



Discovering the possibilities

2020 Annual Sustainability Report



About our sustainability report

The Alectra Inc. 2020 Annual Sustainability Report provides details about Alectra's social, environmental, and economic impact, as well as issues that are of significant interest to our stakeholders as validated through a third-party assessment and a variety of engagement activities. Significant issues include: Health and Safety/Public Health and Safety; Infrastructure Modernization; Community Engagement; Climate Change; Customer Services; Energy Affordability; Waste and Materials Management; Equity, Diversity and Inclusion; Employee Well-Being, Engagement and Development; Energy Efficiency; and Financial Performance. Many of these issues were brought into sharper focus as the COVID-19 pandemic affected all aspects of the corporation and the communities we serve. This report discusses the impact of these issues in detail.

This is Alectra's fourth Annual Sustainability Report. Transparently sharing our performance and progress is one way of demonstrating our commitment to the three pillars of sustainability – people, planet, and performance.



A background image showing a person's hand reaching out towards a playground structure in a park. The hand is in the foreground, and the playground equipment is in the background, slightly out of focus.

Our 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.

Our vision is to be Canada's leading distribution and integrated energy solutions provider, creating a future where people, businesses, and communities will benefit from energy's full potential.

Our mission is to provide customers with smart and simple energy choices, while creating sustainable value for our shareholders, customers, communities, and employees.

Our values are safety, respect, customer focus, excellence, and innovation.

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As one of Canada's leading energy companies, Alectra Inc. is shaping the future of energy.

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, which in turn has two wholly-owned subsidiaries: Alectra Energy Services Inc. and Alectra Power Services Inc. Alectra Energy Services has a wholly-owned subsidiary Util-Assist Inc.

By integrating our people, processes, and systems, Alectra has emerged as one of Canada's leading energy companies, driving energy innovation while maintaining a strong balance sheet and endeavouring to deliver maximum value for our employees, customers, shareholders, and communities.





Sustainability at Alectra

Our sustainability framework – AlectraCARES

AlectraCARES is the umbrella framework that embeds sustainability principles into our core business strategy and operations helping to create enduring value and connects us to the three pillars of sustainability – people, planet, and performance.

#alectraCARES



The pandemic challenged us, but in many ways it has brought us closer together. Though many of us worked from home, our crews and support staff were in the field, and we were able to maintain service levels, complete infrastructure improvements, and execute growth investments.”

Brian Bentz
President and CEO, Alectra Inc.

Alectra Utilities Corporation (Alectra Utilities) is the second-largest municipally-owned local distribution company (LDC) in North America, providing electricity distribution services to more than one million customers 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 competitive commercial rooftop solar photovoltaic generation business.

Alectra Energy Solutions Inc. provides wholesale metering services for commercial properties, as well as bulk meter testing, verification and installation.

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.

Discovering the Possibilities

“Discovering the Possibilities” details the company initiatives that contributed to Alectra’s success during 2020. Despite the most unusual circumstances, Alectra built on its sustainability commitments and delivered impressive results for its employees, customers, shareholders, and communities – while remaining a trusted ally in the rapidly changing world of energy.

People

A commitment to people is at the heart of our values. It extends beyond our employees into the communities we serve.

620,000

MEALS DONATED TO LOCAL FOOD BANKS

\$610,050

DONATED TO LOCAL UNITED WAY CHAPTERS

~\$1 million

ALECTRACARES COMMUNITY INVESTMENT



Ontario Energy
Association’s
Contributor of the Year

Indy Butany-DeSouza,
Vice President,
Regulatory Affairs

IMPLEMENTED LINKEDIN LEARNING PROGRAM

for employees with 10,000 available courses

TRANSITIONED SMOOTHLY

to a remote work environment for office employees

HONOURED AS AN IMAGINE CANADA “CARING COMPANY”

– the first electrical utility in Ontario to be awarded this designation in each of the last four years

Planet

We are committed to reducing our environmental footprint.

23% reduction

IN GHG EMISSIONS

26.78 GWh

SOLAR ENERGY GENERATED

35,824

LED BULBS INSTALLED IN STREETLIGHTS



Corporate Knights' Top 30-Under-30

Anastasia Boutziouvis,
Specialist, Grid Innovation

AWARDED SUSTAINABILITY LEADERSHIP AWARD

by Sustainable Hamilton-Burlington

RECOGNIZED BY CORPORATE KNIGHTS

as one of Canada's Top Three Companies in its Best 50 Corporate Citizen rankings

Performance

At Alectra, performance means delivering value to the one million customers we serve, while generating dividends to our community shareholders.

\$281 million

INVESTED IN INFRASTRUCTURE PROJECTS TO ENHANCE SYSTEM RELIABILITY

\$559 million

ELECTRICITY DISTRIBUTION REVENUE

\$5.35 billion

TOTAL ASSETS



Ontario Energy Association's Lifetime Achievement Award

Max Cananzi, President,
Alectra Utilities

AWARDED THE 'TOM MITCHELL ELECTRIC VEHICLE UTILITY LEADERSHIP AWARD'

by Plug'n Drive and the Canadian Electricity Association

AWARDED THE PRESTIGIOUS PUBLIC UTILITY OF THE YEAR

by the international Smart Electric Power Alliance (SEPA) – the first-ever Canadian utility to win this award

Creating a cleaner, brighter future.

Norm Loberg, Chair of the Alectra Board of Directors and Brian Bentz, President and Chief Executive Officer of Alectra Inc., provide their perspective on the pandemic, lessons learned, and where prevailing megatrends will take the industry in 2021.

What is the number-one takeaway from 2020, the year of the pandemic?

Norm Loberg – The business is changing and we are adapting to a new normal. We know, as the environment changes, the customer continues to need conventional services. We also know that they're asking for more autonomy to create their own energy experience. They want options – such as flexible payment plans, sustainable generation, and distributed energy resources.

Brian Bentz – We all learned many lessons from the pandemic, and it challenged us in many ways. It brought us together, even though many of us worked from home. We were able to maintain service levels, complete infrastructure improvements, and execute growth investments. Our people make us a great company. I can't say enough about how our employees supported each other and pulled us through the pandemic. Their dedication to the business and their generosity in the community is what sets us apart.

What do you see as some of the most significant accomplishments by Alectra in 2020?

Norm Loberg – The proven resilience of our organization is surely one of the most positive outcomes of the pandemic. It's shown me that our people are ready to tackle any challenge head-on. 2020 was a year that shined a spotlight on equity, diversity and inclusion issues. At Alectra, we want to continue to be frontrunners on this critically important issue. We've also been reminded that safety is always our top priority. It has sharpened our perspective and refined our focus on the customer.

Brian Bentz – We were able to maintain our emphasis on the safety of our people and communities. Our emergency preparedness team was able to quickly respond to this, so we were ready when the government declared pandemic restrictions. And we were able to give back by donating to hospitals, food banks, the United Way and many grass roots social service agencies.

How has your customer changed over the past 12 months?

Norm Loberg – Truly sustainable firms realize that the business is more than just a balance sheet. We're being judged on our environmental, social, and governance practices as well. Our customers want to see us contributing to a stronger community. We have built upon our proven legacy as a leading "poles and wires" company. Now we are a leading "distribution and integrated energy services" company. That's why we raise and re-direct hundreds of thousands of dollars each year to community organizations helping those less fortunate.

Brian Bentz – Our customers are at the centre of everything we do, but that relationship is changing as they become more empowered by technology, and we in turn become a digitally enabled company. Many can now produce their own power, and energy literacy is growing especially among younger people. They are "pro-sumers," and we are embracing this new relationship.



