2024 Environmental, Social and Governance Report

TORONTO HYDRO Corporation

A Message from the CEO

As we reflect on 2024, I'm proud of Toronto Hydro's progress in our journey toward a more sustainable, inclusive and innovative future.

Our efforts are grounded in our Corporate Purpose: Electrifying Communities Today. Building a Brighter Tomorrow. Sustainability is embedded across Toronto Hydro's strategic corporate pillars — Operational Excellence, Responsible Growth and Enabling the Future — ensuring a focus on safety, customer experience, financial performance and grid modernization to support economic growth and decarbonization. These pillars guide our actions as we empower our customers and work toward a cleaner, more resilient energy future. Additionally, Toronto Hydro's Climate Action Plan remains at the forefront of our efforts to combat climate change.

In 2024, our team prioritized several key areas as part of our environmental, social and governance (ESG) efforts, including:

Driving climate action

Toronto Hydro is providing a free service to help residents and businesses on their journey to net zero, while also helping develop the cleantech market in Toronto. This year, Toronto Hydro actively engaged with our community, providing education on electric vehicles, home electrification and supporting customers in their climate initiatives.

Modernizing the grid for a resilient future

Another key aspect of our climate action efforts is investing in grid modernization to enhance reliability, efficiency, and prepare for a future where electricity becomes the primary energy source for many. Grid modernization will require utilities to go beyond simply delivering reliable one-way power, as customers will be empowered to both consume and supply energy, enabling a more dynamic grid.

Enhancing customer experience

In 2024, we continued to invest in enhancing the customer experience by improving how we deliver timely, transparent and accessible information. We remain committed to strengthening customer trust, effective communications and delivering a responsive and reliable experience.

Advancing leadership and inclusion

We continued to invest in our people through training and leadership development programs, including the rollout of an Interviewing Techniques for Leaders training, which equips leaders with the skills to conduct fair and effective interviews while mitigating biases. Inclusivity remains a key focus in our leadership development, and through working with Electricity Canada, local colleges and universities, Toronto Hydro continues to support and mentor students with a focus on women pursuing careers in electrical engineering.

Prioritizing health, safety and wellbeing

In 2024, we hosted a Health and Wellness Expo, introduced a new hazard reporting tool, and continued to implement electrical safety enhancements. Employees actively identified and reported hazards, strengthening our safety culture. As part of our ongoing commitment to continuous improvement, Toronto Hydro is embedding Human and Organizational Performance (HOP) principles into our safety practices. These principles recognize that people make mistakes, blame fixes nothing, learning and improving is vital, context drives behaviours, and how we respond to failure matters.

While I'm encouraged with the progress we are making, it is with deep sadness that I acknowledge the heartbreaking loss of a valued member of our Toronto Hydro team on March 28, 2025. As an organization, we are focused on supporting the worker's family and our employees through this difficult time and learning how we can continue to make the work that we do safer.

A Message from the CEO

This is a new chapter in our safety journey at Toronto Hydro. We're committed to listening, learning, and creating a safer work place with input, ideas and dedication from all employees and stakeholders.

Reducing greenhouse gas (GHG) emissions

In 2024, we reduced emissions from our buildings by 19% compared to the 2019 baseline. Fleet emissions were also 47% lower than the baseline year. This reduction was a result of the increase of battery electric vehicles (BEVs) and plug-in hybrid electric vehicles (PHEVs), which now make up 29% of our fleet pool. SF_6 emissions were 38% lower than the baseline year. This decrease was influenced by multiple factors, including proactive inspections and improvements in asset management practices.

One of the highlights of our electrification journey in 2024 was the integration of our electric bucket truck into field operations. After rigorous testing in our training yard, the truck entered in-field operations, delivering benefits such as reduced air pollution, quieter operations and improved flexibility for tasks requiring frequent stops. This is an important step in our efforts to decarbonize our fleet and serve as a model for sustainable practices.

JANA MOSLEY

President and Chief Executive Officer

JODI ENGEL

Executive Vice President, Chief Human Resources and Safety Officer

We were recognized for our dedication to sustainability, safety and leadership, placing second for corporate citizenship among electricity transmission and distribution utilities and 11th overall in Corporate Knights' annual ranking of the Best 50 Corporate Citizens in Canada. The recognition highlights our progress towards achieving net-zero Scope 1 emissions, our efforts to minimize our Scope 2 emissions by 2040, and initiatives to enhance employee safety, reduce energy use, and foster workforce diversity and inclusion.

