



SUSTAINABILITY REPORT

# ESSEX POWER CORPORATION





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# ***SENIOR MANAGEMENT***



**John Avdoulos, B.A.  
Sc., MBA**

President & Chief  
Executive Officer

Essex Power Corporation



**Stephen Ray, B.A. Sc.,  
P. Eng**

Chief Operating  
Officer

Essex Power Corporation



# ABOUT THIS REPORT

Our 2021 Sustainability report provides a variety of disclosures which highlight our environmental, social and governance (ESG) performance. The content of this report will provide stakeholders with a balanced view of how Essex Power Corporation is committed to a sustainable future that is beneficial to all out stakeholder groups.

This report has been prepared in accordance with the Global Reporting Initiative (GRI) Standards: Core Option.

This report reflects our performance from the period of January 2021 to December 2021. All financial figures are reported in Canadian dollars.

Questions about the Report? Contact:

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Manager of Business Optimization  
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Essex Power Corporation  
200-2199 Blackacre Dr., Oldcastle, ON  
N0R 1L0





# COMPANY PROFILE

## Our Philosophy

Essex Power Corporation is committed to contributing towards a brighter, sustainable future for all residents of Windsor-Essex County. 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 environmentally friendly practices and sustainable energy products.

## Our Mission

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.

## Our Vision

Essex Power's vision is to be an Energy Provider that utilizes "best in class" people, processes, and technology to lead the marketplace in sustainable energy solutions. Our customers receive the greatest value by integrating an economic and environmental balance to the products and services we will deliver to them. As an Energy Provider, we will be a community leader in ensuring that environmental stewardship is a vital component of our services to increase customer awareness of proper energy utilization and management.

## Our Values

**Integrity-** Every employee at every level of the organization makes the commitment to conduct business lawfully and ethically.

**Excellence-** EPC is on a journey to be "best in class" in energy delivery. EPC commits to continuously improve and look for innovation that help customers, seizes opportunities to develop our own skills and talents, and fosters respectful and trusting relationships with our colleagues.

**Citizenship-** Respecting and supporting the social and cultural fabric of the communities we work, live and serve in is EPC's responsibility. EPC strives to conduct business in an environmentally responsible manner and in a way that protects the health and safety of fellow employees and the public.



# COMPANY OVERVIEW



Essex Power Corporation is the holding company of the Essex Power Group.



Essex Energy Corporation 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.



Essex Powerlines Corporation is the regulated local distribution company, which provides electricity to 30,000 residential and commercial customers in the municipalities and townships of Amherstburg, LaSalle, Leamington and Tecumseh..



Utilismart Corporation is a subsidiary that has been the industry leader in providing settlement services to utilities throughout Ontario and has expanded into the United States and overseas.



WattsWorth Analytics offers an array of services such as IESO settlements, energy and conservation demand management plans, Green Energy Act solutions, and many other customized consulting services.

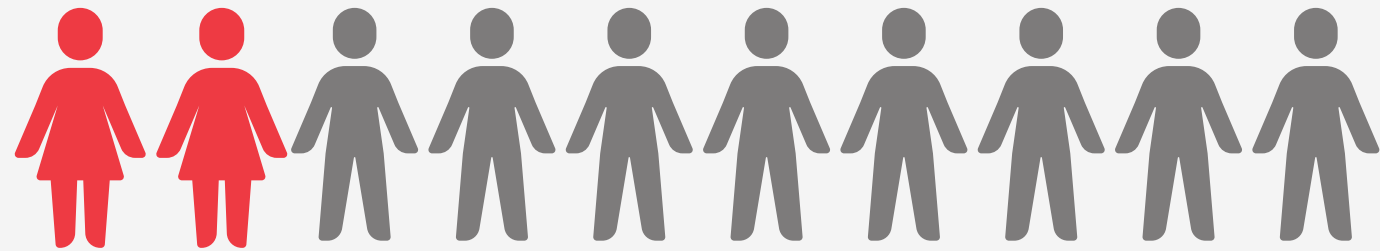






# EMPLOYEE PROFILE

EPC does not keep statistics on minority groups, age or gender. Essex Power is an equal opportunity employer.  
Learn more at [www.essexpower.ca](http://www.essexpower.ca)



