
MARITIME ELECTRIC
SUSTAINABILITY
2023 REPORT



An Update on our Sustainability Journey

Maritime Electric is proud to serve Islanders and our Island communities. We are committed to providing cleaner energy and working every day to power a sustainable energy future for our customers.

In this report you will learn about our progress since releasing our inaugural Sustainability Report in 2022. You will also find our latest sustainability key performance indicators. We produce a detailed report biennially, with the next iteration to be released in July 2024.

On the cover is the Wind Energy Institute of Canada Wind R&D Park, located in North Cape, Prince Edward Island. Maritime Electric purchases the wind energy generated here through the PEI Energy Corporation. In 2022, approximately 16 per cent of the energy distributed by Maritime Electric came from on-Island wind generation.

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Contact Us

Kim Griffin

Corporate Spokesperson
Manager of Sustainability & Corporate
Communications

Phone: 1-800-670-1012

Email: sustainability@maritimeelectric.com



We respectfully acknowledge that the land upon which Maritime Electric operates is unceded Mi'kmaq territory. Epekwitk, Mi'kma'ki is covered by the historic Treaties of Peace and Friendship. We pay our respects to the Indigenous Mi'kmaq People, who have occupied this Island for over 12,000 years; past, present and future. Pictured is Elder Junior Peter-Paul playing a traditional Indigenous hand drum during Maritime Electric's subsea cable Energizing Ceremony.

Delivering Cleaner Energy

A Message from Jason Roberts, President and CEO

I am pleased to share with you an update on our sustainability work in 2022. Last year we released our first Sustainability Report to our customers, and another detailed report will be released in July 2024.

This past year was a historic one for Maritime Electric. We experienced the largest storm and restoration response in the Company's history following Hurricane Fiona. The restoration process took tremendous teamwork, coordination and effort to keep everyone safe and restore power as quickly as possible. This was truly a team effort that involved every area of the Company. I am proud to work alongside our team every day, but I was especially proud when they rose to a challenge of this magnitude – there for our customers and to keep each other safe.

I want to thank our entire team for their work and dedication in restoring power for our customers. Thank you to the Fortis group of companies, who were ready to assist immediately after Fiona hit the Island. Thank you to the Government of Prince Edward Island for their assistance throughout the restoration process. Finally, I also want to thank you,

our customers, for your support during Fiona.

As we look ahead, climate change planning is top-of-mind. Last year we completed a Climate Change Risk Assessment Report to identify risks associated with climate change. We are now working on a climate change adaptation strategy to mitigate those risks and ensure our system remains strong and resilient for the future. We make investments in the electrical system every year to improve reliability for our customers. Additionally, with the cleaner energy transition and more customers moving to electricity, we know that our customers' energy bills will change. Affordability is always a consideration in the decisions we make and the work we do.

We are on the path to net-zero and support the Government of Prince Edward Island's target of net-zero by 2040. This past year, we decommissioned the last two heavy fuel oil-fired generators at the Charlottetown Thermal Generating Station, also known as the Plant. The Plant decommissioning is the single largest contributor to our reduction in greenhouse gas (GHG) emissions. On-Island generation is now 100 per cent free of heavy fuel oil.

In this report, you will also see that we completed significantly more training for our employees,

focusing on developing our most valuable resource – our people. The Company also contributed over \$100 million to Prince Edward Island's economy in 2022. We are proud to support the communities in which we live and work, with over 200 donations made each year to organizations, events and causes that serve Islanders.

“The Plant decommissioning is the single largest contributor to our reduction in greenhouse gas (GHG) emissions. On-Island generation is now 100 per cent free of heavy fuel oil.”

I am pleased with the progress made thus far towards our GHG emissions reduction target. Our team remains focused on a cleaner, greener energy future for Prince Edward Island and our customers.



Jason Roberts
President and CEO
Maritime Electric



Hurricane Fiona

Fiona passed over Prince Edward Island as a post-tropical storm, bringing heavy rain and strong winds Island-wide. The number of crews deployed for restoration was approximately five times our usual crew workforce; we had 205 line crews, 59 vegetation management crews, 49 field supervisors, 31 damage assessors, traffic control companies and other support personnel deployed. Thank you to the Government of Prince Edward Island, Department of Forestry and the Canadian Armed Forces Operation LENTUS for their support. With so many crews working on the system, safety was imperative. Our team had very good safety performance, which was a significant achievement.

The sheer number of trees that fell during the storm made restoration work time-consuming and labourious to reach the electrical system lines, in many cases. We cut over 40,000 fallen trees as crews worked to systematically bring the electrical system back into service. The damage from fallen trees, which primarily impacted our distribution system, also resulted in a number of spills from damaged equipment, all of which were remediated per our spill response plan.

