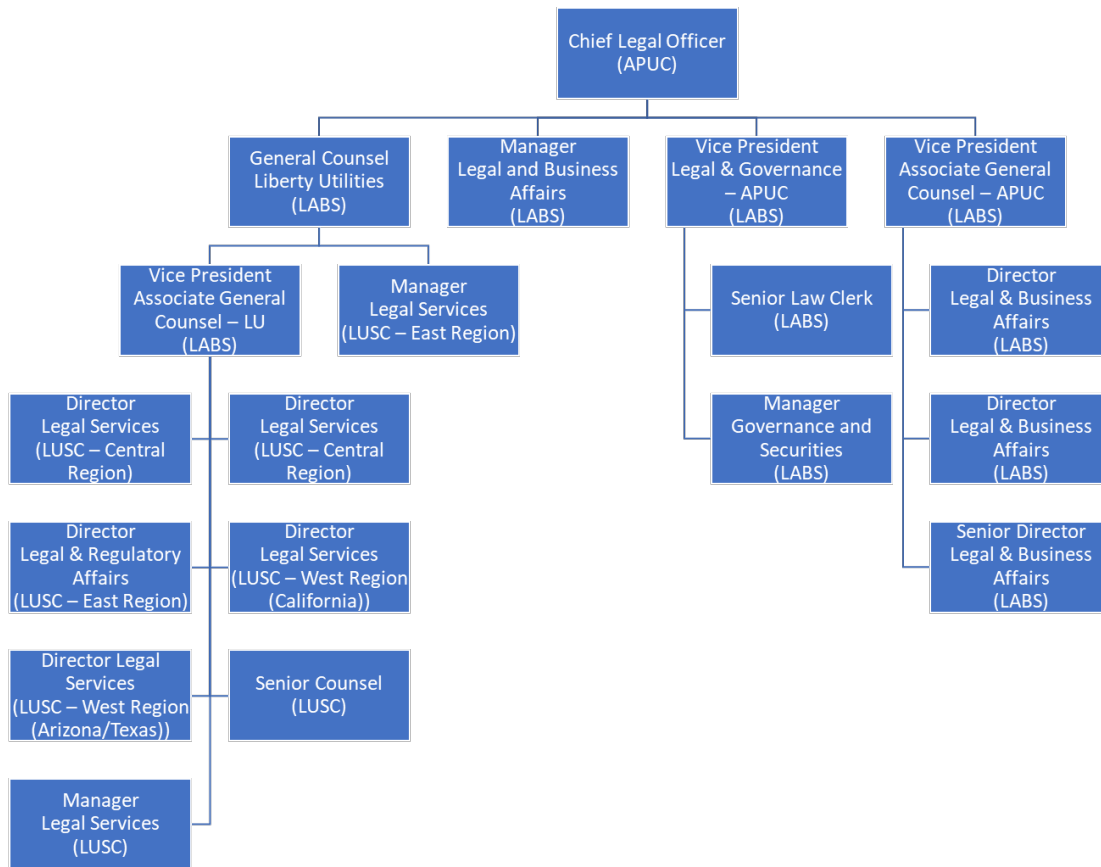
The Finance / Treasury organization ensures that our regulated utilities meet audit standards and regulatory requirements, have strong financial and operational controls, and are recording financial transactions accurately and prudently. Finance/Treasury also manages and coordinates financing for capital projects for the regulated utilities along with capital planning and related services.

**INFORMATION TECHNOLOGY and TRANSFORMATION**



The information technology and transformation organizations support services related to IT and Transformation/IT, providing enterprise-wide IT architecture, support and related services to multiple functions throughout the Company that are essential to the day-to-day provision of utility services.

