



essexpower.ca

2020

ANNUAL REPORT

PAVING THE PATH TO RESILIENCE





OUR CORPORATE PHILOSOPHY

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 at 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 Corporation’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 will 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.

If you have questions regarding the content of this annual report please contact us at info@essexpower.ca

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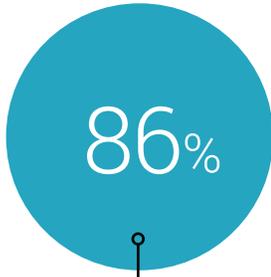
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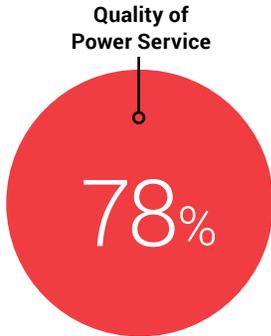
2020 FAST FACTS



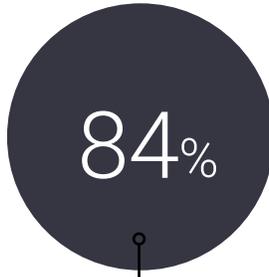
83% Public Safety Awareness Index Score



Overall Satisfaction



Quality of Power Service



Quality of Customer Service



26,206

EPL Call Center Calls



Total Customers

33,801



6,257
Poles

Total Electricity Consumed

271,334,675 kWh
Residential

232,291,469 kWh
Commercial & Industrial

224

New Service Installed



1,137
Overhead Transformers



1,920
Underground Transformers



25
Fleet Vehicles



181 km
Primary Overhead Lines
428 km
Secondary Overhead Lines

274 Km Primary Underground Cable 730 km Secondary Underground Cable



▶ BOARD CHAIR & CEO EXECUTIVE SUMMARY

As we close out 2020, we also mark the attainment of Essex Power Corporation's 20th anniversary. Although the celebration and special events planned to honor this significant milestone could not materialize as hoped, the strength that has developed over the last 20 years was certainly recognized and continues to flourish. It is through the commitment of the employees, shareholders and board of directors that the EPC group has grown into a unique and valuable entity.

2020 will forever be remembered for the profound impact the pandemic had on everyone's lives and highlights the importance of our commitment to delivering a safe, reliable and affordable distribution system. The Essex Power Group was dedicated and focused on ensuring our values of Social Responsibility, Environmental Stewardship and Corporate Governance served as the foundation for decision making and were fully incorporated into our pandemic response and beyond. It began with employee safety and adjusting to new work conditions to continue to deliver service across our group of companies.

Essex Powerlines (EPL) was instrumental in providing reliable and safe power to help support the adjustment many families had to make over the course of 2020 to enable themselves and their children to participate in working from home and online learning. This meant EPL had to adjust much of the capital work to reduce outage times or even forego outages on weekdays and perform work on weekends, so as not to interrupt the work-from-home needs. While this added complexity and cost to EPL's workflow, all of our departments adapted to deliver above and beyond the level of service that is typically expected during the best of times... nonetheless the new reality.

The unregulated business units adapted as well! In many cases, Essex Energy, Utilismart and WattsWorth Analysis provide critical services to customers and all three business units continued to deliver daily. This ensured our customers had a continuity of service to

their customers, which was critical in providing valuable service during a time of transition and change. Between EPL and our unregulated affiliates, our investment and focus on Digital Transformation over the last 10 years was key in helping the Essex Power Group navigate 2020!

While the pandemic took center stage, the performance of Essex Power Group did not lose focus. Many adjustments, sacrifices and challenging decisions were made to ensure business initiatives were prioritized and completed, risks were mitigated, and financial performance stayed on target. The entire group contributed to the success of our year-end results and it is through the commitment of our employees we achieved these results.

While we acknowledge the very fortunate position we are in, we have not forgotten those that have been negatively affected. The entire organization has been engaged in giving back wherever and however we can. Our companies and staff have been involved in many social causes and continue to look for investments back into the community. Through corporate and employee efforts, we are proud of our contributions to local food banks, educational institutions and frontline workers.

In 2021, the Essex Power Group of companies will strengthen their unified approach to achieving its growth potential. This alignment continues to be rooted in Digital Transformation where Essex Powerlines moves from "poles and wires" to an **Energy Management Services Enabling company**. This is supported by Essex Energy

that leads the industry in the design, development and deployment of Distributed Energy Resources (DER's) and Utilismart's software excellence that provides a Digital Utility Platform that turns *data into decisions*.

