

A photograph of three Alectra employees wearing white hard hats and smiling. The employee in the foreground is wearing glasses and a dark blue shirt. The hard hat she is wearing has the "alectra utilities" logo on it. The background is slightly blurred, showing other employees in similar attire.

alectra
utilities

2023 Environmental, Social and Governance Report

Discover the possibilities



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President and CEO Message

Creating a cleaner, brighter future



The transition from fossil fuels to electricity to mitigate climate change is central to achieving the Federal Government’s net zero carbon emissions target for Canada, which is to be accomplished by 2035. The net-zero imperative is disrupting the energy industry across the country, requiring utilities and regulators to rethink generation options and the design of transmission and distribution grids. Climate change mitigation and the electrification of transportation and home heating are priorities in Ontario, and Alectra’s strategic direction, Strategy 2.0, charts a path for our company to modernize our grid and enable the transition off fossil fuels for customers.

As the electricity distributor for 17 communities spanning a service territory of approximately 2,000 square kilometres in Canada’s most densely populated and carbon-intense region, we have a critical role in providing leadership and guidance to the homes and businesses we serve. We are working closely with the provincial government, the Ontario Energy Board, the Independent Electricity System Operator (IESO), and our shareholder communities to develop regulations that will enable Alectra Utilities Corporation to ready the grid for the incremental load growth that is expected.

“As the electricity distributor for 17 communities spanning a service territory of approximately 2,000 square kilometres in Canada’s most densely populated and carbon-intense region, we have a critical role in providing leadership and guidance to the homes and businesses we serve.” — Brian Bentz

Regulatory change, if implemented, will enable Alectra to use battery storage systems on the grid and in commercial and residential settings during peak periods and power failures. Advanced metering infrastructure will provide customers with increased control over how and when they use electricity, and opportunities to feed surplus power from electric vehicles or other battery sources to local buildings. These distributed energy resources could provide fast and cost-efficient supply options to help meet the provincial generation supply shortages expected in the future.

The severity of recent weather events, and the damage they cause to electrical infrastructure, requires that increased grid resiliency standards and rapid power restoration capabilities be adopted by system operators. Our unregulated affiliate, Alectra Energy Solutions (AES), is investing in the growth of Holland Power Services, a storm response utility that provides power restoration services to US and Canadian utilities in the aftermath of major weather events. AES is also in the early stages of developing Battery Energy Storage System (BESS) generation installations in a joint venture with US-based Convergent Energy and Power as part of the IESO long-term planning process seeking non-emitting generation sources for Ontario. Util-Assist, another AES affiliate,

provides professional consulting and managed operations services to Canadian and US electricity, water, and gas utilities, including call centre support, advanced metering infrastructure and digital services strategies.

Our 2023 Annual ESG Report provides an overview of the Alectra Inc. family of companies’ progress in becoming one of Canada’s leading energy and services providers. We are a Greater Toronto Area Top Employer, one of Corporate Knights Best 50 Companies, and an Imagine Canada Caring Company. We have a diverse and engaged workforce, and a bold strategy for growth based on exceptional, forward-looking customer experience. We invite you to join us on our journey as we ‘Discover the possibilities’ of the transformation to a clean energy economy.

Brian Bentz
President and CEO, Alectra Inc.



Chair, Board of Directors Message

Discover the possibilities



2023 Recipient of the Gordon Shipp Citizen of the Year (City of Mississauga)

Alectra Inc.'s commitment to sustainable business practices has not wavered since operations commenced in 2017. Ongoing investments in community social services, enhanced customer experience, and the health, safety and well-being of our workforce reflect the values of our company. These values are underpinned by the responsible stewardship of our environmental footprint, increasing shareholder value, and an enterprise-wide commitment to equity, diversity and inclusion.

Our corporate strategy is reviewed regularly with shareholders to ensure they are aware of political, economic, and societal developments that are affecting our industry. In 2023, we conducted several shareholder meetings to discuss Alectra's renewed strategic plans that are critical to successfully addressing the challenges ahead. The energy industry is in transition, but our strategic pillars of Grid Modernization, Customer Experience and Enterprise Growth serve as the north stars of our operations and are aligned with shareholder expectations.

Financially, Alectra Inc. has delivered solid returns while maintaining electricity rates that are advantageous to our customers. Capital investments to replace aging equipment, modernize grid operations, and ensure reliable

“Alectra Inc. has delivered solid returns while maintaining electricity rates that are advantageous to our customers. Capital investments to replace aging equipment, modernize grid operations, and ensure reliable supply to new customers are on target.” — Norm Loberg

supply to new customers are on target. Dividends delivered to our municipal shareholders are strong and reflect the important balance between growing shareholder value and providing affordable service that is reliable.

Employee engagement continued to advance in 2023 through a wide range of training and development programs designed to meet the needs of our workforce. Many employees are working in a hybrid environment now, while others, particularly in grid operations, continue to work in the field in our service territory. We are building an inclusive and equitable workplace and are focused on delivering Indigenous education training in accordance with the national Truth and Reconciliation Calls to Action.

The Alectra Inc. Board of Directors is a diverse body of accomplished professionals, each member bringing valuable perspectives to the company. Don Lowry retired from the Board this year, and we thank him for the commitment and sound guidance he has provided during his tenure as Alectra developed and executed its business strategies. Don is being succeeded by Nadira Singh, an experienced finance executive who will be a strong asset as we navigate the significant changes facing our industry. Mississauga Mayor Bonnie Crombie resigned from the

Board of Directors following her election in November as Leader of the Ontario Liberal Party. Mayor Crombie's resignation was effective January 12, 2024.

Our brand promise, “Discover the possibilities,” is a call to action to meet the challenges of our changing society with the confidence and progressive thinking that is embodied across the Alectra family of companies. Our 2023 Annual ESG Report provides an overview of Alectra's progress during the energy transition, and a look ahead to our bright future.

Norm Loberg
Chair, Alectra Inc. Board of Directors



About Alectra

Alectra Inc. (Alectra) is an investment holding company with a head office in Mississauga, Ontario. Alectra owns 100 per cent of the common shares of each of Alectra Utilities Corporation (Alectra Utilities) and Alectra Energy Solutions Inc. (AES), which in turn has two wholly owned subsidiaries: Alectra Energy Services Inc. (AESI) and Alectra Power Services Inc. (APSI). Alectra Energy Services has two wholly owned subsidiaries – Util Assist Inc. (UA) and Holland Power Services Inc. (HPS).

By integrating our people, processes, and systems, Alectra is a forward-thinking energy partner, driving innovation while maintaining a strong balance sheet and endeavouring to deliver maximum value for our employees, customers, shareholders, and communities.

Alectra Utilities is the second-largest municipally-owned local distribution company in North America, based on the number of customers served, providing electricity distribution services to more than one million homes and businesses across a 1,924 square kilometre service territory in 17 Ontario communities, including Alliston, Aurora, Barrie, Beeton, Bradford West Gwillimbury, Brampton, Guelph, Hamilton, Markham, Mississauga, Penetanguishene, Richmond Hill, Rockwood, St. Catharines, Thornton, Tottenham, and Vaughan. Alectra Utilities also operates a commercial rooftop solar photovoltaic generation business.

Alectra Energy Solutions is a progressive and customer-focused energy partner to our communities, stakeholders and customers.

AES offers a comprehensive suite of leading-edge energy solutions that include:

- Distributed Energy Services
- Metering Services
- High Voltage & Streetlighting Services
- Solar Services
- Sub-Metering Services
- Power Restoration Services

Alectra Energy Services Inc. provides sub-metering services (electricity, water, gas, and thermal) for condominium and commercial properties, as well as consulting, installation, operation, and maintenance of distributed energy resources.

Alectra Power Services Inc. provides high voltage and street lighting services.

Util-Assist Inc. is a recognized innovator in technology and data-driven solutions for utilities that merge technology with a strategy to streamline processes, boost productivity, enable data-driven business decisions, and deliver enhanced customer experiences, thereby transforming how utilities operate and deliver value to their customers.

Holland Power Services Inc. operates throughout eastern Canada and the United States to provide emergency power restoration services to regional utilities coping with electricity service interruptions caused by severe weather events.

Sustainability Commitment

As a sustainable company, Alectra is committed to meeting the needs of current and future generations by empowering our customers, communities, and employees, protecting the environment, and embracing innovation.

Sustainability Framework

The AlectraCARES framework integrates sustainability principles into our fundamental business strategy and operations, thereby contributing to the creation of long-lasting value.

#alectraCARES

Vision:

We will be your trusted energy partner empowering a sustainable and brighter future

Mission:

To provide innovative and reliable energy solutions which deliver lasting value for all

