

2023 EPCOR Sustainability Report



Land Acknowledgement

As a company that operates across Turtle Island, also known as North America, EPCOR recognizes that its work takes place on the traditional territories of Indigenous Peoples. We respectfully acknowledge the significance of the lands and waters our utilities are situated on and by, and the diverse histories, languages, and cultures of the many First Nations, Métis, and Inuit Peoples, whose presence reaches back to time immemorial.

EPCOR has benefitted from operations near or within Indigenous traditional lands and territories for over 100 years. Several of our Canadian operations reside on territory that is covered under Treaties, which were entered into by First Nations peoples and the Crown. In particular, our headquarters in Edmonton, and both of the city's water treatment plants, are located on the banks of the North Saskatchewan River, found in the heart of Treaty 6 territory — the traditional lands of the Blackfoot, the Cree, the Dene, the Nakota Sioux, the Saulteaux, and later the Métis.

We recognize the importance of building strong and mutually beneficial relationships with Indigenous Peoples in the areas where we operate, and we are committed to learning from and collaborating with Indigenous Peoples in the work we do. We acknowledge that Indigenous Peoples' deep connections to the land and water have not always been recognized, nor have their rights, history, culture, aspirations and diversity always been respected by broader society. We value Indigenous perspectives and strive to listen authentically and respond genuinely to the interests of Indigenous Peoples as they relate to EPCOR's operations. We recognize that we are on a journey toward better relationships, and we extend our gratitude to Indigenous Peoples, Nations and communities across our operations for the opportunity to continue to build and strengthen relationships together.

Message from Janice Rennie, Board Chair

This year marks the beginning of a new three-year cycle for EPCOR's sustainability reporting.

It is fueled by a new materiality assessment that was essential in reviewing how priorities have shifted over time and how important it is to adapt as we plan for the future.

For the Board of Directors, it strengthens our role in providing oversight and ensures we're focusing on what matters most — for the evolution of EPCOR as a company, and the evolution of the communities we serve.

As EPCOR continues pursuing its mandate for growth, there are expectations that we do so in a responsible manner, and in ways that help communities thrive.

Today, EPCOR brings its expertise in providing clean water and safe, reliable energy to two million customers across North America. It's what they count on and why we place such a high importance on this work, and on the valuable input of stakeholders within and outside the organization.

In this report, you'll see discussion of our work to prepare for and launch the latest cycle of our sustainability reporting — with updates to our Sustainability Scorecard, performance targets, and priorities. These were developed through a comprehensive process that included a materiality assessment, peer benchmarking, and the incorporation of a refreshed Sustainability Strategy in EPCOR's Long-Term Plan.

Our sustainability strategy also aligns with EPCOR's Enterprise Risk Management system, through which the board plays a key role in establishing risk appetite and tolerance. It's all part of continuous evaluation, and ensuring EPCOR can respond to both the challenges of the day and the opportunities for tomorrow.

I invite you to explore this first report in our new three-year cycle, and learn about the many ways EPCOR is committed to its teams, its customers and the future of communities it serves.



Message from John Elford, President & CEO

Commitment, momentum and results — everything our sustainability journey has been about and will continue to be going forward.

Like any journey, over the past three years we've seen some of our commitments fully realized, others progressing along what we know will be long-term paths, and some where we've needed to adjust.

In all cases, our focus remains on ensuring sustainability for both our operations and all the communities across North America that we serve.

Our new cycle of reporting comes at a challenging time for many communities and our valued customers. Inflation continues to put pressure on families and individuals, with the topic of affordability at the forefront in many jurisdictions. The signs of climate change, with major shifts in weather, continue to grow. And protection and care of water sources, and transforming the electricity grid to support the future of green transportation are all in the spotlight.

Along with these challenges come opportunities, both of which clearly underpin the priorities and initiatives shared throughout this report, and are further supported by the 20 measures and 15 targets outlined in our new scorecard.

As you'll see, the safety of our people remains top of mind, as does the reliable delivery of electricity and the protection of source water supplies across communities.

Our commitments to sustainability are reflected in our business plans, compensation systems, and financing, aligning our organization and people to deliver on our goals. In 2023, EPCOR's \$750-million syndicated bank credit facility was amended so that it ties those financing costs to achieving our goals in reducing greenhouse gas emissions, improving gender diversity in the workplace, and delivering affordable services to our customers.

These commitments remain closely tied to our purpose — *Communities count on us. We count on each other.* As we move into the next three years of this journey, this purpose will continue to inspire our leadership — and all members of Team EPCOR — in building a sustainable future.



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We do our work each day with our colleagues and communities in mind.

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The Consolidated Scorecard provides a simplified selection of performance measures, data, and targets aligned with the Environment, Social and Governance (ESG) factors rated most material to the company.

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Performance Updates appear throughout this report, providing a snapshot of how EPCOR did against key targets in 2023.

Note to Readers

Throughout this report, EPCOR is used to refer collectively to EPCOR Utilities Inc. and its subsidiaries, without distinguishing the legal entity that holds particular operations. All currency references are in Canadian dollars unless otherwise noted. For information on the scope of reporting, [see page 56](#).

Appendices

More information on EPCOR — our sustainability performance and links to additional sources.

ABOUT EPCOR

[Mission, Vision, Values, Purpose & Priorities](#)

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Our Mission

Our mission is to provide clean water and safe, reliable energy.

Our Vision

Our vision is to be a premier essential services company that attracts and retains the best employees, is trusted by our customers, and is valued by our stakeholders.

Our Values

We put safety first in everything we do.

We act with integrity.

We work as a team.

We are trusted by our customers.

We create shareholder value.

We are environmental leaders.

Our Priorities

We implement our vision and mission through a Long-Term Plan that focuses on four strategic priorities.

People – attracting and retaining high-quality employees, supporting our workforce in growing and becoming future leaders, and nurturing a strong culture of engagement.

Growth – sustaining capital and organic growth in our existing service areas, and business development and acquisitions.

Operational Excellence – continually improving health, safety and environmental performance, and seeking efficiencies through scale, business unit synergies, and technology.

Communities – being trusted by our customers and stakeholders, engaging in collaborative and transparent planning, and meeting our commitments to the community.

Acting with Purpose

Our mission and vision guide our operations.

Our Purpose Statement:

“Communities count on us. We count on each other.”

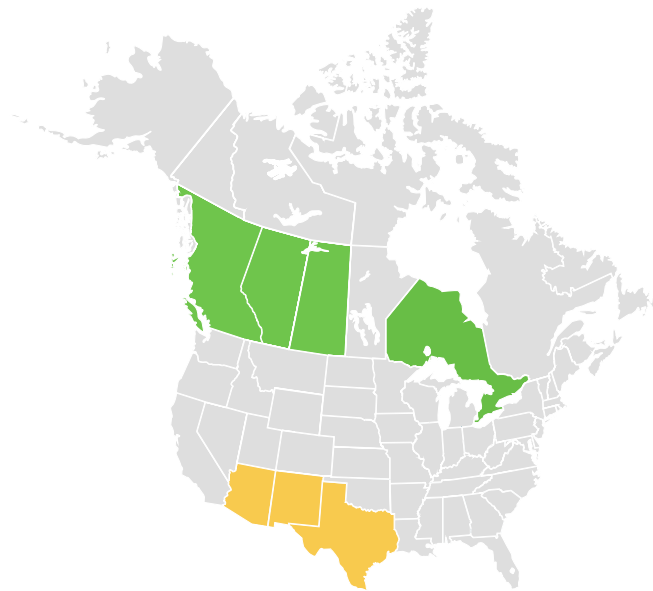
... expresses what motivates us, every day, to serve our customers and communities, and each other.

Who We Are

EPCOR is an infrastructure builder, operator and provider of the life essentials of power, water and natural gas. Our footprint spans across Canada and into the United States.

We are headquartered in Edmonton, Alberta, where we have deep roots as Canada's first municipally-owned electric utility in 1891 and 10 years later, as the city's first water provider.

EPCOR looks a lot different today, having experienced significant growth in our expertise, operations and our people. From building a solar farm to power our operations to managing water scarcity issues in the U.S. Southwest, our team is taking on today's challenges with an optimistic eye to the future.



Alberta

- 1 Canmore
- 2 Chestermere
- 3 CNRL Albian Sands Muskeg River and Jackpine
- 4 Edmonton
- 5 Edmonton Metropolitan Region
- 6 Kananaskis
- 7 Red Deer County
- 8 Strathmore

Alberta and British Columbia

- 9 TransMountain Pipeline

British Columbia

- 10 Britannia Mine
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Saskatchewan

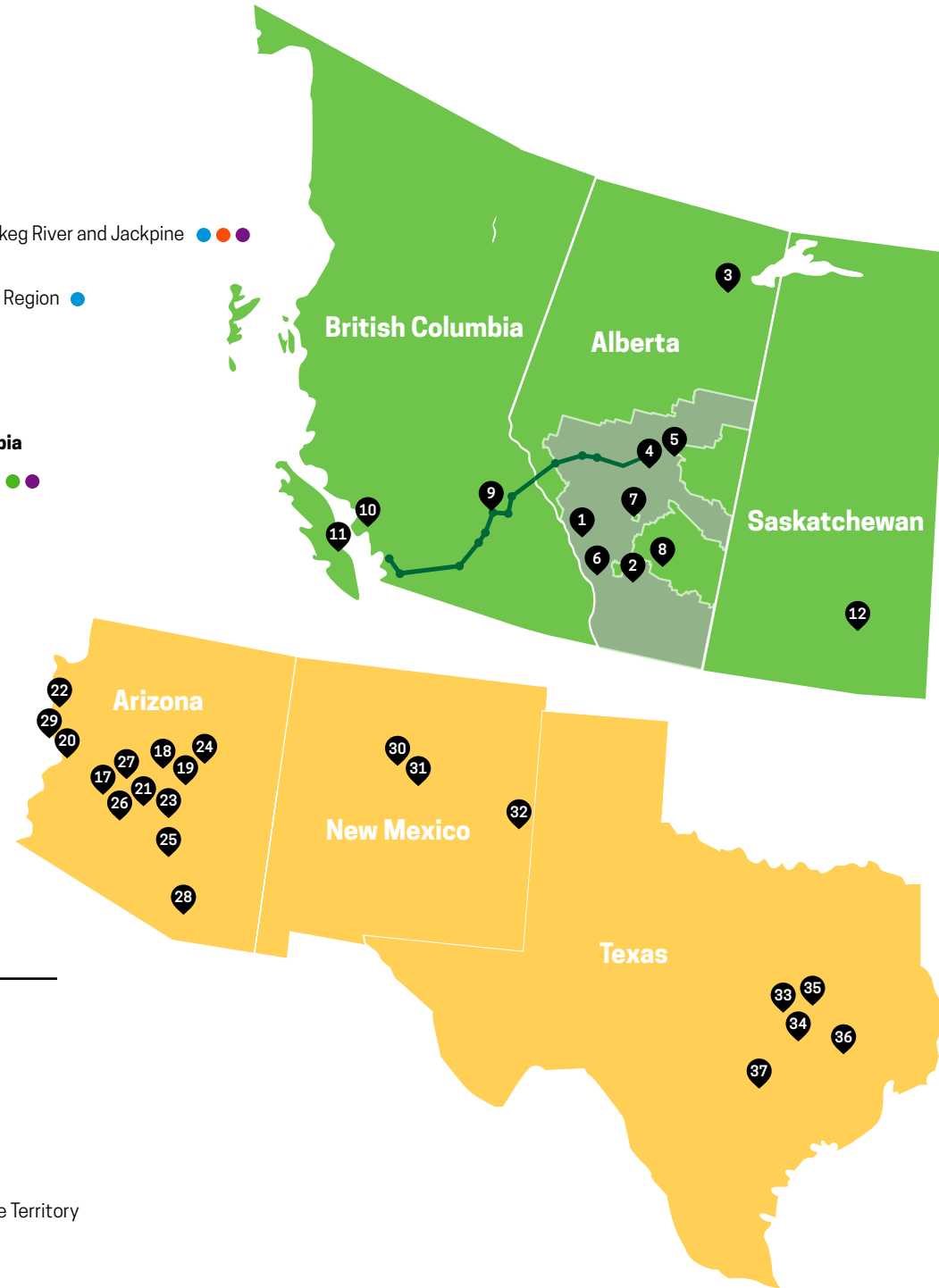
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- Wastewater
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Texas

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What We Do



Distribution and Transmission
Distribution and transmission of electricity within Edmonton.



Energy Services
Retail electricity services in Alberta, including customer service and billing, and the sale of competitive electricity and natural gas products through Encor by EPCOR.



Water Services
Water, drainage and wastewater operations and services within Edmonton and surrounding communities.



North American Commercial Services
Contracted and rate-regulated water, wastewater, electricity and natural gas operations in Canada and the United States. Business development projects related to design, build, finance, operating and maintenance services for municipal and industrial clients.



Regulated U.S. Water
Treatment, transmission, distribution and sale of water, the collection and treatment of wastewater, and construction of facilities in Arizona and New Mexico.

Disclosures

EPCOR strives to be a sustainability leader in our industry and beyond. We are committed to improving the quality of our disclosures and performance reporting, and maintaining a high level of transparency. We also engage third-party providers to ensure that our sustainability decisions and actions are based on timely, relevant information and advice.

EPCOR's 2023 Sustainability Report references the internationally recognized Global Reporting Initiative (GRI) Standards, the Sustainability Accounting Standards Board (SASB) for Electric Utilities & Power Generators, Water Utilities & Services, and Gas Utilities & Distributors, and follows the Greenhouse Gas (GHG) Protocol recommendations.

The Consolidated Scorecard, beginning on [page 55](#), specifies the applicable standards. This report communicates our sustainability performance in 2023 and reflects operations as of December 31, 2023, unless otherwise noted, for EPCOR-owned businesses.



EPCOR and the UN Sustainable Development Goals

Environmental stewardship, public health and community well-being are at the heart of EPCOR's mission to provide clean water and safe, and reliable energy. They also align with the United Nations (UN) Sustainable Development Goals (SDGs), a global blueprint for peace and prosperity for people and the planet. The blueprint recognizes that to achieve this, action must go hand-in-hand with improving environmental, social and economic outcomes.

As we implement our business strategy and live our purpose in the communities we serve, EPCOR's actions are making a positive contribution to achieving the UN SDGs. This section provides an overview these contributions.

No Poverty, No Hunger

Global and local poverty and hunger reduction. EPCOR publishes information on:

- community investment programs designed to help lift individuals out of poverty
- support of programs that set vulnerable youth up for success along their educational journey and future employment
- support of campaigns that fight hunger for children to vulnerable adults

Gender Equality

Ensuring women's effective participation and equitable opportunity in leadership at all levels of decision making. EPCOR publishes information on:

- our targets and progress towards increasing representation of women in our workforce, as part of making our workforce reflective of the communities we serve
- actions we take to create a workplace where people feel respected, valued and heard

Clean Water and Sanitation

Improve water quality by reducing pollution. EPCOR publishes information on our work to:

- protect the integrity of source water supplies in Canada and the United States
- address stormwater and utility discharges to the North Saskatchewan River
- enhance wastewater treatment infrastructure in the United States and Canada

Affordable and Clean Energy

Increase the share of renewable energy in the global energy mix. EPCOR publishes information on:

- our work to green the electricity supply for our utility operations
- how we enable customer adoption of electric vehicles and distributed generation
- our proactive planning to support electricity reliability and grid transformation

Industry, Innovation and Infrastructure

Develop quality, reliable, sustainable and resilient infrastructure to support economic development and human well-being. EPCOR publishes information on:

- capital programs and projects that extend utility infrastructure to support growing communities
- our work to continually improve physical resilience and sustainability

Sustainable Cities and Communities

Significantly reduce human and economic losses caused by disasters, including water-related disasters, with a focus on protecting the poor and people in vulnerable situations. EPCOR publishes information on our implementation of:

- community flood mitigation program for Edmonton
- investments to protect critical infrastructure from the impacts of flooding, and other extreme weather shifts
- protection of water supplies threatened by drought
- policies that prioritize the protection of vulnerable populations

Climate Action

In alignment with national, sub-national and municipal commitments and strategies related to climate action, EPCOR publishes information on:

- our climate action commitments, including our pathway to net zero emissions and performance
- the ways we help communities and customers increase their resiliency and decrease their own environmental footprint

OUR JOURNEY

EPCOR's commitment to sustainability is unwavering, and reflected in our words and actions. Our journey continues to evolve, as we listen, learn and as the world around us changes. This report shares where we are at this point in time, under these themes:

Next Level Performance

We are focused on taking our business, beliefs and practices to the next level. Our expectation is to continually improve.

