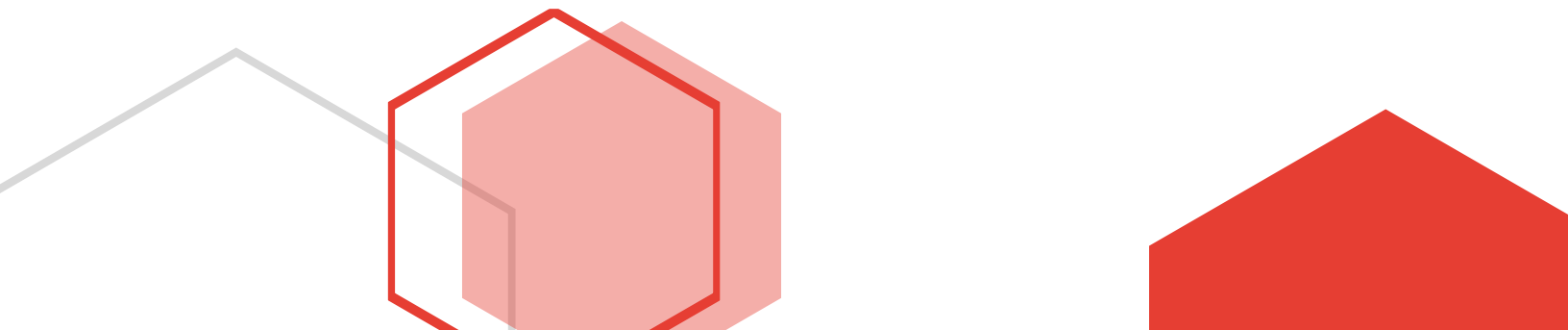




ESSEX POWER CORPORATION GRI REPORTING



2018





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ESSEX POWER CORPORATION

GRI 102 General Disclosures 2016	
102-1 Name of the Organization	Essex Power Corporation
102-2 Activities, brands, products, and services	<p>Essex Power Corporation (“EPC”) is the holding company, which provides electricity and related utility services to 30,000 residential and commercial customers in municipalities of Amherstburg, LaSalle, Leamington, and Tecumseh.</p> <p>Essex Powerlines is the regulated local distribution company.</p> <p>Essex Power Services provides maintenance, construction and other third-party services to customers and municipal shareholders.</p> <p>Essex Energy is a developer of renewable energy projects and provider of a suite of energy management and conservation services to commercial clients and local distribution companies (LDCs).</p> <p>Utilismart is a subsidiary that has been the industry leader in providing settlement services to utilities throughout Ontario and has expanded into other jurisdictions including the US and overseas. The services are built on industry expertise and an in-depth understanding of both the settlement processes in the marketplace and the needs of the customer.</p>
102-3 Location of Headquarters	Oldcastle, Ontario, Canada
102-4 Location of Operations	Operates in Canada predominately. Utilismart also sells products/services in the United States and occasionally overseas.



Essex Power Corporation is a dynamic energy company that provides safe, reliable and economical energy supply and services to our customers. Our commitment to innovation, performance management and leading by example has built the foundation for Essex Power and our affiliates to establish a diverse set of energy products and services that are valued by our customers.

“At Essex Power, Your Power Is Our Priority.”



