

## INTRODUCTION AND CORPORATE PROFILE



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**Anthony M. Haines**

President and Chief Executive Officer

**Clare R. Copeland**

Chairman

## Message from the Chairman and from the President and Chief Executive Officer

Our Corporate Responsibility Report is about how our organization defines – and demonstrates – the value customers receive for the electricity and services we deliver.

At Toronto Hydro Corporation (the Corporation and together with its affiliates ["Toronto Hydro"]), the annual corporate responsibility reporting process provides us with a framework to illustrate our 'value' proposition in a clear and compelling manner, and to articulate the linkages between this proposition and our corporate strategy. It is a process that requires us to look back at the year and at our performance, to be accountable for our activities, and to be honest about why our customers should place their trust in us.

For the past few years, Toronto Hydro-Electric System Limited ("THESL") has been focussing on delivering safe and reliable service and good value in a modern and customer-centric way. All of this is to ensure that we make a positive contribution to the communities that we serve. As this report will show, we are re-investing in the City of Toronto's (the "City") electricity grid –

a grid that is in need of modernization. We are hiring the workforce to execute our capital programs, while also ensuring that skilled and high-performing new apprentices are brought in to refresh our aging workforce. Our capital programs allow us to add much-needed electricity reliability to the downtown Toronto core through modernization of our electrical plant and the development of a new transformer substation. Also, we are finishing the work we began several years ago in response to the Province of Ontario's signal that THESL should take a lead role in the implementation of Time-of-Use ("TOU") electricity rates.

There is economic value in delivering a reliable source of electricity and in ensuring that the City's electricity infrastructure will facilitate its ongoing economic development and social well-being. There is also environmental value in the award-winning energy conservation programs that we deliver to help our

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## Message from the Chairman and from the President and Chief Executive Officer (continued)

customers make informed decisions about their electricity consumption. Last year, those programs helped reduce energy consumption in the City by approximately 126,800 megawatt-hours ("MWh"), and by approximately 784,300 MWh since the start of our CDM programs. There is social value in the development of strong community relationships – relationships with organizations such as the United Way of Greater Toronto, Toronto Police Services, Greater Toronto Civic Action Alliance, and local community groups, whose collective goal is to make the City healthier, safer, more prosperous and liveable. Simply stated, social responsibility is good business.

During the past five years, we have planted trees and counted the tonnes of waste that we didn't send to landfill because we believe it's important to know that we are doing our part to meet our environmental goals. For the same reason, we count the greenhouse gas emissions ("GHGs") that we produce and have a plan in place to work towards being carbon neutral by 2020. We test new technology, such as smart transformers and electric vehicles, to see how they might contribute to making our electricity system even more reliable and our air cleaner. We are currently looking at ways to improve the level of satisfaction that our customers experience when they interact with us, whether it's through education and awareness programs, interaction with our call centre representatives, their account managers or over the Internet. Customer visits to our website increased last year by approximately 83 per cent to 3.7 million visits. This tells us there is significant value in using technology to change the way we interact with our customers, the way we serve them and the way we provide them with useful information about electricity consumption.

We do all of this to ensure that day in and day out, our customers receive solid value for every dollar they spend on electricity. It is a responsibility we take seriously, and this Corporate Responsibility Report spells out our commitments as well as our achievements.

As we head into Toronto Hydro's 100th anniversary year, we look ahead to many more years of providing valuable service to the people of the City. We have a highly skilled and loyal workforce, which last year marked 1.5 million hours without a lost-time injury. We have suppliers and community partners who are also committed to our success and to delivering value to the City and the approximately 700,000 customers whom we are all privileged to serve.

**Clare R. Copeland**  
Chairman

**Anthony M. Haines**  
President and Chief Executive Officer

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