Progress

Our actions and commitments, and the path we choose going forward define who we are.

Foundation

We provide power, water and natural gas safely and reliably, and in a way that is mindful of our responsibilities to our people, the public and the planet.



NEXT LEVEL PERFORMANCE

We are focused on taking our business, beliefs and practices to the next level. Our expectation is to continually improve.

[Sustainability Governance & Strategy](#)

[Materiality Assessment](#)

[Core ESG Factors](#)

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[Doing the Right Thing, Right](#)

[Path to a Smaller Footprint](#)

[Road to Net Zero](#)

Sustainability Governance & Strategy

In 2020, EPCOR’s leaders set a three-year plan for sustainability goals and regularly reporting on progress. We shared an Environment, Social, and Governance (ESG) scorecard featuring 25 measures and 17 targets, and over the next two years provided updates on performance against those goals.

In 2023, a new three-year cycle for EPCOR’s sustainability strategy began. As a result, this report includes a second generation Sustainability Scorecard with 20 measures and 15 targets, and information on how the company addresses sustainability risks and opportunities.

Materiality Assessment

We started the new cycle by completing a Materiality Assessment. External stakeholders, including equity and debt holders, labour representatives, Indigenous leaders, and environmental groups, were interviewed by an external consultant. And internal interviews were conducted across operational and corporate functions, spanning the company’s geographical footprint.

Insights from this assessment were used by EPCOR’s Board of Directors and company management to update our Core ESG Factors, and to identify Enhanced and Emerging ESG Factors, which will be monitored.

The ranking of the ESG Factors reflected how much they impact the company’s value (by affecting financial performance, operations, or stakeholder perceptions), and the likelihood of an impact happening over various time periods. The ranking was based on the inherent risk of each factor, not the level of residual risk that remains after the company has implemented mitigation measures.





EPCOR’s Core ESG Factors

In 2023, human capital management and climate change transition risk increased in importance, while grid resiliency emerged as a top-ranking factor due to heightened concerns about cybersecurity incidents affecting electricity systems.

- | | |
|--|----------------------------------|
| Water and Wastewater Management | Workforce Health and Safety |
| Affordability and Access | Climate Change – Transition Risk |
| Climate Change – Physical Risk | Greenhouse Gas Emissions |
| Human Capital Management | ESG Governance |
| Community Relations | Grid Resiliency |
| Public Safety and Emergency Preparedness | Rights of Indigenous Peoples |

Core ESG Factors

The Materiality Assessment identified 12 Core ESG Factors that hold significant interest for investors, stakeholders and company leadership.

The factors were similar to those identified in 2020. Two factors increased in importance compared to 2020: human capital management and climate change transition risk.

One new factor entered the top-ranking — grid resiliency. This reflects the increased importance stakeholders place on managing the risks that cybersecurity incidents pose for electricity systems. In 2020, stakeholders gave this a lower ranking compared to other topics.

Stakeholders gave a lower relative ranking to business ethics and transparency, which moved from being a Core ESG Factor to the lower level of Enhanced. EPCOR views ethics and transparency as foundational performance expectations, and did not make any changes to the ethics-related performance targets in the Sustainability Scorecard.

Peer Benchmarking

The external consultant also benchmarked EPCOR’s sustainability practices and disclosures against five leading electricity and water utility companies in Canada and the United States.

The benchmarking identified three areas where EPCOR could improve:

- **Sustainability Governance:** Provide more information on the assignment of accountabilities for the Core ESG Factors, and more information on the board’s expertise and education in these areas.
- **Reporting Frameworks:** Publish a SASB Reference Index that lists the relevant SASB reporting standards and shows readers where that information can be found in EPCOR’s reporting.
- **Risk Management:** Expand descriptions of how risks are identified, assessed and managed through EPCOR’s Enterprise Risk Management process.

We took action and included new information that responds to each of these recommendations in this report and in EPCOR’s 2023 Annual Information Form (AIF).



Sustainability Strategy

EPCOR's Sustainability Strategy is integrated into the company's Long-Term Plan, which is reviewed and approved by the board each year. In 2023, the Sustainability Strategy was substantively updated, based in part on results of the Materiality Assessment.

The Materiality Assessment narrowed the range of potential ESG factors to the 18 most significant to EPCOR: the 12 Core ESG Factors and six Enhanced Factors.

An Enterprise Risk Management approach was used to further sharpen focus of the Sustainability Strategy, grouping ESG Factors into **Mature**, **Developing**, and **Emerging** categories.

Mature factors have well-established business processes, plans, targets and monitoring. For these factors, the strategy is focused on monitoring execution. Both the Emerging and Mature Factors will be monitored for changes in status and the external environment.

The focus areas for EPCOR's Sustainability Strategy are:

1. **Climate Change Risk Management.** This includes three ESG Factors: greenhouse gas emissions management, physical risk, and transition risk. [\(See pages 22 to 25.\)](#)
2. **Affordability.** This focus area is within the "Affordability and Access" ESG Factor, and addresses our understanding of the customer context for utility affordability, and initiatives to mitigate cost increases for customers. [\(See pages 36 to 38.\)](#)
3. **ESG Governance and Growth.** This includes board-level governance, the alignment of accountabilities within management, external reporting, and the integration of ESG Factors into the evaluation of growth opportunities. This section and [pages 30 to 32](#) of the Annual Information Form report on EPCOR's sustainability governance.

Integrating Sustainability

EPCOR's Sustainability Strategy is integrated into the company's Long-Term Plan. It is also reflected in:

- EPCOR's vision statement, which focuses on creating stakeholder value rather than shareholder value exclusively
- a 10-year vision of performance goals that includes a balanced set of outcomes across all dimensions of performance
- a broad view of the sources of risk to the company's ability to execute its Long-Term Plan, and incorporation of these risks and mitigation plans into the Enterprise Risk Management system
- the publication of sustainability targets and related disclosures
- the balanced focus areas for EPCOR's Long-Term Plan (People, Growth, Operational Excellence, Community)



Sustainability Scorecard (2023 – 2025)

This report launches the second-generation of EPCOR’s Sustainability Scorecard (formerly referred to as ESG Scorecard), and will be used for reporting from 2023 through 2025.

The scorecard aligns with the Core ESG Factors, responds to the Materiality Assessment, enhances reader usability, and supports sustainability financing.

It continues to include both data-only disclosure and performance targets with five years of data (where available) and has been streamlined to 20 measures and 15 targets, compared to the first generation (2020-2022) scorecard of 25 measures and 17 targets.

While the number of measures has decreased, some information related to them are still included in the body of the report or the appendices.

Sustainability Scorecard Updates

Updates to EPCOR’s Sustainability Scorecard include:

- introducing a publicly-reported performance target for gender diversity in the workforce (2023 metric [S3](#))
- updating target statements to reflect current business goals (2023 metrics [E3](#), [S11](#))
- removing target statements and reporting performance data only (2023 metric [S10](#))
- removing items from the scorecard and reporting data elsewhere (2020 Scorecard metrics or content within [S1](#), [S4](#), [S6](#))
- removing items from the scorecard and reporting (2020 Scorecard metrics S3, S7, S12)

Organizational Alignment

In 2023, EPCOR's actions to better align the organization and our reporting to the Sustainability Strategy included:

- **Governance.** We updated the Terms of Reference for the Board of Directors and board committees, ensuring that board oversight body was aligned to each topic in the 2023-2025 Sustainability Scorecard (see EPCOR's 2023 AIF)
- **Financing.** We converted EPCOR's \$750-million syndicated bank credit facility into a Sustainability-Linked Loan (SLL). Interest costs for this loan are now tied to EPCOR's performance in three areas: greenhouse gas reduction, workforce gender diversity, and customer affordability. The SLL sets stretch performance targets that are equal to, or more stringent than, the relevant targets in the Sustainability Scorecard (2023 metrics [E1](#), [S3](#), [S5](#)).
- **Reporting.** We improved our sustainability reporting, and the underlying systems that are used to generate and manage the data being reported. This included substantive updates to the internal controls framework used to identify and mitigate potential material risks to reporting accuracy. It also includes new disclosures in this report, such as the SASB Reference Index, and expanded commentary on sustainability governance and strategy.

In addition, EPCOR's Enterprise Risk Management system and its performance management system are continuously updated to reflect sustainability-related content.

- **Performance Targets.** EPCOR's Long-Term Plan cascades into business unit and individual performance targets, including pay-at-risk targets in executive and employee incentive plans. EPCOR's performance plans are discussed in detail in the AIF (see pages 52 to 60). The plans include multiple sustainability-related targets for health and safety, environmental management, customer affordability, operational performance, and customer service.
- **Enterprise Risk Management (ERM).** EPCOR's AIF discusses operation of the ERM system ([see pages 30 to 32](#)), and the annual Management's Discussion and Analysis (MD&A) discloses and ranks material risks to EPCOR's business ([see pages 25 to 38](#)). Both the ERM and MD&A include multiple sustainability-related risks, and those risks align with EPCOR's Core ESG Factors.



Performance Period

EPCOR plans to publish its performance against the second-generation Sustainability Scorecard for three years starting with this 2023 report.

Development of the third-generation scorecard is expected to begin in late 2024 or early 2025, as we initiate the next cycle with a refreshed Materiality Assessment.

The next cycle will include consideration of ESG Factors that are currently classed as Emerging (such as supply chain management), and consideration of how peer reporting, market expectations, and external reporting standards are evolving, including reporting practices for Scope 3 greenhouse gas emissions.

DOING THE RIGHT THING, RIGHT

by Curtis Gillespie

Award-winning Canadian journalist, Curtis Gillespie, provides his unique perspective on EPCOR's journey to sustainability through interviews with people who are helping to chart the course.

The ironic thing about sustainability is that it's hard to sustain. That may sound counterintuitive, but sustainability is a moving target, forever being redefined and adapting to the social, political, financial and environmental ecosystems it hopes to impact.

Janice Rennie has been Chair of EPCOR's Board of Directors since 2018. She has seen a culture of continuous commitment to sustainability sink deep roots into the company. "Which is why we're now refreshing the Sustainability Strategy," she says. "You're simply never done. The world changes, and we have to always make sure our stakeholders, and that includes employees and management, understand how important it is. It doesn't just disappear and then come back every few years."

EPCOR's new Sustainability Strategy was launched in 2020 and is based on a three-year cycle. The latest cycle began in 2023 with an updated roster of measures and targets set through a new Materiality Assessment. This involved gathering a group of external stakeholders (financial experts, labour specialists, Indigenous leaders, environmental advocates) and combining their insights with perspectives and data gathered within the organization. The entire basket of information was examined by EPCOR's board and management to come up with focal points ranked according to impact on the company and its stakeholders, things like human capital management, climate change transition risk and the resiliency of the electrical grid.

“You could say it’s complicated,” says Jennifer Addison. Addison is Senior Vice President of Sustainability, General Counsel and Corporate Secretary for EPCOR. “Everybody talks about sustainability these days, but once you know exactly what that means, it’s clear why it’s such a priority for EPCOR. It’s about how we conduct our business in a way that is good for the community today and in the future.”

“It adds value to the company,” says Rennie. “We have developed a reputation as a trusted, valued provider of these services. We do the right thing, but we also do our thing right.” And that means collaboration at every level.

To create the strategy, the board handles oversight while management builds iterations of a detailed plan they evaluate together. “The process is a great dialogue around emerging and changing factors,” says Addison, “as well as creating opportunities to weave our Sustainability Strategy into our business plan. We’re just so lucky to have an expert board help guide the long-term strategic direction of the organization.”

“It’s about how we conduct our business in a way that is good for the community today and in the future.”

- Jennifer Addison, Senior Vice President, Sustainability, General Counsel & Corporate Secretary

It’s about assessing the previous cycle and then deciding not just what to focus on for the next three years, but how to tell if it’s working. The Materiality Assessment is vital when it comes to this evaluation.

“Certainly, some key things have evolved over the last three years,” says Addison. “A global pandemic, high inflation, extreme weather events close to home. These things are top of mind for communities we’re serving, and people want to make sure we’re making the right choices. And then there are elements like having a safe workplace, having a culture of belonging, having deeper relationships with Indigenous Nations and communities, and more.”

EPCOR is in it for the long haul with stakeholders, their shareholder and customers who all want EPCOR to be part of their community. “We won’t make decisions that could have long-term harmful implications for a community because we’ll be there ourselves,” says Addison.

Doing the right thing right means that EPCOR is devoting governance time and resources to ensuring its Sustainability Strategy is not only current, but integrated into the company’s business plan. Sustainability is not a picture you hang on a wall in your house, it’s the blueprint for the entire structure.



Raising the Bar on Gender Diversity

EPCOR's Board of Directors continues to express its commitment to gender diversity through action. The board added another female director in 2023, bringing its membership to five women and six men.

By comparison, for TSX-listed companies, the percentage of women holding board positions stood at 27% in 2023, while 8% served as board chair. EPCOR Board Chair Janice Rennie was appointed in 2018.

Scorecard G1

BOARD INDEPENDENCE

Performance Update:

100%

of EPCOR's board is made up of independent directors.

Target: at least 67% of directors are independent, under National Instrument 58-101.

Scorecard G2

BOARD GENDER DIVERSITY

Performance Update:

45%

At December 31, 2023, five out of 11 of EPCOR's board seats were held by women, including the position of board chair.

Target: at least 30% of board seats are held by women.

Scorecard G4

ETHICS COMPLAINTS ACTIONED

Performance Update:

100%

of complaints have been actioned (based on 139 complaints received in the past year).

Target: 100% of ethics complaints have been responded to, investigated, or otherwise resolved.

For the complete Consolidated Scorecard [see page 55](#).

Path to a Smaller Footprint

EPCOR’s commitment to reducing greenhouse gas (GHG) emissions is reflected in the ambitious targets we set in 2020.

These are to reduce our net Scope 1 and 2 emissions 50% by 2025 and 85% by 2035, across our Canadian and American operations. The targets use 2020 emission levels as a baseline and are milestones on the journey to our ultimate goal of achieving net zero by 2050.

Our path to get there has not always been easy. Two key drivers continue to put upward pressure on our emissions — population and economic growth, and the addition of new operations and service territories.

Organic growth in our current service areas, and the addition of new operations, increases the scale of utility infrastructure we build and maintain, and the volumes of energy, water and wastewater we create, deliver or process — all of which are sources of emissions from our operations. To meet our targets for absolute emissions reduction will ultimately require mitigating all emissions associated with growth, as well as emissions from our existing operations.

EPCOR operates in some of the fastest-growing regions in North America, including Alberta, Arizona and Texas. This means there are more people in more homes, businesses and organizations, using more energy and water. We continually work to balance this increasing demand for our services with a need to reduce our carbon footprint.