Values

Safety, customer focus, respect, excellence, and innovation

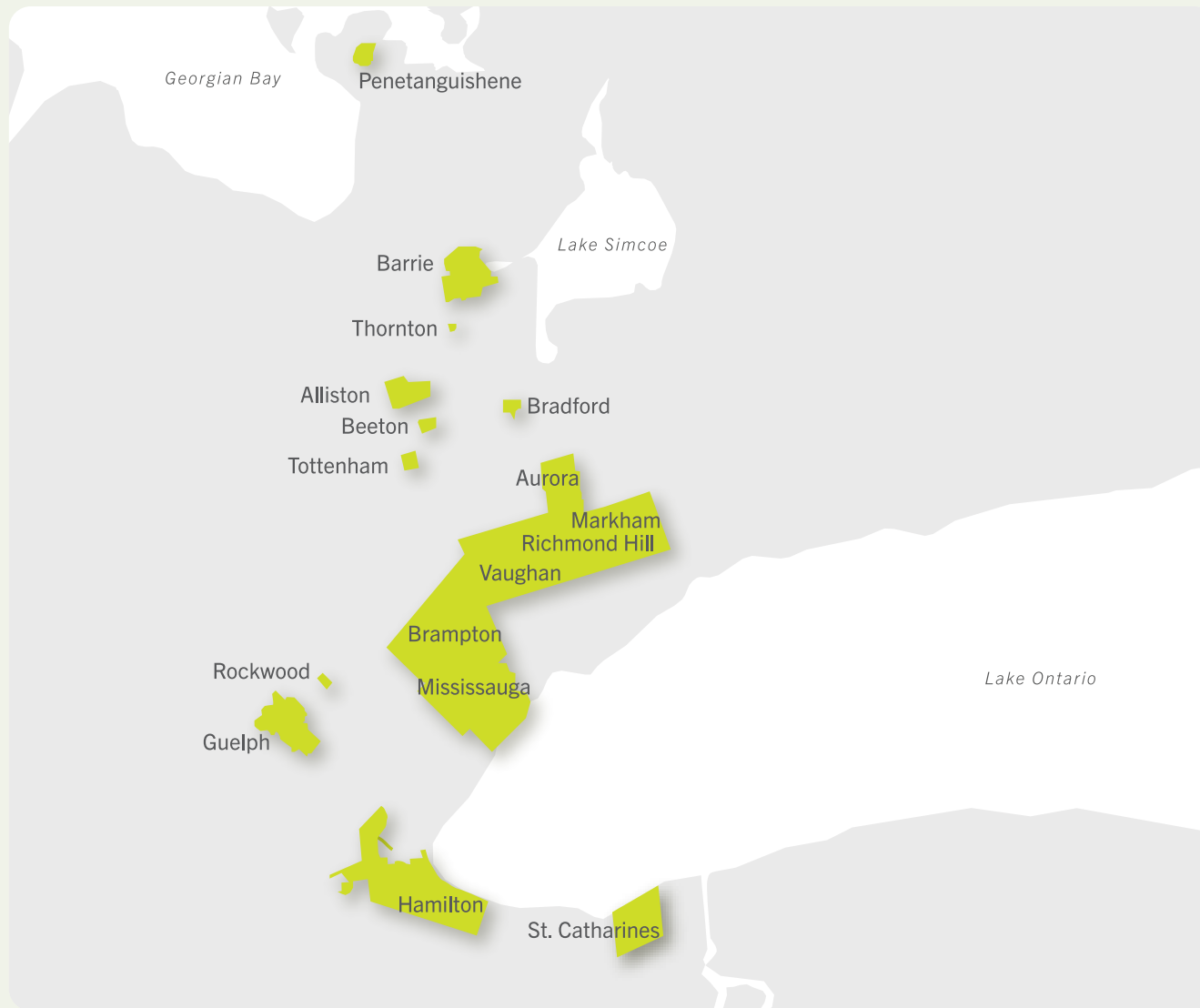


Coldest Night of the Year

Lori Gariepy and Emily Gariepy joined 60 other Alectra Utilities employees who braved the cold temperatures to raise over \$10,000 in support of local charities serving people experiencing hurt, hunger, and homelessness.



Where We Operate



Our Territory

Alectra Utilities Corporation serves 17 Ontario communities, including: Alliston, Aurora, Barrie, Beeton, Bradford West Gwillimbury, Brampton, Guelph, Hamilton, Markham, Mississauga, Penetanguishene, Richmond Hill, Rockwood, St. Catharines, Thornton, Tottenham, and Vaughan.

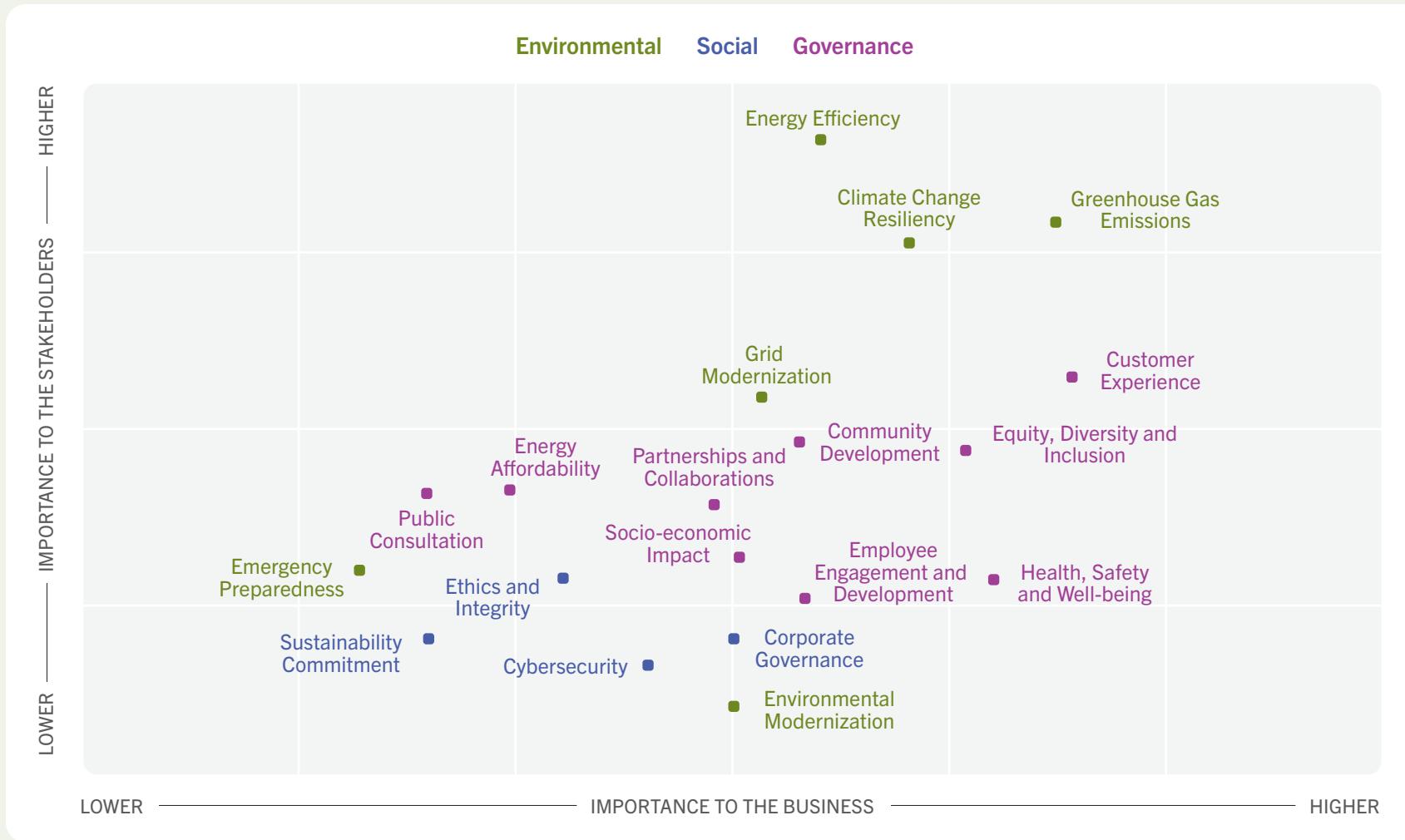
Land Acknowledgment

We acknowledge that Alectra's facilities are on the traditional territories of Indigenous nations in southern Ontario. We extend our utmost respect to First Nations and Métis communities, affirming our commitment to cultivating a meaningful relationship. Aligned with the Truth and Reconciliation Commission's Calls to Action and the United Nations Declaration on the Rights of Indigenous Peoples, we recognize this land as a symbol of our unwavering dedication to reconciliation.

Expressing gratitude for the privilege to work, learn, and grow on this land, we recognize and honour the enduring cultural contributions of Indigenous peoples. Living and working here is a privilege, and we dedicate ourselves to continual learning, active listening, and vigorous participation in the spirit of truth, reconciliation, and collaboration.



Materiality Assessment



Voice of Our Stakeholders

At Alectra, our commitment extends beyond providing safe and reliable electricity; we are equally dedicated to fulfilling our social purpose and values. This dual focus is central to our business approach and stakeholder engagement. Our Board and leadership are actively involved in addressing these critical areas.

In April 2022, we undertook our second materiality assessment backed by substantial stakeholder engagement. We engaged customers, employees, investors, and community members to understand the sustainability issues most important to them.

The outcome is our Materiality Matrix, a visual representation balancing stakeholder concerns with business impact. Key identified areas include:

- **Climate Change Focus:** Addressing greenhouse gas emissions and grid resilience to climate challenges.
- **Enhancing Customer Experience:** Emphasizing customer needs and expectations including grid reliability and modernization.
- **Commitment to Equity, Diversity and Inclusion:** Valuing diverse perspectives and inclusive practices.

These areas guide our sustainability strategy. Recognizing the ever-changing business environment and stakeholder expectations, we treat materiality assessment as an ongoing process, committing to regular reviews and updates to align our sustainability efforts with our core values and strategic goals.



Highlights

As a leading energy company, Alectra embraces its critical role in driving the electrification revolution and nurturing the growth of clean energy. Committed to being a vanguard in this transition, the company is investing substantially in innovative technologies and infrastructure. This investment is geared towards offering customers enhanced flexibility and choice in these challenging times, while upholding its promise of reliable, safe, and affordable electricity. Alectra’s deep-rooted commitment extends beyond energy provision; it’s evident in its dedication to community through corporate philanthropy, sponsorships, and the volunteer efforts of its employees, embodying a holistic approach to corporate responsibility and sustainable progress.

Environmental

Committed to reducing our environmental footprint

Highlights



2023 Corporate Knights – Best 50 Corporate Citizens

Performance

- Ranked 1st – in Ontario Transmission and Distribution companies
- Ranked 2nd – in Canadian Transmission and Distribution companies
- Ranked 16th – in all Canadian Businesses over \$1 billion in Revenue

Social

Committed to having people at the heart of our values, extending beyond our employees and into the communities we serve

Highlights



2023 Top Employer in the GTA

Performance

- \$1.56 million (approximately) invested in communities through AlectraCARES
- Alectra annual scholarship funding – globally recognized C.Dir. Program at McMaster University awarded to individual who identifies as racialized

Governance

Committed to performance means delivering value to the over one million customers we serve, while generating dividends to our community shareholders

Highlights

UtilityPULSE ★ 2023 Customer Satisfaction – 94 per cent

Performance

- Majority Independent – Board of Directors
- \$250 million capital investment in distribution system
- Affordability – each Alectra territory is below the average Ontario Residential monthly electricity bill at 700 kWh



Environmental



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Greenhouse Gas Emissions

At Alectra, sustainability is an integral part of our identity and operational philosophy. Alectra has pledged to achieve net-zero GHG emissions by 2050. This commitment reflects our determination to lead the way in sustainable utility practices and aligns with our strategic goal to foster a healthier environment.

Metric	Units	2017	2018	2019	2020	2021	2022	2023
Scope 1 Emissions	(Tonnes CO ₂ e)	8,505	8,230	7,011	6,469	6,918	6,565	9,717
Scope 2 Emissions	(Tonnes CO ₂ e)	369	819	873	722	773	799	809
Total GHG Emissions (AUC)	(Tonnes CO ₂ e)	8,873	9,049	7,884	7,191	7,691	7,364	10,526

Aligned with this commitment, the company established a baseline in 2016 to track its progress. Since 2016, Alectra has achieved a commendable 16.9 per cent reduction in GHG emissions from fleet and facility operations, demonstrating its dedication to environmental stewardship. However, challenges, particularly related to SF₆ leaks, highlight the complexities of achieving such ambitious environmental goals.