Norm Loberg
Chair of the Board of Directors



Brian Bentz
President and Chief Executive Officer
Alectra Inc.

Given the highly unusual nature of 2020, what lies ahead for Alectra?

Norm Loberg – A profound and permanent change is rolling across the global economy, and we plan to adjust our business as required to ensure that we remain competitive. We’re using technology to create a more rewarding customer experience; we’re adopting innovative systems and processes to drive the modernization of the power grid; and we’re pursuing new investments to ensure growth in a changing world. We’re partnering and collaborating with other non-traditional businesses to decarbonize and decentralize the energy industry, digitalize our own operations, and make the entire process more democratic for the consumer.

Brian Bentz – We are taking several paths to drive growth, modernization, and to achieve best in class customer experience through our Strategy 2.0. Digitalization will enable us to innovate; decarbonization will reduce our environmental footprint with a staged goal of net-zero emissions; decentralization will increase our generation, transmission, and distribution options; and democratization will enable our customers to be participants in building future energy services. Smart meters and price signals will help us reduce stress on our physical assets; renewables will lessen our dependence on fossil fuels; distributed energy resources will increase customer autonomy.

Which emerging technologies do you believe are the most significant game-changers for Alectra?

Brian Bentz – Energy efficiencies are beginning to have a disruptive impact on the industry, so we are seeing reduced loads in many segments of the business. But we’re optimistic about our growth opportunities. Regulators recognize the industry is changing and that we must change with it, so we have more flexibility to pursue new opportunities. That’s what drove our utility acquisition strategy and why we’re always looking for new investments that fit the Alectra business model. And we also expect to find opportunities in emerging industries, such as electric vehicles, distributed energy resources, and behind-the-meter energy management solutions with large industrial users.

Norm Loberg
Chair of the Board of Directors

Brian Bentz
President and Chief Executive Officer

Businesses around the world had to adapt to the disruption caused by the pandemic. Alectra’s ability to plan for emergencies allowed us to be nimble and quickly react to the impact of the pandemic. Alectra engaged in an unprecedented response – for its employees and communities – while remaining focused on business continuity. Alectra is committed to leadership in the face of all challenges, in our industry and our communities, as an employer and as a business partner. Here is a snapshot of our COVID-19 response in the communities we serve.



Personal protective equipment is a critical element in keeping healthcare workers safe while providing care to patients. Thank you to Alectra for their support of Niagara Health.”

Derek McNally
Executive Vice President, Clinical Services
and Chief Nursing Executive, Niagara Health



Alectra’s donation gives Niagara Health a critical tool in the battle to limit the damage done by COVID-19. The ability to sanitize and re-use masks is a sustainable solution that protects our frontline healthcare workers.”

Jim Bradley
Regional Chair, Niagara Region

United Way

In 2020, the United Way provided critical relief to thousands of people across the Greater Golden Horseshoe Region who were facing economic difficulty due to COVID-19. Our employees pledged over \$75,000, and when combined with matching funds through the United Way “Local Love in a Global Crisis” campaign, Alectra directed more than \$600,000 to five United Way chapters across our service area.

Food Banks

Due to the COVID-19 pandemic, food banks across Alectra’s service territory struggled to cope with the growing demand for food. To assist, Alectra donated a total of \$230,000 to food banks across eight communities: Barrie,

Brampton, Guelph, Hamilton, Markham, Mississauga, St. Catharines, and Vaughan.

Particulate Respirator Mask Donations

Despite being named an essential service, we always knew that other heroes were showing up each day in the hospitals and long-term care facilities. So when these critical workers faced a shortage of personal protective equipment (PPE), Alectra donated 16,800 N95 particulate respirator masks to seven hospitals across our service territory. The recipients included: Royal Victoria Regional Health Centre in Barrie, Guelph General Hospital, Hamilton Health Sciences, Markham-Stouffville-Hospital, Trillium Health Partners in Mississauga, Niagara Health – St. Catharines Site, and Mackenzie Health in Vaughan.



Alectra provided 16,800 N95 particulate respirator masks to hospitals across our service territory.

Mask Sanitizer Donation to Niagara Health

Early in the pandemic, Alectra recognized a growing concern among healthcare workers regarding the shortage of N95 masks. We partnered with Clean Works of Beamsville, Ontario to purchase and donate an N95 mask cleaner to the Niagara Health Foundation. This \$85,000 machine destroys up to 99.9 per cent of pathogens and viruses found on used masks, meaning that frontline workers could reuse single-use masks and stay properly protected while treating patients suffering from COVID-19.

Emergency Operations Centre

Activated within days of the declaration of an emergency, our Emergency Operations Centre (EOC) was a key element in our success in 2020, particularly in terms of safety and sustainability. The EOC ensured that we were operating following our corporate emergency plan and working collaboratively with federal, provincial, and municipal partners to ensure the health, safety, and well-being of all our stakeholders. The EOC ensured the continued safe and reliable operation of our electricity grid and other services required to support emergency field operations and public safety.

Teddy Bears and Gift Cards

Proceeds from our annual Children's Holiday Parties are usually donated to *Million Dollar Smiles*, a charity that gives giant yuletide teddy bears to children facing life-threatening illnesses. When COVID-19 forced the cancellation of their holiday season events, Alectra employees came up with an alternative plan to donate \$10,000 in gift cards to 80 children and their families.

Volunteering Expert Skills

Alectra employees are not only caring essential workers, but they're also generous with their skills, like Mike Montgomery, Protection and Control Technician, who volunteered a week and a half of his time to solder hundreds of tiny parts into circuit boards used in life-saving ventilators produced by *Battlefield International*.

Work-From-Home

Safety and sustainability are our priorities. As the pandemic grew overseas, our Safety and Operations teams began planning ahead. As the pandemic emergency was declared, Alectra equipped its employees to perform their work duties from home. Despite missing the daily interaction of office life, our employees responded well to this change in circumstances. As the lockdown orders were modified by Public Health officials, we modified our service centres and vehicles for our Operations staff to return to work in a safe manner to continue delivering our essential service.



Michael Montgomery volunteered his time and skills when they were needed most.



Making ventilators is not our core business but we pivoted. Mike did the same thing, bringing his skill set to the table in a time of need. He is proof that during tough times, people pull together and get done what needs doing.”

Steve Fenton
President, Battlefield International



Joe Tran, Specialist, IT Planning & Governance, working safely from home.

People

A commitment to people is at the heart of our values. It extends beyond our employees into the communities we serve. Our efforts in 2020 were particularly inspiring as together we faced the COVID-19 global pandemic. Social distancing, working from home, and restrictions on gatherings presented new challenges, so we made every effort to support our employees and our communities.



Highlights

1,440

Employees

31%

Women employees

>13,000

Hours of safety and compliance training

Employees

Our number-one priority is always employee safety. Of course, this commitment goes beyond COVID-19. Though not all our employees work in a dangerous occupation, many work around heavy machinery and high voltage power lines. Our primary objective is to ensure that everyone who shows up for work each day makes it home safely each night. Our safety efforts reach beyond our employees and contractors into the communities we serve.

Employee Health and Safety

In 2020, we recorded two lost-time injuries including one critical injury – a year-over-year reduction in both categories.

To ensure a continuous focus on safety, Alectra employees completed more than 13,000 hours of safety and compliance training in 2020.

National Day of Mourning

Each year Alectra celebrates the *National Day of Mourning* to remember and honour the thousands of workers who have lost their lives, been injured, or suffered illness from workplace-related incidents. It's an occasion to remember the many families and friends who have been affected by these tragedies, an event made even more poignant as we reflected

on all of those in our communities whose lives were directly affected by COVID-19, including all frontline workers. To recognize the solemn nature of this day, on Tuesday, April 28, we lowered our flags to half-mast.