GHG Emissions by Source (tonnes CO₂ e)

Scope 2 emissions

Scope 2 emissions are indirect emissions from the creation of purchased energy. Most of EPCOR’s electricity consumption is used to pump large volumes of drinking water through the treatment process and to customers, and to move and treat wastewater.



Electricity consumption
Total emission credits for
kīsikāw pīsim solar farm

137,952

72%

4,172

Scope 1 emissions

Scope 1 emissions are direct emissions from owned or controlled assets.



Wastewater treatment
processes (N₂O)

25,898

14%



Natural gas and propane
consumption

8,503

4%



Vehicle fuels

9,932

5%



Sulphur Hexafluoride (SF₆)
Carbon Tetrafluoride (CF₄)
Methane (CH₄)

8,957

5%

EPCOR Emission reduction targets



50% by 2025

85% by 2035

Net Zero by 2050

2020 emission levels as baseline



Scorecard E1

GREENHOUSE GAS EMISSIONS (tCO₂e)

Performance Update:

191,245 tonnes

Target: 50% reduction in net greenhouse gas emissions by 2025, 85% by 2035, and net zero by 2050.*

For the complete Consolidated Scorecard [see page 55.](#)

2020		193,072 tonnes
2021		203,626 tonnes
2022		213,927 tonnes
2023		191,245 tonnes

*Reduction targets set from baseline 2020 emissions.

2025 Target in Sight

Each day, we get closer to our target of achieving a 50% reduction in net emissions by 2025.

Across our business lines, our teams have developed road maps to increase efficiency and sustainability in their operations, and explore potential projects that support our journey to net zero. These are some of our focus areas:

Greening our Electricity Supply

The kīsikāw pīsim solar farm now produces almost half of the electricity needed to power EPCOR's E.L. Smith Water Treatment Plant, and its water treatment and distribution processes. The plant provides 60% of the drinking water for Edmonton and more than 90 surrounding communities.

In 2023, its first full year of operation, the solar farm generated 19,078 MWh of electricity. It is made up of 30,350 solar panels that sit on 51 acres of land next to the E.L. Smith plant, and has a total of 13.6 megawatts (MW) of generation capacity. A 4 MW battery storage system with a micro-grid controller allows us to optimize electricity use and make the plant more resilient.

More than 70% of the electricity EPCOR consumes is used to pump large volumes of drinking water through the treatment process and to customers, and to move and treat wastewater. Obtaining that energy from green sources is critical to reducing our emissions.

Renewable Attributes

EPCOR entered into a 20-year contract with Renewable Energy Systems Canada Inc. in 2019 to acquire renewable attributes sourced from the 100 MW Hilda Wind Farm in southern Alberta, which became fully operational in November 2023. We will purchase 145,000 renewable attributes annually, or the equivalent of 145,000 MWh from the wind farm.

GHG Inventory

EPCOR's GHG inventory received third-party assurance for Scope 1 and Scope 2 emissions for the fourth year in a row. GHG emission targets are also connected to EPCOR's bank credit facility as a Sustainability-Linked Loan ([see page 18](#)).



An Electric Future

EPCOR is getting the electricity grid ready to support customer choice, as households adopt electric vehicles and generate their own electricity.

As of 2023, we have installed 24 electric vehicle charging stations in Edmonton. In southwestern Ontario, EPCOR's Go EV program is helping multi-residential developments, shopping centres, workplaces, hospitals and other public locations access federal funding to purchase and install charging stations.

Our micro-generation team in Edmonton is making it easier for people to fit renewable energy installations — mainly solar panels — to their homes and businesses. The number of micro-generation applications we received in 2023 doubled to 2,300.

We are researching and piloting new technologies for distributed energy resources, including electric vehicles, solar panels and energy storage batteries. Our intention is to gain a better understanding of how these can be safely integrated into the electrical system while maintaining grid reliability, and minimizing costs to customers.

Helping to Pave the Road to Net Zero

EPCOR might not be in the automotive business, but it is in the business of developing and supporting solutions for a sustainable future. So, when the Government of Canada needed an experienced utility provider to help expand access to electrical vehicle charging stations in the South Georgian Bay and southwestern Ontario regions, it didn't have to look far.

The Canadian government aims to achieve net zero emissions by 2050 and electric vehicle adoption is one of the keys to success — so much so that all new passenger and light-duty vehicles sold in Canada by 2035 are required to be zero-emission vehicles. As more battery-powered electric vehicles take to the road, drivers will need a convenient spot to stop and recharge along the way. Cue EPCOR.

EPCOR's Go EV program was designed to create an easy path for multi-residential developments, shopping centres, workplaces, hospitals, restaurants and other public locations to access federal funding that would cover 50% of the cost to purchase and install convenient and accessible charging stations. By program's end in 2023, more than \$2 million in federal funding had been distributed to support communities in their drive to sustainability.

"We have a long history of successfully developing and delivering infrastructure and programs that have social, economic and environmental significance," explains Susannah Robinson, Vice President, Ontario Operations.

"We understand how to energize sustainable communities and electric vehicles are an important piece of the puzzle. We knew we could be highly effective as a liaison to get funding to organizations equally focused on a net zero future."

In the span of a year, the EPCOR Go EV program delivered 52 projects across western Ontario, energizing 27 workplace, 21 public, two multi-unit residential and two company fleet stations.

"We understand how to energize sustainable communities and electric vehicles are an important piece of the puzzle."

- Susannah Robinson, Vice President, Ontario Operations



PROGRESS

Our actions and commitments, and the path we choose going forward define who we are.

[EPCOR at a Glance](#)

[Employee Engagement](#)

[Diverse Workforce](#)

[Getting Ahead of Floods](#)

[Protecting Water Supplies](#)

[Clean Water Back to Water Cycle](#)

[Texas-Sized Industrial Water Project](#)

[Owning Clean Energy](#)

[Affordability](#)

[Indigenous Relations](#)

[Engaging Communities](#)

[In-Step with Communities](#)



EPCOR at a Glance

130+ years in Operation

\$15.4 billion

in assets (2023)

\$4.3 billion

in revenues (2023)

\$3.4 billion

Nearly \$3.4 billion in dividends paid to the City of Edmonton since 1996

2 million customers

served across 180+ Communities
2 countries, 4 provinces and 3 states

3,500+

employees



Engaging our Employees

From an employee's first day in their work space to their last day with Team EPCOR — and everything in between — moments matter.

These moments make up the employee experience at work. They influence how individuals feel about coming in each day and how they feel when they go home. They help bring [EPCOR's purpose statement](#) to life, and nurture a culture where people feel safe and valued for their unique contributions.

EPCOR strives to be one of the best places to work. To do this right, we need to hear from our employees on a regular basis. Their feedback helps us to better understand their work experience.

Over the past decade, our employees have made their voice heard through a biennial employee engagement survey, facilitated by an external provider. Once surveys are complete, aggregated results are delivered to EPCOR leadership. The most recent survey was conducted in October 2023.

Follow up occurs across EPCOR, as teams meet with their managers to review their own survey data and begin discussions on action planning. These action plans then roll up to create business unit focus areas. In the past, employee feedback has helped develop key people strategies, including professional growth and leadership development initiatives, as well as implementation of a company-wide Diversity, Equity and Inclusion strategy.

Focusing on Daily Work Experiences

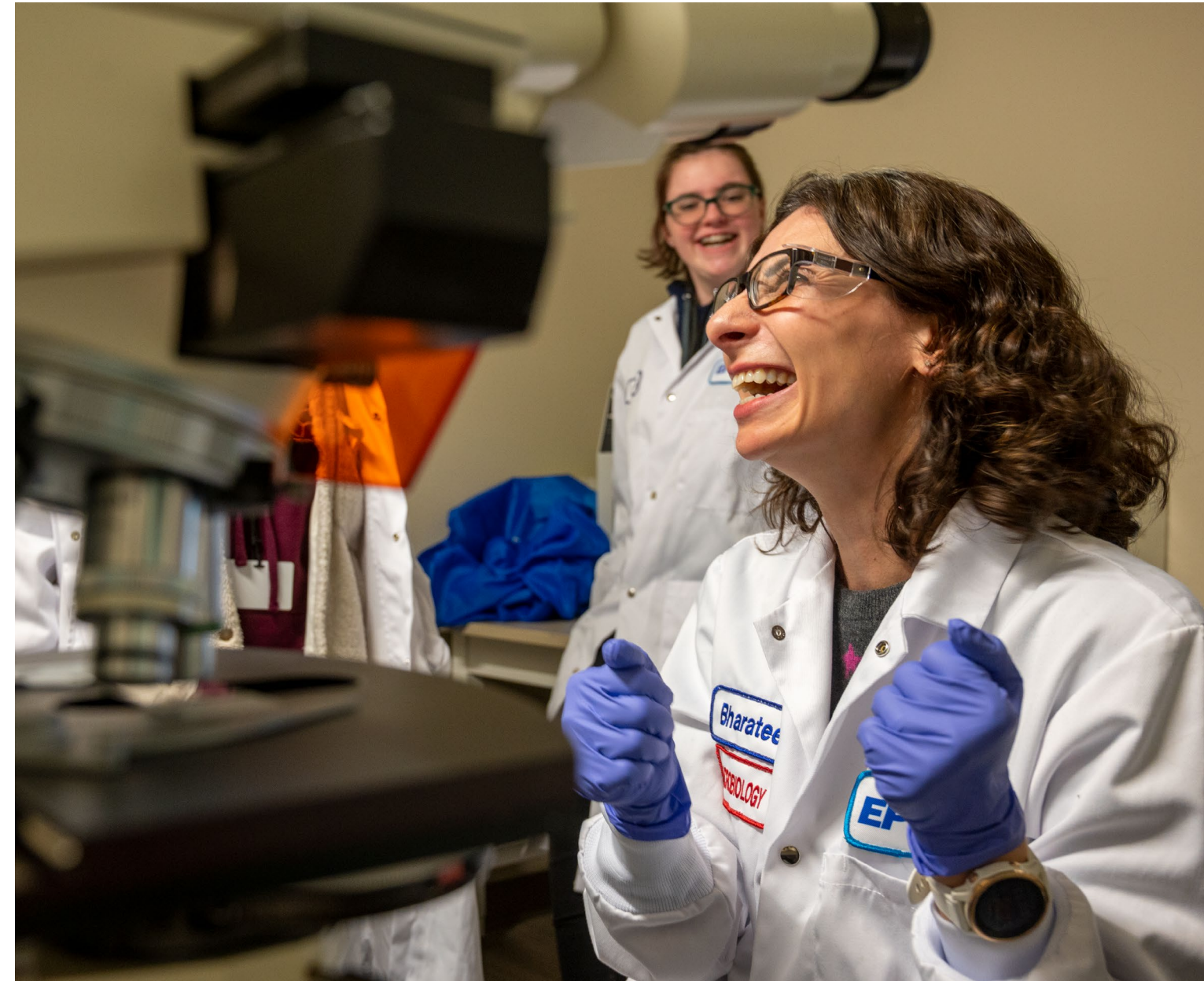
In 2023, EPCOR changed to a different survey provider and amended our approach to focus more on the daily experience of our employees, based on what they hear, feel and see in their workplace. The new survey tool continues to measure employee engagement, but our approach is changing to include more regular feedback through a combination of full surveys and pulse check surveys on topics of importance.

More than 2,800 people participated in the fall 2023 survey — 83% of our employee population. In total, employees provided a resounding 8,000+ comments throughout the survey. This feedback provides valuable information about what is important to them and where EPCOR can make improvements.

Overall, EPCOR's engagement score was 76%, consistent with overall scores from previous surveys. Company-wide results also show top strengths for EPCOR to be:

- our teams collaborate effectively to get things done
- we know what we should be focusing on at work
- we feel that the work we do is meaningful

EPCOR's employee experience score is also in line with our external benchmark comparators in the utilities sector (74%), across Canada (75%) and globally (75%).



DIVERSITY

A Diverse Workforce: Setting Goals to Get There

EPCOR is committed to Diversity, Equity and Inclusion in our workplace. To get us where we want to be, a number of goals and metrics have been set for 2026. These are focused on making EPCOR a place where everyone belongs and wants to be, and increasing the number of women, visible minorities, Indigenous peoples, and people with disabilities on our team.

A diverse workforce is necessary for EPCOR to continue to achieve higher overall levels of performance. Ultimately, our performance is driven by innovation — the type that comes when employees represent different demographics and backgrounds, and hold varied perspectives.

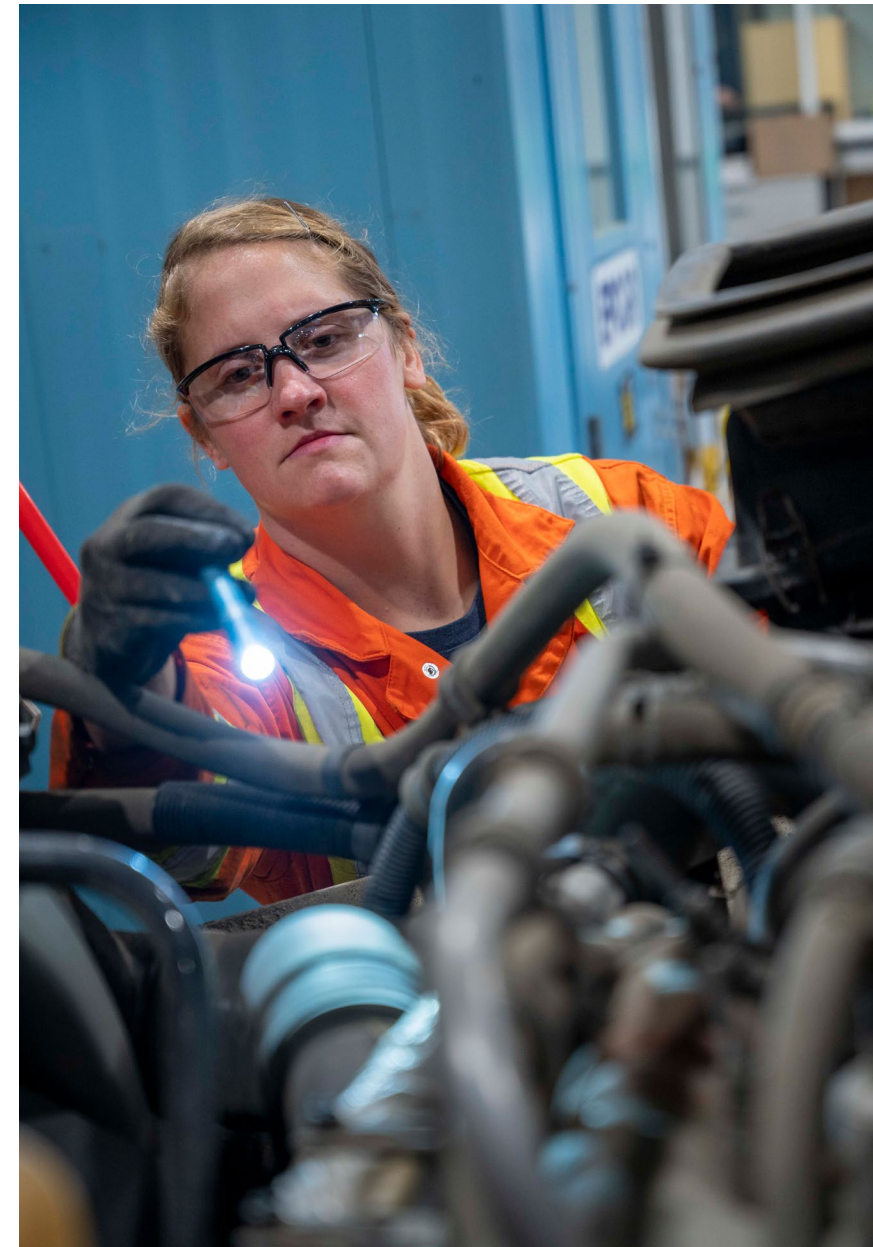
At the core of our efforts is an intention to identify and remove barriers and inequities that women and other marginalized groups face in the workplace. This involves making improvements to our hiring process and removing systemic and unconscious personal bias that in some circumstances prevents the hiring.