Our 2024 ESG achievements are a testament to the dedication of our employees, the trust of our customers, and the strength of our partnerships. As we prepare for the future, we will continue to support our customers in their energy transition, reduce our environmental impact, and protect the wellbeing of our employees and customers. I look forward to another year of progress, collaboration, and shared success as we work together to electrify communities today, and build a brighter tomorrow.

Stay safe,

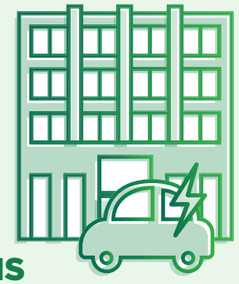
Jana Mosley

LOOKING BACK AT 2024:

ESG Highlights

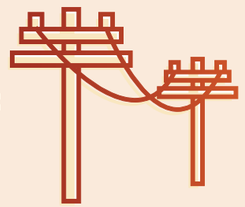
41%

REDUCTION IN **SCOPE 1 EMISSIONS** COMPARED TO BASELINE YEAR (2019)



SYSTEM AVERAGE **INTERRUPTION FREQUENCY INDEX:**

1.48



50%

OF THE **EXECUTIVE MANAGEMENT TEAM** IS MADE UP OF WOMEN

SYSTEM AVERAGE **INTERRUPTION DURATION INDEX:**

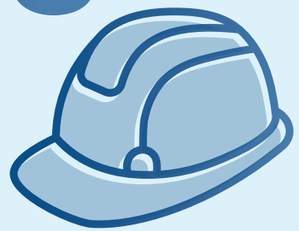
1.04 HOURS

ISO45001 /14001

CERTIFICATION

TOTAL RECORDABLE **INJURY FREQUENCY:**

0.48



29%

OF TORONTO HYDRO'S FLEET IS MADE UP OF **BEVs AND PHEVs**

PRESIDENT'S AWARD

FOR EXCELLENCE IN SAFETY

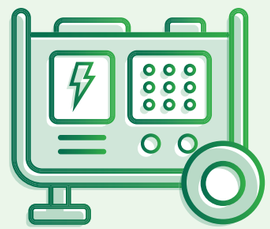
ONTARIO ENERGY BOARD APPROVED **TORONTO HYDRO'S PLAN** TO INVEST APPROXIMATELY

$5.1 BILLION

IN OUR GRID AND OPERATIONS OVER THE NEXT FIVE YEARS

19%

REDUCTION IN **BUILDING EMISSIONS** COMPARED TO BASELINE YEAR (2019)