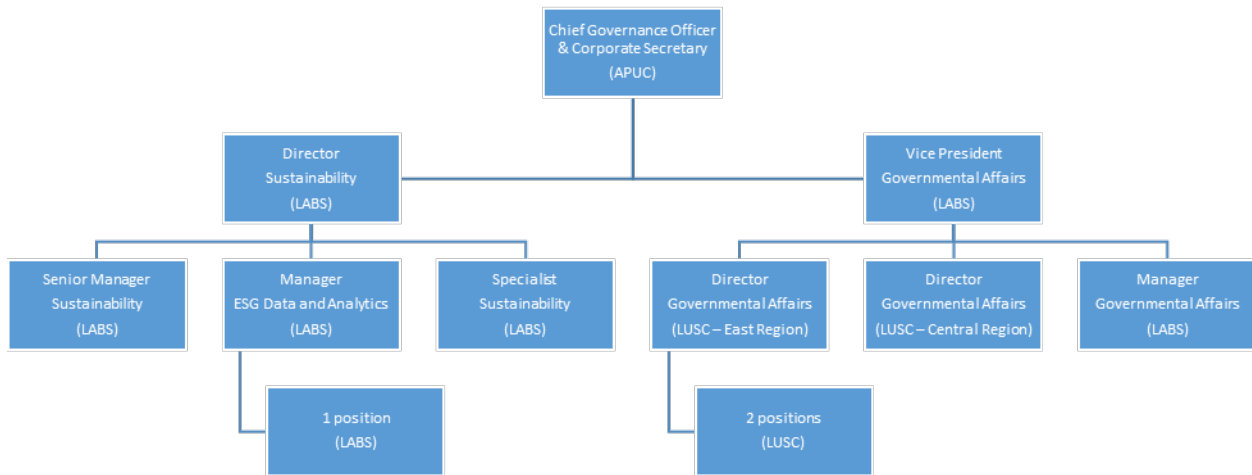
## LEGAL



The Chief Legal Officer oversees all general legal matters pertaining to all entities owned by APUC. These legal services involve legal matters not specific to any single entity, including review of audited financial statements, annual information filings, Sedar filings, review of contracts, incorporation, tax issues of a legal nature, market compliance, and other legal issues.

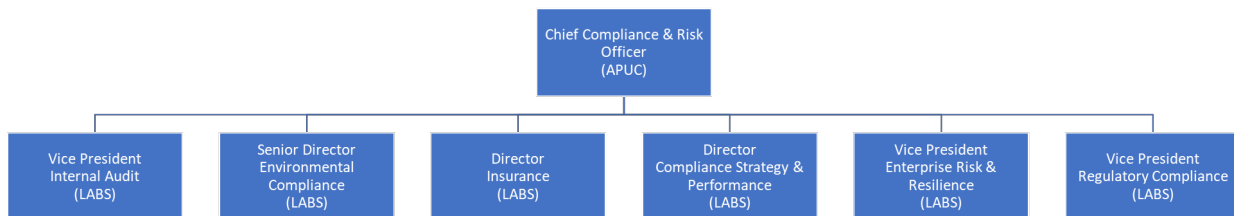
The Legal Department helps to ensure that APUC and its subsidiaries remain compliant in all aspects of operations and regulation, and prevents those entities from being exposed to unnecessary risks. The Legal Department also provides legal services relating to all aspects of utility operations, including financing, regulatory matters, procurement, rate cases, contracts, litigation, and other similar matters.

## GOVERNANCE



This shared services model also provides significant corporate governance, which is led by the Chief Governance Officer and Corporate Secretary. The Governmental Affairs Department is led by its Vice President, Governmental Affairs, who is responsible for identifying and monitoring legislative and other measures that may impact Liberty’s businesses (including the regulated utilities) and mitigating that risk and/or addressing those measures, in turn promoting effective operations, and building robust relationships with stakeholders on the state, regional and federal level. The Governance Department also manages the corporate affairs of all companies, including the regulated utilities.