It also requires us to address root causes of turnover, which occurs at a significantly higher rate than for men. We are taking steps to address these higher turnover rates, including making changes to increase workplace flexibility, providing mentorship for women, and improving professional development opportunities.

Currently, women make up 29% of EPCOR’s workforce. We have experienced modest, incremental progress in recent years. This is similar, across the board, with other employers in our industry. To accelerate the pace of change at EPCOR, we have set a target to increase the percentage of women we employ to 32% by the end of 2026. This metric has been included in our application for Sustainability-Linked Loans, further demonstrating our commitment to achieving this goal.

We have a multi-faceted strategy in place to realize the diversity we aspire to achieve. This strategy focuses on establishing a positive work culture that allows each individual to make contributions and enjoy a rewarding work life.

To accelerate the pace of change, EPCOR is targeting an increase in the percentage of women we employ to 32% by the end of 2026.



Scorecard S3

DIVERSE AND REPRESENTATIVE WORKFORCE

Performance Update:

29.5%

Women in the Workforce

Target: Women make up 32% of EPCOR workforce by the end of 2026 (Canada and U.S.)

2019		28.4 %
2020		28.5 %
2021		28.5 %
2022		29.0 %
2023		29.5 %

Getting Ahead of the Next Flood

EPCOR is taking tangible steps toward the goal of making Edmonton a flood resilient city.

With an award-winning strategy — our Stormwater Integrated Resource Plan (SIRP) — firmly in place, we are active on a number of fronts, whether it's developing dry ponds, implementing smarter, greener solutions, or conducting home flood inspections.

SIRP seeks to reduce the health, safety, financial, social and environmental risks of flooding. It takes a customized approach, focusing on the risks unique to each neighbourhood.

The objective is to **slow, move, secure, predict,** and **respond** to flooding events to prevent or reduce their impact. Here's some of the progress we made in 2023.

Slow and Move

In 2023, EPCOR installed over 400 low impact developments (LIDs) that soak up rainfall where it lands, freeing up capacity in our sewer network. To achieve this, we worked with the City of Edmonton and local developers to reduce barriers to building green stormwater infrastructure, which included developing design standards and processes to enable these developments.

Work on the Kenilworth and Parkdale neighbourhood dry ponds and associated sewer separation began in 2023, while detailed design progressed on the Ottewell and Lauderdale area dry ponds. These dry ponds will mitigate the impact of floods, while also maintaining and enhancing recreational spaces.

Secure

EPCOR reached nearly 1,000 additional single family residential customers in 2023, conducting inspections and providing information on flood prevention. We also reached 23 multi-family residential complexes, resulting in an additional 700 inspections.

Through the year, a total of 288 backwater valves were subsidized to enhance home flood protection by reducing the likelihood of basement backups. EPCOR offers homeowners financial assistance, through these subsidies, toward the installation of an interior or exterior backwater valve.

Predict

We have developed a Smart Pond strategy that will allow us to control the outflow from ponds in real time based on monitoring data and weather radar. Over the long term, we will optimize more than 100 stormwater facilities in Edmonton, and build on our understanding and ability to handle how runoff moves through the system and eventually to the river.

Respond

We initiated response planning for river valley neighbourhoods and other high flood risk areas of Edmonton. Emergency response plans were prepared for 13 communities, outlining steps to be taken during extreme flood events. Our team also evaluated a number of emergency flood barrier technologies, and both acquired and were trained on the deployment of tiger dam, a rapid deployment flood barrier.

EPCOR is working to reduce the health, safety, financial, social and environmental risks associated with urban flooding.



Low Impact Development (LID), Rideau Park neighbourhood, Edmonton

CLIMATE ADAPTATION

Protecting Community Water Supplies

Across EPCOR's utilities, we are implementing changes to mitigate the risks from extreme weather and a changing climate. Our work includes hardening utility infrastructure to protect our ability to serve customers, protecting source water supplies, and increasing community resilience against flooding.

In our Alberta operations, a multi-year capital plan is underway to protect critical utility infrastructure against the risk of flooding from the nearby North Saskatchewan River. The North Saskatchewan River weaves through Edmonton and is the source of the drinking water EPCOR supplies to more than 90 surrounding communities.

The Sustainability Scorecard tracks our progress on protecting two water treatment plants and an electrical substation from the risks of river flooding. We are targeting completion of these investments by 2027, and our teams reached 20% completion of this work in 2023, up from 14% at the end of 2022. The plan is supported by federal and provincial funding, which helps reduce the impact on ratepayers.

In addition, work is currently underway to plan river flood protection for the Gold Bar Wastewater Treatment Plant, which is also located next to the North Saskatchewan River.



Scorecard E3

IMPLEMENTATION OF FLOOD RESILIENCE UPGRADES

Performance Update:

20%

project completion

Target: complete asset protection and relocation outfall control and overland flood barriers installation by December 2027.

CLIMATE ADAPTATION

Sending Clean Water Back to the Water Cycle

As part of our work to ensure the sustainability of source water supplies, EPCOR targets to reuse more than 90% of treated wastewater effluent in our southwestern U.S. operations where water scarcity is a significant issue. At a number of our facilities, wastewater is treated to an A+ quality standard for beneficial reuse such as public irrigation and support for local farms, and to recharge aquifers.

In 2023, we once again exceeded the target, sending more than 95% of treated wastewater for reuse or for aquifer recharge.

Through reclamation efforts, EPCOR has returned more than 21.8 billion gallons of water to the natural water cycle since 2012, or enough to fill about 33,000 Olympic-sized swimming pools.

Meeting Demand in a Desert

Rick Alvarez and his Team EPCOR colleagues bring experience and innovation to one of the most water-scarce regions of the U.S. Meet some of the passionate people behind our water and wastewater operations in the fast-growing Southwest U.S.



Scorecard E5

WASTEWATER REUSE

Performance Update:

95.5%

reused or used

treated effluent to recharge aquifers.

Target: 90% beneficial reuse and/or recharge of treated effluent by existing U.S. operations and a commitment to set targets for each new, expanded or acquired U.S. wastewater operation in arid regions.

A TEXAS-SIZED PROJECT

by Curtis Gillespie

Award-winning Canadian journalist, Curtis Gillespie, provides his unique perspective on EPCOR's journey to sustainability through interviews with people who are helping to chart the course.

They say everything is bigger in Texas. But it's unlikely EPCOR ever imagined it would be working in a little city in the Lone Star State, on one of the largest foreign economic investments in U.S. history.

Yet that's precisely what's happening in Taylor, Texas, about 30 miles northeast of downtown Austin, where EPCOR is constructing the industrial water supply and water reclamation services for Samsung's new semi-conductor fabrication plant.

The services EPCOR will provide for this new \$17-billion facility are mind-bogglingly complex, so it's an achievement for the company to be selected as a partner. Then again, after 120 years in the water business, it speaks to EPCOR's depth of experience and the talent being brought to these two water projects.

"Our job is to provide pristine water going into the process and then treat and reclaim it," says Mike Irlbeck, who was, as he says, EPCOR employee number one in Texas and now acts as Senior Manager of Business Development.

The entirety of the water cycle is divided into two facilities, with the Sandow Water Project sourcing and treating the water entering the plant, and the Blue Sky Water Reclamation Facility, handling the water reclamation.

“These projects are game-changing for EPCOR,” says Richard Brown, who moved from Edmonton to Texas in 2021 to work on the reclamation side of the project. Brown is the Vice President of Major Projects in Texas and has been with EPCOR since 2013.

Samsung’s global environment goal aims to restore 100% of water used by its Device Solutions Division by 2040 and to minimize the increase of water withdrawal.* The Blue Sky project plays a significant role in this goal.

“It’s going to be very efficient from a water consumption standpoint,” says Irlbeck. “It’s going to minimize the regional footprint for groundwater. It’s a very strong commitment by Samsung.”

EPCOR’s commitments came along with putting the teams in place to make it all happen.

“Obviously, undertaking a massive project like this, we need a large number of employees in a very short period of time,” says Rebecca Burleigh, who started with EPCOR in the U.S. in 2012 and is now Director of Corporate Services.

Taylor and the surrounding area have a population around 16,000 people, so the challenge to find and attract talent has been great. The goal is to staff the project with a combination of new hires and people moving from within EPCOR.

* See Samsung Electronics Sustainability Report 2023

“This project has really provided opportunities for employees internally,” says Burleigh. “It’s very exciting. And it’s been interesting from a culture perspective, growing so fast. A number of people who have relocated here from within EPCOR have done a great job in bringing our culture of safety and respect with them and saying, This is what EPCOR is.”

“It is EPCOR’s largest project,” says Brown. “We’re learning along the way, working with a new client, and on a new type of project. It really is ushering in a new era for us.”

It is indeed. A Texas-sized era.

“It’s going to be very efficient from a water consumption standpoint”

- Mike Irlbeck, Senior Manager, U.S. Business Development

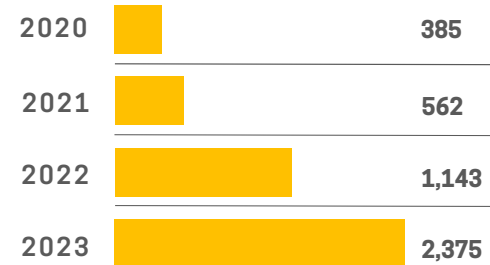


Owning Clean Energy

More customers than ever before are generating their own power. These days, EPCOR’s micro-generation team is hard at work, making it easy for people to fit renewable energy installations — mainly solar panels — to their homes and businesses.

We reviewed more than 2,300 applications in 2023, up from 1,143 in 2022. Our turnaround time for reviewing applications is under two weeks, enabling customers to move quickly to the design phase of their clean energy project.

Micro-Generation Applications Received





Meeting the Challenge of Inflation and Affordability

A Global and Local Challenge

Over the past three years, inflation in Canada and the United States reached generational highs. The impacts have been sustained and wide-reaching, including strains on household budgets as consumers grappled with higher food, energy and housing costs.

Affordability is top-of-mind for customers and governments, and for EPCOR's leaders and teams. It was the topic most frequently raised in the 2023 Materiality Assessment, and it was our top-ranked sustainability goal in a recent survey of EPCOR customers.

While EPCOR and our customers face specific challenges in each of our markets, affordability is a global challenge. Utilities around the world are working to manage investments in aging infrastructure, and update infrastructure to meet the demands of a changing climate and the energy transition. This is being done with an eye to maintaining affordable customer rates and navigating sometimes uncertain regulatory environments.

Affordability was the most frequently raised topic in our 2023 Materiality Assessment.

EPCOR's Focus on Affordability

EPCOR's focus on affordability reaches across all aspects of our operations — from how we design and fund infrastructure, to how we operate our utilities and deliver customer care. Our strategies include:

- focusing capital investment and operating programs on mitigating the greatest risks to reliability and service
- setting and meeting targets to limit growth in operating costs to less than inflation
- revising design standards to match evolving risks and needs, which can lower the costs of utility infrastructure
- leveraging government grant funding to accelerate investments in climate adaptation, reducing rate pressure on utility customers
- offering customer support programs in Arizona and New Mexico, using funds pooled from ratepayers to provide subsidies to targeted customer groups, administered by a third-party organization
- helping customers manage their bills through flexible payment programs and connections to support programs
- offering fixed-price options for electricity and natural gas customers in Alberta's competitive market
- providing energy efficiency and water conservation education in all markets

In 2023, we worked to implement affordability programs, support customers in controlling their utility costs, advocate for electricity market reforms to bring down energy costs, and limit growth in utility operating costs to well below inflation.

In 2023, EPCOR helped customers control utility costs, advocated for electricity market reforms, and held operating costs to well below inflation.

Alberta Electricity Market Reforms

Throughout 2023, EPCOR advocated for changes to Alberta's electricity market that would reduce the price of power paid by our customers. We supported action to: address the root cause of high power prices by changing bidding rules for power generators, modify the energy-only market and transmission policy, and ensure a reliable supply of power generation.

Our activities included participation in multiple formal consultations run by government departments and agencies. Across all our advice to government, EPCOR's focus was to advocate for our customers' interests — an electricity system that is reliable, affordable, and environmentally responsible. We supported customer choice; a fair, efficient and openly competitive market; and targeted financial support for vulnerable Albertans.

Scorecard S5

REASONABLE COSTS

1.6%

per customer

Three-year average of the annual change in operating costs per customer in EPCOR's Canada and U.S. regulated utilities (2021-23).

Limiting Growth in Operating Costs

Within EPCOR, we worked to protect customers by limiting increases in our operating costs, without negatively impacting service levels, reliability or environmental performance.

Our focus on affordability is reflected in our performance systems at the business and individual level. Many of our regulated utilities operate under Performance Based Regulations which limit utility rate increases to less than inflation — and include incentives for even deeper cost reductions.

At an individual level, executive performance targets include an objective to limit growth in operating cost per customer to 2% per year averaged over a three-year period. From 2021 to 2023, the average annual change in operating costs per customer in our regulated utilities was 1.56% — an indicator of strong cost discipline during a period where North American consumer price increases averaged around 5% per year.

In 2023, this affordability target was also incorporated into EPCOR's Sustainability-Linked Loan ([see page 18](#)), further emphasizing the importance of achieving cost control to the benefit of customers.



Helping Alberta Customers Control Their Utility Costs

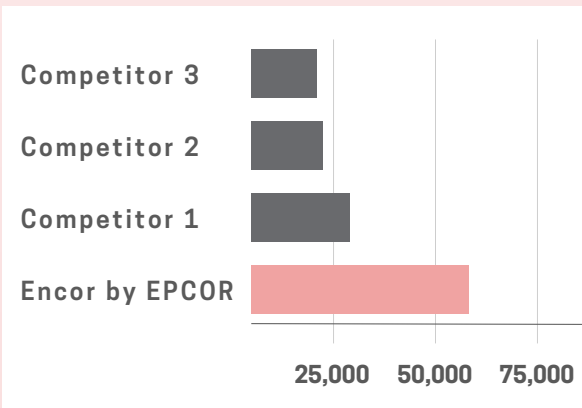
EPCOR offers water and power efficiency education and programs to customers in all markets. But Alberta electricity customers have faced exceptional increases in energy costs over the past two years that cannot be offset simply through conservation.

Prices in Alberta’s wholesale electricity market remained elevated in 2023. The Alberta electricity consumers most impacted were those on the Regulated Rate Option (RRO), who are exposed to monthly swings in electricity pricing from the wholesale market.

One way Alberta customers can control their energy costs is to enter into a fixed price contract. Encor by EPCOR is EPCOR’s competitive retail option — offering electricity and natural gas contracts to customers across Alberta. Their electricity contract offerings were consistently among the most competitively priced options in the market throughout 2023.

Competitive pricing, combined with ongoing marketing efforts and volatile shifts in monthly prices, resulted in unprecedented levels of change — both in customers leaving the RRO service, and customers joining Encor by EPCOR. In the first nine months of 2023, Encor by EPCOR was Alberta’s fastest growing competitive retailer, adding more than 60,000 residential retail electricity customers.

Encor by EPCOR was Alberta’s fastest-growing competitive electricity retailer in 2023



Alberta: Fastest growing competitive electricity retailers, ranked by number of residential electricity customers added in the first nine months of 2023 (Source: Alberta Market Surveillance Administrator).



Implementing Government-Directed Affordability Programs

Year round, EPCOR’s billing and customer care teams connect customers with local and regional support programs, and work closely with individual customers to provide payment options and help them manage their account.