EPC and the group of companies do not define success at an individual employee or business unit level. The only achievement of success is when the entire corporation achieves its goals and provides a safe and healthy workplace for its employees to grow and contribute. The Essex Power group definition of success is not a monetary measurement. Our financial success is a direct reflection of who we are and how we operate. Doing what

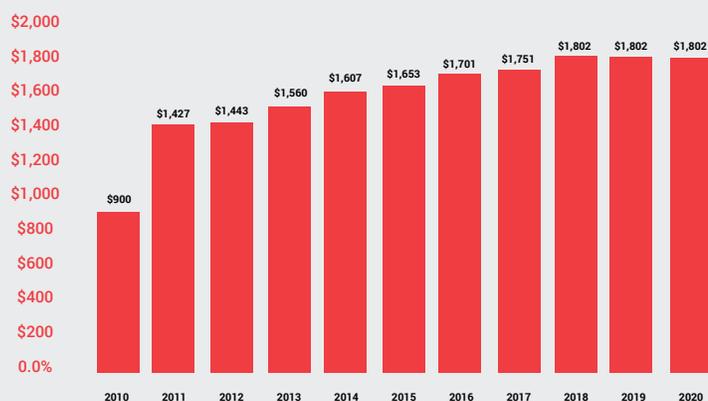
is right has been our motto for many years and continues to drive our decision making.

EPC continues to focus on sustainability and utilizes environmental, social and economic based decision making to support its business growth. These corporate pillars have enabled a successful 2020 with many of our corporate goals and objectives realized, despite the global pandemic that continues to rage. 2021 will continue to be a challenging year because of the pandemic, but the group of companies is focused on prudent initiatives that will support growth and control costs while navigating the many risks on the horizon.



▶ COMMON SHARES AND SPECIAL DIVIDENDS (THOUSANDS)

▶ DIVIDENDS (THOUSANDS)



Essex Power's strong economic performance in 2020 enabled it to continue to reinvest back into our infrastructure while providing a fair and reasonable return through dividends to our Shareholders. Essex Powerlines invested **\$5,502,498** in capital investments in 2020 and has completed an aggregated investment of **\$49,760,723** over the last 10 years to make our distribution grid more reliable and robust. Essex Power issued **\$1,802,000 cash dividends** in 2020 to our Shareholders, for a **9.16% return on shares** and its overall corporate **return on shares was 13.96%**. Essex Power remains committed to ensuring our Shareholders' communities are served with the highest of standards and that we are committed across every level of our organization; from our Board's direction and support, our Executives' leadership and our hard working, dedicated, and knowledgeable staff. It is through the proven relationships of being a trusted, local service provider, alongside our valued customers and the strong partnerships established with each of our Shareholders, that Essex Power is able to remain focused on confidently growing into the future.



Gary McNamara
CHAIR,
Essex Power Corporation



John Avdoulos
PRESIDENT & C.E.O.,
Essex Power Corporation

▶ COMMUNITY SUPPORT AT A GLANCE

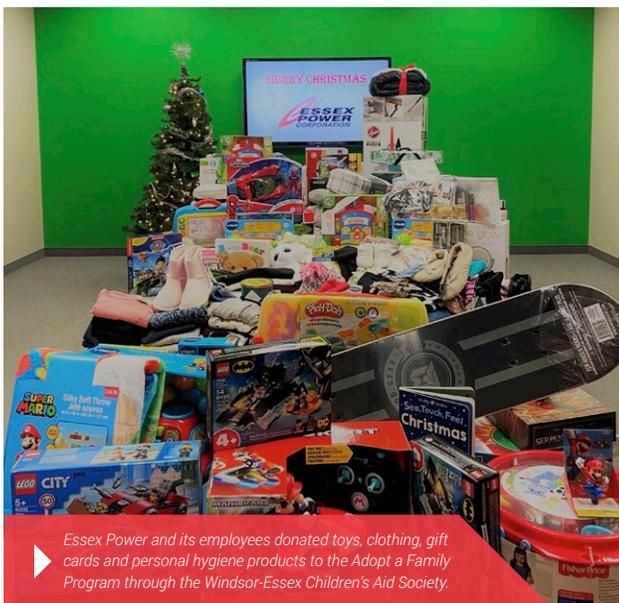
This past year more than ever, it has been imperative to support our communities and help pave the path to resilience. With the onset of the COVID-19 global pandemic came many challenges for businesses, customers, and communities alike. Throughout the course of the year, Essex Power made every effort to continue to invest in and support its communities by giving back through various initiatives and programs, including but not limited to: investing in youth and education programs, adopting families within its communities, and volunteering time and resources to pandemic related initiatives.