The main challenge, which was one that many utilities also encountered, arose post COVID-19 from an uptick in reported leaks from Grid SF₆ equipment. Most utilities suspended or reduced inspection during COVID-19. The increase in inspections post-pandemic (as well as the scarcity of viable alternatives) provided an unfavourable outlook.

Alectra's grid operations gained valuable insights and experience from the introduction of new SF₆ triage processes, along with heightened staff awareness and robust partnerships with vendors seeking alternative solutions, which are expected to yield beneficial outcomes soon.

In 2023, Alectra consolidated two facilities into one by opening a new Kennedy Road operations centre in Brampton, Ontario. The 215,000 square-foot facility is Gold LEED certified and boasts upgrades aimed at enhancing sustainability. These include a dedicated outdoor air system aimed at reducing greenhouse gas emissions by 43 per cent beyond LEED Gold Standards, a 500-kW rooftop solar power generation system, over 25 electric vehicle charging stations, and the use of carbon-neutral flooring to mitigate environmental impact.

Also, we introduced our first all-electric bucket truck, marking an important step in the electrification of our fleet. This pilot program included several fully electric and several hybrid light duty vehicles, which will provide valuable insights into the viability and potential of electric vehicles in utility operations.





Grid Reliability & Resiliency

Our customers are at the heart of our strategy. Our planning process is deeply rooted in understanding and integrating their needs, priorities, and expectations. Through continuous engagement, we gather valuable feedback, allowing us to refine our plans and investment strategies. This ensures we progress towards outcomes that our customers value most while considering a balance of affordability, reliability, and sustainability.

	2017	2018	2019	2020	2021	2022	2023
System Average Interruption Duration (hrs/customer)	0.8	1.04	1.07	0.95	0.98	0.88	0.83
System Average Interruption Frequency (interruptions/cust)	1.11	1.33	1.26	1.18	1.15	1.07	1.06
Net Capital Investment in Distribution System (\$ million)	\$243	\$221	\$232	\$225	\$232	\$206	\$250

A cornerstone of our approach is the sustained upkeep of infrastructure quality. By vigilantly monitoring and maintaining our assets, we aim to preclude significant deterioration, as deteriorated assets are more likely to fail when stressed due to storms. And with climate change we have seen greater frequency of intense storms.

Recognizing the pressing need to proactively expand our system’s capacity, we are investing in connecting new residential and commercial customers, as well as accommodating an increasing number of distributed energy resources, and electrification of transportation and heating.

Our investments focus on station expansion, managing load growth, and fortifying customer connections, all to ensure that our grid’s capacity can sustain Alectra’s growth without compromising on reliability or service levels.

The renewal of our distribution system and investments in storm-hardening initiatives, such as replacing deteriorated overhead infrastructure likely to fail during storms, have been pivotal.

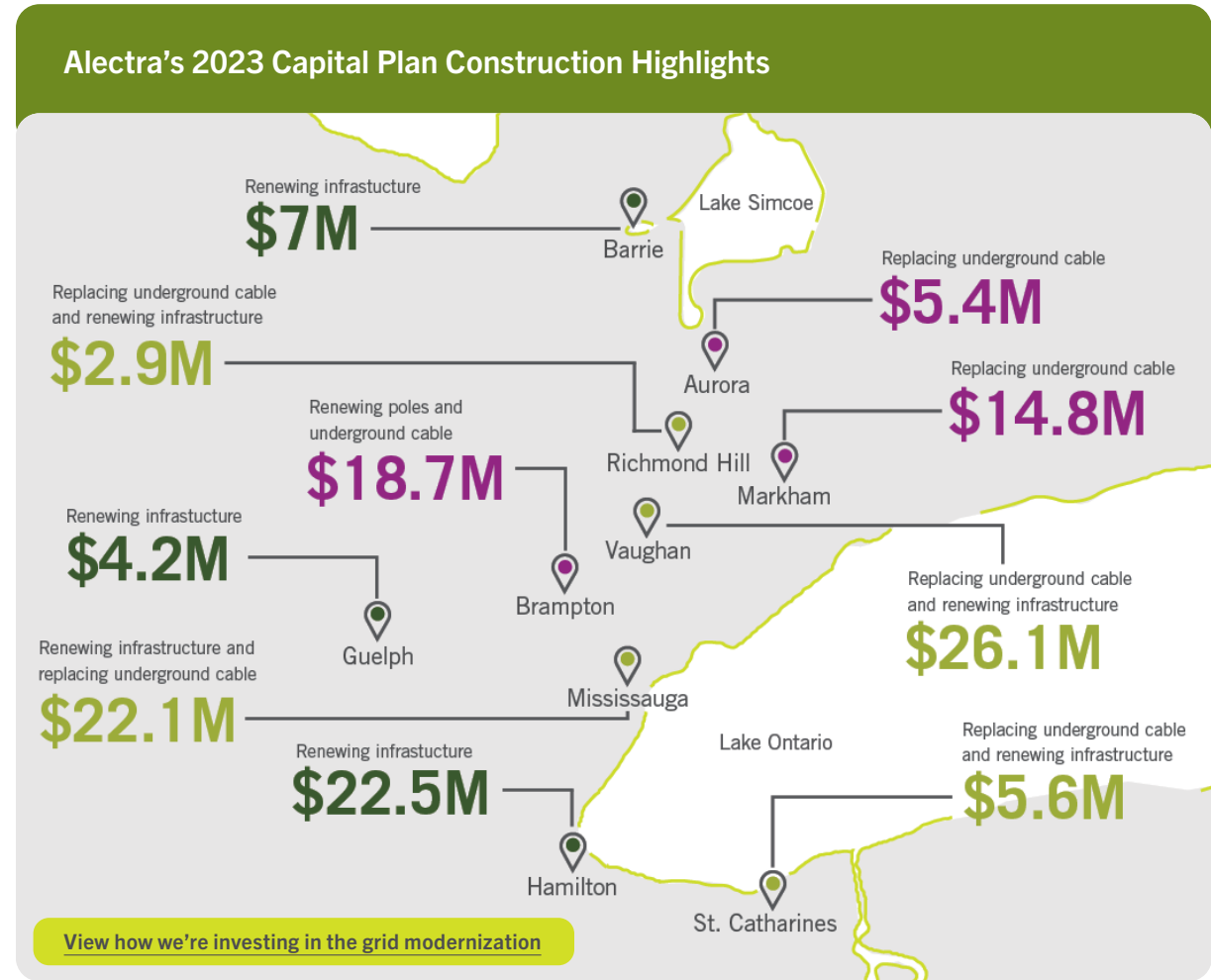
Our innovative approach extends to the adoption of new technologies like cable injection, which repairs and prolongs

the life of underground cables without excavation. This technique not only enhances efficiency but also contributes significantly to our environmental goals.

Alectra allocated \$69 million toward underground asset replacement and injection. Additionally, we aimed to address aging infrastructure issues and enhance system stability to reduce outage impacts.

2023 marked a year of robust investment in capital renewal projects, underlining our commitment to grid modernization:

- Investments in distribution automation reached a total of \$8 million. This encompassed the implementation of automated switching systems aimed at expediting response time, thereby enabling remote control of our assets and reducing the necessity for dispatched crews. Alectra installed 93 new automated switching devices, bringing the total system number to 1,537.
- An investment of approximately \$250 million was used for retrofitting or replacing aging equipment and installing new infrastructure to handle the growing demand and maintaining reliability.





Grid Modernization

Alectra’s Grid Modernization Strategy aims at addressing the challenges posed by aging infrastructure and increasing energy demands.

By embracing a multi-way transactive platform, we are revolutionizing systems, operations, processes, and training to integrate a diverse array of distributed energy resources and support the growing adoption of electric vehicles.

Our strategy emphasizes investing in our workforce, streamlining operations, and leveraging advanced technologies to optimize grid performance.

This strategy represents a significant leap forward in redefining our energy infrastructure to meet the challenges of the 21st century while aligning with our core values of sustainability, resilience, and innovation.

Significant Milestones

- The replacement of our metering infrastructure with Utility IQ software marked a significant advancement. This software enables efficient electricity consumption management, real-time decision-making, enhances outage detection, and facilitates electric vehicle management.
- In collaboration with Convergent Energy and Power, Alectra Energy Solutions launched a joint venture to install 80 MW of storage across three sites. This initiative, when energized, will power more than 83,000 homes, enhance grid reliability and resiliency, and contribute to reducing fossil fuel dependency in Ontario.

Alectra is committed to capital optimization and has prioritized investments that align with long-term grid modernization goals. Key performance indicators have been established to monitor progress and outcomes, ensuring alignment with our strategic objectives.

By focusing on innovation and adaptation to the dynamic energy landscape, we aim to meet the needs of our customers and stakeholders while positively contributing to ESG objectives.



Emergency Preparedness

Alectra’s approach to emergency preparedness is multifaceted, involving close collaboration with various levels of government and the IESO. This collaboration is vital to creating a unified response to emergencies, ensuring that when unforeseen events occur, there is a streamlined process for effective management. Such coordination is crucial for maintaining the integrity of the electricity grid and minimizing disruptions to customers.

A key component of Alectra’s preparedness strategy is its active participation in GridEx, a biennial grid security exercise. This North American-wide event simulates cyber and physical attacks on the electricity grid.

The latest exercise in November 2023 saw Alectra collaborating with over 250 organizations, honing their response to and recovery from coordinated security threats. This participation not only tests Alectra’s resilience but also enhances its capabilities to protect customer interests in the event of actual threats.

Alectra’s emergency preparedness extends beyond grid security exercises. In 2023, they worked alongside the York Regional Police and Ontario Provincial Police, focusing on developing coordinated responses for securing facilities during emergencies. This ensures that electricity utility crews can promptly assess and repair damages, minimizing downtime and customer inconvenience.

Internally, Alectra optimized its Emergency Plan, incorporating extensive training and information sessions. These sessions, involving municipal partners, are designed to keep internal teams well-prepared and aligned with external emergency protocols.

Through these strategies, Alectra not only reinforces its operational resilience but also significantly contributes to the safety and reliability of electricity services for its customers.





GRE&T Centre – Zero Carbon

In 2021, Alectra Utilities set its sights on achieving net-zero greenhouse gas (GHG) emissions by 2050. Alectra’s Southgate Office in Guelph, current home to the Alectra GRE&T Centre, was identified as a first facility to move us a step closer to this goal. Its geothermal heating and cooling system results in significantly reduced carbon emissions compared to conventional natural gas.