Over the years, our teams have also implemented government-directed affordability programs, including rate caps, rebates and deferral programs.

In response to high wholesale electricity prices, our teams worked to implement two Alberta government utility affordability programs in 2023. We administered \$200 electricity rebates for each retail electricity customer in our service territories, paid in installments from January to April 2023.

We also implemented a price ceiling on energy costs paid by customers receiving Regulated Rate Option (RRO) electricity service. From January to March 2023, the price ceiling limited their energy payments to 13.5-cents per kilowatt hour. Energy costs in excess of the ceiling were pooled, and are being collected over 18 months from customers on the RRO.

Together, these programs significantly reduced utility costs paid by Alberta electricity customers in early 2023. EPCOR’s teams applied more than \$183 million in government-funded rebates to customer bills, and the price ceiling enabled RRO customers in EPCOR service territories to defer \$128 million in energy costs.

EPCOR implemented Alberta government programs that lowered customer utility bills by more than \$311 million during early 2023.

Customer Perspectives on EPCOR

The overall affordability environment and the pace of change in Alberta's electricity market sometimes challenged our efforts to serve customers in 2023. In March and April 2023, there was an unprecedented surge in call volumes and website activity, as Alberta customers sought information about their electricity plan options, and answers to questions about how the spike in wholesale electricity prices was affecting their bills.

The surge led our teams to implement changes to technology systems and infrastructure that made it easier to access accounts online, enhancements to processes and resources that reduced call answer times, and increased information for customers that was available outside of the account environment.

Throughout the surge — and the balance of the year — customer service agents continued to earn high marks from our customers, with customers awarding satisfaction scores at multi-year highs. Across multiple utilities, EPCOR continued to meet or exceed all customer satisfaction targets set by regulators.

EPCOR also tracks corporate reputation, and has an internal target to lead all utility peers in the Edmonton market (reported in the Sustainability Scorecard from 2020 to 2022). EPCOR's reputation again ranked first among utility peers in 2023, but our lead narrowed. Our tracking also showed a continuation of multi-year declines in corporate reputation across sectors, driven largely by public concern over affordability and inflation — demonstrating the importance of keeping affordability and great customer service as a focus of EPCOR's business strategy.

Scorecard S4

CUSTOMER SATISFACTION

5 out of 5

Number of customer satisfaction metrics that meet or exceed full year satisfaction targets set by utility regulators (2023).



INDIGENOUS RELATIONS

Creating an Intentional, Meaningful Path Forward

EPCOR recognizes the many relationships it is privileged to share with Indigenous Nations, communities and peoples, including as rights holders, geographic neighbours, customers, Indigenous-owned businesses, and business partners. We continue to move beyond rights-based engagement through our relationships with Indigenous Nations and communities and in 2022, adopted an Indigenous Peoples Policy that serves as a cornerstone to our truth and reconciliation efforts.

In 2023, we took significant steps forward on our Indigenous Relations journey. Many of our efforts align closely to Call to Action #92 of the Truth and Reconciliation Commission of Canada Final Report, which calls upon the corporate sector to consult meaningfully, build respectful relationships, and work toward equitable economic opportunities for Indigenous peoples. It also urges companies to provide workplace training on topics such as the history and legacy of residential schools, Indigenous peoples, treaties, and Aboriginal-crown relations.

This past year, EPCOR:

- invited more than 30 Indigenous Nations, communities and representative organizations with historic and cultural connections to the lands on which we operate to engage with us on current and future capital project work.
- continued our Indigenous Monitoring Program, which ensures Indigenous monitors are present during ground disturbance activities at our Edmonton river valley facilities. We also worked to develop an Archaeological Finds Plan with input from Indigenous Nations, communities, and monitors.
- engaged cultural knowledge holders in a Traditional Ecological Working Group to advise EPCOR project teams on matters such as a vegetation management plan, tree removals, and native plantings.
- developed an Indigenous Relations Procurement Strategy to increase Indigenous-owned businesses in our supply chains. We began work with Indigenous-owned businesses to self-register in our Indigenous vendor registration database, and to build awareness of our procurement methods.
- guided by Indigenous Nations and community members, continued design work on a permanent demonstration and interpretive site at the kîsikâw pîsim solar farm, which will accommodate Indigenous ceremonies. Construction is expected to begin in 2024.
- continued to provide Indigenous cultural awareness training with broader enrollment. At December 31, 2023, more than 200 people participated in learning including EPCOR's Board of Directors, Executives, senior leaders, corporate employees and construction project managers.

Canadian Council for Aboriginal Business

As a Non-Aboriginal Business member of the Canadian Council for Aboriginal Business, our long-term goal is to achieve PAR (Progressive Aboriginal Relations) Bronze certification. We see PAR certification as a tool to benchmark, set targets and measure progress toward our broader Indigenous relations goals and efforts.

In 2023, we made the decision to step back, and take additional time to prepare our submission for PAR Committed Phase 3, which is the precursor to work on Bronze-level certification. This revised timeline allows us to more thoroughly and thoughtfully reflect the input of our Indigenous partners, include ambitious — yet achievable — targets, and mobilize teams across our company. We have also optimized our internal working structure to sharpen our effectiveness and focus on PAR goals.

We expect to provide our PAR Committed Phase 3 submission in 2024, and submit an application for PAR Bronze level certification the following year.



Rendering of permanent demonstration and ceremony site to be built at EPCOR's kîsikâw pîsim solar farm in Edmonton.

Engaging Communities to Build the Future

Our opportunity to enrich the quality of life for the people, businesses, and communities we serve depends on the relationships we build. Through dialogue and engagement, we ensure our operations and activities are aligned with community interests and priorities, and guided by our shared values.

Our community engagement approach aligns with both the International Association of Public Participation (IAP2) and the City of Edmonton's Public Engagement Framework.

Identifying Needs, Aligning Values

In 2023, EPCOR engaged community members and key stakeholders on projects throughout Edmonton and across its operations. Some projects, like the Edmonton Water Treatment Plants Flood Protection Project, moved into phases requiring less engagement and consultation, while maintaining Indigenous monitoring and interaction.

Others, like the Central Edmonton Transmission Reinforcement (CETR) Project, which reinforces the electrical system and replaces aging infrastructure in north and northeast Edmonton, undertook more intense consultation activity. CETR gathered the feedback of hundreds of residents on the transmission line route options among other aspects of the project – a key reason for the increase in engagement numbers from 2022 to 2023.

Also in 2023, EPCOR conducted its bi-annual survey of residents around the Gold Bar Wastewater Treatment Plant. Reaching more than 1,100 Edmontonians, this survey measures opinions about our efforts to reduce odours from the plant, as well as our work to communicate plant activity. All with the goal of being a responsible and “good neighbour” in the way we operate and interact with our surrounding communities.

As part of our Stormwater Integrated Resource Plan (SIRP), we are building dry ponds and infrastructure across Edmonton that slows rainwater from entering the drainage system during intense rainfall. In the Parkdale community we consulted residents, the Edmonton Public School Board, and the Bent Arrow Traditional Healing Society to ensure the dry pond would continue to meet the needs for public recreation activity. In the Ottewell neighbourhood, we conducted a historical flooding survey as part of preliminary work to inform decisions on the upcoming project.

As we upgrade the drainage system throughout Edmonton, we let neighbourhoods know of the possible impact of our work and meet with residents to ensure we are minimizing the disruption to their activities and lives. In 2023, we did this for residents affected by construction of the new Duggan Tunnel and the Mill Creek Trunk Rehabilitation, and we started conversations with residents that will be affected by the Mill Creek High Priority Sewer Project.

Similarly, as we upgrade and replace or place components for Edmonton's electricity transmission network, we ensure opportunities for public input are considered where possible, and that residents are informed. In 2023, this included work at the Namao substation, as well as emergency work in the Garneau neighbourhood to replace a failed underground power line.

We continue to actively engage stakeholders on a variety of projects across Canada and in the Southwestern U.S. to share project proposals and plans, and to discuss ways to reduce the impacts of construction. We invite dialogue on the work we do so that we design and build projects in a way that addresses a community's need and aligns with its values.

Scorecard S8

ENGAGEMENT

Performance Update:

2,316
participants

Performance Measure: the number of community participants in engagement processes conducted at the “Advise” level or higher in the IAP2 engagement spectrum.



We invited more than 30 Indigenous Nations, communities and representative organizations with historic and cultural connections to the lands on which we operate to engage with us on current and future capital project work.

In-Step with the Communities We Serve

EPCOR has grown considerably in recent years, especially in the United States, where we now have an increasing presence in Arizona, New Mexico and Texas.

Today, we are one of the largest private water utilities in the American Southwest, providing water, wastewater and natural gas service across 44 communities and 19 counties.

People rely on our products, each and every day, and they depend on us to deliver them safely, reliably, and in a way that is respectful of the environment. We do not take this responsibility lightly.

We have another responsibility we take seriously – and, that is to help build and bolster the communities where EPCOR has operations.

With a North American mindset, we will be broadening our outlook on community investment. We'll move toward aligning our approach on both sides of the border, and reporting on our combined efforts.

Previously, we benchmarked EPCOR's performance against Imagine Canada's Caring Companies standard of community investment being at least 1% of Canadian pre-tax income. This excluded our U.S. contributions.

We will now look at our community giving through a holistic lens, assessing the value and performance of our sponsorships, in-kind donations, charitable partnerships, and employee volunteerism across North America. This approach is more reflective of who we are as a company today,

EPCOR has a long and storied history of community giving — from supporting academic research to supporting education programs for vulnerable youth and people experiencing homelessness. Giving is a fundamental part of our culture. Our employees also take great pride in giving back, and the positive impact they can have as community ambassadors and volunteers.

We see our company's growth as an opportunity to support more communities in meaningful ways, and to help make them sustainable for future generations.

A Match Made with Compassion

Since the pandemic, we have put our heart and soul into tackling homelessness, hunger and poverty in Edmonton.

To help kick-start local fundraising campaigns, EPCOR provided campaign seed funding in 2023 to four charities focused on addressing this critical issue. The result? They raised a total \$1.6 million in 2023 to support the work they do. The charities and their campaigns were:

- **Hope Mission:** Hope for the Hungry Radiothon
- **Bissell Centre:** Feed our Little Ones Campaign
- **Youth Empowerment and Support Services:** Giving Tuesday Campaign
- **Edmonton Food Bank:** Make the Season Kind





Giving Back & Getting Back

The Magic of Corporate Mentoring

When you support children and their families in communities, you can change lives and help people who are vulnerable when they need it most. And sometimes, you may find it was just what you needed, as well.

This is a common theme among EPCOR volunteers, and the magic behind the Corporate Mentoring program in support of Boys & Girls Clubs Big Brothers Big Sisters of Edmonton and Area — or BGCBigs for short.

EPCOR has been a funding partner of BGCBigs since 2015, and now supports three programs — the McCauley After-School Program, ensuring children and youth have a safe place to go and development activities to participate in after school; the Educational Tutoring Program, focused on helping students with literacy and numeracy, as well as tailored learning plans; and the Corporate Mentoring Program, providing important connections for children with mentors in a workplace environment.

The Corporate Mentoring Program is something EPCOR and its 36 employee volunteers were pleased to see relaunched in 2023. The program was gaining momentum at two EPCOR sites when the pandemic arrived, then was discontinued between 2020 and 2022. But now it's back and bigger than before, operating at three sites with Electricity team mentors at the Hugh J. Bolton Service Centre, with Water team members at the Rosedale Water Treatment Plant, and with Corporate staff at EPCOR Tower in downtown Edmonton.

Shahab Pichaghian is a Specialist, Project Controls in Electricity Services and, in 2023, he was looking for a volunteer experience that would give him something to focus on. He had never worked with kids before and felt it was a big responsibility but, upon the suggestion of his manager, he signed up and was paired with two mentees.

“One hour over lunch goes by so quickly. My mentee and I would eat our lunches beforehand so we could pack in as many activities together as possible.”

- Kent Zutz, EPCOR Mentor



“The kids in this program need your time and energy! They’re in more vulnerable situations than many other kids and they look forward to spending time with an attentive adult.”

- Shahab Pichaghian, EPCOR Mentor

“At EPCOR, we often talk about giving back to the community,” shared Shahab. “But honestly, this experience gave me back so much. Seeing the kids get so excited each week — their energy came back to me 100 times more.”

Altogether, the Corporate Mentoring Program supports 60 local students, visiting EPCOR workplaces, connecting with mentors, talking, playing games and participating in activities. The relationships that grow over this time make such a difference in both the lives of youth and the EPCOR team members who look forward to their visits each and every week.

For Shahab, it was his friends and family that pointed out to him how much he cared about being a part of the program and making a difference in the lives of kids. And it’s true.

“I think I looked forward to it just as much, or even more than the kids did,” he said with a laugh.

“This has by far been the easiest volunteer experience I’ve had... for a potentially huge impact in the life of a child who needs that extra support.”

- Angelina Van Ryswyk, EPCOR Mentor

IN THE NEWS

Catch a glimpse of how the Corporate Mentoring Program makes a difference in the lives of youth and their mentor matches.

[Clip courtesy of CTV.](#)



Support at a Glance

EPCOR’s support for BGCBiggs focuses on the development and education of youth through these initiatives:

- McCauley Club After School Program
- Educational Tutoring Program
- Corporate Mentoring Program



An Up Stream Approach to Learning

Taking a Ride with RiverWatch

Operating on the banks of the North Saskatchewan River since 1891, EPCOR has a deep relationship with this incredible resource that flows through Alberta, across the prairies and east into Hudson Bay.

Caring for Edmonton and area's source of great tasting tap water, and the watershed throughout the region, is front of mind for the company. But how do we ensure everyone has a similar appreciation and considers how they too can play a role as stewards of the mighty North Saskatchewan? It's as simple as dabbing on some sunscreen, grabbing a paddle and heading out for a float with RiverWatch.

EPCOR has been partnering with RiverWatch for more than 15 years, helping teach more than 150,000 junior high students about the importance of protecting the river for future generations. And in 2023, we signed a three-year agreement to continue supporting the RiverWatch School Program and become the presenting sponsor for the ECO Float Program.

Every day, EPCOR takes water from the river, treats and delivers it to homes, and then treats it again after use and before it flows back into the river. RiverWatch helps people understand the science behind the river and the flow of EPCOR's operations.

IN THE NEWS

Take in the view as Grade 9 science students paddle their way into learning about the value and care of the North Saskatchewan River.

[Clip courtesy of CTV.](#)



Support at a Glance

- RiverWatch School Program - Partner since 2005
- RiverWatch ECO Float Program - Partner since 2021

As part of school tours, students even conduct water tests along the way at points before water is treated for drinking and after they float by the Gold Bar Wastewater Treatment Plant. Often, their results show that the treated wastewater flowing back into the river is cleaner than the raw water EPCOR originally took out — an important indication of how much care goes into the process and keeping the river healthy.

While students get up close and personal with the river as part of their science class, the ECO Floats held for community members during the evenings and weekends provide an enriching interpretive and learning experience.

Giving youth and community members these unique opportunities grows understanding of what it takes to maintain a healthy watershed and a stronger appreciation for one of the greatest resources that keeps our days and lives flowing.

“We pass a lot of historical areas, as well as places to talk about science, about river ecology, the ecosystems; so we dive into all sorts of stuff.”

- Lucas Schmidt, RiverWatch Lead Guide

Caring for Edmonton and area’s source of great tasting tap water, and the watershed throughout the region, is front of mind for EPCOR.