Equity, Diversity & Inclusion

Establishing a sense of belonging for all employees is a critical part of building an inclusive culture that supports a diverse and equitable workforce. At the core, the higher the level of inclusion, the higher the level of well-being and engagement for our employees, which can lead to better business results and better service to our communities. In an effort to prioritize inclusion at Alectra, in 2020, we launched the Equity, Diversity and Inclusion policy, recognized numerous cultural observances and developed an Anti-Racism Campaign, which featured the 21 Day Racial Equity Habit Building Challenge, where employees were challenged to choose one action for twenty one days to further their knowledge of racial equity, diversity or inclusion. Additionally, Alectra celebrated International Women's Day by encouraging employees to participate in a photo contest focusing on gender equality awareness. It is also worth noting that of our 1,440 employees, 31 per cent are women, a ratio also closely reflected in the composition of our board of directors (29 per cent). Women made up 33 per cent of our senior leadership team in 2020.



Daloris Grohman shared her strategy for relieving stress – exercise.

Employee Learning

Alectra piloted a LinkedIn Learning program offering over 10,000 online courses, short videos, and e-books on topics such as software, technology, and finance. Our employees completed almost 3,000 hours of learning through the platform between June and December, thereby continuing to develop skills and insights even while working remotely.

Employee Surveys

Alectra distributed employee surveys to keep a pulse on their views and expectations. Based on this feedback, Alectra leadership remains committed to improving our culture to enhance employee engagement. A few highlights are presented below:

- 961 employees completed the survey, which represents a response rate of 62 per cent (despite the pandemic)
- 92 per cent or more are proud of the way that Alectra has managed its response to the pandemic, and believe that thorough planning and preparedness has been demonstrated

- 94 per cent believe that Alectra has made decisions during the pandemic that reflect and demonstrate the company values
- 93 per cent are proud to work for Alectra and state that they would still choose to work here if faced with the same decision again
- 90 per cent state that differences and diversity are valued at Alectra
- 83 per cent believe that Senior Leadership and the Executives are leading growth and change effectively
- 85 per cent confirmed that Alectra is a good place to pursue their career goals
- 86 per cent believe Alectra is committed to employee learning, development and growth
- 86 per cent state that they belong to a real team in their work group (department) and continue to have good collaboration with their work group and with others whom they work

We also conducted surveys to gather employee inputs to direct \$50,000 of our corporate sponsorship funding based on the not-for-profit and charitable organizations that meant the most to the employees.



Mental Health and Well-being

The COVID-19 pandemic helped to shine a light on the need for us to enhance our support for mental health and well-being. Alectra's 2020 mental health and wellness initiatives included the following:

Canadian Mental Health Association (CMHA) – In collaboration with the CMHA Social Connection, we encouraged our employees to hashtag (#getreal) in all our social media posts.

Bell Let's Talk Campaign – We released mental health information to employees each week in January leading up to Bell 'Let's Talk' day. Employees shared tips on how they managed their mental well-being on activity boards available at our work locations.

People Connect – In addition to our Employee Assistance Program (EAP), Alectra offered additional mental health support throughout the COVID-19 pandemic through our People Connect resource.

Mental Health Training – We continued to address the importance of mental health with ongoing education and support for employees. Several new mental health training modules were introduced highlighting signs and symptoms of mental health concerns and explaining how to engage in difficult conversations.

Staying Connected – In response to the isolation caused by the pandemic, Alectra established the *Stay Connected* platform to create a community space where Alectra colleagues could engage virtually through various interactive themed campaigns, showcasing ways to keep in touch. At the beginning, many people shared photos showing their temporary workspaces. And it didn't take long for people to engage in virtual games, online competitions, and mask contests. Other employees used the new technologies to pursue interests outside work, such as yoga, karaoke, and meditation. Some became crossword and sudoku masters. And on evenings and weekends, some employees channeled their inner creativity by moonlighting as bakers, chefs, and hairdressers.

Move More Challenge – To kick off Healthy Workplace Month in October, Alectra launched the Move More Challenge through a third-party platform called Wellable. The challenge lasted for four weeks and allowed participants to track their daily movement through a points system. A total of 200 people participated in the challenge by walking 54,465 kilometres.

Virtual Yoga – In October, Alectra offered two virtual yoga sessions during lunch hours. Forty people participated in the first session and 53 in the second session.



Embracing equity, diversity, and inclusion is critical to our success, not just because these issues are important to our employees and customers, but because it's the right thing to do. Alectra wants to be a big part of the change we all want to see in society."

Barb Gray
Senior Vice President, People & Safety,
Alectra Utilities Corporation



John Basilio, Executive Vice President and Chief Financial Officer, was an active participant in the 'Move More Challenge'.



Our efforts to keep people safe around electricity and all the work we do extends beyond our employees and contractors into the communities we serve.



Customers

Early on, Alectra recognized that the pandemic might cause financial difficulties for many households, so we extended a disconnection ban for residential customers to ease some of their anxiety. We accommodated commercial customers with arrears by establishing affordable payment plans to give them time to stabilize their businesses and manage outstanding balances.

An Ally for Customers in Need

Alectra’s Customer Service team worked tirelessly to help customers who were facing financial difficulties during the pandemic. Alectra waived the Late Payment Charge from April 15 to August 30 for residential, small business and water service customers. In addition, Alectra updated the Credit Policy to allow customers to apply held security deposits to arrears, with the security deposit to be re-paid in instalments. We also helped many customers access all available funding assistance.

Arrears Payment Plans

Short-term plans and long-term agreements are designed to help eligible residential and small business customers who were unable to pay their electricity bills.

Low-income Energy Assistance Program (LEAP)

LEAP offers a one-time payment to assist qualifying low-income customers. In 2020, Alectra dispersed \$236,349 to 445 low-income families.

Ontario Electricity Support Program (OESP)

OESP offered at least 43,000 qualifying low-income customers with monthly credits on their electricity bill.



AffordAbility Fund™

Through Ontario’s AffordAbility Fund™ 7,159 eligible customers received energy-saving devices such as smart power bars, LED light bulbs, ENERGY STAR® appliances, and air source heat pumps for homes with electric heat. These projects resulted in 11.5 megawatt hours of energy savings in 2020, a 141 per cent year-over-year increase.

COVID-19 Energy Assistance Program (CEAP)

Through the CEAP program, Alectra supported 5,197 customers directly impacted by the pandemic with \$503,222.

COVID-19 Energy Assistance Program for Small Business (CEAP-SB)

CEAP-SB supported 785 customers with \$367,020 in assistance to pay their electricity bills.



Communities

Our commitment to people extends beyond our employees and customers. In fact, our relationships with the 17 communities we serve are also critical to our success, because customers don't deal with institutions, they interact with our people. Regardless of what happens in the wider world, one thing won't change for us: delivering value for our customers, shareholders, and communities.

AlectraCARES Community Support Programs

At no point after March 2020 were we operating in business as usual mode. Our new normal required us to review all our business plans, including our sponsorships and donations. As a result, Alectra re-allocated additional funding to the United Way. We also directly supported a broad range of important community organizations with almost \$1 million in donations, as well as volunteer hours. Examples of recipients in 2020 included:

Wesley Urban Ministries – a local non-profit organization that supports people experiencing poverty, homelessness, and other barriers in the Hamilton area.