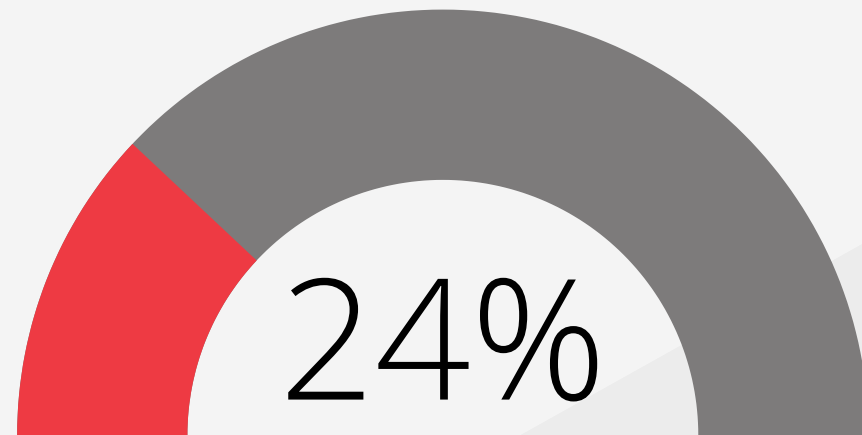
104 total employees at Essex Power Corp and its Group of Companies. 21% of employees are female, 79% are male.



100% of EPC workers are represented in formal joint management-worker health and safety committees



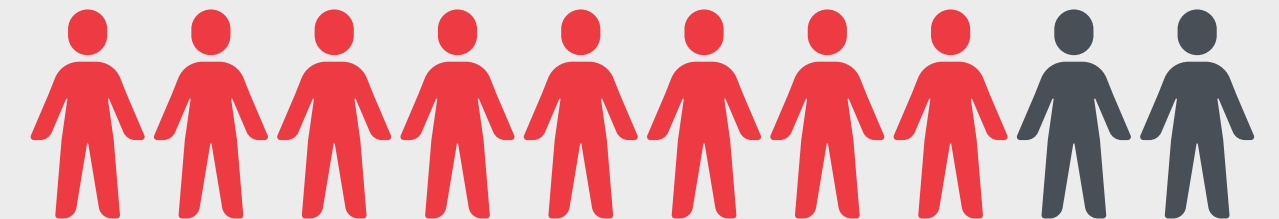
9.6% of EPC workers were newly hired in 2021 (10 total)



24% of EPC workers are covered by collective bargaining units



100% of EPC workers are entitled to parental leave. In 2021, 1 employee took parental leave. 100% of employees who took parental leave returned to work after the leave ended.



8 of every 10 Essex Power employees are subject to regular performance and career development reviews.