2020 marked the seventh consecutive year of Essex Power's "Youth in Community Fund". The fund provides \$10,000 to each of our Shareholders to be used towards youth-oriented programming and initiatives. Due to limitations on social gatherings posed by the pandemic, the Youth in Community Fund had to be utilized in untraditional and creative ways. Some uses of the fund included a virtual fireworks celebration for

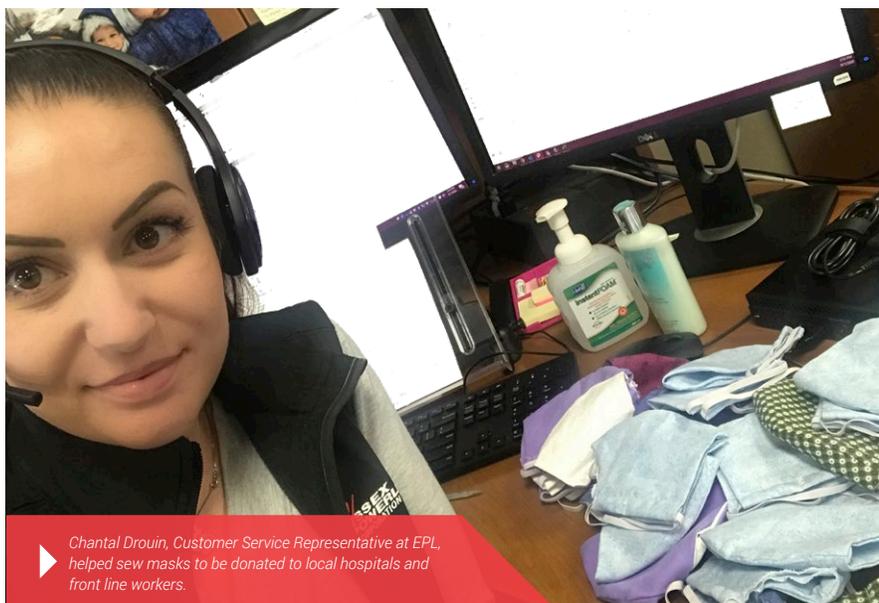
Canada Day, a virtual recreation complex with resources for youth to stay healthy, vibrant and active during the pandemic, and a virtual Earth Day event, to name a few. To date, \$280,000 has been donated to the youth in our communities.

In addition, through corporate and employee donations, Essex Power was able to adopt 8 families within its Shareholder communities in support of the Adopt a Family program at the Windsor-Essex Children's Aid Society. Gifts of cash, toys, and personal hygiene products were donated to help support families during the holiday season. Moreover, in the spirit of giving, Essex Power also donated \$4,000 to local food banks to help support community members during the holiday season.

Essex Power employees offered their time and resources to help support local businesses and healthcare workers during these uncertain times. For instance, Essex Power contributed to the community by donating masks to frontline workers at Erie Shores Healthcare ("ESHC")



▶ Essex Power and its employees donated toys, clothing, gift cards and personal hygiene products to the Adopt a Family Program through the Windsor-Essex Children's Aid Society.



▶ Chantal Drouin, Customer Service Representative at EPL, helped sew masks to be donated to local hospitals and front line workers.

hospital in Leamington. **Over 500 surgical masks** were donated during the peak of the pandemic through corporate donations. In addition, employees volunteered their time and effort to sew an additional **120 homemade masks** that were further donated to patients who had either been discharged or to those who were visiting the hospital. These donations came during a time of need, when ESHC put out a call to the community asking for their help and support. This is just one way that Essex Power supports its communities.

While 2020 proved to be an undoubtedly challenging year for all, our affiliate company, **Utilismart** also found ways to give back to its local community by **donating its employee staff party funds to the London Food Bank and LIFE*SPIN- Christmas Sponsorship Program.**

Since the onset of COVID-19, local businesses have been struggling and expressed their need for support. As a company who prides itself on giving back, Essex Power found creative ways to help support during these times of need. One such way was **supporting local restaurants** in its communities. EPC employees rallied together and donated **over \$300 to support frontline workers** through a program sponsored by **Eddy's Mediterranean Bistro**. In addition, Essex Power matched the donation gathered by employees and further donated **\$720 to the Unemployed Help Centre**. As an additional fun initiative, EPC also held a **"12 days of Local Christmas Giveaways"** contest where employees were chosen at random to win one of 12 gift cards to local restaurants in our communities. These initiatives are just small examples of how EPC supported local during these unprecedented times. Overall, EPC has

demonstrated its support for the communities it serves and looks forward to continuing to help pave the path to stronger, resilient communities.



▶ Essex Power employees unloading the gifts for the 8 families that were adopted through the Adopt a Family Program at the Children's Aid Society.



▶ Essex Power employees enjoying lunch donated to front line workers by Eddy's Mediterranean Bistro. EPL employees paid it forward by further donating to the restaurant.