102-5 Ownership and legal form	Essex Power Corporation
102-6 Markets served	<p>EPC, through Essex Powerlines, distributes electricity to the municipalities of Amherstburg, LaSalle, Leamington and Tecumseh in the province of Ontario in Canada. Distribution territory maps are included as reference in the appendix at the end of this report.</p> <p>EPC delivers electricity principally to four distinct class types of customers:</p> <ol style="list-style-type: none"> 1) Residential: accounts where the electricity is used exclusively in a separately metered living accommodation where the electricity is taken at 750 volts or less. 2) General service less than 50kW: non-residential accounts whose average monthly maximum demand is less than, or is forecast to be less than, 50kW where the electricity is taken at 750 volts or less 3) General service 50 to 4,999kW: Non-residential accounts where the average monthly maximum demand used for billing purposes is equal to or greater than or is forecast to be equal to or greater than, 50kW but less than 5,000kW. 4) Large User: Accounts where the average monthly maximum demand used for billing purposes is equal to or greater than or is forecast to be equal to or greater than, 5,000kW. <p>EPC also provides commercial rooftop and ground-mount solar generation. The sales and marketing are provided through Essex Energy.</p> <p>Utilismart Corporation provides Distribution Utilities, Municipalities, Commercial and Industrial customers with the data that they require to operate efficiently and effectively through a web-based portal.</p>
102-7 Scale of the organization	<p>Please see 2018 Consolidated Financial Statements at www.essexpower.ca</p> <p>Number of Employees= 93 Female- 26 Male= 67 Net Income= \$2,981,000 Debt to Capital Ratio= 45% Total Assets= \$21,442,000</p>
102-8 Information on employees and other workers	<p>Number of Employees= 93 Contract Employees=4 Female= 3 Male= 1 Permanent Employees= 89 Female=23 Male= 66</p>
102-9 supply chain	<p>Not material. EPC is not reporting on any supply chain data as defined by GRI- the focus is on operations</p>
102-10 Significant changes to the organization and its supply chain	<p>No significant changes to report</p>
102-11 Precautionary Principle or Approach	<p>EPC supports the Precautionary Principle as defined in Principle 15 in the Rio Declaration</p>
102-12 External Initiatives	<p>N/A</p>

GRI 102 General Disclosures 2016



102-13 Membership of associations	Electricity Distribution Association GridSmart City Chartered Professional Accountants of Ontario Professional Engineers Ontario Ontario Association of Certified Engineering Technicians and Technologists Law Society of Ontario Human Resources Professional Association- Ontario
Strategy	
102-14 Statement from senior decision-maker	Please see Board & CEO message in 2018 Annual Report, available at: www.essexpower.ca
Ethics & Integrity	
102-16 Values, principles, standards, and norms of behavior	Please see Corporate Philosophy in 2018 Annual Report, available at: www.essexpower.ca
Governance	
102-18 Governance structure	Please see Corporate Ownership Structure & Essex Power Family of Companies, available at www.essexpower.ca
Stakeholder	
102-40 List of Stakeholder groups	Municipalities, Civil Society, Customers, Shareholder and providers of capital, Suppliers, and Employees, other workers, trade unions
102-41 Collective bargaining agreements	30% of total employees are covered by collective bargaining agreements
102-42 Identifying and selecting stakeholders	Please see Corporate Ownership Structure & EPC Family of Companies, and Corporate Philosophy available at www.essexpower.ca
102-43 Approach to stakeholder engagement	EPC managers meet on an ongoing basis with all shareholders and board members to discuss material matters. Essex Powerlines Corporation attends monthly events and festivals in each of its four shareholder municipalities.
102-44 Key topics and concerns raised	EPC holds internal meetings with shareholders and board members monthly. The concerns and key topics of these meetings result in the agenda and updates for subsequent meetings.
Reporting Practice	
102-45 Entities included in the consolidated financial statements	EPC; Essex Powerlines Corporation, Essex Power Services, Essex Energy Corporation, Utilismart Corporation, and WattsWorth Analysis Inc.
102-46 Defining report content and topic boundaries	The focus of the EPC report is on its operations which lead to the process of defining the report content and topic Boundaries. The organization used past reports and several meetings between employees to define the report content. Material topics were decided on by a team of staff members who consulted previous reports, current company documents and operations, and future trends.