# MEMBERSHIP OF ASSOCIATIONS

**Professional Engineers  
Ontario**



**Electricity Distribution  
Association**



**GridSmartCity**



**Chartered Professional  
Accountants of Ontario**



**Human Resources  
Professionals  
Association- Ontario**



**Law Society of Ontario**



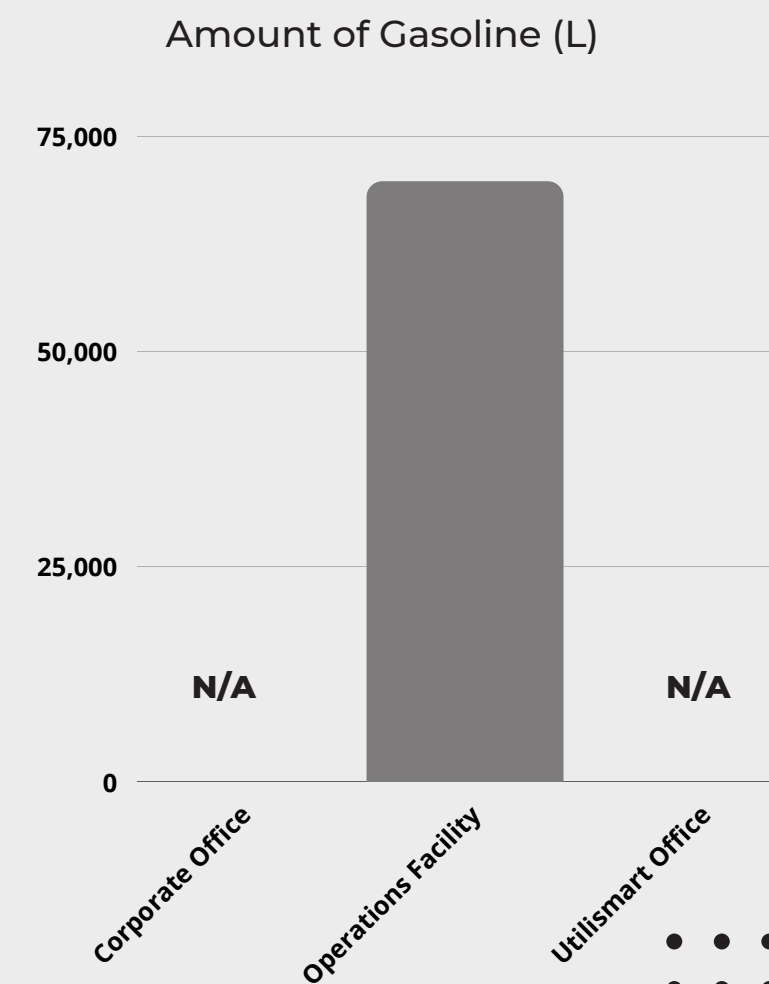
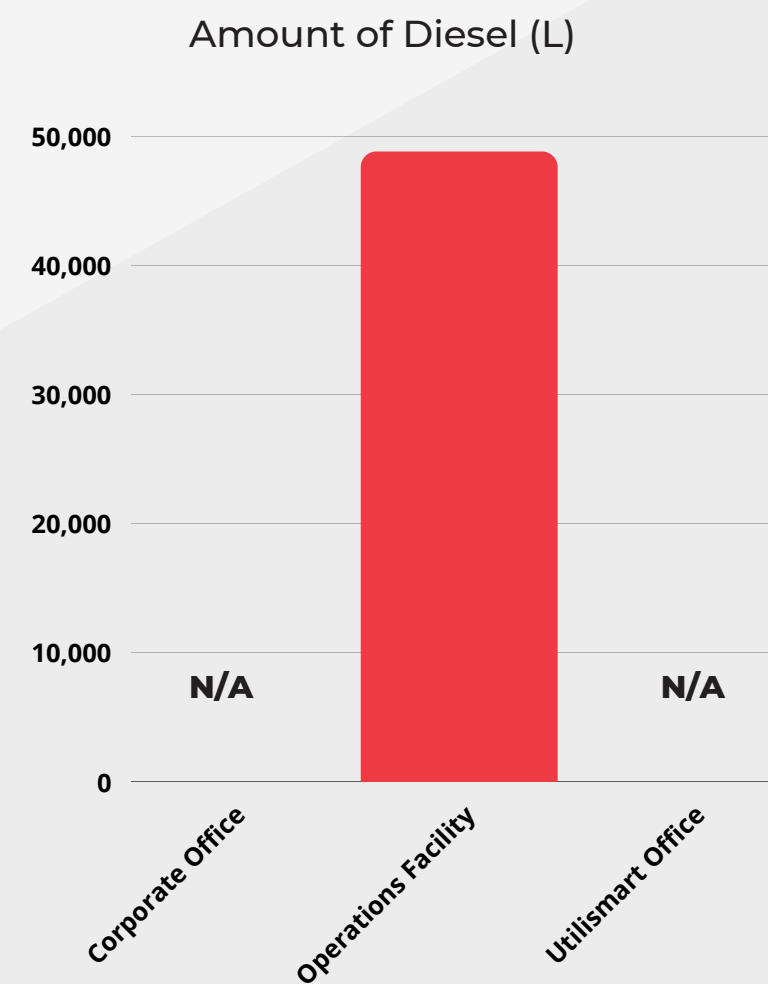
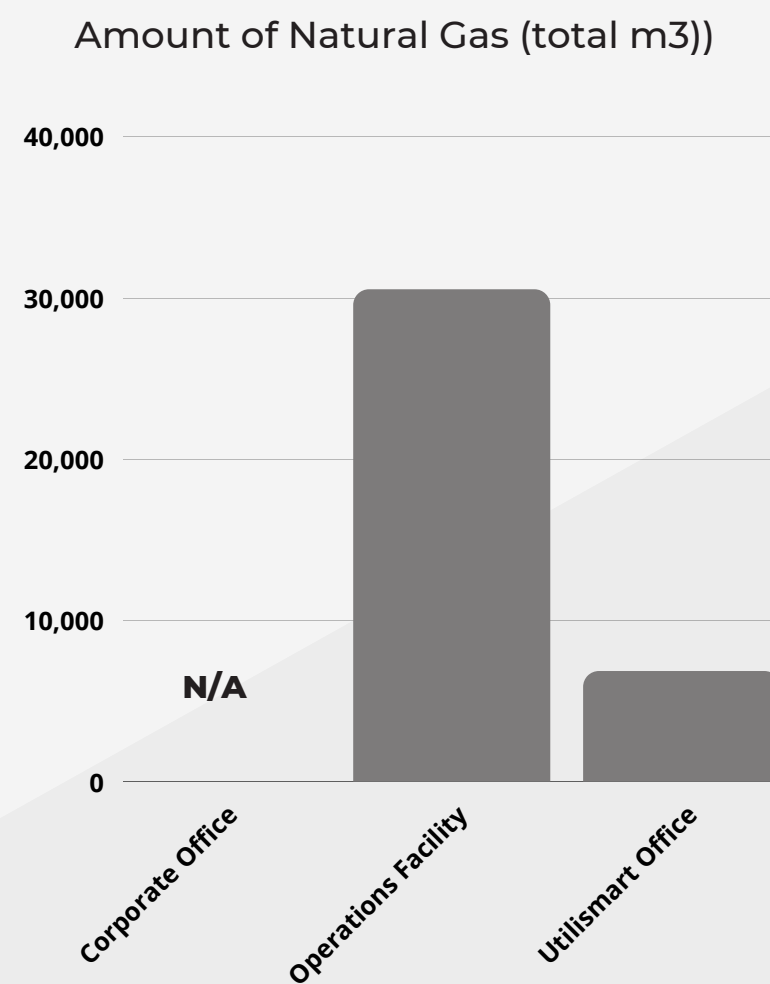
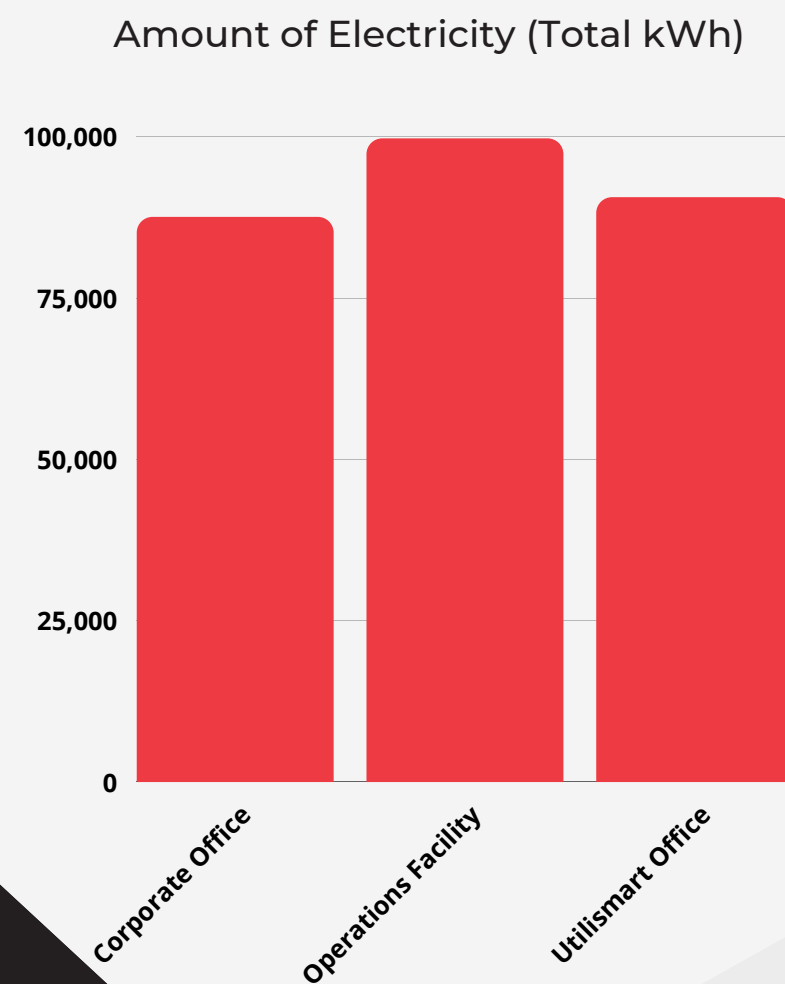
**Ontario Association of  
Certified Engineering  
Technicians & Technologists**