▶ ESSEX POWERLINES 2020 HIGHLIGHTS

Building upon the achievement of being recognized by the Electricity Distributors Association of Ontario (“EDA”) as **LDC of the Year for Performance Excellence in 2019**, Essex Powerlines showed resilience and continued performance excellence in a challenging yet rewarding 2020. As a result of the COVID-19 pandemic, customers, more than ever, relied on Essex Powerlines to deliver a reliable and higher level of service. Many customers and their families were required to work or attend school from home for extended and prolonged periods of time. Essex Powerlines ensured that its electrical distribution system continued to provide a **robust and dependable supply of electricity with minimal or no disruption to all**. At the same time, we ensured that all customer inquiries (whether operational or billing related) were dealt with through the lens of the Covid-19 pandemic reality which impacted all our customers to varying degrees.

Our achievements every year at Essex Powerlines are not possible without the efforts of our employees. This was especially true in 2020. **Some employees were required to**

work from home, in separate buildings or while wearing additional personal protective equipment. We were able to achieve our collective goals for 2020 despite the many challenges, and our employees deserve every accolade for continuing to ensure the essential delivery of electricity to our customers.

Operationally in 2020, EPL was able to install **five (5) additional automatic reclosers throughout our distribution system** (which now has a total of more than 31) while at the same time **expanding** our use of **SmartMap technology**. These automatic recloser installations are nearing an end and we will be moving into the next phase of our “self-healing” distribution system goal.

This past year, EPL also continued to ensure that all customer and EPL capital work was designed, managed, planned and scheduled for completion by the operations department on a priority schedule basis. Residential growth has been increasing significantly over the last

GO GREEN INITIATIVES

As community leaders, Essex Powerlines continued to do its part by prioritizing green and environmentally conscious initiatives in 2020. One major initiative was actively promoting **paperless billing** to its customers by demonstrating the environmental impact and giving back to the communities we serve. Through its **Go Green to Win Green Campaign**, EPL saw an **increase of 8.8%** in paperless billing customers. To date, EPL has **over 10,000 customers** registered for paperless billing, which is approximately 33% of its customer base. Cumulatively, EPL customers helped **save 360,000 pieces of paper** from entering landfill and also helped **save approximately over 30 trees** a year! EPL looks forward to continuing to spread awareness about its green initiatives and helping our communities go green.



▶ EPL employees presenting their “Go Green” initiatives to the Essex EmPOWERment Girls Group.

EPL held a social media contest promoting green initiatives. Pictured here is an EPL customer with his new Nest Thermostat.



few years. In 2020 EPL continued to experience an **active growth period** with respect to pre-serviced lots, new subdivisions and various condominium developments. Historical growth has and continues to be mostly in LaSalle. In 2021, EPL is forecasting continued growth levels in most of our service territories.

Finally in 2020, despite the challenges presented by the Covid pandemic, we maintained our important **commitment to our shareholder communities** by continuing to make our annual contribution of **\$40,000 towards youth and education programs** (resulting in **over \$280,000** donated in the past 8 years).

The challenges in 2020 were great. Essex Powerlines responded to these challenges in an exemplary manner and will continue to make every effort to **service our customers to the highest level possible in 2021 and beyond.**



EPL employees donated over 3,000 lights and their time to help string lights for Erie Shores HealthCare Lights of Life event.

▶ ESSEX ENERGY 2020 HIGHLIGHTS

Essex Energy Corporation continued to explore opportunities even with the challenges of a Covid-19 environment. As we have entered and persevered through the 2020 Coronavirus Pandemic, our strength continues to be our people. We have entered uncharted territory for working and moving projects forward. We are still seeing change as a constant in our industry and the rise of renewables and Distributed Energy Resources (DERs) are further entering the marketplace.

We continued to find opportunities to explore with local businesses, municipalities and institutional sectors. We are also adapting our tools and our efforts to develop offerings to support further electrification of everyday life.

Examples of our 2020 project developments are:

- ▶ EV Infrastructure design and installation
- ▶ Fleet electrification studies
- ▶ Application to the FCM for On-Bill financing study for adoption of EV's
- ▶ Application to the NRCAN for funding for delivery of a Zero Emission Vehicle Infrastructure Program

With the speed and amount of change in our marketplace a dedicated approach to business development is required for Essex Energy to maintain its status as an industry leader and to step out of the current harsh market conditions of the pandemic. Our plan involves undertaking a targeted approach to finding and developing new opportunities in keeping with the developments of these new emerging technologies.