In August 2023, a significant milestone was reached as the Southgate Office became the first facility within Alectra’s portfolio to achieve Zero Carbon Building status by the Canada Green Building Council (CaGBC).

This transition to Zero Carbon was accomplished through a combination of strategies including fuel switching, onsite energy generation, and the utilization of premium carbon offsets for the final 10 per cent of emissions, showcasing a pragmatic approach to attaining net-zero status.

The recognition from CaGBC is not just a landmark achievement for Alectra; it signifies our leadership in sustainable practices. Alectra Utilities goes beyond merely distributing energy; we are dedicated to shaping a future where sustainability and innovation thrive together, fuelled by our unwavering commitment to our customers, communities, and the environment.



AI and Data

We’re revolutionizing operations and customer experience using AI and data.

AI and data analytics play a critical role in revolutionizing our business operations and reaffirming our commitment to sustainability. Through the strategic integration of these technologies, the Alectra GRE&T Centre aims to enhance service delivery and find solutions that foster deep customer engagement.

A key area of exploration is the use of AI in asset management. By leveraging AI-driven analysis of extensive utility equipment imagery, we seek to comprehensively identify potential equipment failures and their locations allowing our engineering teams to develop replacement plans.

Recognizing synergies in AI and data analysis, and with an aim to leverage them to provide business optimal solutions, this year, the Alectra Data Office relocated to the GRE&T Centre. This helps us to prioritize providing timely access to quality data, fostering transparency, objective decision-making, and innovative outcomes.

Guided by stringent data architecture principles and robust governance processes, we ensure operational excellence and stay at the forefront of delivering future-ready energy solutions tailored to evolving customer and community needs.

Collaboration is central to our approach. The AI and Data teams work closely with industry leaders to explore diverse avenues for effectively integrating AI and data into our operations. Through these partnerships, we aim to develop solutions that are not only impactful but also tailored to our market and customer needs, all while advancing our sustainability goals and reducing our environmental impact.





eMobility

A key focus in 2023 was enabling eMobility, as electric vehicles (EVs) became increasingly mainstream due to lower prices, faster charging times, and increased driving ranges. Alectra has been at the forefront of this movement, launching several initiatives to support EV adoption for residents and businesses.

Key Initiatives

- **AlectraDrive@Work and AlectraDrive@Home:** These initiatives provide charging solutions for both workplace and residential settings, making it convenient and accessible for individuals to charge their EVs.
- **GridExchange:** A program aimed at optimizing EV charging infrastructure and integrating it with the grid to ensure reliability and efficiency.
- **Advantage Power Pricing:** Offering incentives and pricing structures to encourage off-peak charging, reducing strain on the grid during peak hours and helping our customers save on energy costs.
- **York University Electric Bus Simulation Study:** A research project aimed at understanding the technical and business considerations of implementing electric bus charging solutions.
- **Commercial EV infrastructure solutions:** Actively bringing commercial offerings to fleet operators and transit agencies under long-term partnerships and flexible financing frameworks through Alectra Energy Solutions.

On the fleet electrification front, Alectra continues to lead by example and has recently added its first all-electric bucket truck (one of the first delivered in Ontario) to its fleet, contributing to our committed decarbonization goals. Alectra actively explores challenges and solutions to further enable the transition through initiatives such as:

- Implementing high-capacity EV chargers to support fleet charging needs.
- Managing charging schedules to optimize energy usage and grid reliability.
- Exploring the potential for fleets to supply energy services back to the grid, creating a symbiotic relationship between transportation and energy sectors.

In addition, Alectra is actively exploring how utility processes can be adapted to support the unique characteristics of EV charging projects, helping us streamline project implementation and support the growth of eMobility infrastructure.



[View the GRE&T Centre report](#)

AlectraDrive@Work and AlectraDrive@Home:
These initiatives provide charging solutions for both workplace and residential settings, making it convenient and accessible for individuals to charge their EVs.





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Equity, Diversity and Inclusion

People are at the core of Strategy 2.0

We are committed to:

- Investing in our **employees**
- Delivering value to our **customers**
- Generating long-term value for our **shareholders**
- Supporting **communities** where we work

At the heart of our organization lies a fundamental belief: people are our most valuable asset.

We are dedicated to fostering an inclusive workplace culture that makes our employees feel safe, valued, and deeply connected. This belief drives our conviction that when we support our employees, they are empowered to better serve our customers and communities.

Our commitment to Equity, Diversity and Inclusion (ED&I) is not just a policy – it is an integral part of who we are.

Alectra’s approach to ED&I is rooted in the understanding that addressing bias is essential for creating a truly equitable workplace. We believe that our diverse backgrounds and perspectives fuel our inclusive culture, helping us create a more sustainable future for our customers, communities, and ourselves.

In 2023, we made significant strides in integrating ED&I in our operations, guided by our new People Deal, a blueprint that reflects our commitment to providing a consistently positive experience for everyone at Alectra.

Achievements in Equity, Diversity and Inclusion

- We realigned our ED&I policy with our comprehensive ED&I strategy, ensuring a focus on creating equitable opportunities and fostering diverse perspectives.
- All employees underwent Psychological Safety eLearning to promote a supportive and inclusive workplace. This initiative was in addition to live mental health training for senior leadership and executives.
- We embedded staff voices through our enhanced cultural observances framework, inviting employee contributions to celebrate diverse events.
- We strengthened our commitment to Truth and Reconciliation by increasing awareness about the history of residential schools, reflecting our dedication to these communities.



GENDER DIVERSITY

Board of Directors

36% Female / 64% Male



Executive Management (C-Suite, EVP and S/VP)

32% Female / 68% Male



Employee (Permanent & Temporary)

33% Female / 67% Male



Student (Co-op and Intern)

33% Female / 67% Male



Includes: Alectra Inc., Alectra Utilities Corporation, Alectra Energy Solutions, and Alectra Power Services.

[From Powerline Apprentice to VP of Metering, watch Shelley Parker speak about ED&I at Alectra](#)



Community Development

In the spirit of our commitment to sustainability, equity, and excellence, Alectra has continued its tradition of fostering emerging talent through our prestigious scholarship programs.

Through these scholarships, we are investing in future leaders who champion sustainability, diversity, and innovation. We believe that by supporting these bright minds, we are shaping a more equitable and sustainable world for all.

Diversity in Governance

In line with our dedication to diversity and inclusion, Alectra joined forces with McMaster University’s DeGroot School of Business to establish an ED&I Scholarship. The scholarship, established in 2021, aims to enhance representation at the board level, ensuring a mosaic of perspectives that truly reflect the communities we serve.

Tahmena Bokhari, the 2023 recipient, is already a notable figure in not-for-profit governance, and through this scholarship, she will further strengthen her ability to integrate ED&I principles in corporate boardrooms.

For over 25 years, Tahmena Bokhari has led organizations through inclusion, diversity, equity, accessibility (IDEA), anti-racism, and decolonization transformation. Now, she is looking to make an impact on a bigger level. Bokhari has set her sights on corporate boards, where she says there is an absolute need to increase ED&I practices.

This fall, as she begins the Directors College Chartered Director (C.Dir.) program, Bokhari will take a major step towards meeting her goal. And she will be doing so as the most recent recipient of the Alectra ED&I Scholarship.



Alectra Equity, Diversity and Inclusion Undergraduate Awards

In collaboration with York University’s Faculty of Environmental and Urban Change, we introduced the Alectra ED&I Undergraduate Award, valued at \$2,500, and Graduate Awards, valued at \$6,000.

This initiative focuses on providing full scholarships to Black and Indigenous students, reaffirming our commitment to breaking barriers in higher education. With an investment of \$84,000 over four years, we aim to support the academic journeys of these students, equipping them with the resources necessary to excel in their fields.

The undergraduate recipients were **Melina Ghasem-Asad, Anthony Loschiavo, and Adam Smith**. The graduate recipients included **Joanna Grace Silva, Susan Wyse, and Julian Blamires**.



Ontario Energy Network (OEN) Scholarship

Isabel Smith, a standout student from Ontario Tech University, was the deserving 2023 recipient. Isabel’s leadership in her university’s Engineering Competition and her advocacy for women in engineering are indicative of her potential to revolutionize the energy sector, especially in sustainable transmission and renewable energy integration.

Smith is a two-time winner, having won this Scholarship in 2022. She hopes to find a career in the energy sector, having a particular interest in projects that focus on environmentally conscious transmission and distribution, as well as incorporation of renewable energy and distributed energy resources.



Community Investment

Expanding Impact, Strengthening Communities

In 2023, Alectra continued its commitment to community engagement and sustainability, building upon the successes of previous years. The year saw significant progress across various areas, with a focus on partnerships, environmental initiatives, food security, addressing housing issues, supporting mental health programs, and fostering employee engagement. Here's a summary of key highlights:

Community Partnerships & Giving

Total Giving: Alectra allocated approximately \$1.56 million towards sponsorships and donations in 2023, including \$167,154 raised by employees through events such as **Coldest Night of the Year**, **Ride to Conquer Cancer**, and **Walk a Mile in Their Shoes**.

Program Support: 153 programs were supported, alongside ongoing partnerships focused on health, social innovation, mental health, and emergency housing.

Partnership Successes

Alectra's multi-term strategic partnerships continued throughout 2023, with our focus remaining on enhancing access to health resources and services.

Continued support for programs, including **Trillium Health Partners Foundation's** clinical research in support of equity and mental health in the community, and Guelph General Hospital's sterilization containers for operating room instruments, emphasized our commitment to advancing exceptional healthcare in the community.

Equity, Diversity & Inclusion Initiatives

Alectra expanded its ED&I focus, sponsoring events like **Black Girls: Be Seen, Be Heard** to empower racialized communities.

In honour of Pride Month, donations were directed towards 2SLGBTQI+ organizations, reflecting a commitment to celebrating diverse voices.



Reconciliation and Indigenous Support

Investment in Indigenous programming, including the **CREation** funding program and the **Odeiwini: Connect Community Project**, aimed to support Indigenous youth and promote reconciliation efforts.

Plans for increased funding in 2024 underscore Alectra's commitment to building trusting relationships and supporting Indigenous-led initiatives.



Addressing Food Security & Environmental Sustainability

Efforts to combat food insecurity included support for grassroots food security programs and partnerships with organizations like **Second Harvest** and **Feed Ontario**.

Environmental initiatives received \$123,500 in funding, with projects ranging from local youth programs to large-scale sponsorships focused on waste reduction and biodiversity conservation.