Our transmission system held up strongly during the storm. Power was restored to approximately 50

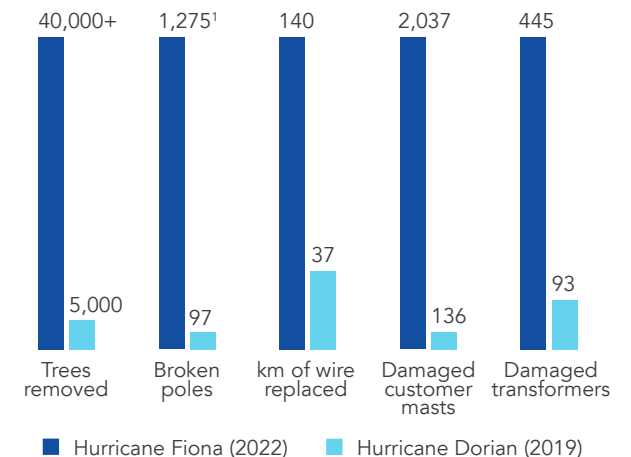


Fiona resulted in the largest storm response in the Company's history, working with approximately five times our usual crew workforce to safely restore power to our customers.

per cent of customers by day five. By day 12, 90 per cent of customers were restored after main and side distribution lines were energized. Restoring power to the remaining 10 per cent of customers required individual reconnections. Over 2,000 customer service masts were damaged during the storm.

In addition to the work being done in the field, hundreds of our employees were working behind the scenes supporting our crews, supervising, leading logistics, and keeping customers informed. We had over 72,000 customer interactions in the contact centre, 1.7 million website page views and participated in seven live broadcasts with the Island Emergency Measures Organization (EMO).

Impacts of Hurricane Fiona (2022) Versus Hurricane Dorian (2019)



Notes

(1) Represents 1.0% of Maritime Electric's total transmission and distribution utility poles

Highlights

In 2022, we made progress in many areas as sustainability became further integrated into our Company culture. For the first time, our local economic impact on Prince Edward Island surpassed \$100 million. We increased employee training hours and developed a new Leadership Development Program for emerging Company leaders.

We are focused on cleaner energy for our customers on the path to net-zero. In 2022, 85 per cent of energy supplied to customers came from carbon-free sources. We eliminated our remaining on-Island heavy fuel oil generating capacity by decommissioning the Charlottetown Thermal Generating Station (the Plant). We also integrated an additional 10 megawatts (MW) of solar energy into our electrical system through net metering from our customers. These efforts support the Government of Prince Edward Island's target of net-zero by 2040.

We purchase 100 per cent of the wind energy produced by the PEI Energy Corporation, which integrates into our overall energy supply mix. Going forward, we are looking at more ways to integrate Prince Edward Island renewable energy to meet our target for a cleaner, greener system.

Notes
(1) Narrative Research, 2022 quarterly polling average

96.3%

of new service orders completed within five business days



Sustainable Electricity Leader

Proudly an Electricity Canada Sustainable Electricity Leader™ for over two years

\$662.5 M
in total assets

CONTRIBUTED \$103 M

directly to the local economy, the first time over \$100 million has been reached

1.12

Total Injury Frequency Rate (TIFR)
(below Canadian average of 1.29)

\$47.4 M

invested in capital projects

229

organizations and events supported across the Island



77.5%

of customers rated our quality of service as good or excellent¹

15

average years of employee service

85%

of energy supplied to customers came from carbon-free sources

23,084

employee training hours in 2022

60%

of customers received electronic bills, saving over 1 million sheets of paper in 2022

PURCHASED 100%

of the wind energy generated by the PEI Energy Corporation

Our Sustainability Progress

GOVERNANCE

Additional Key Performance Indicators

In this report, we added 26 additional key performance indicators. Our sustainability disclosures are based on industry best practices and their relevance to our business. We will continue to expand our list of indicators on our sustainability journey.

Legislative Committee Presentations

We were invited to present to Prince Edward Island legislative committees twice in 2022, a welcomed opportunity to provide information to government on topics important to our customers. We presented to the Standing Committee on Natural Resources and Environmental Sustainability on our inaugural sustainability report and shared our sustainability goals and targets. We also presented to the Standing Committee on Health and Social Development following Fiona on the impacts of the storm and our key learnings from the restoration.