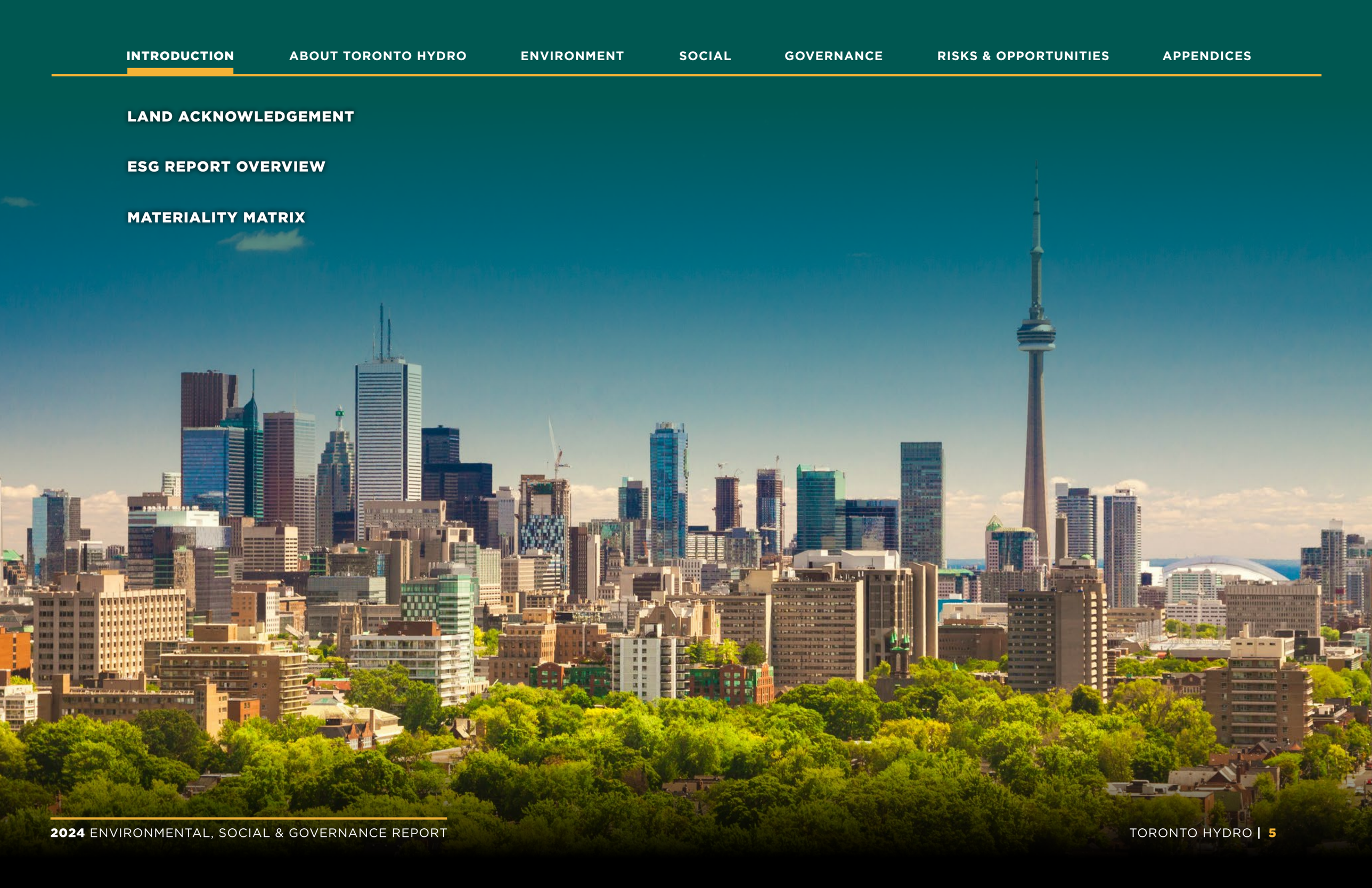
50K

INDIVIDUAL CUSTOMERS SUPPORTED THROUGH **ASSISTANCE PROGRAMS**

LAND ACKNOWLEDGEMENT

ESG REPORT OVERVIEW

MATERIALITY MATRIX



Introduction

LAND ACKNOWLEDGEMENT

We acknowledge that the land on which we gather is the traditional territory of many nations, including the Mississaugas of the Credit, the Anishinaabe, the Haudenosaunee, and the Wendat peoples, and is now home to many diverse First Nations, Inuit and Métis peoples. We also recognize that this land is covered by Treaty 13, signed with the Mississaugas of the Credit.

ESG Report overview

As Toronto's electricity distribution company, Toronto Hydro is committed to providing safe and reliable service to customers in a cost-effective and environmentally responsible manner. Our business strategy is guided by three strategic corporate pillars (Operational Excellence, Responsible Growth and Enabling the Future), which ensure a focus on safety, customer experience, financial performance and grid modernization to support economic growth, customer empowerment and decarbonization. These pillars engrain sustainability into all aspects of the business and are aligned with Toronto Hydro's material ESG topics. They serve as the foundation for electrifying communities today and building a brighter tomorrow.

The 2024 ESG Report highlights Toronto Hydro's efforts towards enabling the energy transition, reducing our environmental impact, and protecting the wellbeing of our employees and customers. The report has been prepared in reference to the Global Reporting Initiative (GRI) Standards and cover the calendar year ended December 31, 2024 (in alignment with Toronto Hydro's financial reporting period). If you have any questions relating to this report, please reach out to **sustainability@torontohydro.com**.