Combating Housing Insecurity and Supporting Mental Health

Alectra’s involvement in initiatives like the Coldest Night of the Year walks and partnerships with housing shelters addressed homelessness and housing insecurity.

Investment in grassroots mental health programs and long-term partnerships demonstrated a commitment to promoting mental wellness within communities.

Employee Engagement and Recognition

Alectra emphasized employee engagement through volunteerism and fundraising activities, showcasing the dedication of its workforce.

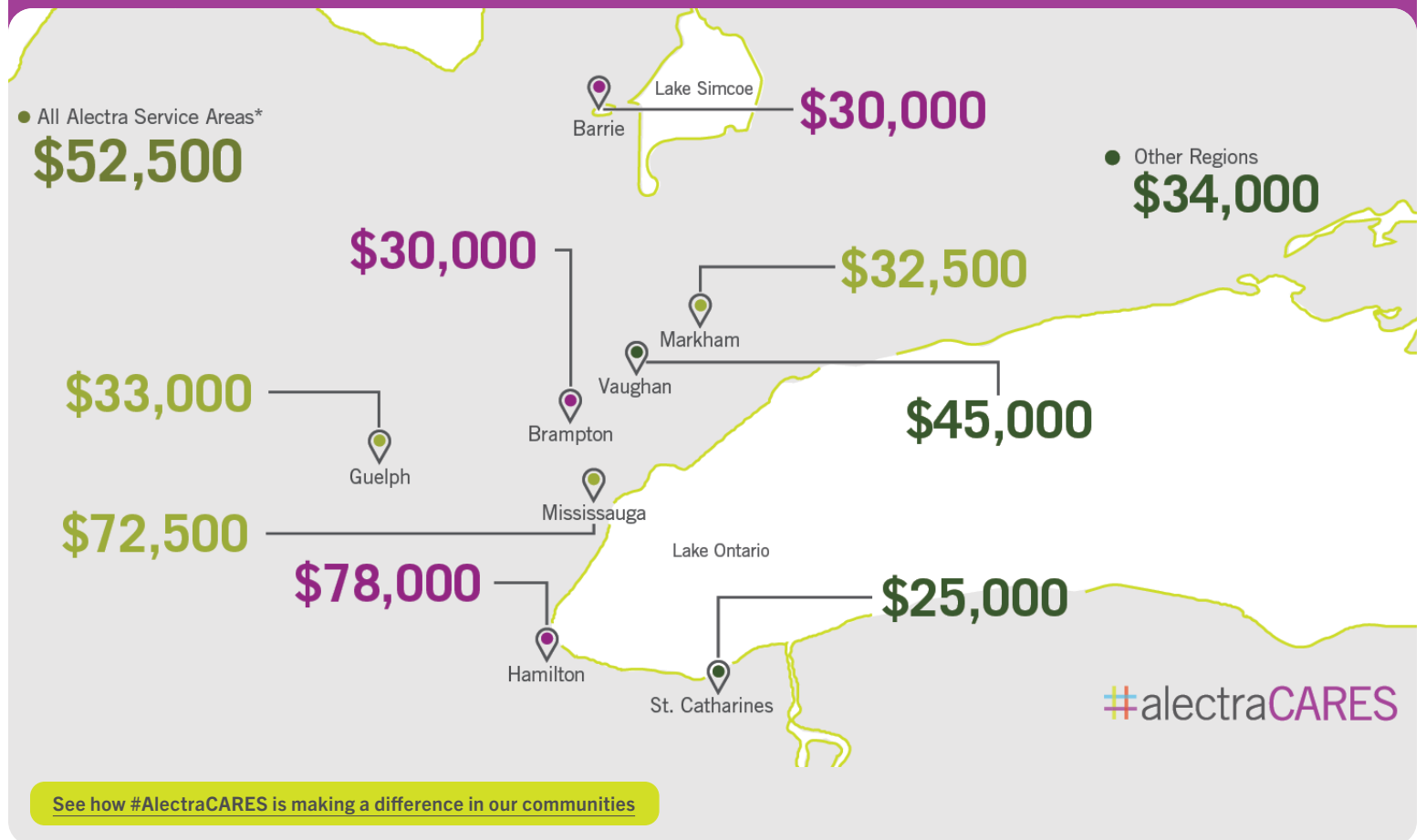
Industry recognition, including awards from the Electricity Distributors Association and the Caring Company designation from Imagine Canada, highlighted Alectra’s exemplary community investment efforts.

Looking Ahead

Alectra remains dedicated to making a positive impact in 2024, with continued support for community initiatives, environmental sustainability, ED&I efforts, and employee engagement.

Alectra’s 2023 ESG report reflects our approach to corporate social responsibility, demonstrating a commitment to making meaningful contributions towards building resilient and inclusive communities.

Community Investments – Highlights of Alectra’s 2023 Community Support Plan



[See the full list of our Community Investments](#)



Health, Safety and Wellness

For the third year in a row, Alectra was named one of the Greater Toronto Area’s Top Employers, which is a reflection of our commitment to our employees’ well-being and our dedication to providing comprehensive benefits and innovative training programs.

Our efforts to support our employees include offering competitive health and financial benefits such as an extensive healthcare benefits plan, healthy living reimbursements, emergency travel assistance, dental care, generous vacation entitlements, a 50-week maternity and parental leave top-up, and a pension plan.

These initiatives are part of our broader commitment to ensuring a supportive and nurturing work environment that accommodates both the professional and personal growth of our team.

This recognition reflects the collective effort of Alectra to create an environment that embodies our values and fostering a work culture that prioritizes safety, engagement, and adherence to our core values and commitments.

Employee Safety

Our unwavering commitment to the mental and physical safety of our employees underscores everything we do. This achievement aligns with our continuous compliance with the Occupational Health and Safety Acts and reflects our dedication to maintaining a safe work environment.

In line with our corporate objectives, we’ve adopted a forward-thinking approach to employee safety. Moving beyond reactive measures, we focus on prevention, positive leadership, and addressing concerns proactively. This approach is part of a broader cultural movement towards enhancing safety and well-being in the workplace.

A cornerstone of our safety initiative was the Safety Culture Workshop, which saw wide employee participation. Led by a renowned keynote speaker, the workshop emphasized the critical role of leadership in fostering a safety-first culture.

By exploring strategies to reduce at-risk behaviours and engaging in discussions about leadership’s role in promoting a healthy work environment, the workshop marked a significant step forward in our journey to safety excellence.

Our commitment to safety extends to adapting to the challenges of a hybrid work environment, ensuring that our approach to employee well-being is comprehensive and inclusive of all work settings. This demonstrates our dedication to safety and to the well-being of our team, regardless of their physical work location.

Alectra’s proactive stance on employee safety is a testament to our commitment to ESG principles. By prioritizing safety, we not only enhance operational efficiency and employee satisfaction but also affirm our reputation as a socially responsible organization. These efforts are integral to our strategic vision, embedding ESG considerations into our core business practices and driving long-term value for all stakeholders.

Through these initiatives, Alectra continues to lead by example, proving that a commitment to safety is not just a policy but a fundamental aspect of our corporate identity.



Alectra safety leaders joined Rob Ellis (MySafeWork) for his powerful presentation at Conestoga College Powerline Technician program to educate and prepare students about safe work practices in the utility industry.



Employee Development and Engagement

In 2023, Alectra continued to focus efforts on employee development, reinforcing our belief in supporting our team’s growth, knowledge, skills, and capabilities as a catalyst for driving business performance. Our initiatives this year have underscored our dedication to creating an environment where every employee has the opportunity to thrive and contribute to our collective success.

Key initiatives:

Alectra Coaching Program

Expanded to support all employees, this program is designed for those displaying potential who require guidance to unlock their capabilities, as well as employees eager to progress in their career paths. Success within this program is evaluated through discussions involving the employee, their supervisor, and their coach, ensuring a personalized and impactful development journey.

Mentoring Program

This program is aimed at newly appointed leaders, whether newcomers or those stepping into leadership roles for the first time, and has fostered numerous mentoring partnerships. These relationships provide new leaders with invaluable guidance, support, and insights into leadership from seasoned Alectra leaders, assisting them as they embark on their leadership journey.

DiSC

DiSC, a renowned assessment tool, aims to enhance teamwork, communication, and productivity by offering individuals a deeper understanding of themselves and others. The success of the DiSC workshops was evident, with leaders requesting additional sessions. The workshops reflect the positive impact these workshops have on improving working relationships and reducing conflict.

Our focus on personal and professional development is integral to our strategy, ensuring that Alectra remains a dynamic and forward-thinking organization where employees are empowered to achieve their full potential. By providing comprehensive development programs, we not only enhance individual careers but also contribute to a culture of continuous improvement and excellence.

Engagement

Alectra’s annual employee engagement survey provided an opportunity to listen to our employees, invest in their experience, and strengthen our organizational culture.

The 2023 survey results revealed a consensus among employees that Alectra is moving in the right direction, with improvements noted across all areas surveyed.

This feedback underscores the positive strides we are making in fostering a workplace where employees feel accepted by their immediate co-workers and believe their roles contribute meaningfully to Alectra’s success.

The survey acts as a vital tool for learning and development, offering insights that guide our continuous efforts to enhance the workplace environment. It enables us to identify what we are doing well and where there are opportunities for improvement, ensuring that our strategies align with our employees’ needs and aspirations.

By investing in our employees’ experiences and acting on the feedback received, Alectra is dedicated to nurturing an inclusive, supportive, and high-performing culture.





Partnership and Collaboration

Alectra plays a crucial role in advancing transit projects in the Greater Toronto and Hamilton Area (GTHA), particularly through collaboration with Metrolinx. As a distribution utility, Alectra has supported infrastructure development, including initiatives such as GO Transit, UP Express, and PRESTO.