Trillium Health Partners, Project Now – a foundation aspiring to end child and youth suicide in Peel Region.

Ross Tilley Burn Unit – helps to advance research into the mental health struggles faced by burn patients.

Jennifer Ashleigh Children's Charity – provides emergency financial relief to families of seriously ill children.

Second Harvest – created the *foodrescue.ca* program that facilitates the donation of surplus food directly to local charities that serve vulnerable individuals and families.

Boys & Girls Clubs of Niagara – created the *EatWell Program* in St. Catharines to provide youth with meals, snacks, and education on proper eating habits.

Walk a Mile in Her Shoes

In 2020, Alectra and friends were the top fundraising team for this virtual event. Team Alectra raised over \$13,000 to help end violence against women, exceeding our target and helping YWCA (Hamilton) raise over \$115,000 – the highest fundraising total ever garnered from a "Walk a Mile in Her Shoes" campaign.



Nabila Alibhai, Policy Advisor, Government and Industry Relations, 'walked the walk' to end violence against women.

Ride to Conquer Cancer

Alectra once again proved to be a dependable partner with extensive virtual participation in the Enbridge® *Ride to Conquer Cancer* for the 4th consecutive year. Despite COVID-19 restrictions, the 32-member Alectra team, led by Doug Fairchild, Vice President Distribution Design, raised over \$40,000 for the Princess Margaret Cancer Centre.



Alectra believes that empowering communities is a key component of our sustainability efforts.



I was immensely touched by Deborah’s gesture and truly appreciate her promptness considering we have seniors and a toddler living with us. She truly demonstrated the spirit of supporting one another as we work through these challenging times together.”

Deepa Puthran
Inside Sales Coordinator



Daloris Grohman’s ‘gas for food’ initiative helped raise over \$40,000 for local food banks.



Living Our Values

Our employees live Alectra’s values and support one another and their local communities. These are just a snapshot of some of the outstanding examples:

Giving and Sharing

Putting people first matters at Alectra, and it’s especially heartwarming to hear how one family supports another beyond the workforce. Just as COVID-19 emerged and many stores were running out of essential items, Deepa Puthran, Inside Sales Coordinator, was struggling to find some basic household supplies she needed for her family. Hearing of her difficulties, Deborah Subidarsingh, Business Analyst, took it upon herself to track down the necessary gear. She purchased the items and delivered them to Deepa’s home – an act of kindness that helped Deepa and her family better manage their household routines during the early days of the pandemic. Thank you to Deepa for sharing this story, and a special thank you goes to Deborah for exhibiting the values that we share at Alectra!

Gas For Food

You can see the heart and soul of an organization when times get tough, and Alectra is full of stories of ingenuity and community spirit. We’re most proud of the stories about employees giving back through acts of kindness and generosity. For instance, when Communications Advisor, Daloris Grohman, began working from home, she donated the money she saved in gas to her local food bank every week. Daloris’ kindness inspired Alectra’s leadership to launch a corporate matching program, whereby any donations made by our employees to a registered Ontario food bank were matched in the form of a corporate gift to the “Feed Ontario’s COVID-19 Emergency Food Box” program.



360°kids SUPPORT SERVICES

360°kids helps at-risk youth transition from a state of crisis to one of safety and stability. For many years, our Customer Service/Customer Care team has provided support to 360°kids by reviewing wish lists and shopping for requested items. But due to social distancing restrictions, Lidia V, Billing Supervisor, Maureen P, Customer Service Representative, and Linas Medelis, Vice President Customer Service, re-focused their team’s efforts on fundraising, collecting nearly \$2,000 to help homeless and at-risk kids and their families in York Region, Hamilton, and Guelph. 360°kids recognized Alectra’s support in their newsletter: “It is because of [Alectra’s] generosity that we can provide responsive services that keep youth fed, provide them with resources, and help move so many from a place of crisis to stability.”



The response from our employees and customers was incredible. Their generosity embodies the values that we stand for at Alectra. Giving back and being present in our communities is at the centre of what we do.”

Brian Bentz
President and CEO, Alectra Inc.



\$2,000

was collected to help homeless and at-risk kids and their families



Food Bank of York Region

Nathalie McLaughlin, Vice President, Energy Solutions, and her family volunteered their time to support the food bank in their community.

Planet

Our commitment to sustainability rests on three pillars, each one as important as the next. This is why the sustainability of our planet is always central in all our plans and execution. Our One Planet program was designed to help Alectra reduce its corporate greenhouse gas emissions and help our customers transition to low-carbon energy solutions with the implementation of innovative technology.





Highlights

23%

Reduction in greenhouse gas emissions

>26 GWh

Solar energy generated – enough electricity to power 2,900 homes for one year

35,824

LED streetlights retrofitted

Reducing Emissions

The results of the One Planet program to date are impressive, with GHG reductions down by 23 per cent or a total of 2,219 tCO₂e since 2016. The reductions in 2020 were primarily attributed to a decrease in fuel consumption from our fleet. In the spring, many projects were paused due to the impact of COVID-19, and our crews were not out in the field as frequently.

Our natural gas consumption declined due to the replacement of infrared heaters and boilers at our service centres, and by re-optimizing the Building Automation System (BAS). Electricity consumption dropped due to lighting retrofits at our Hamilton office. Our original aim was to come in 20 per cent below the 2016 baseline by 2026. Having achieved this target, Alectra will work to develop new goals, including long-term, aspirational targets.

	2016	2017	2018	2019	2020
Scope 1 – Fleet fuel, natural gas and SF6	8,870	8,511	8,226	6,993	6,513
Scope 2 – Electricity and district heating and cooling	649	367	852	926	787
Total tCO ₂ e	9,519	8,878	9,078	7,919	7,300
% reduction		7%	4%	17%	23%

Notes:

- GHG emissions were calculated following the principles and requirements of ISO 14064-1, and the Greenhouse Gas Protocol – a Corporate Accounting and Reporting Standard.
- The calculations took into account 10 facilities, comprised of three corporate offices in Mississauga, Vaughan, and Hamilton, and seven service centres in Markham, Brampton, Mississauga, Barrie, St. Catharines, Hamilton, and Guelph. Excluded are substations and transformer stations. The 2016 baseline was adjusted to include the Guelph facility.
- The 2020 release of Canada's National Inventory Report 1990-2018: Greenhouse Gas Sources and Sinks in Canada showed that between 2018-2019 the following adjustments were made:
 - The electricity emissions factor increased from 20g CO₂e/kWh to 29g CO₂e/kWh.
 - The national transportation gasoline emission factor increased from 2298.75g CO₂e/L to 2316.75g CO₂e/L.
 - The national transportation diesel emission factor increased from 2723.20g CO₂e/L to 2740.73g CO₂e/L.
- In 2020, the Hamilton provider of district cooling reported that between 2019 and 2020 the emission factor had decreased from 0.038 TCO₂e/MWh to 0.008 TCO₂e/MWh. There are no changes to the district heating emission factor.
- Alectra is now utilizing the Electricity Generation emissions factor from Canada's National Inventory Report 1990-2018: Greenhouse Gas Sources and Sinks in Canada resulting in minor adjustments to the electricity emissions from 2016 and 2017.



This award meant so much to me as it validated my resolve towards advancing clean energy. And with Alectra’s support, I was able to focus on my studies with renewed vigor.”

Ruseh Oghenekaro
Candidate in Masters of Science in Sustainability Management, University of Toronto



Reducing Waste Through Paperless Ebilling

In 2020, we launched a paperless ebilling campaign to reduce the financial and environmental costs of printing and mailing correspondence, and to support our local food banks. For every customer who registers for ebilling, Alectra Utilities reduces its operating costs by approximately \$12 per year. We donated a significant portion of those savings, a total of \$200,000, directly to Feed Ontario to help those in need within our communities. By year-end, Alectra surpassed its 2020 target with a total of 25.7 per cent paperless ebilling adoption.

