

PENNICHUCK CORPORATION

AUDIT, FINANCE AND RISK COMMITTEE
MINUTES OF FEBRUARY 18, 2025 MEETING

A meeting of the Audit, Finance and Risk Committee (“Committee”) of the Board of Directors of Pennichuck Corporation (the “Company”) was held on Monday, February 18, 2025, at 4:33 p.m. at the Company’s offices at 25 Walnut Street, Nashua, New Hampshire.

Written materials relating to items listed in the Agenda were provided to the Committee Members for their review prior to the meeting.

The following Committee Members were present at the start of the meeting constituting a quorum:

John D. McGrath (via Microsoft Teams)
Deborah B. Novotny (via Microsoft Teams)
Ralph Jenkins (via Microsoft Teams)
H. Scott Flegal
Brian H. Law
Amymarie R. Corriveau (via Microsoft Teams)

Attending the meeting from the Board were:

Elizabeth A. Dunn

Attending the meeting from the Company were:

John J. Boisvert, Chief Executive Officer and Chief Engineer
George Torres, Chief Financial Officer and Treasurer
Lori Douglas, Corporate Controller
Carol Ann Howe, Assistant Treasurer and Corporate Secretary
Jay Kerrigan, Manager Regulatory Affairs, Internal Control and Business Services (via Microsoft Teams)

C. Howe recorded the minutes of the meeting.

Approval of Minutes

R. Jenkins asked if there were any comments on the minutes of the November 18, 2024 meeting of which there were none. He then asked about an item that was discussed at the previous meeting relating to questions that were posed on the language related to management’s certification on the internal control and asked if we had posed that question to our legal team.

G. Torres responded that in light of the amount of time and effort being put in with the legal effort for the merger, we have not had time to address that issue with them and hope to have it

addressed at the next Committee meeting. He also added that there are other items still in process related to the Merger and once all that has been worked out, he can turn his attention to this issue. R. Jenkins stated once this has been resolved, the Committee can address the final review of the Committee Charter.

There being no further comments on the draft minutes of the November 18, 2024 meeting of the Audit, Finance and Risk Committee meeting, on motion duly made by J. McGrath and seconded by A. Corriveau, all of the Committee Members then voting by roll call, it was unanimously

Resolved: that the minutes of the November 18, 2024 meeting of the Audit, Finance and Risk Committee are hereby approved.

Pennichuck Water Works, Inc. Bond Financing – 2024 Capital Expenditures

George indicated this is a two-part resolution. The first part addresses the original 5-year plan of financing and noting the full amount of that approval (\$57.5 million) has not been fully used and we were advised that since there were funds still available, we should use them. Because that original plan of financing did not include Pennichuck East Utility, Inc. (PEU) and Pittsfield Aqueduct Company, Inc. (PAC), the first Resolution is asking in that approval to add them.

He then went on to explain the second part of the resolution which discusses the amount of the funding and how that was derived. He noted this is the maximum amount of funding that will be needed. The final amount of the bonding will be based on whether the bonds are sold at a discount or premium.

R. Jenkins provided input on some other items for the purpose of other Committee members. He asked about PEU and PAC's needs for prior year's capital funding and G. Torres noted those needs were filled by other sources and were not included in the bonding.

There being no further comments, on motion duly made by B. Law and seconded by S. Flegal, all of the Committee Members then voting by roll call, it was unanimously

Resolved: that the Audit, Finance and Risk Committee (the "Committee") hereby recommends to the Board of Directors of Pennichuck Corporation ("PC") and Pennichuck Water Works, Inc. ("PWW") that management be authorized to revise the \$57.5 million 2021-2025 Financing Plan approved by the Board of Directors of each of PC and PWW in 2020 to include the 2024 capital needs of each of Pennichuck East Utility, Inc. ("PEU") and Pittsfield Aqueduct Company, Inc. ("PAC") with the 2024 capital needs of PWW in the issuance of taxable or tax-exempt bonds that were originally recommended by the Committee in its resolution dated February 25, 2020 as a result of and conditioned upon the merger of each of PEU and PAC with and into PWW to be consummated on or about March 1, 2025.

Further

Resolved: that the issuance of bonds needed to finance the 2024 capital expenditures of PWW, PEU, and PAC as described in the foregoing resolution, initially funded by line of credit facilities or from working capital sources, and to consist of the entering into of the following credit facilities:

Taxable or Tax-exempt Bonds in one or more series in an aggregate amount not to exceed:	\$ 15,300,000
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Taxable or Tax-exempt Bonds in one or more Series or Bank Credit Facility to fund Bond Issuance Costs, not to exceed:	\$ 200,000
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Total 2025 Bond Issuance Plan not to exceed:	\$ 15,500,000
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(the “2025 Bond Issuance Plan”), be and it is hereby favorably recommended for consideration and approval by the Board of Directors of PC and PWW.

Further

Resolved: that the officers of PC and PWW are severally authorized, empowered and directed to take such actions necessary to present the 2025 Bond Issuance Plan to the Board of Directors of PC and PWW, and to report the favorable recommendation of this Committee to each such Board.

Deborah B. Novotny joined the meeting via Microsoft Teams at 4:50 p.m.

Ronald J. Houle joined the meeting via Microsoft Teams at 4:55 p.m.

Other Business

J. Boisvert said there was one other item he wanted to discuss with the Committee. He indicated that today he had an opportunity to meet with members of the management in the Information Technology Department to review the results from the Cyber Security review that was conducted and also the report that was issued. He indicated he would like to present the results of the report at the Audit, Finance and Risk Committee first due to the length of the discussion that may be needed. It was agreed that this will be discussed at the beginning of the next Audit, Finance and Risk Committee meeting and the other Board members will be invited to attend. Deborah Tarbox from CBIZ will join the meeting after the Cyber Security discussion. It was agreed that the Internal Control presentation can be deferred to a latter month.

There being no further business to come before the Committee, the Chairman adjourned the meeting at 5:00 p.m.

Carol Ann Howe

Carol Ann Howe, CPA
Assistant Treasurer and Corporate Secretary