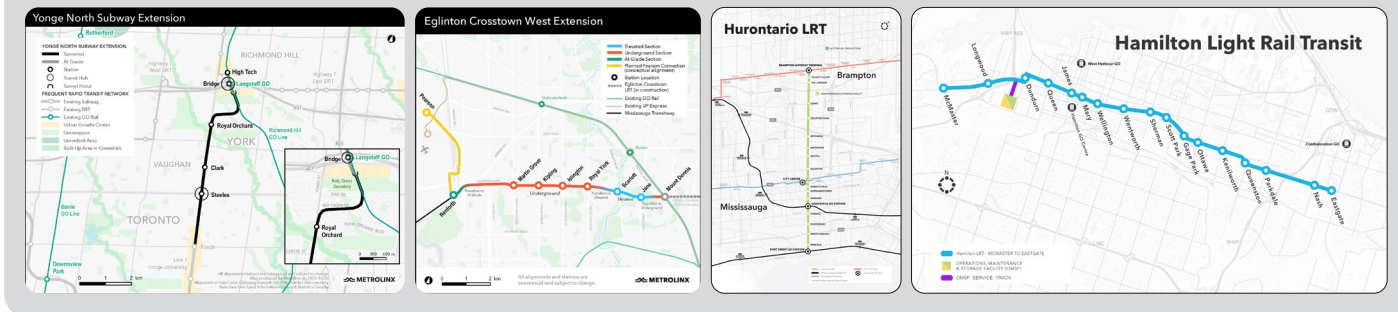
Notably, in 2023, Alectra completed approximately \$40 million worth of construction for the GO Expansion program, showcasing their commitment to enhancing regional transit. Their renewed staffing agreements with Metrolinx underscore this dedication until project completion.

Alectra is not the only partner supporting the expansion of Metrolinx’s system. Building infrastructure also requires relocations of water mains, storm and sanitary systems, as well as electrical and telecommunication infrastructure.

These efforts benefit customers by reinforcing reliable service and accommodating the needs of transit expansion.

Key Initiatives:

- **Hurontario LRT:** The development of a Transformer Reuse procedure has been pivotal, enabling continued progress amid transformer availability delays. Our agility in responding to field changes has further facilitated this project’s advancement.
- **Hamilton LRT:** Achieving 30 per cent design completion for the corridor, our focus has shifted to paving the way to LRT construction.
- **Yonge North Subway Extension:** Finalizing designs for key infrastructure relocations, we are preparing for construction to commence in early 2024, clearing the way for this critical extension.
- **Eglinton Crosstown West Extension:** Working closely with Metrolinx, we are moving towards starting preparatory construction activities in 2024, pending final design completions.



See how Alectra is supporting large-scale transit projects



Research

Clean50

Geri Yin, Head of Grid Innovation at Alectra's Green Energy and Technology (GRE&T) Centre, received the 2024 Clean50 Individual Award in Traditional Energy & Generation category for her outstanding leadership in advancing climate action and developing innovative solutions in Canada.

She has played a pivotal role in Alectra's transformation towards the grid of the future, utilizing modernization technologies and fostering strategic partnerships.

Geri led initiatives such as a local electricity market pilot in York Region, resulting in a significant reduction in peak demand and 366 MWh of clean energy to the grid over the duration of the pilot. She also spearheaded the Power.House Hybrid pilot, achieving up to a 40 per cent reduction in greenhouse gas emissions and significant cost savings for participants.



Energy Affordability


Alectra offers programs supporting our most vulnerable customers who are behind on their bills through the provincially-funded Low-Income Energy Assistance Program (LEAP).

In 2023, Alectra provided more than \$1.2 million in financial assistance to approximately 2,300 customers in need, reducing their electricity arrears.

Alectra offers Equal Payment Plans, in which estimated annual charges are split into equal monthly payments. This makes budgeting easier for customers who experience higher bills at certain times of the year due to electric heating or air conditioning.

Flexible payment arrangements and Arrears Management Programs (AMP) are available to allow eligible customers to pay their outstanding electricity arrears in installments.

Low-income Energy Assistance Program (LEAP)



Behind on energy bills?

LEAP is here to help homes catch up

Find out if you qualify for a grant of up to **\$500**
(\$600 for electrically-heated homes)



NEW
Eligible customers can now receive a LEAP grant more than once per year.

Find out if you qualify by contacting United Way Simcoe Muskoka at **855-487-5327** or visit alectrautilities.com/paymentassistance

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Governance



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Oversight

Alectra is governed by a 14-member Board of Directors, which is accountable to the shareholders for establishing effective corporate governance and achieving the company’s mission, vision and purpose. The Board sets Alectra’s strategic direction and oversees the President and CEO, as well as the Corporation’s performance, culture and ethical integrity.

Alectra’s commitment to exceptional corporate governance underpins our success and strategic direction. We recognize the importance of integrating transparency, accountability, and responsible decision-making throughout our operations. This commitment is a cornerstone of our mission to deliver reliable and affordable energy solutions while positively impacting the communities we serve. Through adherence to best practices, we ensure our actions align with stakeholder expectations and contribute to our long-term prosperity.

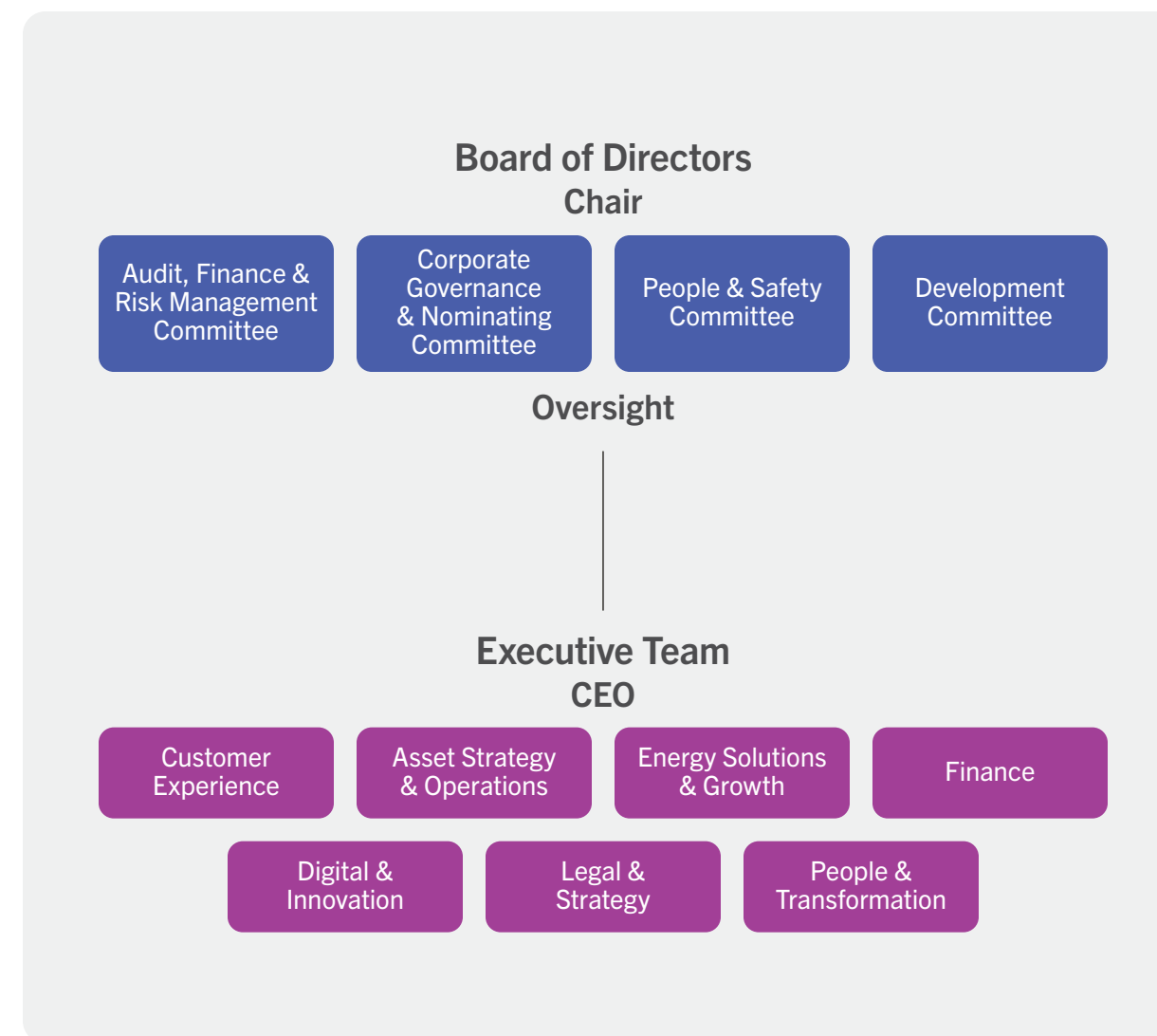
Our governance framework is structured around principles of independence, integrity, and accountability, reflecting our dedication to the best interests of shareholders, customers, employees, and our communities. Our Board of Directors, with their diverse and extensive experience, plays a crucial role in advising and enhancing our strategic direction, significantly contributing to the achievement of our company’s strategic goals. Alectra’s unique ownership structure enhances our decision-making with a broad spectrum of perspectives, ensuring integrity and transparency remain at the core of our governance model.

The forward-looking approach of our Board of Directors empowers Alectra to navigate the dynamic energy sector landscape with insight, oversight, and foresight. Our commitment to sustainability is evident through proactive

management of climate-related risks and opportunities, underpinned by robust governance and a strategic focus on innovative energy solutions. This dedication extends to our comprehensive risk management program and our efforts to align operations with environmental stewardship and strategic adaptability.

Chaired by Norm Loberg, our Board of Directors exemplifies strong governance through diversity and inclusiveness, setting the strategic direction and maintaining oversight of the execution of the strategic plan and associated corporate objectives. The Board’s effectiveness is augmented by four specialized committees: Corporate Governance and Nominating; Audit, Finance and Risk Management; People and Safety as well as Development. Each committee is tasked with providing focused oversight and expert guidance in its designated area.

As well, Norm Loberg, Chair of Alectra Inc., was named the ‘2023 Gordon Shipp Citizen of the Year’ by the City of Mississauga, recognizing his outstanding civic volunteerism and community service. Mr. Loberg’s impressive professional career and extensive history of civic engagement were acknowledged, along with his support for Alectra’s commitment to social service agencies and sustainability.

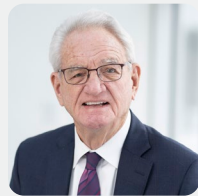




Board of Directors

“Alectra has a strong governance model that is focused on sustainability and promotes diversity and inclusion. Board representation from our municipal shareholders, blended with commercially minded independent directors, gives our Board a very broad perspective. This ensures that the needs of our customers and our communities are well represented in decision making.”