PEOPLE

Diversity, Equity and Inclusion

We are committed to growing, innovating and leading through people by providing a safe



Our employees volunteered to plant trees at Gulf Shore Consolidated School in North Rustico through our Trees for Life program.

and inclusive workplace. We worked with the Canadian Centre for Inclusion and Diversity on a Fortis-wide Diversity, Equity and Inclusion (DEI) survey to better understand how Maritime Electric employees viewed inclusion and diversity within our organization. Results will be used to assist in developing programs and training in the future.

Trees for Life

Each year, our employees volunteer to plant trees at Island schools, parks or communities as part of our Trees for Life program. Twenty-seven employees volunteered in 2022 to plant trees at Gulf Shore Consolidated School in North Rustico. Over their lifetime, the trees will absorb an estimated 27,000 kilograms of carbon dioxide (CO₂), produce oxygen and provide shade to the school's playground areas.

Employee Training

We value continuous learning. Our employees take part in various training opportunities throughout the

year to enhance their skills and knowledge with the goal of better serving our customers. In 2022, we invested in our employees by providing over 23,000 employee training hours, a significant increase from previous years.

Leadership Development Program

We are committed to developing our future leaders. Under Maritime Electric's new Leadership Development Program, employees are offered leadership and technical training to advance their understanding of the ever-changing energy sector, Prince Edward Island's electrical system and our journey to electrification. The 2022 Leadership Development Program involved a wide range of learning opportunities, including presentations from internal experts, the New Managers Certificate program from the University of Prince Edward Island Office of Continuing Education and Professional Development, a mentorship program and a group project.

Our 2022 Energy Supply Mix



NB Power – 72.7%
Wind energy – 16.0%
Nuclear energy – 10.4%
PEI net metering – 0.8%
Combustion turbines (Diesel) – 0.1%



GRID

Climate Change Risk Assessment

We completed a Climate Change Risk Assessment in 2022 to study the associated climate risks to the Company’s electrical system and identify how those risks can be mitigated. An employee working group participated in several workshops with a third-party consultant to identify and evaluate current and future climate impacts on the Company’s infrastructure. The final report identified various adaptation options to consider. Development of a Climate Change Adaptation Strategy is underway across our operation to evaluate and prioritize these options.

Load Growth and PEI Renewable Energy

Our grid needs to be ready to serve our customers’

increasing demand for electricity. We are planning and investing in infrastructure, including adding new substations each year to support load growth.

We continue to provide cleaner energy for our customers. We purchase 100 per cent of the wind energy generated by the PEI Energy Corporation and, to meet our GHG emissions reduction target, we are planning to integrate an additional 100 MW of wind energy and 120 MW of solar energy. This includes residential solar generated by net metering customers. In 2022 approximately 10 MW of solar energy was added to our grid through our net metering customers.

The most significant driver of our GHG emissions reduction is the decommissioning and demolition of the Plant. Today, heavy fuel oil is now eliminated from our generation mix.

ENVIRONMENT

Charlottetown Thermal Generating Station Demolition Project

Since decommissioning the Plant, we have eliminated our remaining on-Island heavy fuel oil generating capacity. Recently, we obtained final approval to demolish the Plant building and smokestacks located in Charlottetown. The Plant has been part of the city’s landscape for decades, and served an important role in Prince Edward Island’s electricity history. The Plant powered much of the Island’s electricity load until our grid was connected to New Brunswick in the 1970s.



In 2022, 85 per cent of energy supplied to customers came from carbon-free sources.

The site will remain an important energy hub for the electrical system on Prince Edward Island, housing our Energy Control Centre and a backup combustion turbine generating unit and serving the electrical load for parts of Charlottetown and eastern Prince Edward Island.

Solar and Battery Energy Storage Pilot Project

We installed a pilot solar and battery energy storage system at the new Marshfield substation. This pilot project will provide information on how solar and battery systems can maintain power to a substation during a power outage. The solar panels are ground-mounted with capabilities to pivot to follow seasonal sun patterns.

BUSINESS EXCELLENCE

Local Economic Impact

We work with a variety of vendors, from small local businesses to large multi-national corporations, to procure all the materials and equipment needed to power the lives of our customers. In 2022, for the first time, our local economic impact on Prince Edward Island surpassed \$100 million.



The Solar and Battery Energy Storage Project is piloting the ability to maintain power to a substation during a power outage. The solar panels are ground-mounted with capabilities to pivot to follow seasonal sun patterns. Pictured: Cecil, Staff Engineer, and Adam, Electrical Engineer.

We issued a 25-question environmental, social and governance survey to 30 of our top vendors. The survey informs our joint sustainability aspirations to support each other in our collective sustainability journey.