Support for Students Pursuing Sustainability Leadership in Energy

For the third consecutive year, Alectra provided a financial scholarship to a student in the University of Toronto’s Master of Science in Sustainability Management program. This year’s recipient of the Alectra Graduate Fellowship in Sustainability Management, Ruseh Oghenekaro, was recognized for her dedication to renewable energy by helping to finance renewable energy projects in Nigeria, where she participated in rural electrification pilot projects in 17 villages.

Alectra also sponsored the Ontario Energy Network’s Sustainable Development Scholarship. This year’s recipient was Martinique Stastna a third year Environmental Engineering student at the University of Guelph who is interested in a career in renewable/clean energy and hopes to be involved in finding new eco-friendly ways to power our world.

Smart Electric Power Alliance (SEPA), Public Utility of the Year

In July 2020, Alectra was announced as the first-ever Canadian utility to win the prestigious Public Utility of the Year award from the international Smart Electric Power Alliance (SEPA). The SEPA Power Players awards celebrate innovation and collaboration by utilities, industry partners, and individual thought-leaders. This incredible honour recognizes Alectra's commitment to delivering innovation and progressive change to the energy industry, in particular through our GRE&T Centre. Being recognized as the Public Power Utility of the Year by the SEPA is confirmation that we're on the right energy innovation path.

Corporate Knights – Top Three Best Corporate Citizens in Canada

Alectra continues to be recognized by its peers and industry organizations across Canada for its leadership and innovation. In June 2020, Alectra was named among the top three companies in the Corporate Knights' annual sustainability ranking, moving up 30 places in just one year – a testament to the great work being done by everyone at Alectra.

We earned the top-three ranking on this year's list based on 17 key performance indicators (KPIs) in categories including resource, finance, and employee management. The criteria making up these rankings are collected from public companies that disclose their environmental, social, and governance data. Alectra believes that being transparent with this information and providing supplementary statistics in support of the data is the way of business in a sustainable future.

Sustainable Hamilton Burlington, Sustainability Leadership Award

At its annual (virtual) awards ceremony in September 2020, Sustainable Hamilton Burlington presented Alectra with the organization's inaugural Sustainability Leadership Award. We were recognized for embedding sustainability principles into our core business strategies and for our efforts to create a cleaner, sustainable future through AlectraCARES.



Our focus on sustainability is consistent with the values that are embodied in the Alectra brand, and our corporate commitment. We are pleased to be included in the ranks of these top-performing Canadian companies.”

Dan Pastoric
Vice President, Strategic Growth and
Special Projects



Our commitment to people, the planet, and our performance is embedded in our values, and we appreciate this recognition.”

Caroline Karvonen
Manager, Sustainability





As we forge ahead with curiosity and excitement toward new energy frontiers, we are taking a thoughtful, pragmatic approach to innovation – innovating with intention – in order to deliver on our commitment to provide tried, tested and trusted advanced energy solutions to our customers.”

Neetika Sathe
Vice President, GRE&T Centre



GRE&T Centre – Powering Simple, Clean, Energy Solutions

Alectra’s GRE&T Centre makes energy innovations come to life by identifying, evaluating, developing, and accelerating emerging, clean, and customer-friendly energy solutions. It is a place where great minds collaborate to power a better tomorrow. The GRE&T Centre focuses on the following three strategic areas.

ENABLING E-MOBILITY



AlectraDrive @Work

The goal of the AlectraDrive @Work pilot is to support drivers and building managers with convenient electric vehicles (EVs) charging solutions. The pilot aims to demonstrate the value of a smart EV charging system that manages the flow of electricity needed to serve a building and its EV charging stations so that electricity costs are minimized, while EV drivers have an easy and accessible charging solution at their workplace. This program aims to encourage the adoption of e-mobility while helping businesses manage their energy costs and helping the utility manage its infrastructure.

AlectraDrive @Home

A key goal of AlectraDrive @Home is to enable the transition to e-mobility by making EV use and ownership a great experience for the individual whether it is in a single-family home or a multi-unit residential building. In 2020, the AlectraDrive @Home pilot successfully recruited over 200 participants to test various incentives aimed at encouraging drivers to charge their vehicles at off-peak times. Participants will have access to vehicle telematics, unlocking information about their EV, battery health, load, carbon footprint, and more. Data collected will provide us with information about EV driver charging behaviour and its impact on our grid, helping us to prepare the grid for more EVs and enable the increasing proliferation of EVs.

SUPPORTING A SUSTAINABLE GRID



Power.House Hybrid

Ten homes have been installed with Power.House Hybrid systems, which integrate a hybrid set of electrical and thermal equipment into a Virtual Power Plant platform, enabling the move towards Net-Zero Energy Emissions homes. This solution adjusts heat and electricity consumption within a home to minimize its carbon footprint. Testing began in 2020. Full end-to-end testing of controls and the hybrid system will conclude in 2021.

We are not only equipping participants with renewable energy resources to actualize their sustainability goals, but we are also working to prove the Power.House Hybrid technology and benefit the grid. We are getting the know-how and confirming the value-add of this project so that we at Alectra can be prepared to deliver relevant and simple energy solutions for customers.

The Power.House Hybrid project is funded by Natural Resources Canada's Green Infrastructure Fund. Partners include Enbridge Inc., The City of Markham, and Ryerson University.

IESO York Region Non-Wires Alternatives Demonstration Project

In partnership with the IESO and NRCan, Alectra has brought to life Canada's

first local electricity market in southern York Region, Ontario. The project demonstrates potential for non-wires alternatives to meet local, regional, and province-wide electricity needs.

Through this project, we are procuring distributed energy resources (DERs), as cost-effective, reliable, and environmentally sustainable energy solutions. We are testing them as alternative supply options to help meet accelerating electricity demand and to defer the need for traditional wires infrastructure. Participating businesses, institutions, and homes can leverage their DERs to earn revenue and to help power local communities while Alectra and the IESO test the coordination required to support the reliable and cost-effective dispatch of these resources. The first capacity auction was successfully completed in late 2020, with registered capacity (34.3MW) well exceeding the target capacity (10MW), at a highly competitive clearing price (\$0.64/kilowatt-day) from a diverse group of providers.

The IESO York Region Non-Wires Alternatives Demonstration Project is made possible by two \$5 million grants from the Independent Electricity System Operator's Grid Innovation Fund and Natural Resources Canada's Smart Grid Program.

HARNESSING EMERGING TECHNOLOGIES



GridExchange

GridExchange is a transactive, blockchain supported energy platform that offers customers the ability to participate in an energy marketplace. They can exchange energy with Alectra in real time to gain more revenue or rewards from their energy assets. Customers are off-setting their energy bills, reducing GHG emissions through the use of clean energy sources, and getting compensated for doing so.

The platform, which will be tested and deployed with residential customers in 2021, demonstrates how the GRE&T Centre can bring different players together to try out new solutions at Alectra's ground zero for innovation.

The GridExchange pilot is partially funded by Natural Resources Canada's Green Infrastructure Fund and includes Sunverge Energy Inc. as a partner.



Environmental and social responsibility are foundational to Alectra's success and part of the fabric of this organization. Our focus on people, planet, and performance speaks to the continuing value we provide to our employees, customers, shareholders, and communities.”

Brian Bentz
President and CEO, Alectra Inc.