GRI 102 General Disclosures 2016



102-47 List of material topics	<p>Material Topics:</p> <ul style="list-style-type: none"> • Health & Safety • Human Rights • Ethic & Compliance • Energy Use • Local Community • Social Risk in Operations • Environmental Risks in Operations • Customer privacy <p>More topics are discussed in detail through the 2018 Annual Report at www.essexpower.ca</p>
102-48 Restatements of Information	Due to the nature of the business of EPC, restatements resulted in several areas of the reporting. The restatement of information most frequently applies to management practices and HR matters.
102-49 Changes in reporting	This is the second year that EPC has reported using GRI standards that were required to be adopted by July 2018. Essex Power continues to report Core in accordance with the standards.
102-50 Reporting period	January 2018- December 2018
102-51 Date of most recent report	2017
102-52 Reporting cycle	Annual
102-53 Contact point for questions regarding the report	Amanda Panetta- Corporate Communications Specialist apanetta@essexpower.ca
102-54 Claims of reporting in accordance with the GRI standards	This report has been prepared in accordance with the GRI Standards: Core Option
102-55 GRI Content index	<p>The GRI Content index is included as a separate attachment to the Annual Report, available at www.essexpower.ca</p> <p>GRI Standards included in this report are:</p> <ul style="list-style-type: none"> GRI 102: General Disclosures 2016 GRI 200: Economic Standard Series GRI 300: Environmental Standards Series GRI 400: Social Standards Series <p>Specifics on each disclosure can be found in each area of this report. Please see Table of Contents located on the first page of this report</p>
102-56 External assurance	EPC does not seek external assurance for the report



GRI 200 Economic Standard Series

Economic Performance

103-1 Explanation of the material topic and its boundary	Please see Board Chair & CEO Message and Consolidated financial statements in 2017 Annual report www.essexpower.ca
202-1 Ratios of standard entry level wage by gender compared to local minimum wage	Not material. Essex Power`s entry-level wages are above provincial minimum wages
202-2 Proportion of senior management hired from the local community	No formal policy or common practice of granting hiring preferences to residents

Anti-Corruption

103-1 Explanation of the material topic and its boundary	EPC does not have a formal risk assessment tool focused on corruption. EPC has multiple corporate policies in place to address corrupt practices, including: Whistleblower Policy, Code of Conduct Policy, and Corporate Procurement Policy. EPC practice is to have all current and new employees, as a condition of hire, review and sign the Code of Conduct Policy. The Audit Committee of the Board of Directors is accountable to evaluate and investigate reports of violation to ensure that the integrity and performance of Essex Power Corporation is maintained.
205-1 Operations assessed for risks related to corruption	100%. All operations are outlined in several different company policies as mentioned above. These policies are revised and updated as required. Any violations may be reported to the Audit Committee of the Board of Directors of Essex Power Corporation.
205-2 Communication and training about anti-corruption policies and procedures	EPC practice is to have all current and new employees, as a condition of hire, review and sign the Code of Conduct Policy. Formal training and walk through of all documents occurs within the first week of hire by the HR Manager.
205-3 Confirmed incidents of corruption and actions taken	Zero incidents reported resulting in no need for action



GRI 300 Environmental Standard Series

Energy	
103-1 Explanation of the material topic and its boundary	<p>Please see Board Chair & CEO Message in the 2018 Annual Report at www.essexpower.ca</p> <p>Standard units of measure used for this section are:</p> <ul style="list-style-type: none"> • Unit of electrical power capacity: W- watt; kW- kilowatt (1000 watts); MW- megawatt (one million watts); GW- gigawatt (one million kilowatts) • Units of electrical energy produced or consumed: kWh: kilowatthour (1000 watthours); MWh: megawatthour (one million kilowatthours)
302-1 Energy consumption within the organization	<p>Operations Facility:</p> <p>Amount of electricity (total kWh)- 200,083 kWh Amount of natural gas (total m3)- 29,824 m3 Amount of Diesel (total L)- 57,716 L Amount of Gasoline (total L)- 49,431 L</p> <p>Corporate Office:</p> <p>Amount of Electricity (total kWh)- 93,000 kWh Amount of Natural Gas (total m3)- 37,000 m3 Amount of Diesel (total L)- N/A Amount of Gasoline (total L)-N/A</p> <p>Utilismart</p> <p>Amount of Electricity (total kWh)- 174,791 kWh Amount of Natural Gas (total m3)-4,943 m3 Amount of Diesel (total L)- N/A Amount of Gasoline (total L)- N/A</p>
302-4 Reduction of energy consumption	<p>1,763,113 kWh</p> <p>Participation & Cost report provided by the IESO.</p> <p>In 2018, Essex Power delivered a suite of conservation and demand management programs to customers through the IESO. Please see 2018 Annual Report for a summary of energy savings. (www.essexpower.ca)</p> <p>Types of services offered by Essex Energy:</p> <ol style="list-style-type: none"> 1) CDM Consulting 2) Renewable Energy System Design 3) Installation 4) Consulting (mainly solar, some CHP, Wind, Biomass)
Environmental Compliance	