Crisis Response Training

In 2022, our team completed crisis training for two hypothetical scenarios in communications and cybersecurity. In these scenarios, employees practiced the Company's crisis response plans and identified any potential gaps and new opportunities in responding to future emergency situations.

Annual Voluntary Auditing and Verification

Obtaining the Sustainable Electricity Leader™ designation from Electricity Canada in 2021 was a rigorous process that included demonstrating conformance with ISO 14001 Environmental Management standard and ISO 26000 Social Responsibility guidelines. Verification of compliance was also required and completed by a third-party auditor. We have continued this third-party annual review for reporting to ensure good governance, accountability and our continuous learning.

Industry Recognition

We humbly accepted the Edison Electric Institute (EEI) Emergency Response Award, an industry recognition award for our response to Fiona. Maritime Electric was recognized for the ability to respond to a crisis swiftly and efficiently, overcome difficult circumstances, utilize unique or innovative recovery techniques, communicate effectively with customers and restore service promptly.

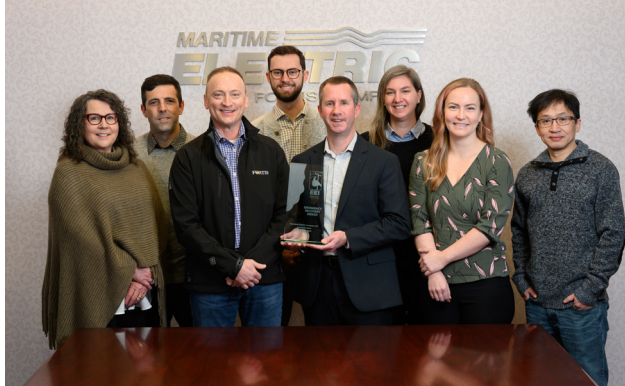
COMMUNITY

Proudly Supporting our Communities

Being rooted in our communities is one of our core values. We are proud to support as many Islanders as possible and donated to 229 organizations and events across the Island this past year.

We were proud to support Team PEI athletes as they travelled to Niagara, Ontario to compete in the 2022 Canada Games. We understand the dedication it takes by both athletes and their supporters to prepare for the Games and are proud of the accomplishments of Team PEI.

For years we have also proudly supported STEAM PEI's Grade 9 engineering design workshops as part of our commitment to fostering engineering talent on the Island. STEAM PEI's engaging experiential learning opportunities are inspiring the next



Jason Roberts, President and CEO, and David Hutchens, Fortis Inc. President and CEO, shared the EEI Emergency Response Award with our employees. This is an industry recognition award for our response during Fiona.

generation of talented engineers, mathematicians and scientists.

As leaders in our communities, we champion progress towards inclusion and diversity for all. We do this by supporting organizations that demonstrate a commitment to inclusion and diversity on Prince Edward Island. For over a decade, we've supported organizations such as Pride PEI, Special Olympics PEI, Easter Seals PEI, Big Brothers Big Sisters of PEI and more. Additionally, we have enjoyed working with Tremploy Inc. for many years on various projects,

such as the construction of our wooden survey stakes for operations and customer projects. Tremploy Inc. is a non-profit organization that provides adults who have intellectual disabilities with vocational and life skills training. This past year, we also made a donation in support of their new modern and accessible space, which will allow for an expanded list of services to be provided to clients.



United Way Prince Edward Island

Decades of Employee Giving

For over 40 years, Maritime Electric employees have supported United Way of PEI with over \$1 million in donations. With both corporate and employee donations, the Company is the largest donor to United Way of PEI. These contributions have enabled the organization to make significant long-term investments in the areas of poverty, equity, children and communities.

The Company's donations have supported United Way of PEI's Community Investment Grants and have enabled United Way of PEI to provide funding, support and mentorship to dozens of local organizations, reaching over 63,000 Islanders over the past three years alone.

"Having long-standing support from Maritime Electric has allowed us to offer new supports to community, including launching our signature 211 PEI service, responding quickly to emergencies like Fiona and COVID-19 and focusing on ensuring an inclusive and equitable community recovery post-pandemic. We couldn't be more grateful for this partnership." – Andrea MacDonald, CEO United Way of PEI



Pictured are some of the 229 organizations we proudly supported in 2022. From left to right (top row): Island Nature Trust and Kidney Foundation of Canada Atlantic Branch, (middle row): PEI Humane Society, Kings Playhouse and PEI Easter Seals Society Ambassadors and (bottom row): PEI Writers' Guild Island Literary Awards and Eastern Kings Health Foundation.