Norm Loberg – Chair, Alectra Inc. Board of Directors



Norm Loberg
Chair of Board



Jane Armstrong
Chair of the People & Safety Committee



Gerald Beasley
Chair of the Audit, Finance & Risk Management Committee



Mayor Bonnie Crombie



Dr. Giuseppina D'Agostino
Chair of the GRE&T Centre Advisory Committee



Sean Donnelly
Chair of the Corporate Governance & Nominating Committee



Mayor Steven Del Duca



Jennifer Fang



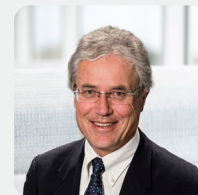
Councillor Matt Harris



Mayor Andrea Horwath



John Knowlton



Don Lowry*
Chair of the Development Committee



Mayor Alex Nuttall



Mayor Frank Scarpitti

*retired from Board – 31 Dec 2023



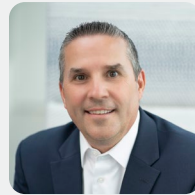
Executive Committee



Brian Bentz
President & CEO, Alectra Inc.



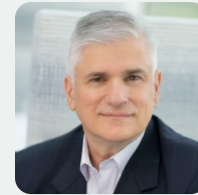
Danielle Diaz
Executive Vice President
& Chief Financial Officer



James Douglas
Executive Vice President,
Customer Experience



Barb Gray
Executive Vice President,
People and Transformation



John Matovich
Executive Vice President,
Energy Solutions and Growth



Mike Matthews
Executive Vice President, Asset
Strategy and Operations



Vinay Mehta
Executive Vice President, Legal,
Strategy and Corporate Secretary



Julia Zhu
Executive Vice President,
Chief Digital and Innovation Officer

Leadership and ESG Commitment

Under the leadership of Alectra’s President and CEO, the executive team embodies strategic leadership, balancing operational excellence with a commitment to our ESG principles.

Alectra’s corporate governance is foundational to our beliefs of delivering reliable, cost-effective energy solutions and making meaningful contributions to our communities. With a governance structure built on integrity, transparency, and accountability, we are committed to enhancing business performance, enriching shareholder value, and fostering a culture of excellence and sustainability. Our strategic leadership and governance practices position us as a trusted leader in the energy sector, dedicated to creating lasting value for all stakeholders and contributing to a sustainable future.





Cyber Security

At Alectra, cyber security is paramount, reflecting our dedication to safeguarding both our operations and our customers.

Aligned with industry standards & regulations such as the Ontario Cybersecurity Framework regulations based on National Institute of Standards and Technology framework and Privacy legislation PIPEDA/MFIPPA, we prioritize the adoption of best practices in every aspect of our operations. Multi-factor Authentication is a key initiative implemented across our environment, enhancing security by adding an extra layer of verification and reducing the risk of unauthorized access, credential theft, and phishing attacks.

Our commitment to cyber security is ingrained in our organizational culture, underpinning our operational integrity. By continually enhancing our capabilities and fostering a culture of security awareness, we aim to maintain the trust and confidence of our customers and stakeholders in our digital environment. In 2023, we remained unwavering in our pledge to proactively tackle cyber threats. This included the strengthening and maintenance of strategic partnerships with influential entities in the intelligence realm, including the Canadian Centre for Cyber Security and the United States' Cybersecurity and Infrastructure Security Agency. Furthermore, we consistently carried out regular cyber awareness training exercises and simulations to ensure we are always prepared for any potential threats. In 2023, we started with a company-wide awareness messaging campaign as well as the Phish Alert Button. Approximately nine campaigns were implemented consisting of over 15 thousand emails sent to employees. On average, 38 credentials were entered, 33 per cent of phishing attempts were reported, and the failure rate was 9.44 per cent. With each campaign, the difficulty of emails increased.

As well, Alectra's Cyber Security team played a crucial role in developing the security framework and controls for the new customer experience platform, based on SEW technology. This platform will enhance Alectra's ability to manage customer service operations efficiently as well as improve online self-serve experiences for customers. Utilizing industry-leading services and products, along with support from third-party security partners, we ensure that Alectra stays at the forefront of cyber security technology, policies, practices, and procedures.

Recognizing that preparedness is key to effective cyber security, we routinely conduct training and simulations. Last year, we held an internal tabletop exercise, allowing staff to engage in real-life scenarios presented by expert facilitators. Additionally, internal penetration testing was conducted, offering valuable insights into potential vulnerabilities and the effectiveness of our security measures.

At Alectra, cyber security is not just a responsibility but a cornerstone of our operational integrity. Our strategic approach, combined with our commitment to using best-in-class frameworks and technologies, ensures that we remain well-equipped to face the evolving landscape of cyber threats. By continually enhancing our capabilities and fostering a culture of security awareness, we aim to maintain the trust and confidence of our customers and stakeholders in our digital environment.





Customer Experience

How your bill breaks down in 2023

Alectra’s Delivery Charge is approximately 23 per cent of a customer’s bill, which covers Alectra’s costs; however, Alectra is responsible for 100 per cent of the bill including paying the cost of generation, transmission, taxes, etc. to others even when bills are not paid.

Delivery Charge: The cost of building and maintaining the distribution system, including overhead and underground power lines, poles and transformer stations, as well as meter reading, billing, customer service and account maintenance, and general utility operations.

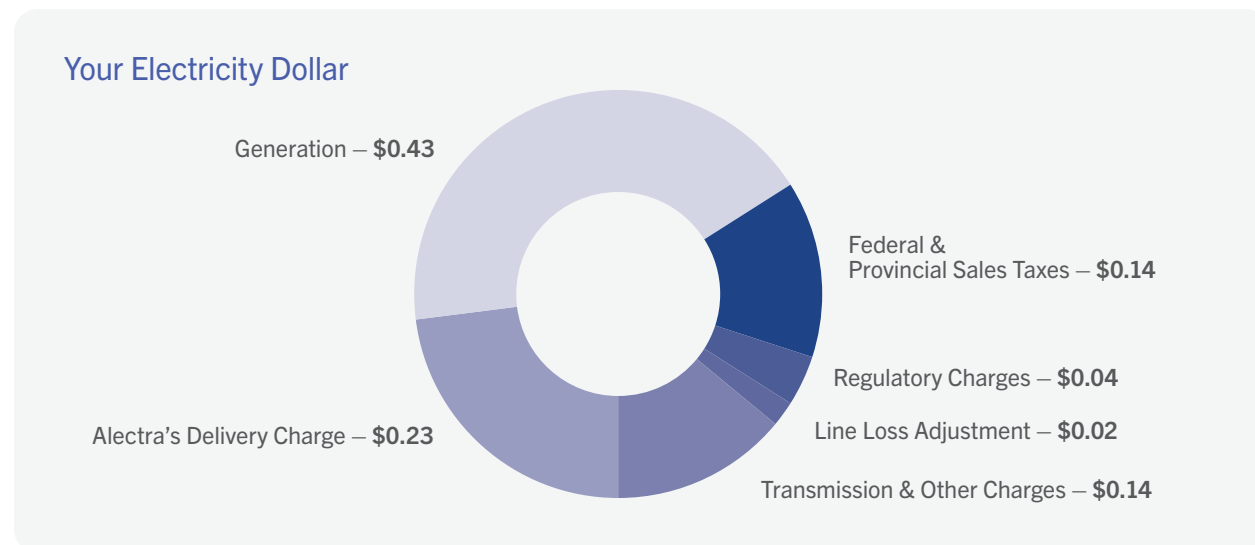
Transmission Charge: Costs paid to Hydro One to operate and maintain the high-voltage transmission system carrying electricity from generating stations to Alectra’s territory.

Line Loss Adjustment: It is normal for a small amount of power to be lost as it travels over the utility’s power lines to your home or business.

Taxes: Charges include the Harmonized Sales Tax HST at 13 per cent.

Regulatory Charges: are additional charges that are set by the OEB and others.

Generation: These costs are for the electricity generated by various power producers that are consumed.



In the realm of digital transformation and customer engagement, Alectra has embarked on a significant journey with the implementation of a new customer experience platform.

This innovative platform represents a pivotal step in our strategy to provide effortless and efficient customer interaction while empowering customers to make informed energy decisions. The platform is a testament to Alectra’s commitment to elevating the customer experience in alignment with evolving expectations and the dynamic landscape of the digital economy.

Recognizing the importance of adaptability in our rapidly changing world, particularly with the ongoing electrification of the economy, this platform is designed to be scalable. Our approach to deployment is both strategic and phased. The initial phase began with a measured launch to a select group of internal employees in December 2023. This careful approach ensures that the platform is refined and robust for wider use. We anticipate the rollout of core functionalities to our entire customer base in the first quarter of 2024.

The new customer engagement platform introduces several key features aimed at enhancing customer interaction and convenience:

1. **Proactive Notifications:** Keeping customers informed and engaged through timely updates (i.e., storm preparation and power outage communications).

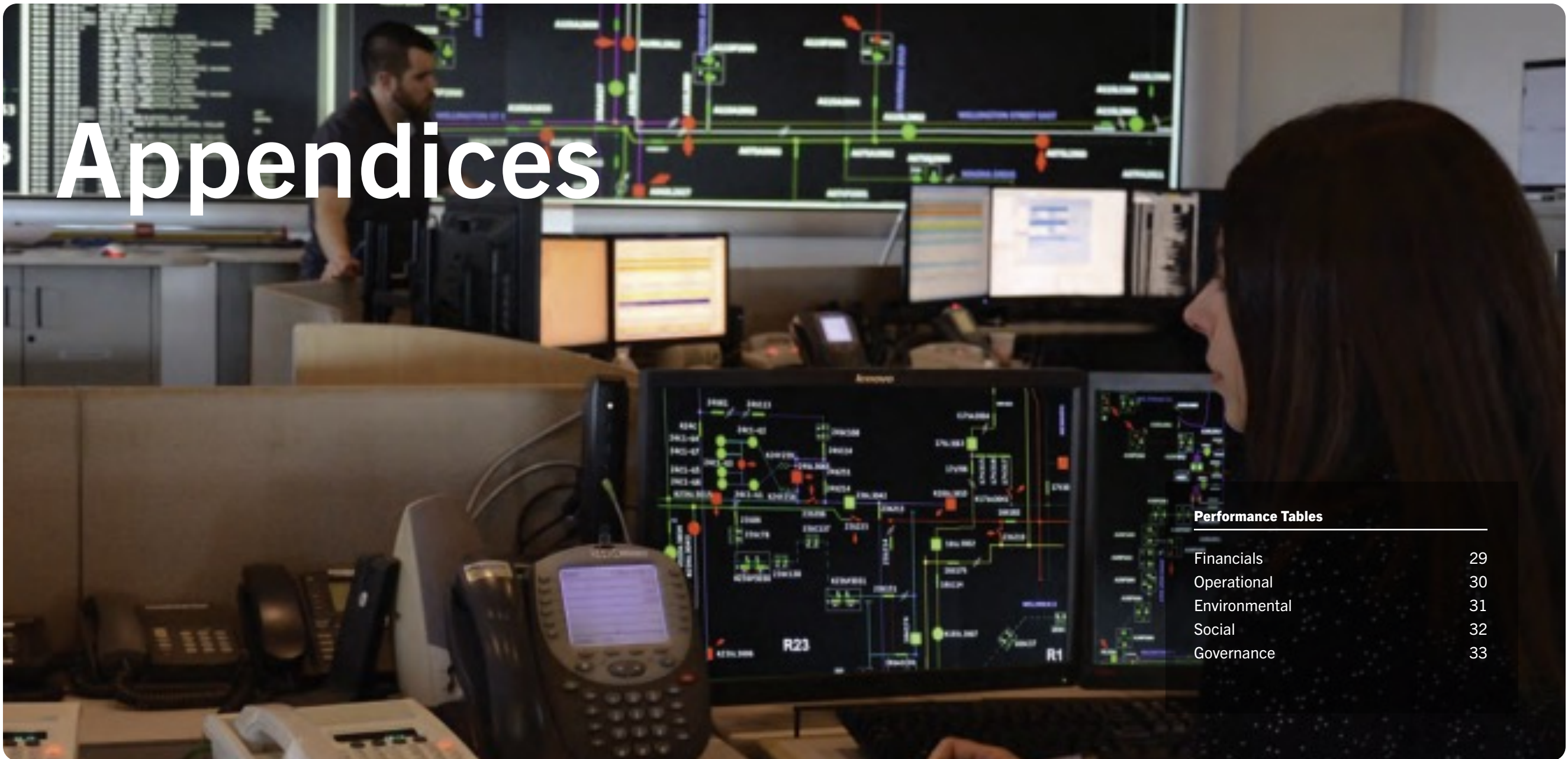
2. **Digital Wallet and Online Payment Options:** Facilitating ease of transactions and financial interactions.
3. **Self-Service Capabilities:** Empowering customers with automated payment arrangement plans, rate plan option analysis and shifting, aligning with the growing preference for self-service.