GRI 102 General Disclosures 2016



103-1 Explanation of the material topic and its boundary	Please see Board Chair & CEO message in 2018 Annual Report. Additionally, please see Conservation and Demand Management Section. Both at www.essexpower.ca For more detailed information please see Essex Energy section in 2018 Annual Report
307-1 Non-compliance with environmental laws and regulations	Essex Power has not identified any non-compliance with environmental laws and/or regulations



GRI 400 SOCIAL STANDARDS SERIES	
Employee	
103-1 Explanation of the material topic and its boundary	Please see Board & Chair message and Corporate Philosophy in the 2018 Annual Report. Each section of the subsidiaries of EPC in the annual report further discusses their own employee operations. Please see Essex Energy section, Essex Powerlines section, Utilismart section, and WattsWorth section. The report is available at www.essexpower.ca
401-1 New employee hires and employee turnover	<p>Total number of new employees hired during 2018= 12</p> <p>By age:</p> <ul style="list-style-type: none"> • Under 30 years old= 4 • 30-50 years old= 5 • Over 50 years old= 3 <p>Total number of employee turnover during 2018= 12</p> <ul style="list-style-type: none"> • Under 30 years old= 5 • 30-50 years old= 5 • Over 50 years old=2
401-2 Benefits provided to full-time employees that are not provided to temporary or part-time employees	<ul style="list-style-type: none"> • Health • Dental • Life • AD&D • STD • LTD • Dependent Life • OMERS Pension and/or RSP match program
401-3 Parental leave	<p>100% of employees were entitled to parental leave.</p> <p>Total number of employees that took parental leave= 0 (m=0 f=0)</p> <p>Total number of employees that returned to work in the reporting period after parental leave ended=0 (m=0 f=0)</p> <p>Total number of employees that returned to work after parental leave ended that were still employed 12 months after their return to work=0 (m=0 f=0)</p>
Labour/ Management Relations	
103-1 Explanation of the material topic and its Boundary	Please see our Corporate Philosophy section in 2018 Annual Report www.essexpower.ca
402-1 Minimum notice periods regarding operational changes	EPC does not have a formal minimum notice period for significant operational changes, but it does work diligently to give reasonable notice.



Occupational Health and Safety	
103-1 Explanation of the material topic and its boundary	Please see our Corporate Philosophy and Board & CEO Message section in 2018 Annual Report. www.essexpower.ca
403-8 Workers representation in formal joint management-worker health and safety committees	100% of the workforce is represented in formal joint management-worker health and safety committees. Formal committees include two Joint Health & Safety Committees, one for Essex Power Corporation operations, the other for Essex Powerlines
403-9 Work-related injuries	There have been 0 work-related fatalities as a result of work-related injury. High-consequence work-related injuries=0 Recordable work-related injuries=3 Lost day rate= 1 (scheduled workday)
403-10 Work-related ill health	There have been no incidences of work-related ill health.
Training and Education	
103-1 Explanation of the material topic and its Boundary	Please see Our Corporate Philosophy and Board & CEO Message section in 2018 Annual Report. www.essexpower.ca
404-1 Average hours of training per year per employee	Average hours of training vary across Essex Power depending on the position and trade.
404-2 Programs for upgrading employee skills and transition assistance programs	Essex Power encourages and supports all employees to participate in training programs that will upgrade skills based on their position/trade. A tuition reimbursement program is in place for this.
404-3 Percentage of employees receiving regular performance and career development reviews	77%
Diversity and Equal Opportunity	
103-1 Explanation of the material topic and its boundary	Please see our Corporate Philosophy in 2018 Annual Report. www.essexpower.ca
405-1 Diversity of governance bodies and employees	No statistics are kept on minority groups, age, or gender. Essex Power is an equal opportunity employer.
Non-Discrimination	
103-1 Explanation of the material topic and its boundary	Please see our Corporate Philosophy in 2018 Annual Report. www.essexpower.ca
406-1 Incidents of discrimination and corrective actions taken	Zero incidents of discrimination therefore no action required.
Freedom of Association and Collective Bargaining	