APPENDIX A

Key Performance Indicators

After receiving the Sustainable Electricity Leader™ designation from Electricity Canada in 2021, we began voluntarily reporting on our sustainability performance. This year, we added 26 new sustainability key performance indicators to our reporting. We are continuously evaluating industry best practices to expand our sustainability reporting in the future.

We chose our sustainability disclosures based on industry best practices and their relevance to our business. The Greenhouse Gas Protocol Corporate Accounting and Reporting Standards guide our GHG emissions reporting.

We hired a third-party auditor to complete a full review of our 2022 sustainability data. The auditor reviewed samples of data calculations, processes and methodologies; met with various employees; and ensured that the data reported is consistent with our reporting to Fortis Inc. and the Government of Canada.

Key performance indicators are dated as of December 31, 2022, unless otherwise noted.

Operations Indicators

	2019	2020	2021	2022
Financial Indicators				
Assets				
Total value of assets (\$M)	545.5	546.9	576.7	662.5
– Percentage of total assets associated with electricity delivery ¹	90%	93%	94%	95%
– Percentage of total assets associated with electricity generation	10%	7%	6%	5%
Capital Expenditures (\$M)^{2,3}				
Generation infrastructure	0.5	0.7	1.0	1.6
Distribution infrastructure	22.5	21.9	24.8	25.7
Transmission infrastructure	7.7	7.7	9.3	9.5
Other expenditures	4.4	4.2	7.1	10.6
Total Annual Capital Expenditures (\$M)	35.1	34.5	42.2	47.4
Customer Information				
Number of electricity customers	82,395	84,290	86,335	87,829
– Percentage of residential customers	84.1%	84.2%	84.3%	84.4%
– Percentage of commercial customers	11.1%	11.0%	10.9%	10.8%
– Percentage of industrial customers	0.4%	0.4%	0.3%	0.3%
– Percentage of other customers ⁴	4.4%	4.4%	4.5%	4.5%
Quality of service provided by Maritime Electric rated as good or excellent ⁵	85.3%	87.8%	80.5%	77.5%
Percentage of customer calls answered within 30 seconds ⁵	82.5%	74.0%	84.8%	61.4%
Percentage of services connected within five business days	87.8%	96.3%	94.6%	96.3%
Electricity Affordability (\$)				
Average monthly electricity bill for residential customers ⁶				
– For 500 kilowatt-hours of electricity delivered per month (<i>new</i>)	*	*	109.29	111.39
– For 650 kilowatt-hours of electricity delivered per month (<i>new</i>)	*	*	132.79	135.52
– For 1,000 kilowatt-hours of electricity delivered per month (<i>new</i>)	*	*	187.62	191.82
Electricity Transmission and Distribution (“T&D”)				
Total kilometres of electricity T&D lines	6,167	6,250	6,541	6,608
– Percentage of distribution lines	87%	87%	88%	89%
– Percentage of transmission lines	13%	13%	12%	11%
Total number of utility poles (<i>new</i>)	*	*	*	127,204
Electricity Generation				
Electricity Generation Capacity (in megawatts (“MW”))				
Diesel	89	89	89	89
Oil ⁷	50	40	40	0
Total (in MW)	139	129	129	89

Notes

The asterisk (“*”) in the table above indicates either a new metric and/or data that was not available.

(1) Historical data was modified to include 100 per cent of Maritime Electric’s assets.

(2) Capital expenditures include all capital investments in the calendar year, including carryovers from prior year projects.

(3) Expenditures related to Fiona in 2022 are excluded.

(4) Other customers include street light customers.

(5) Provided by a third party. 2022 values were impacted by Fiona.

(6) Includes taxes, fees and rebates

(7) Oil generation capacity includes the Charlottetown Thermal Generating Station, which was retired on December 31, 2021.



We purchase 100 per cent of the wind energy generated by the PEI Energy Corporation.