We're looking beyond the pandemic towards an exciting new world of technology, data, and sustainable power. Digital innovation will be a key focus going forward."

Brian Bentz
President and CEO, Alectra Inc.



Energy Conservation and Efficiency

By the end of 2020, Alectra had assisted customers in saving more than 145 gigawatt hours of electricity – equivalent to the annual consumption of more than 16,000 typical households – dispersing \$13.75 million under provincial energy conservation programs.

Business Refrigeration Incentives

Alectra launched the Business Refrigeration Incentives (BRI) program for Guelph customers in September 2020, following a similar program previously available in other Alectra regions. While in the market for only four months, 62 small-to-medium businesses received over \$50,000 for energy efficiency upgrades at no cost.

Swimming Pool Efficiency Program

In collaboration with other local distribution companies (LDCs), Alectra also launched the Swimming Pool Efficiency Program (PoolSaver), which provided \$400 rebates to residential customers for replacing a constant speed pool pump with a new high-efficiency variable speed pool pump. The program was in the market for the second half of 2020, distributing \$100,000 in rebates to 255 registered participants.

LED Street Lighting

Alectra Energy Solutions' street lighting team now manages over 100,000 energy efficient LED streetlights. In 2020, 22,967 and 12,857 LED streetlights were installed in Vaughan and Guelph, respectively.



308GWh

Energy conserved by customers

>26 GWh

Solar energy generated –
enough electricity to power
2,800 homes for one year

Alternative Energy Technologies

Alectra knows the future will be defined by innovation, particularly in sustainable and alternative energy technologies. In 2020, Alectra continued to generate electricity from our solar assets and implemented battery storage solutions.

Renewable Energy

Alectra Energy Solutions continued managing the operations for 95 solar photovoltaic projects disbursed across Ontario. The portfolio generated 26.78 GWh of electricity, enough to power over 2,900 typical homes for a year. Other grid-connected renewable generation by customers in Alectra's service territory totalled 260.3 GWh.

Georgian College Battery Storage System

This Alectra Energy Solutions-owned 2MW/5.4 MWh state-of-the-art battery was installed at Georgian College in Barrie. This innovative project is expected to notably lower the facility's power costs by using energy storage to reduce electricity consumption when electricity demand is peaking – this will also decrease the college's Global Adjustment Charges. The system, which was recommended and installed by Alectra Energy Solutions, includes a containerized solution with lithium ion batteries, inverters, and a balance of plant equipment, controlled by an advanced energy management system. Through this management system, batteries are able to be charged when the electrical load is less than a pre-determined limit, and to be discharged during peak loads, thereby minimizing consumption from the grid.

Performance

At Alectra, performance means delivering value to more than one million customers we serve, while generating healthy dividends to our community shareholders. We remain proactive in our business planning, always looking to the future for innovations that will better serve our customers, who have high expectations. We continue to refine our strategy to focus on enhancing our culture, furthering the customer experience, grid innovation, and business growth by leveraging the four prevailing megatrends driving the energy industry: decarbonization, decentralization, democratization, and digitalization.





Highlights

\$559M

In electricity distribution revenue

>1M

Residential and commercial customers

\$281M

For grid modernization and renewal

Strategic Performance: Strategy 2.0

Strategy 2.0 is a natural evolution of our inaugural strategy and builds upon Alectra's integration and synergy successes achieved to-date. It will ensure that the enterprise as a whole evolves into an integrated energy solutions company. It will get us closer to our customers by improving customer service, building stronger relationships, and gaining an in-depth understanding of customers' needs.

The strategy also responds to the four global megatrends that are creating disruption in our industry:

- Decarbonization (to emphasize clean, renewable energy)
- Decentralization (to pursue more distributed generation opportunities)
- Democratization (to offer energy solutions that enhance the customer experience and choice)
- Digitalization (to improve customer access to information and service)

We will create complementary energy services and solutions that will supplement the regulated business with the focus on improving customer value and choice, while at the same time ensuring we modernize our grid assets and systems by building in innovation, intelligence, and flexibility.

Each of these elements are interdependent and interwoven, and like Alectra in its formation, stronger together.

As we evolve, we will build a diversified essential services platform by owning or managing electricity and other distribution networks, by leveraging our municipal ownership and our core competencies of integration and utility management.

Our Vision allows Alectra to 'Discover the Possibilities' and create greater value for our customers, shareholders, and communities. "We will be Canada's leading distribution and integrated energy solutions provider, creating a future where people, businesses, and communities will benefit from energy's full potential".

Responding to Disruption: Strategy 2.0



Safety, Innovation and Sustainability

1

GRID MODERNIZATION

Enable the next generation of energy management by allowing customers the freedom to make their own energy choices while delivering on our brand promise of exceptional service and innovative energy solutions.

2

ENTERPRISE GROWTH

Focus growth activities to allow for an enduring, profitable and growing enterprise with a consistent and continuing emphasis on meeting customers' current and emerging essential requirements.

Essential requirements include energy, water/wastewater and data/information.

3

CUSTOMER EXPERIENCE

Enhance customer experience by building an integrated customer-centric organization.

- Being One
- Being Innovative
- Being Proactive
- Being an Ally

4

STAKEHOLDERS

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



Strategic Investment for Alectra's Future

Alectra started 2020 with a strategic investment in an industry leader.

In January, Util-Assist, a professionally managed services company to North American utilities, and a wholly-owned subsidiary of Alectra Energy Services Inc., made a USD\$5M investment in Grid4C, a leader in artificial intelligence, data management, and machine learning. Util-Assist will re-sell and develop products built on Grid4C's industry-leading analytics solutions, which will provide utilities with granular predictions and actionable insights for their operations and customer-facing applications.

The core technology drives more precise load forecasting and a more effective allocation of distributed energy resources. Their diagnostic assessment of faults and inefficiencies will improve grid asset efficiencies, from large industrial machinery to home appliances.

The company's solutions improve operational planning, reduce peak demand, increase energy savings, deliver new revenue streams, and increase customer engagement.

Alliances, Collaborations, and Partnerships

When Zeton Pilot Plant Technologies in Burlington needed to move their generator pods to the Hamilton Harbour for shipment to a customer in France, Alectra supported Precision Specialized

Inc. (an approved carrier for the secure movement of over-dimensional freight) to ensure the transportation of the cargo didn't affect any of our electrical infrastructure. To minimize any disruption to our customers and the public, the move went in and out of our service territory during the night (between 10 p.m. and 6 a.m.) over five days beginning in late September. The work involved approximately 20 staff and 12 Alectra vehicles, with the crews de-energizing lines ahead of the convoy, and additional crews following closely behind to re-energize lines. The project also required extensive collaboration with the City of Hamilton, Hamilton Police, Bell, Rogers, Cogeco, Burlington Hydro, and Hydro One.

Regional Transit Projects

The Transit Projects team, in collaboration with Metrolinx, continued its successful management of the multi-year program to relocate Alectra distribution equipment crossing Go Transit railway tracks. This relocation work is necessary to enable the installation of an overhead catenary system required by Metrolinx to electrify the GO Train system along the Lakeshore West, Barrie, and Stouffville rail lines. In total, this work entails the relocation of Alectra equipment at 74 crossings. As of the end of 2020, the relocation of assets at 13 crossings were nearing completion and design was underway or completed for a further 61 crossings, which will be completed over the next several years. Once complete, this critical electrification transportation project will lead to significant GHG reductions. Alectra is also relocating assets along the Mississauga Hurontario LRT line, another extensive project that has commenced construction and will be carried out over the next five years.