Facts Flow

- floats run May and October every year
- 4,600 students from 68 schools participated in 2023; and 1,480 community members
- as part of the water treatment process, EPCOR conducts more than 110,000 water quality tests every year — another reason Edmonton has such great tasting tap water
- around 100 billion litres of wastewater is treated each year before being put back into the river — cleaner than when it was taken out



FOUNDATION

We provide power, water and natural gas safely and reliably, and in a way that is mindful of our responsibility to our people and the communities we serve.

[Safety First](#)

[Employee Resource Groups](#)

[Protecting our River](#)

[Making a Splash](#)

[Reliable Power](#)

[Delivering Economic Value](#)



Safety First — For Everyone

Safety is in everything we do at EPCOR. Our goal is to make sure everyone who works for us, whether they're employees or contractors, returns home each day just as healthy as when they left.

We had a very successful 2023 when it came to contractor safety performance with over 4.6 million contractor hours worked across EPCOR, and a combined contractor All Injury Frequency rate of 0.35.

Our efforts focus on prevention and how we can influence and support curving this trend back. Here are three ways EPCOR is committed to working with our contractors to maintain focus, and a high level of health, safety, and environmental performance.

- **Focused inspections on contractor high consequence work:** These inspections are focused on ensuring contractors meet or exceed EPCOR's comprehensive health, safety, and environmental standards. They may involve on-site visits, audits, observations and reviews of safe work practices to identify and promptly address any potential hazards or non-compliance issues. Proactive efforts that support safe work planning and execution are also recognized.
- **Encouraging partnership and collaboration through annual pre-mobilization sessions:** EPCOR organizes annual pre-mobilization sessions with contractors to foster a culture of partnership, collaboration, and mutual understanding of health, safety, and environmental expectations.

- **Working with contractors and their subcontractors to connect through ISN (ISNetworld):** ISN and ISN SubTracker are EPCOR's chosen third-party contractor registry that provides a centralized database, enabling us to monitor contractor and subcontractor compliance to our health, safety and environmental requirements

Through ISN, contractors and subcontractors can submit documentation, such as performance metrics; health, safety, and environment program content; and, acknowledgements to EPCOR standards to demonstrate their compliance and commitment to our program. We leverage the data and insights gathered from ISN to assess the performance of contractors, identify potential risks, and collaborate with them to implement corrective actions and improve overall safety and environmental outcomes. Additionally, contractors connect to their subcontractors to do the same review through ISN SubTracker.

When it comes to safety, we are in this together, and there is nothing we do that is more important than keeping ourselves and our contractors safe. We are committed to continuously improving how we work with our contractors to ensure our highest standard in safety performance is achieved year-over-year.

Scorecard S1

TOTAL RECORDABLE INJURY FREQUENCY

Performance Update:






0.97

recordable injuries

for every 100 full-time workers over a one-year period.

Target: a safety-first culture, driving to zero incidents.

For the complete Consolidated Scorecard [see page 55](#).

2019		1.44
2020		1.03
2021		1.31
2022		0.97
2023		0.97



TEAM EPCOR

The Change We Want To See

Our people are at the heart of EPCOR's accomplishments. They are also a driving force behind efforts to create a work environment that celebrates the rich cultural traditions and life experiences among us.

Currently, we have eight Employee Resource Groups in place, whose work is supported by the company. These are grassroots collectives formed by employees who share a common diversity characteristic, or are an ally of that community. The latest group, STIGMA — Stronger Together in Growth, Mindfulness and Allyship — was formed in 2023.

STIGMA (*Stronger Together in Growth, Mindfulness and Allyship*) – builds a community that supports mental wellness within EPCOR. The group generates awareness to reduce the stigma associated with mental illness, and improves the mental health of employees and their families.

Herstory – engages employees in conversations on empowering and enabling women to make informed decisions about their individual professional and personal growth.

RISE (*Resources, Information and Support for Emerging Leaders*) – develops new, emerging and aspiring leaders at EPCOR.

TIME for Pride (*To Integrate Myself Entirely*) – creates a safe, supportive and respectful environment for all employees regardless of their sexual orientation, gender expression and gender identity.

Working Parents & Caregivers – supports working parents, caregivers and allies by providing education, resources and connections within a safe environment at work.

People of Colour @ EPCOR – inspires and supports people of colour in our workforce, while fostering engagement, building alliances, and cultivating an inclusive culture for under-represented people at work and in our communities.

Women in the Field – creates a safe, like-minded, inclusive space for women working in male-dominated field roles.

SPiRiT (*Supporting People in Reconciliation of Indigenous Truths*) – provides a safe space for Indigenous and non-Indigenous employees to share, learn and grow together. Plays a positive role in fostering Indigenous inclusion, supporting anti-racism, and encouraging reconciliation within EPCOR and our communities.

Vital Conversations

Danielle Blackwell and her Team EPCOR colleagues are inspiring conversations about mental health in the workplace — to break the stigma of this crucial aspect of wellness. Learn more about EPCOR's newest Employee Resource Group, STIGMA: Stronger Together In Growth, Mindfulness and Allyship.



Protecting our River Water

EPCOR has a shared responsibility in protecting the water quality of the North Saskatchewan River. As part of this, we monitor and manage what flows into the river, and its tributaries, through our piped infrastructure.

We use a “total loadings” measure, which quantifies the mass of substances carried into the river from four sources each year — land drainage through the stormwater system, from wastewater treatment plants, water treatment plants, and combined sewer overflows. The objective is to keep the amount of substances entering the river stable, even as our community grows.

In 2023, a Total Loading Plan was submitted to EPCOR’s regulator, and is currently under review. The plan proposes how EPCOR will maintain and/or reduce the amount of substances entering the North Saskatchewan River, and measure performance over time.

The Impact of Nature, Human Activity

Total suspended solids (TSS) is a measure of substances such as silt, clay, sand, sediment, and organic matter found in the water that typically comes from eroded sediments. It is just one indicator of river water quality. High loads of TSS naturally occur in the North Saskatchewan River due to the abundance of silt and clay soils in the watershed.

Runoff from naturalized areas carries sediment, but land uses such as agriculture, roads, forestry and urban environments increase both runoff and erosion and, therefore, TSS.

About 85% of the TSS that enters the river within Edmonton comes from stormwater runoff, which includes snow melt and rainwater runoff from urban areas. The amount of solids carried into the river varies seasonally and annually, and is mainly driven by the volume and intensity of rainfall and snowmelt.

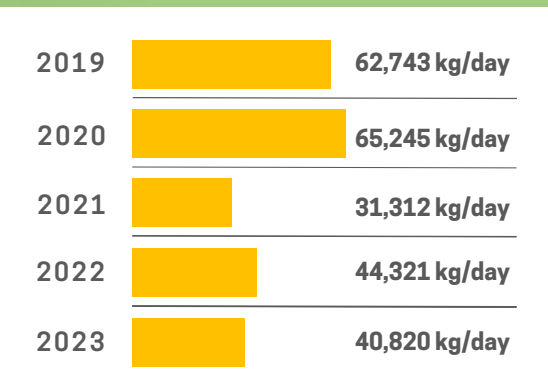
Scorecard E2

PROTECT RIVER WATER QUALITY

Performance Update:

40,820 kilograms / day

Performance Measure: Annual discharges of suspended solids into the North Saskatchewan River from land drainage, Edmonton water treatment plants, Gold Bar and ARROW wastewater treatment plants, and combined sewer overflows (kg/day).





MAKING A SPLASH

by Curtis Gillespie

Award-winning Canadian journalist, Curtis Gillespie, provides his unique perspective on EPCOR's journey to sustainability through interviews with people who are helping to chart the course.

Carnivals are festive affairs, full of celebration and fun. We don't usually think of them as speaking to a vital purpose, especially an environmental one, but that was part of the genius behind EPCOR's Water Carnival held in late August 2023 in Clovis, New Mexico.

It was advertised as "a fun-filled day to learn the many ways water impacts our lives and how we can be good stewards of our water resources," and it proved an inclusive way to bring people together to talk about a topic that's not only of great importance to Clovis, but to the planet.

How inclusive? Twelve-hundred of the 38,000 people living in Clovis came out for the day. That's like holding a water carnival in New York City and having 300,000 people show up.

"Our community loves a good event," says Clovis Mayor Mike Morris. "And it's a testament to EPCOR. They partnered with the city to create a fun day. I saw friends, families, kids, everybody visiting and having a great day, but also talking about water."

It's an important conversation. The Ogallala Aquifer is the sole source of potable groundwater for Clovis and it's in decline. The combined needs of agriculture and population, adds Morris, "have put us in a tough situation where we have questions about our water security."

Rebecca Burleigh, Director of Corporate Services for EPCOR USA, has been with the company since 2012. While EPCOR's Clovis operation might be fairly small, she notes, it's important as a bellwether for future scarce-water locations. Yes, finding new sources of water will always be important, but education around our own habits is going to be just as important, if not more.

"The leadership in Clovis approached us and asked if we wanted to support an event like this," says Burleigh. "The enthusiasm was, frankly, overwhelming. Our employees love being involved in their communities and these types of events give them a lot of pride in their jobs."

Hillcrest Park was full of families interacting, enjoying the free pizza, checking out the splash pad, visiting the zoo next door, all while stopping at the 30-odd exhibits and information booths EPCOR had set up throughout the park to invite discussion around water conservation. "To see this massive company come into our community in such an intimate way was really powerful," adds the Mayor. "It underscored just what a great partnership we have."

It may have been a lighthearted day for participants, but the overarching issue of water scarcity is serious. Managing the resource on an everyday basis is going to be vital moving forward. "Yes, we want people to think about turning off their water at certain times today," says Burleigh. "But it's also about learning how to manage your lifestyle to ensure there's water for future generations."

"Of course, we're concerned about conserving water supply into the future and so grateful to have EPCOR providing service to our residents," says the Mayor. "But that Water Carnival was so great that when EPCOR is ready to do it again, Clovis will be right there to come out and support it."

"The enthusiasm was, frankly, overwhelming. Our employees love being involved in their communities and these types of events give them a lot of pride in their jobs."

*- Rebecca Burleigh, Director,
Corporate Services, EPCOR USA*



ELECTRICITY

Building Teams, Technical Capacity

There’s an untold story behind a less than eight-minute power outage that affected over 3,600 EPCOR customers in Edmonton this past May.

At the time, we took emergency action to identify, and then repair a fault that occurred on a 2.4-km long underground transmission cable connecting two substations — Rossdale and Garneau — located on opposite banks of the North Saskatchewan River.

The work that followed was unique and challenging, involving a number of teams, input from external experts, and the specific skillset needed when it comes to this type of cable. Overall, our analysis and cable work took place over six months and was completed in fall 2023.

We took steps to ensure our system remained safe and reliable at every turn, reducing the risk of outages.

A Repair Plan and Priorities

A cable fault occurs when the insulation of a power cable deteriorates enough so that it is no longer able to contain voltage, causing an electrical short. Finding the exact location of the fault underground was difficult, requiring a number of inspections, and specialized testing equipment and monitoring.

We focused our attention on developing and implementing a comprehensive repair plan to ensure the continued supply of safe, reliable power to our customers.

The repair plan was unique because the underground transmission power cable, like some others, is contained within a pipe filled with insulating fluid (mineral oil). This helps regulate the temperature of the cables, and to provide additional insulation from high voltage.

To safely make repairs, our crews excavated and built two “freeze pits” at different locations along the cable. This involved wrapping a heat exchanger coil around the cable and pumping in liquid nitrogen through the coil, freezing the fluid in the pipe and creating “plugs” of frozen oil. Once the fluid was frozen, crews were able to safely drain the oil in the affected section, remove the damaged cable and replace it.

Throughout this repair, we placed a high priority on maintaining our customer focus. We took steps to ensure our system remained safe and reliable at every turn, reducing the risk of outages. It was also important for us to stay connected to the community to share construction updates and safety information.






Scorecard S6

RELIABLE POWER DISTRIBUTION

Performance Update:

35 min.
of interrupted power

Performance Measure: number of minutes per year that power service is interrupted (SAIDI, all electricity operations combined).

2019		60
2020		50
2021		57
2022		78
2023		35





Contributing to the Economy

Through operations and capital investments, EPCOR distributes economic value to a wide range of stakeholders, across multiple geographies.

\$988 million

Suppliers (capital investments)

Payments made for investments in property, plant and equipment, including acquisitions.

\$2,847 million

Suppliers (operating costs)

Payments for materials and services, including energy, operating costs, contractors, materials, facilities, and administration.

\$368 million

Employees

Employee wages and benefits, including payroll taxes and pension contributions.

\$313 million

Providers of Capital

Repayment of principal on loans, and interest paid on debt and borrowing.

\$185 million

Dividends

Dividends paid to our sole shareholder, the City of Edmonton.

\$189 million

Governments

Current income tax, property tax and franchise fees to all orders of government.

\$3 million

Community Investments

Payments to non-profit organizations through EPCOR's community investment program. Funding for research, community infrastructure, and sponsorship of community events.

In 2023, EPCOR distributed a total of \$4.9 billion in economic value to stakeholders.

CONSOLIDATED SCORECARD

A simplified selection of performance measures, data and targets aligned with Environment, Social and Governance (ESG) factors rated most material to EPCOR.

[Environment](#)

[Social](#)

[Governance](#)



EPCOR's Consolidated Scorecard

The Sustainability Scorecard (formerly referred to as the ESG Scorecard) contains a simplified selection of performance measures, performance data, and targets aligned to the ESG factors rated most material to the company. As noted on [page 17](#), the report launches the second-generation scorecard that will be used for reporting from 2023 through 2025.

The Sustainability Scorecard includes 20 measures and 15 targets, some of which are used to determine the value of incentive-based pay for EPCOR's executive and employee compensation, further described on pages 52 to 60 of EPCOR's Annual Information Form. In addition, certain other sustainability-related targets and measures are set for each specific line of business, geography, operating unit or individual. A summary of updates from the first-generation scorecard are provided on [page 17](#) of this report.

Scope of Reporting

The following scope of reporting commentary combined with the footnotes related to the consolidated scorecard provides additional information on the scope of data, material assumptions, assurance processes and the range of uncertainty for certain data.