The evolution of these new technologies and opportunities in our market includes:

- ▶ Digital Workflow Transformation within utilities
- ▶ Distributed Energy Resources ("DERs")
- ▶ Net-zero emissions goals for communities
- ▶ IESO administered capacity markets
- ▶ Electrification of transportation
- ▶ The emerging business model of "energy as a service"

Essex Energy is part of a large group of affiliates in the energy sector, we have developed and improved services and offerings to the direct utility market and our sister affiliates. The development of work management software applications to make daily tasks more streamlined and efficient, as well as the redevelopment of our outage detection tool are two great examples of this work during 2020. Essex Energy continues its investment in digital solutions to offer data conversion, Graphical Information System ("GIS"), and system synchronization services, in collaboration with Utilismart Corporation going forward.

From a sustainability standpoint, Essex Energy is a highly regarded premier solar photovoltaic ("PV") solution supplier/developer in Ontario due to our practices and policies. We are in the planning stages for greater growth in the post pandemic world, keeping these core values in the forefront. We currently have various sites from ground mount to roof top locations, and as was stated in 2019, we will continue to "walk the walk" in regard to our social responsibility and the environment.

▶ 2020 RENEWABLE HIGHLIGHTS

Since 2009 Essex Energy has been a premier Solar PV Partner for **over 130 clients across Ontario**. Overall, our fleet of solar PV investments are meeting and exceeding targeted environmental returns. The Essex Power Group's 2020 fleet of operational solar PV assets has generated **~5.1M clean kWh's in 2020** calendar year and almost **28MkWhr over their lifetime** thus far. We look forward to crossing the 30MkWhr threshold in 2021.



Date (year)	Target kWh's	Actual kWh's
2020	4,999,642	5,111,270
2009-2020	27,316,111	27,954,158

2020 has set the stage for 2021. Essex Energy has projects slated that further enhance our leadership in the sector. One of these projects is an **84-unit, Net Zero community development in South Western Ontario**. As the Solar PV partner for this development, we have designed and will be installing a solar PV project of **over 600kW's** in size at the site. Essex Energy looks forward to continued success in 2021!



▶ These images are from a recently completed project at school in Milton, Ontario.

▶ 84-unit, Net Zero Community Development in Southwestern Ontario where EEC has designed and will be installing a solar PV project of over 600kW's.



► UTILISMART 2020 HIGHLIGHTS

Pivoting and rising above the challenges of 2020

2020 will go down in the history books as the year of masks and quarantines that stretched across the globe. Although it brought its own unique set of challenges to the table, we have, as an organization, demonstrated resiliency throughout the COVID-19 pandemic. It was clear that 2020 became the year that businesses looked to harness the power of online digital technologies to define the world we live in today. We are proud to be part of the digital transformation for many utilities across North America.

It is in times like these that companies need to remain true to their corporate objectives. Our mission is to solve our customers' problems, the ones they have today and the ones they will experience tomorrow. If 2020 taught us anything, the digital era is indeed upon us. We are excited to lead the digital transformation within the energy sector by enabling our customers to create efficiencies and improve their service reliability through greater grid visibility and manageability of their distribution networks.

Information security

In 2020 Utilismart continued investing in state-of-the-art cybersecurity systems to maximize the customer's data security and confidentiality. BSI conducted Utilismart's 2020 ISO 27001 audit and recertified the organization with zero non-conformities found. Data security and confidentiality continues to be an ongoing and continuous process of improvement for Utilismart.



Operations

Utilismart's relationships with its customers have been built on integrity, and the company made a significant effort to ensure that this remained the number one priority during these unprecedented times. Utilismart employees quickly rose to the occasion to help the organization rise above many of the challenges we were faced with, which helped ensure the company's security, safety, and revenue protection. We had a seamless delivery through the sudden transition to work for home for all staff. Utilismart customers were none the wiser, with some customers frequently asking if we were still working in the office because they could not see any difference in the delivery standards.

In addition, Utilismart continued to support its utility customers by providing uninterrupted operation of the critical components of their business, including billing, outage management and regulatory reporting. Moreover, Utilismart-provided software has continued creating

data-driven insights that help keep the lights on for many of their customers, which has been the number one priority for many power and utility companies.

The company investigated the opportunity to create a “Specialist” category within its operations team to create a tiered operations structure that works at various levels to deliver solutions to customers. The Specialist role allows for career advancement opportunities for many employees, which results in greater employee job satisfaction. In addition, Utilismart has introduced a long-standing employee award to recognize and reward long-standing employees. The idea behind this was to ensure recognition and appreciation is shown to those that have been with the company for 5, 10 or 15+ years.