103-1 Explanation of the material topic and its boundary	Please see our Corporate Philosophy in 2018 Annual Report. www.essexpower.ca
407-1 Operations and suppliers in which the right to freedom of association and collective bargaining may be at risk	Essex Power is subject to Canadian and Ontario Law on matters of the right to exercise freedom of association or collective bargaining. Essex Power respects freedom of association and the right of collective bargaining. Moreover, Canada is a signatory to International Labour Organization (ILO) Convention #87, the Association and Protection of the Right to Organize Convention, 1948.
Child Labour	
103-1 Explanation of the material topic and its boundary	Please see our Corporate Philosophy in 2018 Annual Report. www.essexpower.ca
408-1 Operations and suppliers at significant risk for incidents of child labour	Essex Power complies fully with all Canadian and provincial laws on minimum age convention and child labour. Additionally, EPC suppliers are either from Canada or the United States, which both have appropriate labour laws in place. Therefore, there are zero incidents to report.
Forced or Compulsory Labour	
103-1 Explanation of the material topic and its boundary	Please see our Corporate Philosophy in 2018 Annual Report. www.essexpower.ca
409-1 Operations and suppliers at significant risk for incidents of forced or compulsory labour	EPC does not have forced or compulsory labour and complies fully with Canada's federal and provincial anti-compulsory labour laws.
Local Communities	
103-1 Explanation of the material topic and its boundary	EPC has several different stakeholders and means for engagement with them. Essex Powerlines specifically engages with its customers to ensure that there is satisfaction in service delivery. Customer satisfaction surveys are sent out frequently to determine the satisfaction within its service territory. Additionally, EPC focuses on sponsoring community initiatives and festivals.



<p>413-1 Operations with local community engagement, impact assessments, and development programs</p>	<p>The exact percentage of operations implemented within the local community is not explicitly tracked.</p> <p>The electricity distribution operations of Essex Power reside within the communities of its shareholders, where it is licensed to operate by the Ontario Energy Board. On a neighborhood level, community members are informed beforehand if Essex Powerlines is going to be working locally. Since impacts are minimal at an operational level and site rehabilitation is part of work practices, no programs are in place to assess impacts.</p> <p>Specific information on EPC community engagement can be found in the Social Performance section in the 2018 Annual Report at www.essexpower.ca</p>
<p>Public Policy</p>	
<p>103-1 Explanation of the material topic and its boundary</p>	<p>EPC shareholders are the Town of Amherstburg, the Town of LaSalle, the Municipality of Leamington, and the Town of Tecumseh. All four mayors of the above-mentioned municipalities sit on the Board of Directors for EPC. All four municipalities are in Essex Powerline’s service territory. EPC executives are active in many public policy matters directly and through industry associations. EPC also has formal positions in regulatory policy matters before the Ontario Energy Board.</p>
<p>415-1 Political contributions</p>	<p>EPC does not contribute to political parties, politicians, and related institutions.</p>
<p>Customer Privacy</p>	
<p>103-1 Explanation of the material topic and its boundary</p>	<p>EPC is committed to keeping the personal information of its customers accurate, confidential, secure and private. Our Privacy Policy has been designed to inform employees, subcontractors and customers of Essex Power of our commitment and obligation to meet the spirit and terms of the federal Personal Information Protection and Electronic Documents Act (PIPEDA).</p> <p>More details about EPC can be found at www.essexpower.ca</p>
<p>418-1 Substantiated complaints concerning breaches of customer privacy and losses fo customer data</p>	<p>There were zero incidents with EPC and its subsidiary companies.</p>