These features are integral in driving operational efficiencies, evidenced by higher ebill penetration and an increase in automated digital transactions.

Additionally, the platform’s future enhancements, including agent-assisted chat, chat-bots, and data analytics-driven personalization slated for 2024 and 2025, are geared towards creating a seamless and personalized customer experience.

Our baseline metrics paint a promising picture of our digital foundation’s strength. With an ebill adoption rate of 38 per cent, and 50 per cent of our customers opting for self-service when available, we are witnessing a significant shift towards digital engagement. Moreover, our call centre’s first contact resolution rate stands at an impressive 78 per cent, underscoring our effectiveness in addressing customer needs promptly and efficiently.

The customer experience platform is more than just a technological advancement; it is a strategic initiative aligned with our commitment to customer satisfaction and operational excellence.



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Financials

Selected consolidated financial information¹

Year Ended December 31, 2023 (C\$M)	2023	2022
Operations		
Revenue		
Distribution revenue	716	620
Electricity sales	3,032	3,079
Other	208	205
	3,956	3,904
Expenses		
Cost of power	3,055	3,169
Operating expenses	397	387
Depreciation and amortization	201	191
	3,653	3,747
Income from operating activities		
	303	157
Net finance costs	(96)	(79)
Loss on derecognition of property, plant & equipment & intangibles	(6)	(6)
Loss on fair value of contingent consideration	–	(7)
Share of net loss of joint venture	(1)	–
Impairment loss on investment in associate	–	(6)
Income before income taxes		
	200	59
Income tax expense	(54)	(19)
Net Income		
	146	40

¹ Consolidated financial information is derived from the audited consolidated financial statements for Alectra Inc.

^{2,3} These balances are calculated based on Modified IFRS as determined by the OEB, which includes certain other regulatory balances not recognized for financial statement purposes under IFRS.

Year Ended December 31, 2023 (C\$M)	2023	2022
Balance Sheet Summary		
Total assets	6,077	5,720
Loans and borrowings (includes short-term debt)	2,612	2,527
Total shareholders' equity	1,801	1,736
Property, plant & equipment, goodwill & other intangible assets	5,318	5,011

Cash Flow Summary

Cash at beginning of year	48	32
Net cash from operating activities	573	365
Net cash used in investing activities	(500)	(355)
Net cash used in (from) financing activities	(100)	6
Cash at end of year	21	48

Other Financial Statistics

Net income (before net movements in regulatory balances) ²	140	122
Adjusted funds from operations	368	215
EBITDA (before net movements in regulated balances) ³	423	408

For additional information please click on this link to: [Alectra Inc. 2023 MD&A](#)



Performance Tables

Operational

	Units	2017	2018	2019	2020	2021	2022	2023
Electric Utility								
Number of customers served (AUC)	(Number)	987,000	991,103	1,054,614	1,062,041	1,069,684	1,076,538	1,082,647
Electricity delivered in Alectra service territory	(GWh)	24,397	25,437	26,490	26,211	26,400	26,969	26,731
Energy Use								
Energy Use (Facilities)	(GJ)	100,090	104,929	103,957	93,123	92,116	98,390	98,073
Distribution								
Total Primary and Secondary Circuits (wire)	(km)	26,421	39,705	41,937	42,072	42,888	50,795	51,073
Total Primary Circuit (wire - O/H and U/G)	(km)	19,852	19,897	21,112	21,170	21,581	21,684	21,963
Number of distribution transformers	(Number)	113,622	113,675	120,961	120,902	127,086	127,149	128,895
Number of municipal transformer stations	(Number)	159	155	169	150	149	149	149
Number of transformer stations	(Number)	12	13	13	14	14	14	14
Number of utility poles and pole structures	(Number)	167,973	123,737	134,407	134,071	135,523	136,452	137,562
Power Generation (FIT)								
Total Solar Generation	(MWh)	26,224	25,702	25,543	26,923	25,926	25,525	24,148



Environmental

	Units	2017	2018	2019	2020	2021	2022	2023
Grid Resiliency								
Net Capital Investment in Distribution System (excluding general plant)	(\$ million)	243	221	232	225	232	206	250
Reliability								
System Average Interruption Duration Index (SAIDI) (MEDs and LOS Removed)	(hours / customer)	0.8	1.04	1.07	0.95	0.98	0.88	0.83
System Average Interruption Frequency Index (SAIFI)(MEDs and LOS Removed)	(# of interruptions / customers)	1.11	1.33	1.26	1.18	1.15	1.07	1.06
Water Consumption								
Water Consumption	(m ³)	32,712	30,063	28,518	27,696	25,418	25,940	25,472
Spills								
Significant Spills (over 500 litres)	(Number)	2	6	8	1	8	7	1
GHG Emissions (AUC - Controllable)								
Scope 1 Emissions	(tonnes CO ₂ e)	8,505	8,230	7,011	6,469	6,918	6,565	9,717
Scope 2 Emissions	(tonnes CO ₂ e)	369	819	873	722	773	799	809
Total GHG Emissions (AUC)	(tonnes CO ₂ e)	8,873	9,049	7,884	7,191	7,691	7,364	10,526
GHG Emissions by Source (AUC only)								
Facilities (tonnes CO ₂ e)	(tonnes CO ₂ e)	2,275	2,720	2,599	2,111	2,272	2,506	2,481
Fleet (tonnes CO ₂ e)	(tonnes CO ₂ e)	5,658	5,499	5,194	4,333	4,855	4,693	4,574
SF6 (tonnes CO ₂ e)	(tonnes CO ₂ e)	940	830	92	747	564	165	3,471
Total GHG Emissions (AUC)	(tonnes CO ₂ e)	8,873	9,049	7,884	7,191	7,691	7,364	10,526
GHG Emissions (AUC - Uncontrollable)								
Line Losses	(kWh)	842,827,478	828,317,155	880,333,111	876,979,391	873,452,131	862,771,950	837,784,141
Line Losses	(tonnes CO ₂ e)	14,646	22,746	23,294	22,304	24,859	24,555	23,844
Air Quality								
VOC Emissions	(tonnes CO ₂ e)	0.087	0.087	0.079	0.063	0.068	0.079	0.078
NO ₂ Emissions	(tonnes CO ₂ e)	1.586	1.577	1.432	1.152	1.243	1.429	1.416
SO ₂ Emissions	(tonnes CO ₂ e)	0.010	0.009	0.009	0.007	0.007	0.009	0.008
Particulate Matter (PM10 _{Total})	(tonnes CO ₂ e)	0.121	0.120	0.109	0.088	0.095	0.109	0.108



Social

	Units	2017	2018	2019	2020	2021	2022	2023
Employee and Contractor Safety								
Lost Time Injury Frequency Rate (LTIFR)	(LTI per 200,000 hours worked)	0.24	0.21	0.36	0.17	0.55	0.25	0.08
Hazard related Proactive Reporting	(Number)	92	64	71	44	52	51	113
Employees								
Total Number of Employees	(Number)	1,500	1,510	1,446	1,440	1,534	1,526	1,518
Employee Turnover Rate	(%)	N/A	7.70%	8.50%	5.70%	8.90%	9.70%	7.66%
Training and Development								
Average Hours of Training per Year per Participant	(Hours)	N/A	4.15	16.5	10.1	12.7	25.44	20.34
Women at Various Levels								
Executive Management (C-Suite, EVP and S/VP)	(% Women)	0%	19%	19%	19%	14%	25%	32%
First-Level Management (Below Executives)	(% Women)	N/A	34%	31%	31%	35%	37%	33%
Student (Co-op and Intern)	(% Women)	N/A	N/A	N/A	N/A	N/A	37%	33%
Total Workforce (Permanent & Temporary)	(% Women)	33%	31%	32%	32%	32%	33%	33%
Unions								
Employees Covered by a Collective Bargaining Agreement	(%)	62%	60%	63%	61%	62%	61%	60%
Community Investment - Annual Budgets								
Community Investment	(\$ million)	0.90	0.84	1.12	0.90	1.14	1.49	1.39



Governance

	Units	2017	2018	2019	2020	2021	2022	2023
Board ED&I	(% Women)	31%	36%	29%	29%	29%	36%	36%
Board Independence	(% Out of 100%)	62%	57%	57%	57%	57%	57%	57%
Customer Satisfaction								
Customer Satisfaction	(% Out of 100%)	88%	91%	93%	93%	92%	94%	94%



2023 Environmental, Social and Governance Report

Alectra's family of energy companies distributes electricity to more than one million homes and businesses in Ontario's Greater Golden Horseshoe area and provides innovative energy solutions to these and thousands more across Ontario and beyond.



Please contact us for more information about Alectra and our efforts to create sustainable value in the energy sector.

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