	2019	2020	2021	2022
Net Electricity Generated (in gigawatt-hours ("GWh"))				
Diesel ¹	0.1	0.0	1.1	1.3
Oil ^{1,2}	0.0	0.0	0.0	0.0
Total (in GWh)	0.1	0.0	1.1	1.3
Electricity Purchased by Maritime Electric and Resold for Customer Use (in GWh)				
Wind	279.7	281.2	258.9	222.6
Solar	1.4	2.2	4.5	11.1
Total renewables	281.1	283.4	263.4	233.7
Nuclear ³	204.8	195.5	182.2	145.0
Other sources from the grid ⁴	800.2	813.3	879.1	1,011.0
Total (in GWh)	1,286.1	1,292.2	1,324.7	1,389.7
Percentage of clean electricity sold to customers ⁵	84%	87%	86%	85%
Electricity Deliveries				
Total electricity delivered (in GWh) ⁶	1,286.9	1,292.7	1,326.0	1,390.7
Electricity Losses				
Combined T&D electricity losses (in GWh) ⁷	100.7	98.2	110.7	111.8
Combined T&D electricity losses as a percentage of total electricity ⁸ (new)	*	*	*	7.0%
Electricity Reliability				
Electricity System Average Interruption Duration Index ("SAIDI") under normal operations (customer hours of interruption per customer served) ⁹	2.98	2.57	3.04	3.40
SAIDI including significant weather event days (customer hours of interruption per customer served) ¹⁰ (new)	40.30	4.98	4.20	167.61
Employee Safety				
Total Recordable Injury Frequency Rate (total number of injuries for every 200,000 hours worked)	2.80	1.68	1.68	1.12
Lost Work Day Case Rate (number of lost time injuries for every 200,000 hours worked) (new)	*	*	*	0.56
Total employee lost work days due to injury ¹¹	178	5	76	6
Lost Time Injury Severity Rate (number of lost days for every 200,000 hours worked) (new)	*	*	*	3.36

Notes

The asterisk ("**") in the table above indicates either a new metric and/or data that was not available.

(1) Zero values mean the generating stations consumed more electricity than they produced, resulting in negative net generation.

(2) The Charlottetown Thermal Generating Station operated on standby to the end of 2021 but did not produce electricity during the reporting periods.

(3) Nuclear refers to Maritime Electric's participation in the Point Lepreau Nuclear Generating Station located in New Brunswick.

(4) Includes mixed sources of energy purchased from NB Power, including clean electricity

(5) Clean electricity includes non-emitting nuclear energy.

(6) Excludes wholesale sales

(7) Includes losses attributable to the four subsea cables owned by the Government of Prince Edward Island and operated by Maritime Electric

(8) Includes only losses associated with electricity delivered to Maritime Electric customers

(9) Normal operations exclude major events depicted using an Institute of Electrical and Electronics Engineers standard.

(10) 2019 values were impacted by Dorian and 2022 values were impacted by Fiona.

(11) Variations are due to a low number of injuries resulting in lost days with varying severity.



In 2022, 85 per cent of energy supplied to customers came from carbon-free sources.

	2019	2020	2021	2022
Employee Safety (Cont.)				
Total Near Misses reported ¹	7	7	8	10
Near Miss Frequency Rate (number of reported near misses for every 200,000 hours worked) ¹ (new)	*	*	*	5.61
Total Good Catches reported ² (new)	*	*	*	13
Work-related Fatalities (new)	0	0	0	0
Public Safety				
Public electrical line contacts (new)	10	27	41	34
Public injuries due to electrical line contacts (new)	0	0	0	0
Public fatalities due to electrical line contacts (new)	0	0	0	0
Cybersecurity				
Number of reportable information security breaches	0	0	0	0
Number of reportable information security breaches involving customers' personally identifiable information	0	0	0	0
Number of customers affected by data breaches	0	0	0	0
Number of phishing tests conducted ³ (new)	*	*	1,616	1,264

Environmental Indicators

	2019	2020	2021	2022
Greenhouse Gas (GHG) Emissions				
Scope 1 Emissions (in tonnes of CO₂ equivalent ("tonnes CO₂e"))				
From diesel electricity generation ⁴	906	710	2,082	2,662
From the Charlottetown Thermal Generating Station for heating ⁵	2,336	1,553	964	108
From owned vehicle emissions ⁶	1,306	1,455	1,403	1,578
From facility operations	171	171	164	148
From SF ₆ fugitive emissions	0	0	0	47
Total Scope 1 Emissions (in tonnes CO₂e)	4,719	3,889	4,613	4,543

Notes

The asterisk ("**") in the table above indicates either a new metric and/or data that was not available.

(1) A Near Miss is defined as an unplanned incident in which no property or environmental damage or personal injury occurred, but where damage or personal injury easily could have occurred but for a slight circumstantial shift.

(2) A Good Catch is defined as a reported safety hazard in which an incident involving property or environmental damage or personal injury could have occurred, but did not due to an employee's proactive actions.

(3) Each individual phishing test per employee is counted as one test. A phishing test is a deceptive email sent by Maritime Electric to an employee to gauge their response to phishing and other email attacks.

(4) GHG emissions from diesel electricity generation were higher in 2021 and 2022 than previous years as diesel generation was required more frequently for emergency backup generation.

(5) GHG emissions from the Charlottetown Thermal Generating Station for heating have reduced due to the ongoing decommissioning of the generating station.

(6) GHG emissions resulting from additional vehicle use in 2022 due to Fiona response are included.