Product Development

Utilismart has been leading the path to digitization in the utility sector. In 2020 Utilismart invested a considerable effort and resources into evolving its product lines, including:

- ▶ Utilismart Data Manager meter data management system’s process automation
- ▶ C&I Energy Manager advanced analytics
- ▶ Utility Energy/Settlement Manager regulatory reporting and rate analysis
- ▶ System integrations with Itron, Tantalus, Eaton Cooper AMI (Advanced Metering Infrastructure) systems and multiple CIS (Customer Information System) utilized by the American public and cooperative utilities

2020 was the first year that Utilismart could not host the annual user group conference in person. However, this did not prevent the collaboration with utility customers that drives the organization’s product evolution and supports digital transformation. Instead, the organization opted for a virtual user group meeting that saw 100+ attendees – the highest number of registrations. Having an online event also meant that Utilismart could attract a higher number of American customers for first the time. Innovation creates opportunities, but collaboration delivers results.

Sales & Marketing

In 2020, Utilismart, like many other companies, shifted its sales and marketing activities to online and 100% digital content. The face-to-face interactions, including live events, in-person meetings, and training sessions, were replaced by webinars and digital marketing campaigns. Utilismart supported and attended utility conferences EDIST and DistribuTECH before the world went into lockdown.

Utilismart executed several targeted digital marketing campaigns in North America to improve the company’s brand awareness and recognition. As part of the same brand strengthening efforts, Utilismart has joined American Public Power Association (APPA) as Elite Corporate Associate Member and renewed its membership with EDA, NRECA, KMU and OMA utility associations. These memberships provided the necessary brand exposure required to support the continuous growth in the North American utility market.



▲ Utilismart employees attending the EDIST 2021 virtual conference.

Training

Further to this, Utilismart Corporation teamed up with many of its technology partners, including Rogers, Honeywell, Itron, Tantalus, MRES and others, to generate new sales and helped the companies remain profitable. The result of this collaborative sales and marketing effort is that *ten utilities became Utilismart's new customers in 2020*. Many of these new customers were the result of successful RFP sales that Utilismart executed either individually or together with its partners.

New social media strategy has transformed the organization's outreach and allowed it to convey insights, thought leadership, and product knowledge. Through consistent, rich content and marketing messages, the marketing staff improved online messaging across the board significantly. These efforts resulted in social followers and engagement growth, which ultimately attracts and drives the right audience to the company's website.

In 2020, Utilismart also outlined monthly training programs across the organization to offer the sales and operations teams comprehensive knowledge of our products and services, unlocking their ability to work across solutions and further ensure that the multiple uses of data sets are supported.

Overall, Utilismart demonstrated tremendous resilience over the past year. It has shown that, regardless of the circumstances, the organization will go over and above to support its customers, employees, stakeholders and environment while working together to advance the company forward. The experience, innovation, and people continue to set the company apart as an industry leader. Utilismart's established track record and commitment to delivering innovative, MDM-driven utility analytics provide our customers with confidence in selecting Utilismart as their solutions partner. As such, we look forward to seeing what 2021 has in store as we continue enabling utility digital transformation.

▶ WATTSWORTH 2020 HIGHLIGHTS

WattsWorth Analysis Inc. (“WW”) was very active in 2020 despite significant head winds brought on by the global pandemic that took hold in Q1. [The pandemic had far reaching impacts in the market that included:](#)

- ▶ Cash constraints for existing and prospective clients
- ▶ Cancelling of the Industrial Conservation Initiative (“ICI”) in Ontario
- ▶ Cancelling of all conference selling opportunities and customer visits
- ▶ Significant client and prospect distraction
- ▶ Shut down of C&I facilities

Despite these challenges the company remained resilient! This was made possible by the efforts spent over the past two years to [diversify the services WW provides, the markets it serves, and the nature of the customers it attracts.](#)

Internally, WW employees were required to abruptly shift from working in the office to working from home in Q1 of 2020. A job well done for a [seamless transition](#) and for continuing to work in this manner while [effectively servicing and onboarding customers](#) throughout the year. In the coming year, the company will be redefining

what the workplace looks like in order to achieve Win-Win (Customer-Employee-Company).

Similar to 2020, 2021 will see the [growth trend continue](#) for WW’s Utility Services business as it achieves more sales in the electricity sector in collaboration with Utilismart Corporation (“UC”) and invests in the development of more analytics software designed for the US market as well as water utilities. To support this, WW will look to attract another talented business analyst to add to its growing team. Truly exciting times!

As the global pandemic approaches resolution, and energy market policy normalizes in the province, WW expects to see its trend in new sales resume its typical path. Key to WW’s success in 2021 will be its ability to [continue to invest in training](#) its employees and [developing its products](#) while servicing and retaining its existing customer base of [>50 municipalities, industrial users, utilities, and generators.](#) This will be accomplished by regularly introducing [new analytics applications and services](#) powered by cutting edge [Artificial Intelligence \(“AI”\) and Machine Learning](#) tools that are becoming more adaptable in the market at a rapid pace.