Approximately 20 staff and 12 Alectra vehicles involved to de-energize or lift power lines ahead of the kilometre-long convoy .



Our teams were well-prepared to deploy technologies at the onset of the pandemic, while ensuring critical enhanced security platforms were maintained as we moved to a remote working environment. Their detailed planning and training ensured our entire infrastructure remained secure.”

William Schmidt
Vice President Information Technology



Addressing Risk

Managing risk is critical to business success, particularly when facing conditions as challenging and uncertain as the 2020 COVID-19 pandemic.

Enterprise Risk Management

Alectra’s 2020 Enterprise Risk Plan was completed with adjustments to support our pandemic response. The Enterprise Risk Management (ERM) team conducted a lessons-learned exercise to review the organization’s response to the pandemic and provide feedback to executives and Board of Directors regarding the state of the company and its employees. The ERM team also facilitated a full review of the corporation’s enterprise risks which included the key impacts associated with the ongoing pandemic.

Internal Audit

The Internal Audit department was able to complete their 2020 Plan on an adjusted schedule, performing all the audits electronically throughout the pandemic, while moving some audits to future years to accommodate pandemic restrictions and working from home conditions. They were also able to prepare a complete internal procedural document for their department to ensure consistency and uniformity in practice, independent of external factors and circumstances.

Cyber Security

Alectra’s IT Security & Risk Team conducted a series of lunch and learn sessions and information modules to help raise awareness about the importance of cyber security. With the new remote working arrangements due to COVID-19, the need for enhanced security diligence was critical. Through various communications channels, these events provided information on how employees can stay cyber safe. The IT Security & Risk Team launched a learning contest in October to coincide with Cyber Security Awareness Month.





Our business may have been under unusual pressure throughout 2020, but our performance standards did not waver.

Operational Performance

Our business may have been under unusual pressure throughout 2020, but our performance standards did not waver.

System Performance and Reliability to Date

Despite the pandemic, system reliability showed its strongest performance in the past three years with an overall System Average Interruption Duration Index (SAIDI) of 51.87 minutes, excluding major event days. This means that, on average, Alectra customers experienced less than one hour of interruption to their power supply in 2020 – a remarkable accomplishment under the circumstances.

Return to Work

As Public Health officials began lifting stay-at-home orders, Alectra's Operations team, who had previously been sent home due to lockdown, began transitioning back to full capacity. In collaboration with our contracting partners, Alectra crews successfully completed \$281 million in capital construction, including \$136 million in system renewal projects.

Transitions

Our work-from-home and back-to-the-office transitions were successful because our leadership and EOC teams took the time necessary to implement strict safety measures. They hosted multiple workshops and trained our workforce extensively on new protocols and safety practices. By soliciting feedback via daily evaluations, the team was able to introduce changes and improvements in real-time. Our Facilities, Health & Safety, and IT teams processed 862 requests for the shipment of essential items to employees working remotely, including computers, accessories, and monitors. Employees were supplied with ergonomic tips and exercises, as well as virtual ergonomic assessments and appropriate equipment as they transitioned to their new work-from-home environment.

Financial Performance

Selected consolidated financial information¹

(C\$M)	2020	2019
Operations		
Revenue		
Electricity sales	3,488	3,138
Distribution revenue	559	544
Other		
Regulated	48	50
Non-regulated	67	47
	4,162	3,779
Expenses		
Cost of power	3,489	3,167
Operating expenses	328	296
Depreciation and amortization	165	158
Loss on derecognition of property, plant, and equipment	(1)	–
	3,981	3,621
Income from operating activities	181	158
Net finance costs	74	74
Income tax expense	28	20
Net income	79	64
Balance Sheet Summary		
Total assets	5,350	5,056
Loans and borrowings (includes short-term debt)	2,363	2,167
Total shareholders' equity	1,736	1,747
Property, plant and equipment, right of use assets and intangible assets ²	3,836	3,667
Cash Flow Summary		
Cash at beginning of period	29	16
Net cash from operating activities	380	406
Net cash used in investing activities	(417)	(363)
Net cash used in financing activities	29	(30)
Cash at end of period	21	29
Other Financial Statistics		
Net income (before net movements in regulatory balances) ³	123	133
Adjusted funds from operations	303	331
EBITDA (before net movements in regulatory balances) ⁴	349	356

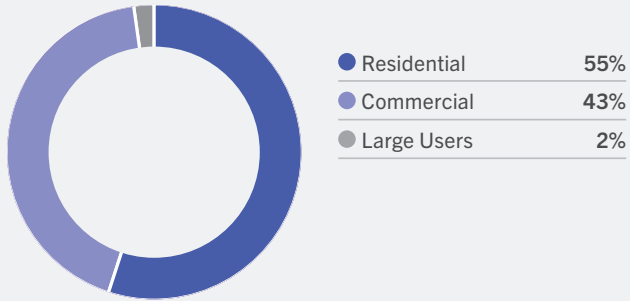
1. The consolidated financial information is derived from the audited consolidated financial statements of Alectra Inc.

2. Excluding Goodwill.

3, 4. 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.

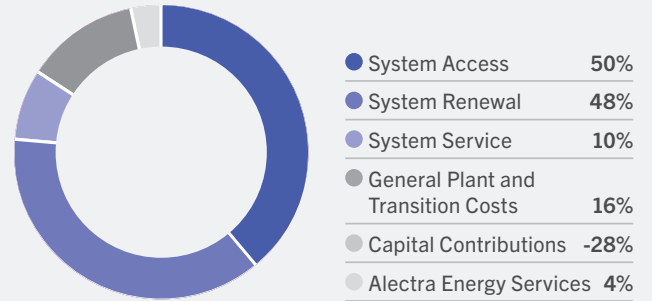
Distribution revenue by customer class (2020)

\$559M



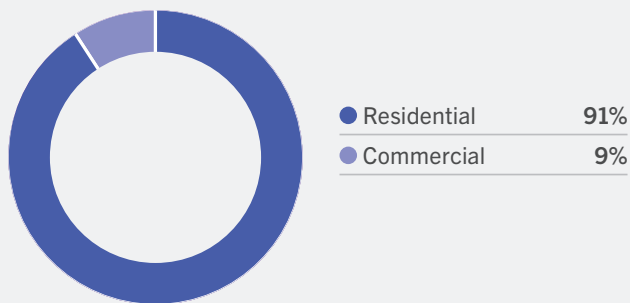
Capital expenditure (2020)

\$281M



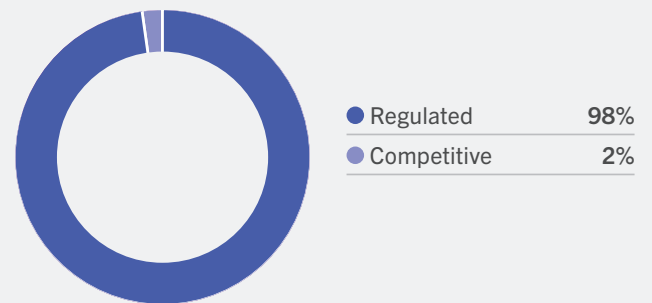
Customer count (2020)