We have planted or donated over 1,000 trees across the Island since 2019.

	2019	2020	2021	2022
Scope 2 Emissions (in tonnes CO₂e)				
From system losses related to electricity purchased from the grid ¹	21,547	15,963	22,916	30,685
From electricity purchased from the grid for Maritime Electric owned or controlled equipment and facilities ²	2,532	1,655	2,101	2,823
From district heating energy purchased for Maritime Electric owned or controlled facilities	96	79	62	79
Total Scope 2 Emissions (in tonnes CO₂e)	24,175	17,697	25,079	33,587
Scope 1 and Scope 2 Emissions (in tonnes CO₂e)				
Total Scope 1+2 Emissions (in tonnes CO₂e)	28,894	21,586	29,692	38,130
Scope 3 Emissions (in tonnes CO₂e)				
Related to electricity sold to customers that Maritime Electric purchased from the grid	275,422	210,316	274,429	381,682
Avoided Emissions (in tonnes CO₂e)				
Estimated incremental avoided emissions from customer energy efficiency and conservation programs ³	*	*	347	638
Estimated incremental avoided emissions from street light replacement programs	*	13	25	86
Estimated avoided emissions from company-owned electric vehicle chargers (new)	*	*	*	29
GHG Intensity Factors (in kilograms of CO₂ equivalent per kilowatt-hour ("kg CO₂e/kWh"))				
Combined average GHG intensity of electricity delivered to customers	0.215	0.163	0.208	0.275
Average GHG intensity of electricity generated by Maritime Electric ⁴	1.084	1.213	0.986	1.051
Other Air Emissions From Electricity Generation (in tonnes)⁵				
NO _x Emissions	7.8	5.3	6.6	8.1
SO ₂ Emissions	23.7	15.1	3.9	0.0
Particulate Matter Emissions	1.7	1.1	0.4	0.1
Water Usage (in cubic metres ("m³"))				
Water used during fossil fuel generation	192	126	449	471
Water used for heating and domestic use ⁶	33,958	14,479	25,966	38,253
Waste Management (in tonnes)				
Total amount of hazardous waste manifested for disposal ⁷	10.4	1.8	0.0	89.4

Notes

The asterisk ("**") in the table above indicates either a new metric and/or data that was not available.

(1) Includes GHG emissions associated with losses attributable to the four subsea cables owned by the Government of Prince Edward Island and operated by Maritime Electric

(2) Includes GHG emissions associated with electricity consumption from street lights owned by Maritime Electric

(3) Includes Maritime Electric's pro-rated share based on the program costs of third-party programs

(4) Based on gross generation

(5) Includes emissions related to heating of the Charlottetown Thermal Generating Station

(6) Includes water used for heating the Charlottetown Thermal Generating Station and estimates for non-metered sources

(7) Waste reporting was expanded in 2022 to capture additional hazardous waste, which also includes hazardous waste disposals related to the demolition of the Charlottetown Thermal Generating Station.

	2019	2020	2021	2022
Spills to Land				
Total number of spills ¹	16	12	13	51
Number of spills resulting in a fine (new)	0	0	0	0
Total volume of spills (in litres) ¹	565	377	411	2,281
Environmental Programs				
Number of trees planted or donated (new)	367	210	280	210
Percentage of customers using electronic bills (new)	50%	55%	58%	60%

Governance and Policy Indicators

	2019	2020	2021	2022
Maritime Electric Company, Limited Board of Directors				
Number of Directors ² (new)	10	10	11	10
– Percentage of Independent Directors ^{2,3}	70%	70%	73%	70%
– Percentage of Directors who identify as men ² (new)	60%	60%	64%	50%
– Percentage of Directors who identify as women ²	40%	40%	36%	50%
– Percentage of Directors who identify as another gender identity (new)	*	*	*	0%
Average age of Directors (new)	*	*	*	57
Average tenure of Directors (years) (new)	*	*	*	4

Employee and Social Indicators

	2019	2020	2021	2022
Diversity				
Employee Diversity				
Total number of employees	196	199	208	219
– Percentage of employees who identify as men	72%	74%	73%	74%
– Percentage of employees who identify as women	28%	26%	27%	26%
– Percentage of employees who identify as another gender identity ⁴ (new)	*	*	*	0%
Demographics				
Employees				
Percentage of employees under 30	9%	10%	14%	13%
Percentage of employees 30-50	43%	47%	47%	48%
Percentage of employees over 50	48%	43%	39%	39%
Average age of employees	47	47	45	45

Notes

The asterisk (“**”) in the table above indicates either a new metric and/or data that was not available.