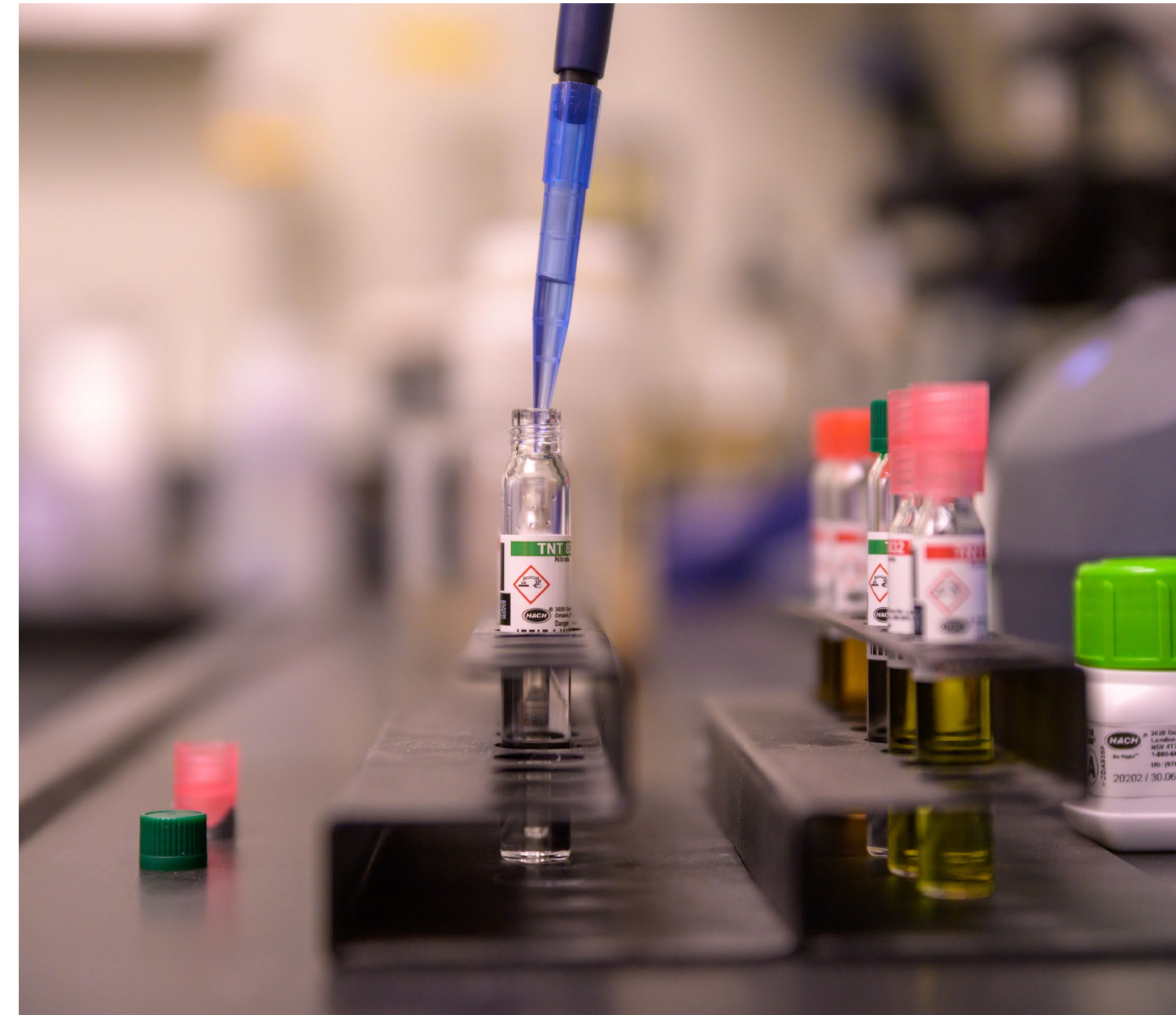
Data in the report and Scorecard:

- includes aggregate environmental performance data for EPCOR-owned and leased operations

- excludes environmental performance data for EPCOR-operated utilities that are operated by EPCOR personnel for a client
- includes data for all EPCOR operations with respect to governance, health and safety, workforce, community and financial data

Data referenced in the Sustainability Scorecard is as of December 31, 2023. Other information is current based on recent available publication dates.

The references to Sustainability Accounting Standards Board (SASB) or Global Reporting Initiative (GRI) standards indicate instances where Sustainability Scorecard data or subject matter relates to measures within the standard being referenced, or to the topic addressed by that standard. In some instances, this indicates that the Scorecard entry is disclosing data against a single metric, while the relevant standard also contains additional metrics. In other instances, this indicates that the disclosure is related to the subject matter of the standard being referenced, but may be presented differently or use a different unit of measure. Where additional information is available in the Sustainability Report narrative that relates to other elements of a standard or to the subject matter in general, cross-references are provided to guide readers to the relevant content. A cross-reference table in the Appendix is provided to assist readers in locating information in EPCOR's public disclosures that relates to specific topics in the Global Reporting Initiative (GRI) Standards.



Material Assumptions and Data Limitations

Workforce Demographics

The 2023 Sustainability Scorecard reports on diversity and inclusion attributes within EPCOR's workforce companywide. Information for Canadian employees is based on voluntary self-reporting, with some employees not making a disclosure, which is a limitation of the data on visible minority representation. With the introduction of a publicly-reported performance target for gender diversity in the workforce (2023 metric S3), additional information on visible minority representation is provided in the Appendices.

Greenhouse Gas Emissions

EPCOR engaged Brightspot Climate Inc. to conduct a review of the company's 2023 greenhouse gas emissions data, in accordance with the ISO 14064 Part 3 standard. Brightspot Climate also has conducted a review of the 2020 (baseline), 2021 and 2022 greenhouse emissions data with no material discrepancies. Its review for the 2023 emissions data has concluded that, at a reasonable level of assurance, the statement for Scope 1 and Scope 2 emissions are materially correct and presented fairly in accordance with the relevant criteria.

The 2020 greenhouse gas emissions data has been revised based on the grid intensity factors for that year, which were published in 2022. The 2020 data is the baseline for measuring performance against targets set and as noted above, has been third-party reviewed to a reasonable level of assurance for the 2023 Sustainability Report.

EPCOR's reported Scope 1 and Scope 2 greenhouse gas (GHG) emissions follow the classifications contained in the Greenhouse Gas Protocol issued by the World Resources Institute. The assumptions and methodologies used in emissions reporting include:

- Grid intensity values used in the calculation of emissions from electricity consumption. These values are unique to each province or state and were obtained from the most updated data made available by the United States Environmental Protection Agency and Canada's National Inventory Report. Due to lags in reporting by these agencies, and the decarbonization of grid power supplies, grid intensity values are subject to retroactive adjustments that are likely to lead to downward restatements of historical emissions in future reports. Grid intensity factors published for 2021 were used to calculate 2020, 2021 and 2022 emissions.
- For corporate reporting purposes and in line with criteria based on the World Resources Institute (WRI) GHG Protocol, a refinement was made in 2023 to the organizational boundary. As of 2023, EPCOR's organizational boundary for GHG emissions reporting has shifted from operational control to financial control. This aligns GHG emissions reporting with EPCOR's financial statement accounting. The impact of the shift did not result in a material change in the emissions sources reported in 2023.
- The calculation of nitrous oxide (N2O) emissions from the wastewater treatment processes at the Gold Bar Wastewater Treatment Plant are in accordance with National Pollutant Release Inventory (NPRI) methodologies prescribed by Environment Canada, based on measurement of nitrogen loading levels in influent, and the measurement of influent and effluent volumes.
- The estimation of nitrous oxide (N2O) emissions from the wastewater treatment processes at EPCOR U.S. operations are based on indexes calculated for Gold Bar Wastewater Treatment Plant and the measurement of influent and effluent volumes.
- The inclusion of CH4 and N2O emissions associated with the combustion of biogas from wastewater treatment processes and wastewater/sludge lagoons located in Edmonton, and the exclusion of CO2 emissions thereof.
- The use of the IPCC Assessment Report Global Warming Potential (GWP) factors, rather than the GWP values from the 2014 IPCC Assessment that are currently referenced in GRI standard 305 and SASB Code IF-UE-110.
- The continuing exclusion of GHG contributions from the sewer system, wastewater/sludge lagoons located in the U.S., and the land application of biosolids, as these have not been fully assessed and may not be material or quantifiable with certainty.
- In adherence to the Greenhouse Gas Protocol, the electricity line losses from the overall Distribution and Transmission grids in Edmonton and Collingwood have been calculated and identified as part of the overall Scope 2 emissions of EPCOR as utility owner. Emissions from line losses totaled 102,605 tonnes CO2E in 2023. However, as the regulatory construct does not provide sufficient control for utility investment in line loss reduction opportunities, this portion of the Scope 2 is excluded from the Scorecard and from EPCOR's emissions subject to the net zero goal.

Some of the excluded sources mentioned above may be included in future reports or as data is made available. EPCOR expects that future updates to historic grid intensity values will result in revisions to the company's Scope 2 and total greenhouse gas emissions, with final values lagging by two years.

Taking into account these uncertainties, the company estimates that the aggregate greenhouse gas emissions for the sources reported are accurate within +/-5%.

EPCOR's consolidated scorecard of 20 performance measures and 15 targets, along with links to the relevant Sustainability Accounting Standards Board (SASB) and Global Reporting Initiative (GRI) standards, see [pages 65-67](#).

Third party review of 2023 emissions data has concluded that, at a reasonable level of assurance, the statement for Scope 1 and Scope 2 emissions are materially correct and presented fairly in accordance with the relevant criteria.

CORPORATE GOVERNANCE

	2019	2020	2021	2022	2023	TARGETS AND COMMENTARY
G1 BOARD INDEPENDENCE Percentage of Directors who are independent under National Instrument 58-101.	100%	100%	100%	100%	100%	At least 67% of Directors are independent under National Instrument 58-101.
G2 BOARD GENDER DIVERSITY^a Share of board seats held by women <i>GRI 405-1(a)(i)</i>	36%	36%	36%	40%	45%	At least 30% of board seats are held by women. See page 21 in the 2023 report.
G3 EMPLOYEE ETHICS TRAINING^b Percentage of eligible employees who have received training on EPCOR's Ethics Policy. <i>Relates to GRI 102-16 (reporting recommendation 3.1.2.) and GRI 2-24-a-iv</i>	N/A	100%	N/A	100%	N/A	EPCOR conducts ethics training every second year.
G4 ETHICS COMPLAINTS ACTIONED Number of ethics complaints received and the percentage responded to, investigated, or otherwise resolved.	96 100%	80 100%	97 100%	122 100%	139 100%	Reporting volumes are provided for context. 100% responded to, investigated, or otherwise resolved.

ENVIRONMENT

	2019	2020	2021	2022	2023	TARGETS AND COMMENTARY
ENVIRONMENTAL FOOTPRINT						
E1 NET GREENHOUSE GAS EMISSIONS^c EPCOR owned and leased, company-wide Scope 1 and 2 emissions net of offsets (tCO ₂ E). <i>Relates to subject of SASB Code IF-EU-110a.1, GRI 305-1 and GRI 305-2</i>	Not reported	193,072	203,626	213,927	191,245	2025: 50% reduction in net Scope 1 and Scope 2 CO ₂ E emissions from 2020 levels. 2035: 85% reduction in net Scope 1 and Scope 2 CO ₂ E emissions from 2020 levels. 2050: Net zero CO ₂ E Scope 1 and 2 emissions. See pages 23 - 25 of the 2023 report.
E2 PROTECT RIVER WATER QUALITY^d Annual discharges of suspended solids into the North Saskatchewan River from land drainage, Edmonton water treatment plants, Gold Bar and ARROW wastewater treatment plants, and combined sewer overflows (kg/day). <i>Relates to SASB Code IF-WU-440a.3</i>	62,743	65,245	31,312	44,321	40,820	Performance data only. See pages 50 of the 2023 report.
RESILIENT UTILITY INFRASTRUCTURE						
E3 IMPLEMENTATION OF EDMONTON FLOOD RESILIENCE UPGRADES^e Protect utility assets and critical infrastructure from river flooding to at least a 1:200 year flood event (percentage implemented).	1%	4%	7%	14%	20%	Complete asset protection and relocation outfall control and overland installation by December 2027. See pages 30-31 of the 2023 report.
E4 WATER LOSS^f Limit the percentage of treated drinking water lost due to transmission and distribution line leaks and failures, and inaccurate meters (U.S. and Canada combined). <i>Relates to SASB Code IF-WU-140a.2</i>	6.1%	6.2%	5.7%	6.0%	Not reported	Performance data only, with reporting lagging by one year.
COMMUNITY RESILIENCE AND ENVIRONMENTAL FOOTPRINT						
E5 WASTEWATER REUSE^g Percentage of treated effluent reused or used to recharge aquifers (U.S. only). <i>Relates to SASB Code IF-WU-440a.2(1)</i>	96.7%	94.4%	93.1%	95.5%	Not reported	90% beneficial reuse and/or recharge of treated effluent by existing U.S. operations, and a commitment to set targets for each new, expanded, or acquired U.S. wastewater operation in arid regions.

SOCIAL

	2019	2020	2021	2022	2023	TARGETS AND COMMENTARY
HEALTH AND SAFETY						
S1 TOTAL RECORDABLE INJURY FREQUENCY (TRIF)^h Continuous reduction in total incidents. <i>Relates to SASB Code IF-EU-320a.1(1) GRI 403-9(a)(iii)</i>	1.44	1.03	1.31	0.97	0.97	A safety-first culture, driving to zero incidents. See pages 48 of the 2023 report.
HUMAN CAPITAL						
S2 TOTAL TURNOVERⁱ Employee departures for employee and employer-initiated reasons including retirement and excluding transfers to another organization due to asset divestitures or operations contract changes, divided by year-end headcount. <i>Relates to GRI 401(b)</i>	7.9%	5.4%	8.2%	7.9%	6.8%	Performance data only. See pages 28 to 29 of the 2023 report for discussion of EPCOR's workplace culture and initiatives.
S3 DIVERSE AND REPRESENTATIVE WORKFORCEⁱ Total number of employees who are women divided by the total number of permanent full-time and part-time employees (Canada and U.S.) <i>Relates to GRI 405-1(b)(i)</i>	28.4%	28.5%	28.5%	29.0%	29.5%	Target 32% by 2026. See pages 29 of the 2023 report.

	2019	2020	2021	2022	2023	TARGETS AND COMMENTARY
CUSTOMERS						
S4 CUSTOMER SATISFACTION Number of customer satisfaction metrics that meet or exceed full-year satisfaction targets set by utility regulators.	4 of 4	5 of 5	5 of 5	5 of 5	5 of 5	Meet or exceed regulated targets in all surveys.
S5 REASONABLE COSTS* Operating costs per customer (rounded to nearest dollar) as defined by the EPCOR's Mid-Term Incentive Plan and approved by the Board of Directors.	\$149	\$151 1.9%	\$149 0.3%	\$154 1.2%	\$158 1.6%	See pages 36 - 38 of the 2023 report.
S6 RELIABLE POWER DISTRIBUTION¹ Number of minutes per year that power service is interrupted (SAIDI, all electricity operations combined). <i>SASB Code: IF-EU-550a.2(1).</i>	60	50	57	78	35	See page 53 in the 2023 report.
S7 SAFE WATER Number of acute health-based drinking water violations from EPCOR controlled activities. <i>SASB Code: IF-WU-250a.1(1).</i>	0	0	0	0	0	Zero violations.

	2019	2020	2021	2022	2023	TARGETS AND COMMENTARY
S8 ENGAGEMENT The number of community participants in engagement processes conducted at the “Advise” level or higher in the IAP2 engagement spectrum. <i>Relates to GRI 102-43 and GRI 2-29</i>	980	2,178	2,606	1,279	2,316	See page 41 in the 2023 report.
S9 ECONOMIC VALUE DISTRIBUTED Direct economic value delivered to stakeholders, including suppliers, employees, providers of capital, governments, and community organizations. <i>Related to GRI 201-1</i>	\$2.3 B	\$2.5 B	\$2.9 B	\$3.3 B	\$4.9 B	Performance data only. See page 54 of the 2023 report for discussion of EPCOR’s direct economic value delivered to stakeholders, including suppliers, employees, providers of capital, shareholder, governments, and community organizations.
S10 COMMUNITY INVESTMENT^m Total contributions for Canada and U.S.				\$3.1 M	\$3.0 M	See pages 42 - 44 of the 2023 report.
S11 INDIGENOUS RELATIONS Progressive Aboriginal Relations (PAR) certification by the Canadian Council for Aboriginal Business and achievement levels.	N/A	Member	Member	Committed	Committed	Apply for PAR “Bronze” level performance certification and set targets for higher level performance once “Bronze” level status achieved. See page 40 of the 2023 report for an update on our work.