# ENERGY CONSUMPTION



Essex Power actively seeks to reduce its energy consumption through participation in a variety of programs and other efforts. Essex Power Group of Companies owns solar PV solutions throughout Ontario. Notably, the Operations facility had installed a solar PV solution on its rooftop in 2019. In 2021, the PV solution generated 126,122 kWh of clean energy. Overall the final yield of all owned solar PV assets amounted to over 5100 MW of clean energy for Ontario.

Essex Energy Corporation provides a variety of services related to energy conservation and renewable energy development. Some of these activities include:

- (1) CDM Consulting
- (2) Renewable Energy System Design
- (3) Installation of DERs
- (4) Consulting (mainly solar, other DERs including BESS, EV charger infrastructure, wind, biomass, etc.)





# STAKEHOLDERS



EPC managers meet on an ongoing basis with all shareholders and board members to discuss material matters. Essex Powerlines Corporation typically attends monthly events and festivals in each of its four shareholder municipalities, however, due to the ongoing COVID-19 pandemic, festivals have been halted until further notice. Essex Powerlines has continued to support its shareholder municipalities by contributing to, and attending, virtual events.

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.



86% Overall Customer Satisfaction



77% Quality of Power Service



84% Quality of Customer Service

**Municipalities**

**Shareholders**

**Civil Society**

**Employees &  
Trade Unions**

**Customers**





# OUR COMMUNITY, OUR PRIORITY

Helping build strong, supportive communities is at the heart of Essex Power's Corporate philosophy. Essex Power has consistently invested in its communities by giving back through various events and programs. Some events and initiatives include:

- Donated \$4,000 to local food banks in EPL's service territory
- Donated \$40,000 to the EPL Youth in Community Fund (to be used towards youth-oriented programming and initiatives). To date, EPC has donated over \$320,000 to the Youth in Community Fund
- Created the "Powering Future Leaders Award", a \$500 bursary award to a Grade 12 graduating student from high schools in each of our service territories (total of 8 grants)
- Sponsor local initiatives, including Mental Health Awareness, Youth Programs and other significant events