(1) 2022 values were impacted by Fiona.

(2) An additional Board member was added in 2021 to accommodate upcoming retirements.

(3) Independent directors are directors that are not employees of Maritime Electric, Fortis Inc. or its subsidiaries.

(4) Based on a third-party survey completed in 2022, with an 87% response rate.



In 2022, we contributed \$103 million directly to the local economy, the first time over \$100 million has been reached.



We invested in our employees by providing more than 23,000 employee training hours.

	2019	2020	2021	2022
Turnover and Retention				
Annual voluntary full-time employee turnover (as a percentage of total workforce) ¹	1.0%	1.0%	1.0%	1.4%
Annual involuntary employee turnover (as a percentage of total workforce)	0.0%	0.0%	1.0%	0.5%
Average years of employment for full-time employees	18	16	15	15
Hiring				
Percentage of job vacancies filled by men	71%	64%	69%	65%
Percentage of job vacancies filled by women	29%	36%	31%	35%
Percentage of job vacancies filled by individuals who identify as another gender identity (<i>new</i>)	*	*	*	0%
Employee Training				
Total employee training spend (\$M)	0.303	0.370	0.634	0.777
Total employee training hours ²	4,197	5,022	7,399	23,084
Freedom of Association				
Percentage of total workforce unionized	66%	64%	65%	65%
Economic Value Distributed (\$M)				
Estimated economic value added to Prince Edward Island ³	84.9	92.8	89.5	103.0
Community Donations				
Total number of community donations	307	204	208	229

Notes

(1) Excludes retirements

(2) The increase in 2022 is a result of a new Leadership Development Program.

(3) Includes local purchases, employee compensation and local taxes paid

Third-Party Verification Letter

July 6, 2023

Duerden & Keane Environmental Inc. (D&K) is a specialist environmental and occupational health and safety management company with significant experience in the utility sector. D&K on behalf of Electricity Canada (formerly the Canadian Electricity Association) has conducted the Independent Verifications on all 14 of the Canadian utilities which have achieved the Sustainable Electricity Leader™ brand (formerly the Sustainable Electricity Company brand designation). Maritime Electric Company, Limited (Maritime Electric) achieved the brand in 2021 and is now publishing a Sustainability Report annually. Prior to publication, Maritime Electric retained D&K to verify the data associated with its key performance indicators (KPIs) reported in the following categories: Operations Indicators; Environmental Indicators; Governance and Policy Indicators; and Employee and Social Indicators.

In verifying the data D&K completed the following tasks:

- Reviewed the methodologies employed by Maritime Electric to determine the KPIs and the raw data requirements;
- Reviewed the processes and tools used by Maritime Electric to collect, compile, interpret,

document and report on the environmental data and other metrics relative to the KPIs;

- Completed detailed discussions with selected Maritime Electric subject matter experts with responsibilities for collecting, compiling, interpreting, documenting and reporting on the various activities associated with each of the KPIs;
- Completed detailed discussions with selected Maritime Electric personnel responsible for governance and quality control checks on the metrics relative to the reported KPIs;
- Confirmed the sources of data used to determine KPIs;
- Conducted checks on selected spreadsheets used in support of the KPIs;
- Recalculated selected data sets used to ensure accuracy in reporting; and
- Confirmed that data was reported consistently by Maritime Electric in its common reporting venues (e.g. Maritime Electric Website, Government of Canada Emissions reporting, and reports to the Board of Directors, Fortis Inc. and regulators).

Maritime Electric provided sufficient information to ensure that D&K could make an objective and unbiased assessment of the KPIs which are reported in the Maritime Electric Sustainability 2023 Report. D&K is confident that the data used

in determining KPIs is accurate and that the KPIs are consistently reported. As well, the evidence reviewed and discussed with Maritime Electric subject matter experts demonstrates that the KPIs have been developed and reported in line with utility industry practices and in accordance with accepted standards where applicable. There was no evidence that the KPIs, as reported, are not a fair representation of the management of the environmental, social and governance aspects of Maritime Electric's activities.



Colin Duerden

B.Sc., Ph.D., EP-CEA, EP-EMS(LA), CHSMSA
Partner, Duerden & Keane Environmental Inc.



Sue Keane

B.Sc., M.Eng., EP-CEA, EP-EMS(LA), CHSMSA
Partner, Duerden & Keane Environmental Inc.





Proudly written and designed internally by Maritime Electric employees

PO Box 1328 • 180 Kent Street, Charlottetown PE C1A 7N2
phone 1-800-670-1012 • maritimeelectric.com
sustainability@maritimeelectric.com

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