1.1M



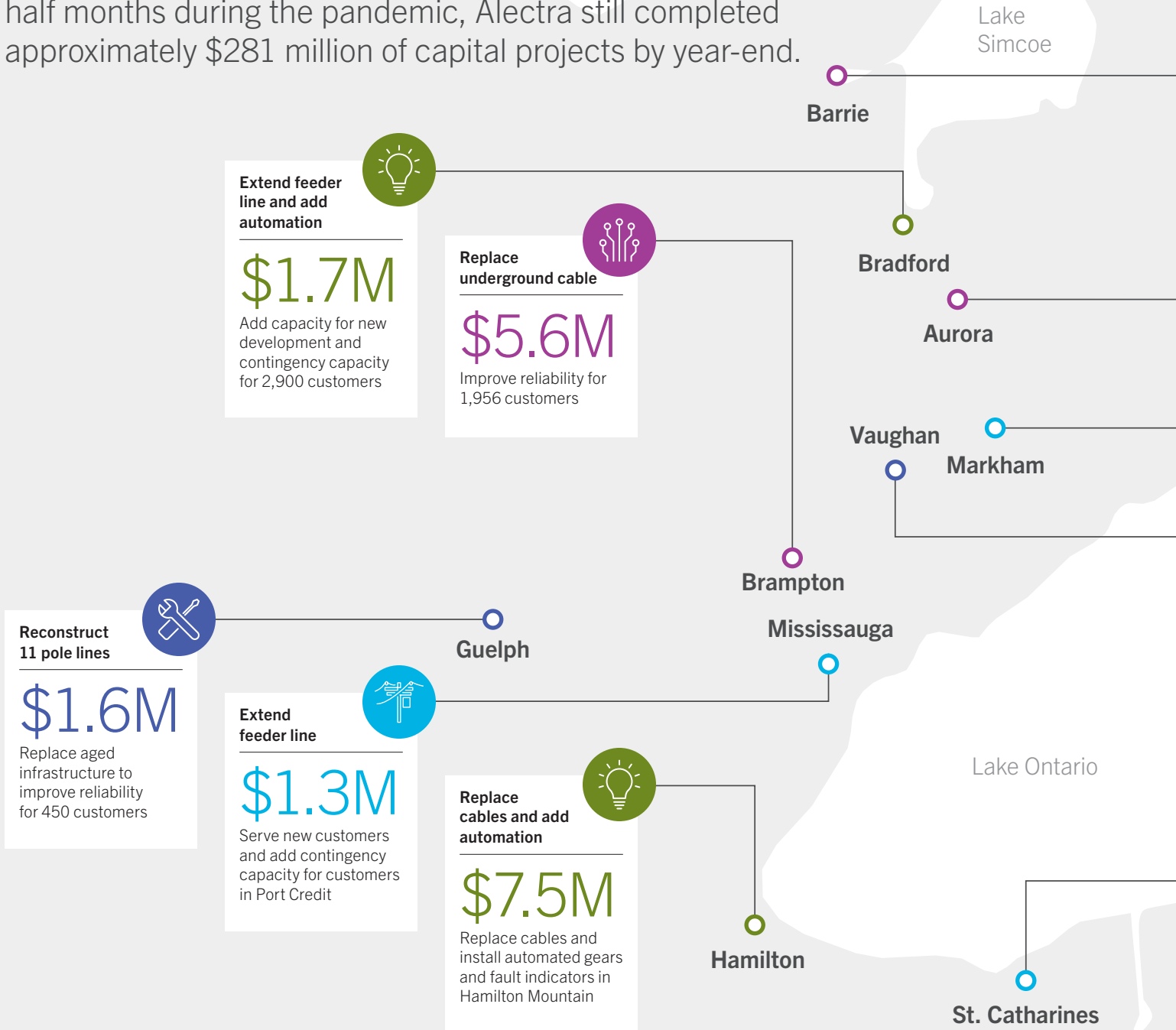
Property, plant and equipment and intangible assets (2020)

\$3,836M



Investing in Grid Modernization

Continued capital investments in grid modernization are essential to maintain system reliability as we build the utility of the future. Despite standing down for two and a half months during the pandemic, Alectra still completed approximately \$281 million of capital projects by year-end.





Replace underground cable

\$2.8M

Improve reliability for 3,536 customers in Sunnidale/Anne area



Replace underground cable

\$2.8M

Improve reliability for 240 customers along Steeplechase Ave



Extend pole line

\$1.3M

Increase supply and contingency options to customers along 19th Ave



Construct 2 new feeders

\$4M

Supply new development area and contingency options to customers in West Vaughan



Extend feeder line

\$3.6M

Improve reliability and add capacity to North End

Strong corporate governance is fundamental to Alectra’s long-term success as a profitable organization dedicated to providing our customers and our communities with safe, reliable and innovative energy solutions.

Through holding companies, Alectra is owned by seven municipal shareholders – the cities of Barrie, Guelph, Hamilton, Markham, Mississauga, St. Catharines and Vaughan – and BPC Energy Corporation, which is part of the Ontario Municipal Employees Retirement System (OMERS). The Alectra Board and management team are committed to the highest standards of corporate governance and business ethics. Alectra’s governance practices are designed to ensure that all aspects of our business are conducted with integrity and transparency to improve the company’s performance and enhance shareholder value.

“

Alectra has a strong governance model that is focused on sustainability and promotes diversity and inclusion. 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

Governance



Brian Bentz
President and Chief Executive Officer, Alectra Inc.



John Basilio
Executive Vice President and Chief Financial Officer, Alectra Inc.



Max Cananzi¹
President, Alectra Utilities Corporation



Barb Gray
Senior Vice President, People and Safety, Alectra Utilities Corporation



John Matovich
Executive Vice President, Energy Solutions and Services, Alectra Inc.



Dennis Nolan
Executive Vice President, General Counsel and Corporate Secretary, Alectra Inc.

Alectra Executive Committee

Alectra is managed by an experienced and forward-looking Executive Committee, which is ultimately responsible for Alectra’s strategic development and stewardship and serves as its executive decision-making body for key facets of day-to-day operations.



Norm Loberg
Chair



Jane Armstrong



Gerald Beasley



Maurizio Bevilacqua



Bonnie Crombie



**Giuseppina (Pina)
D'Agostino**



Sean Donnelly



Fred Eisenberger



Matt Harris



John Knowlton



Jeff Lehman



Don Lowry



Teresa Moore



Frank Scarpitti

Board of Directors

Alectra is governed by a 14-member Board of Directors, which is accountable to the shareholders to establish a system of effective corporate governance and to achieve Alectra's mission, vision and purpose. The Board's mandate is to govern Alectra Inc. by setting its strategic direction and risk tolerances, selecting and overseeing the effectiveness of the President and Chief Executive Officer, and monitoring the successful performance, culture and ethical integrity of the

Corporation. The Board discharges its responsibilities either directly or through five committees – the Audit, Finance and Risk Management Committee; Corporate Governance and Nominating Committee; Integration Committee²; Human Resources and Compensation Committee; and Development Committee. Sustainability topics are embedded as part of the Corporate Governance and Nominating Committee's mandate.

1. Retired late 2020 – thank you for your service to Alectra.

2. The Integration Committee of the Board completed its mandate and held its last meeting on February 28, 2020.

Although we're a relatively new company, through our legacy utilities we have over 100 years of history.



1,062,041
Customers

1,440
Full-Time Employees

1,924
Service Territory (sq. km)

\$5.35B
Total Assets

A
Credit Rating

21,170
Circuit (km) Overhead and Underground

1.18
System Average Interruption Frequency Index – SAIFI

14
Transformer Stations

\$281M
Total Capital Expenditures

42,072
Conductor Lines (km)

120,902
Distribution Transformers

150
Municipal Stations

578
Fleet Vehicles

0.95
System Average Interruption Duration Index – SAIDI

134,071
Poles and Pole Structures

56%
of Employees Represented by Unions

26,209,185
Delivery (MWh)



2020 Annual Sustainability Report

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



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

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