THERE IS A GREAT ROLE FOR WATTSWORTH
TO PLAY IN THE DIGITAL REVOLUTION THAT
IS UNFOLDING IN THE ENERGY SECTOR!



▶ GLOBAL REPORTING INITIATIVE

The **Global Reporting Initiative (GRI)** is an internationally recognized standardized framework for disclosing an organizations environmental, social and economic performance. The GRI is a commonly used tool that many organizations in Ontario, Canada, as well as around the world use.

For Essex Power’s report, please visit www.essexpower.ca

About GRI

EPC’s report focus is on its operations, which leads to the process of defining the report content and topic boundaries. The organization used passed reports and meetings between employees to define the report content. Material topics were decided on by a team who consulted previous reports, current company documents and operations, and future trends.

Essex Power has reported with the new GRI standards required to be adopted by July 2018. Essex Power Corporation has reported in accordance with the Core option, and therefore reported on the required disclosures from GRI 102.

Report Scope and Boundaries

Our regulated electricity distribution company, Essex Powerlines, is accountable for providing a safe, reliable and cost-effective supply of electricity to the municipalities of all our stakeholders and communities. The scope of this report and GRI submission includes all of the Essex Power Group of Companies.

To measure our success and progress in sustainability, we have defined key areas that we see of great importance to achieving success. Essex Power has made sustainability a core foundation for all decision-making and has initiated best practices for managing operational and environmental risk. This report will

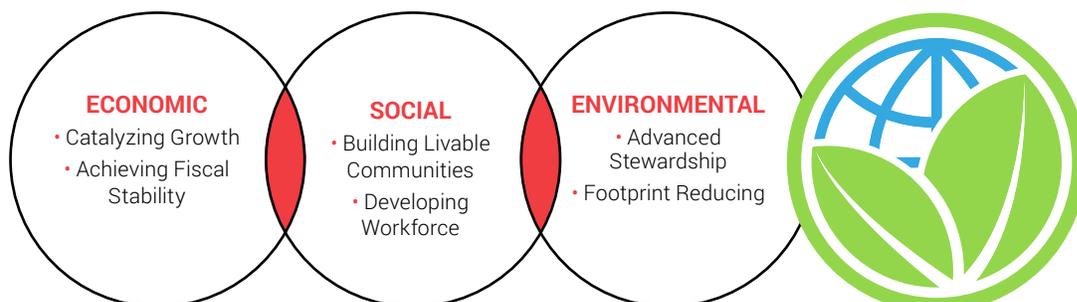
analyze and measure Essex Power’s performance within the three pillars of sustainability.

Environmental stewardship is evaluated by our success in energy conservation, renewable energy investment, waste management, and environmental risk mitigation of our operations.

Social responsibility is evaluated by how we ensure the safety and wellness of people including our employees, our contractors, and our communities. We are committed to providing a safe and respectful workplace where employees are highly valued, treated fairly, provided with challenging and meaningful work, and benefit from opportunities for knowledge growth and career development.

HOW IT WORKS

How we measure our success and progress:



▶ COVID-19 RESPONSE

Keeping our Workers & Communities Safe

2020 has presented a challenging year with the global pandemic being a major concern for businesses and communities alike. The unprecedented times have forced businesses to be quick in their response to ensure the safety of staff, customers and our communities at large. At Essex Power Corporation, the safety and wellbeing of our workers and communities have been paramount in all of the decisions we've made thus far and will continue to make in the future. Adopting new **work-from-home policies, enforcing limitations on customer visits, instilling safety protocols amongst our employees, enhancing cleaning protocols in our offices and ensuring mental and physical wellbeing amongst our workers** have been critical to our pandemic response plan.

Our team was prompt in developing methods and tools to ensure that we continue to provide essential services to our communities safely and reliably during these unprecedented times. For example, our Pandemic Handbook was established to effectively guide our workers and provide them with the proper resources and information for working safely and remaining vigilant to protocols, while also providing a list of resources to help cope with the mental stress incurred from the

global pandemic. EPC has also established a **mental health policy, alternate work arrangement policy, and a webinar on healthy eating tips** while remote working, which have proven to be valuable to our employees.

Our COVID response efforts were recognized by the **Windsor-Essex County Health Unit- Gord Smith Healthy Workplace Awards**. Essex Power Corporation was awarded **Gold Level** awards for Health & Safety and Mental Health Promotion in 2020 for our commitment to keep employees and the public safe during the COVID-19 pandemic.