# APPENDIX

<b>Markets Served</b>	<p>EPC, through Essex Powerlines Corporation, distributes electricity to the municipalities of Amherstburg, LaSalle, Leamington and Tecumseh in the province of Ontario in Canada. EPC delivers electricity principally to four distinct class types of customers:</p> <p>(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.</p> <p>(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</p> <p>(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</p> <p>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. EPC also provides commercial rooftop and ground-mount solar generation. The sales and marketing are provided through Essex Energy. 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>
<b>Precautionary Principle or Approach</b>	<p>EPC supports the Precautionary Principle as defined in Principle 15 in the Rio Declaration.</p>
<b>Key Stakeholder Topics and Concerns Raised</b>	<p>EPC holds internal meetings with shareholders and board members on a normal cadence. The concerns and key topics of these meetings result in the agenda and updates for subsequent meetings.</p>
<b>Anti-Corruption</b>	<p>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.</p>
<b>Operations assessed for risks related to corruption</b>	<p>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.</p>



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<b>Communication and training about anti-corruption policies and procedures</b>	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 occur within the first week of hire by the HR Manager.
<b>Confirmed incidents of corruption and actions taken</b>	Zero reported incidents resulting in no need for action.
<b>Non-compliance with environmental laws and regulations</b>	Essex Power has not identified any non-compliance with environmental laws and/or regulations.
<b>Benefits provided to full-time employees that are not provided to temporary or part-time employees</b>	<ul style="list-style-type: none"><li>·Health</li><li>·Dental</li><li>·Life</li><li>·AD&amp;D</li><li>·STD</li><li>·LTD</li><li>·Dependent Life</li></ul> OMERS Pension and/or RSP match program
<b>Minimum notice periods regarding operational changes</b>	EPC does not have a formal minimum notice period for significant operational changes, but it does work diligently to give reasonable notice.
<b>Average hours of training per year per employee</b>	Average hours of training vary across Essex Power depending on the position and trade.

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<b>Programs for upgrading employee skills and transition assistance programs</b>	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.
<b>Incidents of discrimination and corrective actions taken</b>	Zero instances of discrimination therefore no action required.
<b>Substantiated complaints concerning breaches of customer privacy and losses for customer data</b>	Essex Power has identified one complaint concerning breaches of customer privacy in 2021. The matter has been dealt with in accordance with Company policy.
<b>Operations and suppliers in which the right to freedom of association and collective bargaining may be at risk</b>	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 to 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.
<b>Operations and suppliers at significant risk for incidents of child labour</b>	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 child labour laws in place. Therefore, there are zero incidents to report.
<b>Operations and suppliers at significant risk for incidents of forced or compulsory labour</b>	EPC does not have forced or compulsory labour and complies fully with Canada's federal and provincial anti-compulsory labour laws.



# APPENDIX

<b>Operations with local community engagement, impact assessments, and development programs</b>	<p>The exact percentage of operations implemented within the local community is not explicitly tracked. 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 2021 Annual Report at <a href="http://www.essexpower.ca">www.essexpower.ca</a>.</p>
<b>Political Contributions</b>	EPC does not contribute to political parties, politicians, and related institutions.
<b>Ratios of standard entry level wage by gender compared to local minimum wage</b>	Not material. Essex Power’s entry-level wages are above provincial minimum wages.
<b>Proportion of senior management hired from the local community</b>	No formal policy or common practice of granting hiring preferences to residents.
<b>Workplace Related Injuries</b>	Essex Power Corp had 0 workplace fatalities in 2021. EPC had 2 lost-time incidents, 2 recordable work-related injuries and a lost day rate of 8.5 days in 2021.
<b>Statement from senior decision-maker</b>	Please see Board & CEO message in 2021 Annual Report, available at <a href="http://www.essexpower.ca">www.essexpower.ca</a>