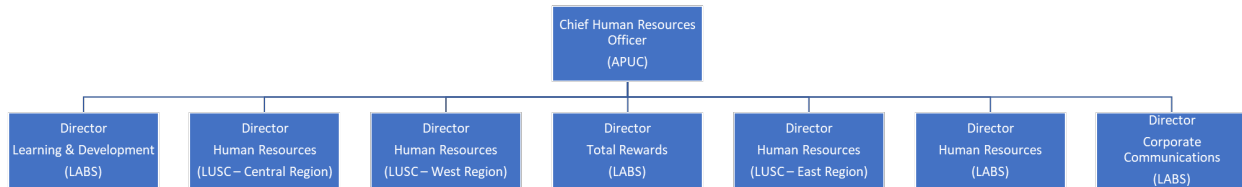
## COMPLIANCE



The Company’s Compliance functions fall within the Compliance Department, which is led by the Chief Compliance and Risk Officer. The Chief Compliance and Risk Officer is responsible for Internal Audit, Environmental, Insurance, Compliance Strategy and Performance, Enterprise Risk and Resilience, and Regulatory Compliance. Compliance functions include developing corporate compliance policies, the providing ongoing advice relating to compliance with those policies, developing business continuity plans to address risks such as the covid-19 pandemic that we currently face, complying with FERC and NERC requirements for jurisdictional assets and transactions, mitigating risks associated with compliance with various regulatory requirements, and providing physical security for APUC’s facilities.

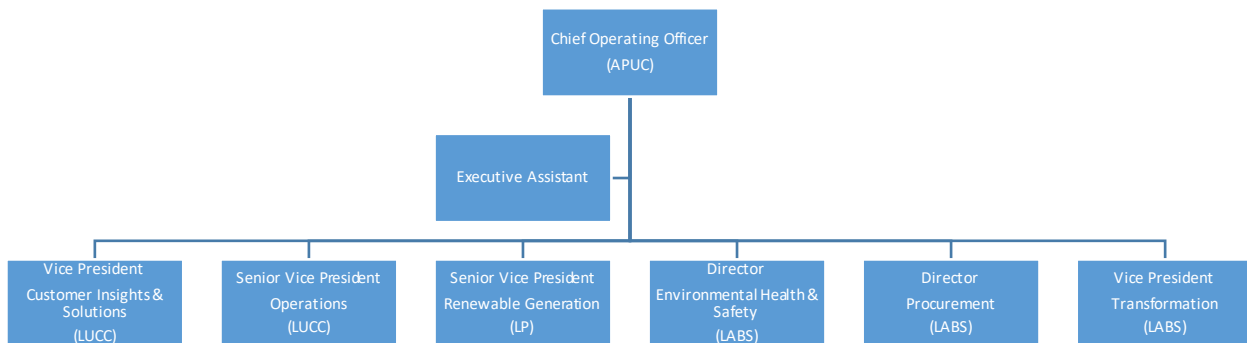
Audits are done annually and reviews are performed quarterly on all facilities owned by APUC on an aggregate level. These corporate parent level audits reduce the cost of the stand-alone audits. Customers receive benefits of additional financial rigor, as well as access to capital, and financial soundness checks by independent third parties.

## HUMAN RESOURCES



The Human Resources functions are led by the Chief Human Resources Officer. The Chief Human Resources Officer is responsible for Learning and Development, Environment, Health and Safety, Total Rewards, Corporate Communications, and the regional Human Resources teams. The Human Resources functions include the training and development of employees, ensuring employees are provided healthy and safe work environments, and receive competitive salaries and benefits. The Human Resources services are critical to ensuring that APUC's most valuable assets, our employees, are satisfied and engaged which minimizes employee turnover and associated costs.

## OPERATIONS



This shared services model also provides Empire with operational, engineering and procurement services. For example, there are modality teams for the various businesses within the APUC family. The electric modality team provides a means for regularly sharing best practices and experience among the various electric utilities around the country. The regulated utilities under Liberty Utilities are able to take advantage of favorable terms for procurement of services and materials under this model, as well as leverage operational and engineering expertise across the Liberty Utilities footprint.