“AT ESSEX POWER, YOUR SAFETY IS OUR PRIORITY”

▶ 2020 SOCIAL PERFORMANCE

The pandemic has impacted every aspect of our lives in 2020, but our commitment to our communities remained the same. Essex Power continued our efforts and diligence in being a supportive corporate neighbour through various initiatives. Here is a sample of some of the worthy causes we supported this past year:



\$40,000 EPL Youth in Community Fund

For the 7th consecutive year, EPL provided \$10,000 to each of our Shareholders to be used towards youth-oriented programming and initiatives.

To date, we have donated \$280,000

\$4,000

Donated to local food banks



Amherstburg Food and Fellowship Mission



Tecumseh Goodfellows



The Salvation Army of Leamington

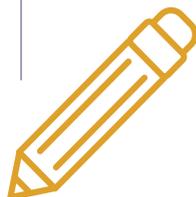


St. Andrew's LaSalle Community Food Bank

To date, we have raised and donated **over \$55,000** to our local food banks



Employee contribution of **\$320** to essential workers (**sponsored by Eddy's Mediterranean Bistro**). EPC further matched the donation and donated an additional **\$720** to the **Unemployed Help Centre**.



Co-operative education programs

We participated in the co-operative education programs with universities and colleges and offered a bursary to local high schools.



Invest in our youth and education programs.

This past year, team members of EPC met with Essex EmPOWERment Girls Group to discuss our various green initiatives.



Over 3,000 lights were donated as well as the labour to hang the lights for Erie Shore Healthcare's Annual Lights of Life event



Provided \$5,000 in in-kind services to each of our municipal Shareholders



Sponsored the Connection Early Years Family Centre Golf Tournament



Sponsored the Changing Lives Together Virtual Mental Health Programming Fundraiser



Erie Shores HealthCare Donated **over 500 surgical masks** to frontline workers during the peak of the pandemic. In addition, employees volunteered their time and efforts to sew an additional **120 masks** that were donated.

CORPORATE OWNERSHIP STRUCTURE

Committed to strong corporate governance and accountability, the Board of Directors brings a depth of experience to governing **Essex Power Corporation** in the best interests of customers and the community.

REGULATED



Board of Directors

Hilda MacDonald, **Chair**
Robert B. Pula,
Marc Bondy



UNREGULATED



Board of Directors

Tom Burton



Third Parties
CONTRACTS FOR SERVICES

UNREGULATED



Board of Directors

Aldo DiCarlo, **Chair**
Tom Burton
Joe Graziano



Board of Directors

Marie Campagna, **Chair**
Gary McNamara
Aldo DiCarlo
Raymond J. Tracey



Shareholders



Board of Directors

Gary McNamara, **Chair**
Aldo DiCarlo, **Vice Chair**
Tom Burton
Bill Wark
Marc Bondy
Joe Graziano
Hilda MacDonald
Frank Ricci



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.



Essex Powerlines Corporation, a regulated company, provides safe, reliable and economical electrical distribution and service to over 30,000 residents and businesses in Amherstburg, LaSalle, Leamington, and Tecumseh. The foundation to empower our corporate vision is based on a dynamic and progressive workforce that will be industry leaders in providing "best in class" business solutions in the delivery of service to our customers.



Since 2000, **Essex Power Services** has been a key streetlight service provider for our communities. Being ISO 9001:2008 certified, our Quality Management System ensures proper business operation utilizing best practices. Essex Power Services was registered with IESO as an MSP (Metering Service Provider) in 2012 and currently maintains a total of 23 wholesale metering installations.



Essex Energy Corporation is a dynamic energy company that focuses on implementing a wide range of energy related initiatives, including but not limited to, solar PV projects, site feasibility assessments, and full turnkey solar PV solutions. With almost 20 years of experience in the energy market, EEC has grown its success and has exceeded boundaries in Ontario by developing its in-house expertise and Distributed Energy Resources portfolio of assets and services, as well as its engineering and consulting services. As a leading energy technology company, EEC has been called on to assist both nascent and established solar PV developers in the completion, connection, monitoring, and maintenance of their solar PV projects, and to date, manages over 100MW of distributed generation equipment.



Since 2002, **Utilismart** has been the industry leader in providing settlement services to utilities throughout Ontario. Our 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. Our hosted solutions offer customers an economical, efficient settlement service that has built-in reporting and analysis tools. Our knowledge in this area allows for seamless integration into CIS, Financial, and other customer systems requiring settlement data.



As a Canadian company based in Ontario, **WattsWorth** offers a variety of energy management services to participants in the Ontario market. Our clients include large industrial/commercial companies, electric utilities, electricity generators and municipalities. WattsWorth has over 1-billion kWh consumed annually. In addition to technical expertise and a highly specialized and robust infrastructure, WattsWorth makes a commitment to listen to our clients' requirements and tailor solutions that respect their objectives. WattsWorth has a business manner that reflects high standards of professionalism, attention to detail, and a logical approach to problem solving.



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