Endnotes:

- ^aG2:** Five out of 11 board members are identified as women as of December 31, 2023.
- ^bG3:** Employee Ethics training takes place every second year. There was no training in 2023.
- ^cE1:** Material assumptions and data limitations are listed under EPCOR's Consolidated Scorecard page 57, including information on the assurance reviews of the 2020 baseline, 2021, 2022 and 2023 greenhouse emissions data (no material discrepancies found). Future restatements will be based on final grid intensity factors used to calculate emissions from purchased electricity as they become publicly available (usually 2 year lag). As described on page 57, Scope 2 emissions from electricity line losses totaling 102,605 tonnes CO₂E in 2023 are excluded from the Scorecard and from EPCOR's emissions reduction target. EPCOR has utilized the Global Warming Potential factors (2023) from the IPCC assessment report rather than the 2014 values currently referenced in the noted SASB standards.
- ^dE2:** The calculation method for suspended solids was refined in 2022 (outlined in the 2022 Performance Update report). Annual discharges for 2018 to 2021 were recalculated using the new method to allow for comparison with 2022 levels. There were no changes to the calculation methodology for 2023.
- ^eE3:** The Earned Value Measurement (EVM) was refined to remove the contingency portion of total costs. Percentages implemented in 2021 (6% to 7%) and 2022 (12% to 14%) were restated using the revised method. There were no changes to the calculation methodology for 2023. The Gold Bar Wastewater Treatment Plant flood upgrades is expected to be added to reporting once the project scope and schedule are finalized.
- ^fE4:** Data is sourced from a mix of regulatory filings and facility operating records. For some facility operating records, data was obtained from summary files rather than original sources. The unit of measure for water loss selected as most relevant by EPCOR (percentage) differs from the relevant SASB standard (cubic metres).
- ^gE5:** Data is sourced from a mix of regulatory filings and facility operating records. For some facility operating records, data was obtained from summary files rather than original sources. The unit of measure for wastewater reuse selected as most relevant by EPCOR (percentage) differs from the relevant SASB standard (cubic metres). The new acquisition San Tan, Arizona operations includes four wastewater treatment facilities – Anthem, Section 11, Pecan and San Tan. Data from Anthem, Section 11 and San Tan is included in the 2023 percentage. Pecan was under construction for approximately 6 months as a result of two main projects in 2023 (completion of the UV improvements and Plant expansion) and therefore has been excluded but will be included in future reports.
- ^hS1:** The injury data reported aligns with the rate statistic specified in GRI standard 403-9(a)(iii). The Sustainability Scorecard does not report on the other element of GRI standard 403-9(a)(iii), the total number of injuries in the reporting period.
- ⁱS2:** The total turnover data reported aligns with a portion of the data specified in GRI standard 401-1(b) and does not additionally report on other data specified in that standard, including reporting of employee turnover by age group, gender, and region, by both total number and rate.
- ^jS3:** With the introduction of a public-reported performance target for gender diversity in the workforce in the 2023 Scorecard, other diversity data is provided in 2023 Sustainability Report Appendices.
- ^kS5:** Data from 2019-2022 was restated to align with the approved Mid-Term Incentive Plan (MTIP) metric as reported at pages 58-60 in the 2023 Annual Information Form. The 2020 percentage change reported is for a single year. The 2021 percentage change is a two-year average, using 2019 as the base year. The 2022 and 2023 percentage changes are three-year averages, using 2019 and 2020, respectively, as the base years. The average costs reported are a blend of changes in U.S. dollar costs for U.S. operations, and Canadian dollar costs for Canadian operations. The blended result shown is not converted into Canadian dollars.
- ^lS6:** Data incorporates performance from EPCOR's Edmonton and Collingwood, Ontario operations. Data from EPCOR's Collingwood operations may be subject to restatement based on annual regulatory filings which occur after the finalization of the Sustainability report.
- ^mS10:** Prior to 2023, data previously aligned EPCOR's performance against Imagine Canada's Caring Communities definition, which targets Canadian community contributions. In 2023, to better reflect EPCOR's operations enterprise-wide, the community investment measure was refined and is based on total contributions for Canada and the US. Total contributions in 2023 includes US sponsorships, donations and activation data and implementation costs and investments in research conducted through non-profit organizations including post-secondary institutions. Because of the increased scope of data being reported, performance data is not reported for prior periods (2019-2021). Discussion on EPCOR's community investment programs can be found on pages 42-46 of this report.

APPENDICES

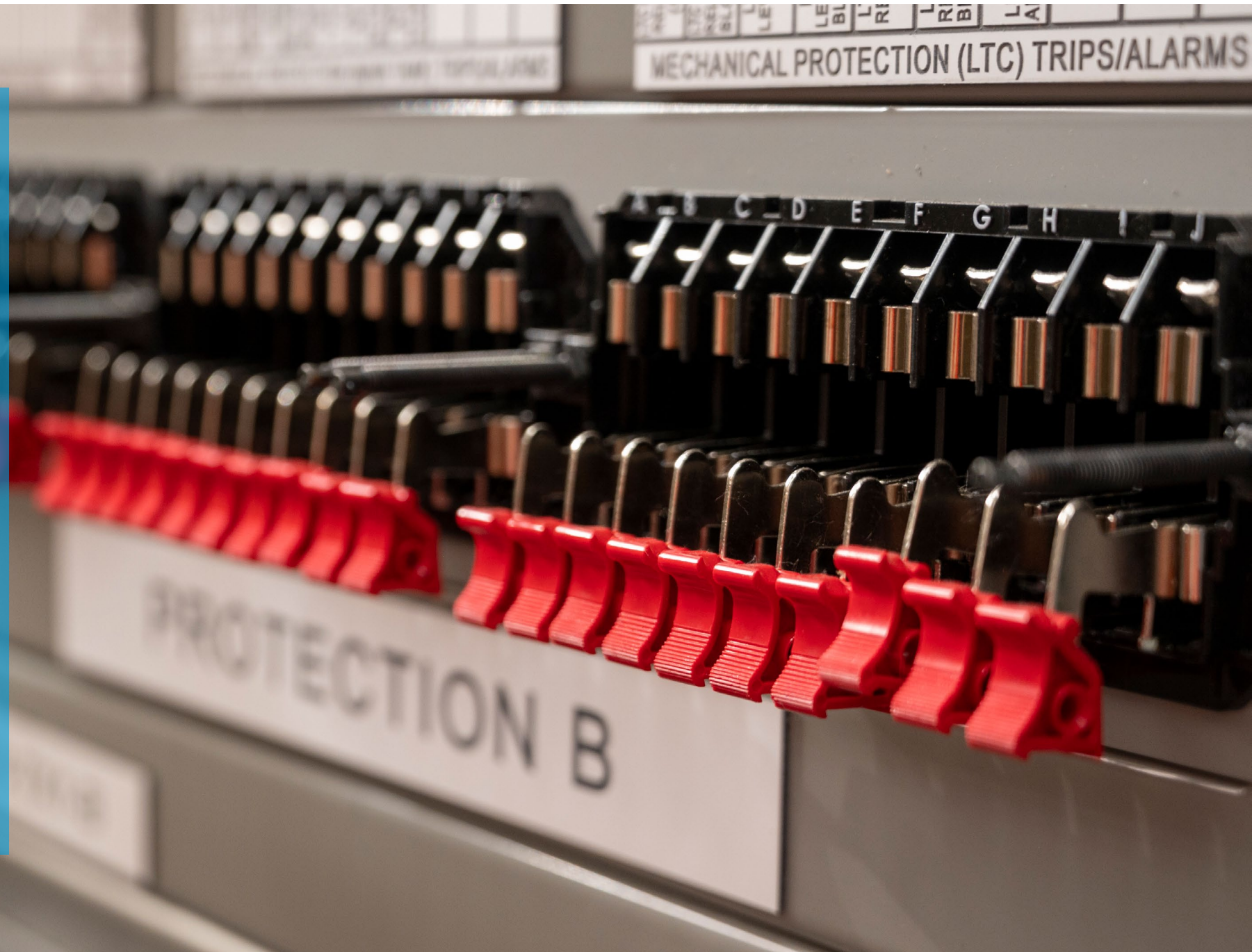
More information on EPCOR.

[Cross References to EPCOR Disclosures](#)

[Supplemental Data](#)

[Forward-Looking Information](#)

[Additional Resources](#)



Cross References to EPCOR Disclosures

The following table is provided to assist readers in locating information in EPCOR's public disclosures that relates to specific topics in the Global Reporting Initiative (GRI) Standards. Where information is not available in existing disclosures, the relevant standard is omitted from the table. The table primarily references three information sources:

EPCOR's 2023 Annual Information Form, dated December 31, 2023 and found at www.sedarplus.ca ("2023 AIF")

EPCOR's Annual Management's Discussion & Analysis, dated December 31, 2023 and found at www.sedarplus.ca and in the Financial Information section at www.epcor.com ("2023 MD&A")

EPCOR's 2023 Sustainability Report (this document), found at www.epcor.com/esg ("2023 Sustainability Report")

GRI Cross References Table

GRI 2: General Disclosures 2021	2-1 Organizational details	2023 AIF: Pages 3 – 28
	2-2 Entities included in the organization's sustainability reporting	2023 Sustainability Report: Pages 56 – 57
	2-3 Reporting period, frequency and contact point	2023 Sustainability Report: Pages 14 and 18
	2-4 Restatements of information	2023 Sustainability Report: Consolidated Scorecard and accompanying notes, beginning at page 56
	2-5 External assurance	2023 Sustainability Report: With respect to greenhouse gas emissions at page 56
	2-6 Activities, value chain and other business relationships	2023 Sustainability Report: Pages 7 – 9; 2023 AIF: Pages 3 – 28
	2-7 Employees	2023 AIF: Page 33 (3,623 full-time, part-time, temporary and casual employees as at Dec. 31, 2023)
	2-9 Governance structure and composition	2023 AIF: Pages 38 – 47, and 78 – 82
	2-10 Nomination and selection of the highest governance body	
	2-11 Chair of the highest governance body	
	2-12 Role of the highest governance body in overseeing the management of impacts	
	2-13 Delegation of responsibility for managing impacts	2023 AIF: Pages 31, 75, and 78 – 79
	2-14 Role of the highest governance body in sustainability reporting	
	2-15 Conflicts of interest	2023 AIF: Page: 43 and 81
	2-16 Communication of critical concerns	The number of ethics complaints received and actioned is reported in the 2023 Sustainability Report at page 58
	2-17 Collective knowledge of the highest governance body	2023 AIF: Page 81
	2-18 Evaluation of the performance of the highest governance body	2023 AIF: Page 80
	2-19 Remuneration policies	2023 AIF: Page 80
	2-20 Process to determine remuneration	2023 AIF: Pages 47 – 68
	2-22 Statement on sustainable development strategy	2023 AIF: Pages 30 – 32 2023 Sustainability Report: Pages 14 – 18 2023 MD&A: Pages 1 – 2, 25 – 38
	2-26 Mechanisms for seeking advice and raising concerns	www.epcor.com Ethics Policy and Ethics Hotline
	2-29 Approach to stakeholder engagement	2023 Sustainability Report: Pages 40 – 41
	2-30 Collective bargaining agreements	2023 AIF: Page 3

GRI Cross References Table

GRI 3: Material Topics 2021	3-1 Process to determine material topics	2023 Sustainability Report: Pages 14 – 18
	3-2 List of material topics	2023 AIF: Pages 30 – 32, and 79
	3-3 Management of material topics	
GRI 201: Economic Performance 2016	201-1 Direct economic value generated and distributed	2023 Sustainability Report: Pages 54
	201-2 Financial implications and other risks and opportunities due to climate change	2023 AIF: Pages 31 – 32 2023 MD&A: Pages 27 – 28,
	201-3 Defined benefit plan obligations and other retirement plans	2023 Consolidated Financial Statements: Pages 17 and 34
GRI 305: Emissions 2016	305-1 Direct (Scope 1) GHG emissions	2023 Sustainability Report: Pages 22 – 23 and 59
	305-2 Energy indirect (Scope 2) GHG emissions	
	305-5 Reduction of GHG emission	
GRI 401: Employment 2016	401-1 New employee hires and employee turnover	2023 Sustainability Report: Employee turnover data is reported at page 60
GRI 403: Occupational Health and Safety 2018	403-1 Occupational health and safety management system	2023 Sustainability Report: Pages 28 – 29
	403-9 Work-related injuries	2023 Sustainability Report: Page 60
GRI 405: Diversity and Equal Opportunity 2016	405-1 Diversity of governance bodies and employees	2023 Sustainability Report: Pages 21 and 58
GRI 409: Forced or Compulsory Labor 2016	409-1 Operations and suppliers at significant risk for incidents of forced or compulsory labor	www.epcor.com EPCOR's Modern Slavery Report, which is also referenced in the Appendix of the 2023 Sustainability Report

EPCOR’s Sustainability Strategy began a new three-year cycle in 2023. The strategy is based on a materiality assessment, which reflects input from internal and external stakeholders. It also includes a second generation Sustainability Scorecard with a trimmed down 20 performance measures and 15 targets ([see page 17](#) in the report).

We will continue to track and report on a few performance measures from previous reports, including the ones shown here.

SASB Codes and EPCOR’s Sustainability Scorecard

The Sustainability Scorecard found at pages 58 – 62 of this report includes information that relates to the following SASB standards:

- E1: Net Greenhouse Gas Emissions: Relates to SASB Code IF-EU-110a.1
- E2: Protect River Water Quality: Relates to SASB Code IF-WU-440a.3
- E4: Water Loss: Relates to SASB Code IF-WU-140a.2
- E5: Wastewater Reuse: Relates to SASB Code IF-WU-440a.2(1)
- S1: Total Recordable Injury Frequency: SASB Code IF-EU-320a.1(1)
- S6: Reliable Power Distribution: SASB Code IF-EU-550a.2(1)
- S7: Safe Water: SASB Code IF-WU-250a.1(1)

Preventing Modern Slavery

Canadian legislation, passed in 2023, requires certain public and private sector organizations to report on measures taken to prevent and reduce the risk of forced labour and child labour in their business and supply chains.

EPCOR will be submitting an annual Modern Slavery Report in 2024 – under the new Fighting Against Forced Labour and Child Labour in Supply Chains Act – to the federal government for our Canadian operations, and publishing our report on www.epcor.com.

Supplemental Data

The following data was formerly reported in EPCOR’s Sustainability Scorecard, and is now reported in the Appendix:

	2019	2020	2021	2022	2023
Lost-Time Injury Frequency	0.13	0.06	0.16	0.19	0.13
Visible minorities in the workforce (Canada)*	16.4%	16.9%	17.3%	17.5%	18.5%
Visible minorities in the workforce (U.S.)	36.6%	34.6%	35.1%	36.8%	35.5%
Women in senior leadership (Canada and U.S.)	21.1%	21.4%	21.4%	22.8%	30.0%

*Information for Canadian employees based on voluntary self-reporting. See Material Assumptions and Data Limitations on page 57 of the report.

Forward-Looking Information

Certain information in this Sustainability Report is forward-looking as it relates to anticipated performance, events or strategies. When used in this context, words such as will, anticipate, believe, plan, intend, target, and expect, or similar words, suggest future outcomes. The purpose of forward-looking information is to provide readers with EPCOR's assessment of future plans and possible outcomes and may not be appropriate for other purposes.

Readers are cautioned not to place undue reliance on forward-looking statements as actual results could differ materially from the plans, expectations, estimates or intentions expressed in the forward-looking statements. All forward-looking information contained in this report is expressly qualified by this cautionary statement.

For additional information about EPCOR's principal risks, see Risk Factors and Risk Management in [EPCOR's Annual Management's Discussion & Analysis](#) for the year ending December 31, 2023. The risks and materials factors identified could cause actual results to differ materially from the conclusions, forecasts or projections in the forward-looking information.

EPCOR's financial reports can be found on www.sedarplus.ca and in the Financial Information section at www.epcor.com



Links to Additional Resources on EPCOR:

[2023 Annual Information Form](#)

[2023 Management Discussion & Analysis](#)

[Health, Safety and Environmental Policy](#)

[Ethics Policy](#)

[EPCOR Awards](#)

[EPCOR News](#)

[Indigenous Relations](#)

[Community Investment](#)