Toronto Hydro supports the United Nations Sustainable Development Goals (SDGs) and has highlighted the areas of the report that demonstrate alignment with and contribution to the achievement of these goals. The SDGs are a set of 17 global goals adopted by the United Nations to end poverty, protect the planet, and ensure peace and prosperity for all people by the year 2030.

Toronto Hydro conducted a materiality assessment in 2022 with a third-party consultant. The assessment included inputs from stakeholders including customers, employees, executives, board members, community partners, academic institutions, contractors and suppliers. This input was used to identify Toronto Hydro's material ESG topics, as illustrated in Figure 1 (next page). This activity is anticipated to be repeated with internal and external stakeholders in 2025 to review and update the material ESG topics and shape our ESG programs and goals for the next three years.

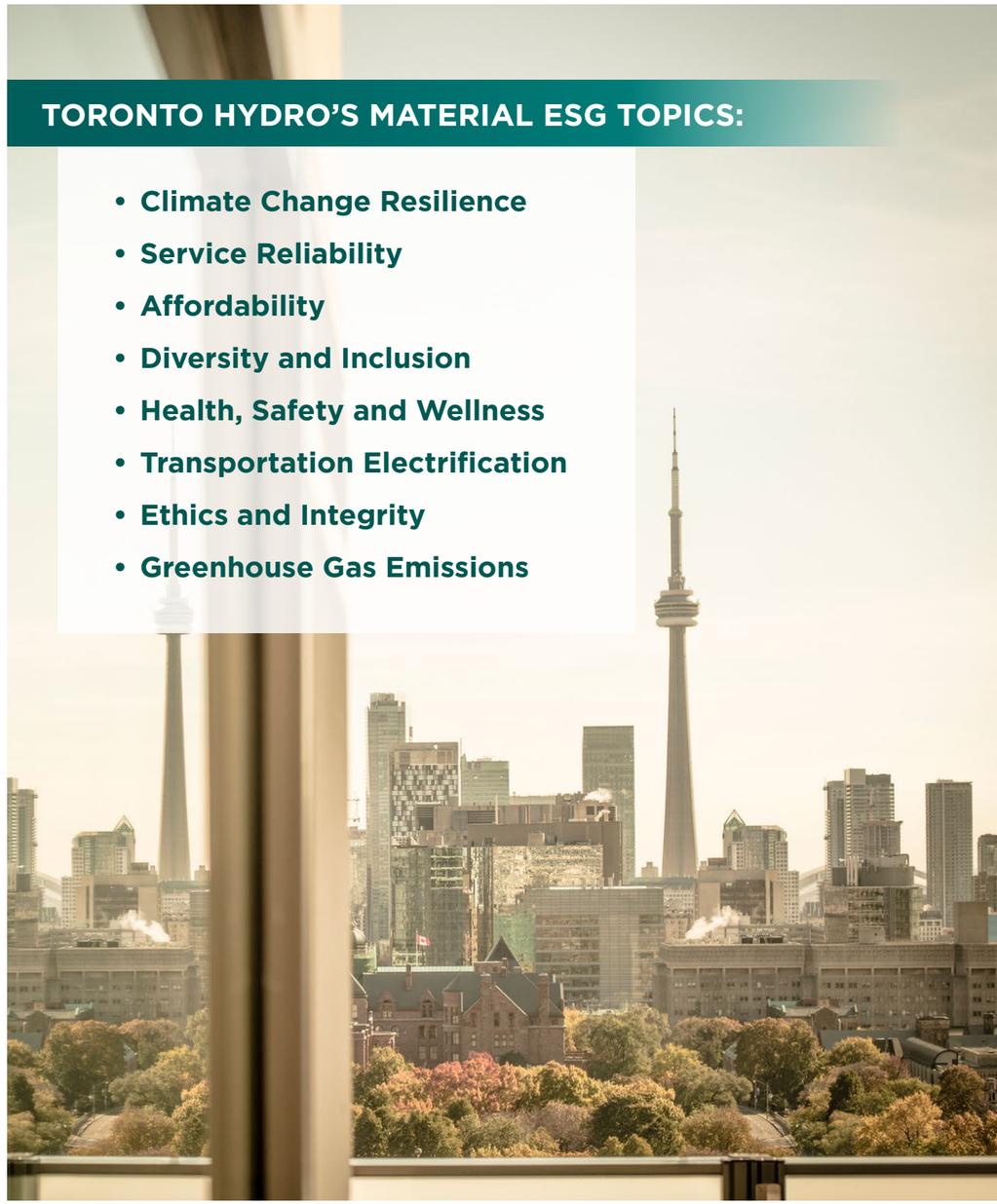
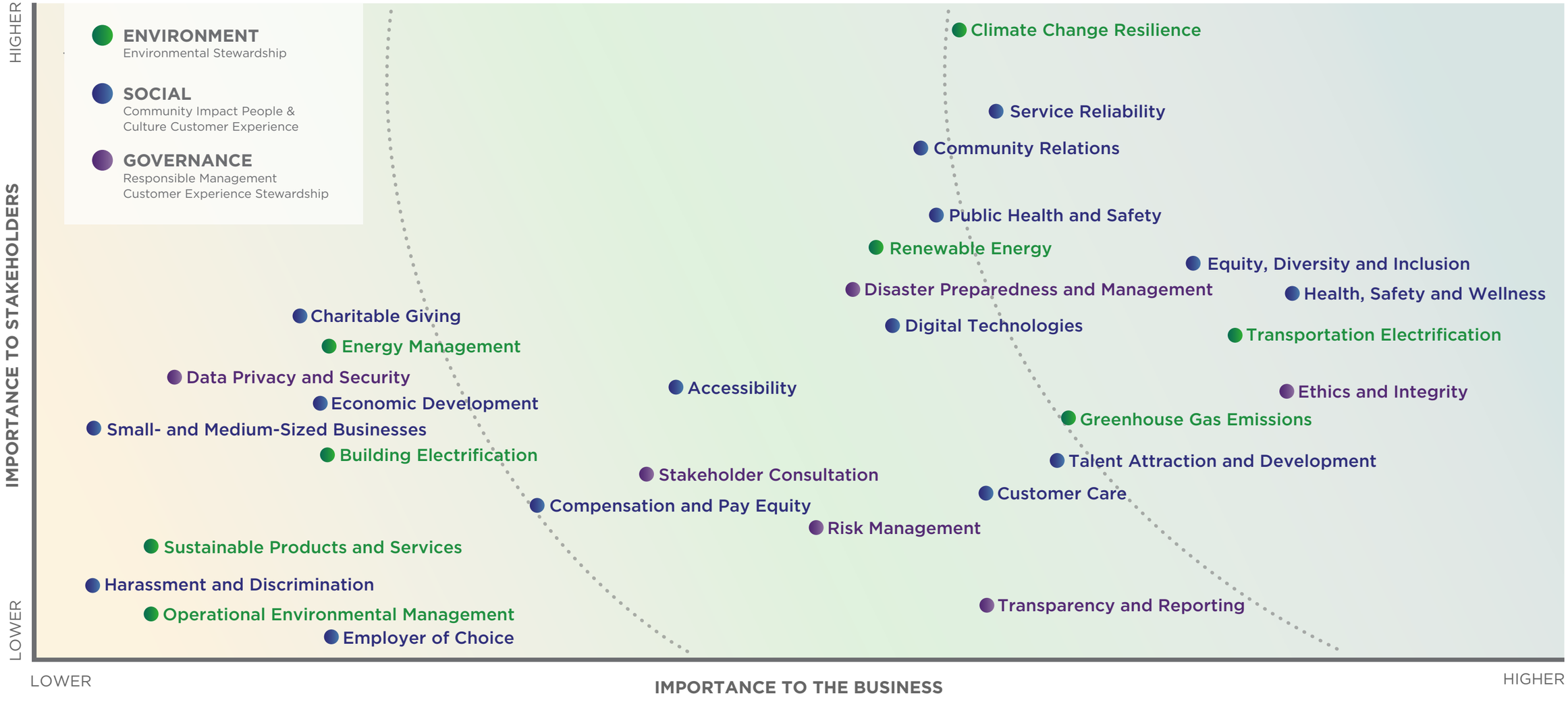


FIGURE 1: TORONTO HYDRO MATERIALITY MATRIX - TOP 30

All material topics are addressed within this report to allow stakeholders to sufficiently assess Toronto Hydro's ESG performance in 2024.

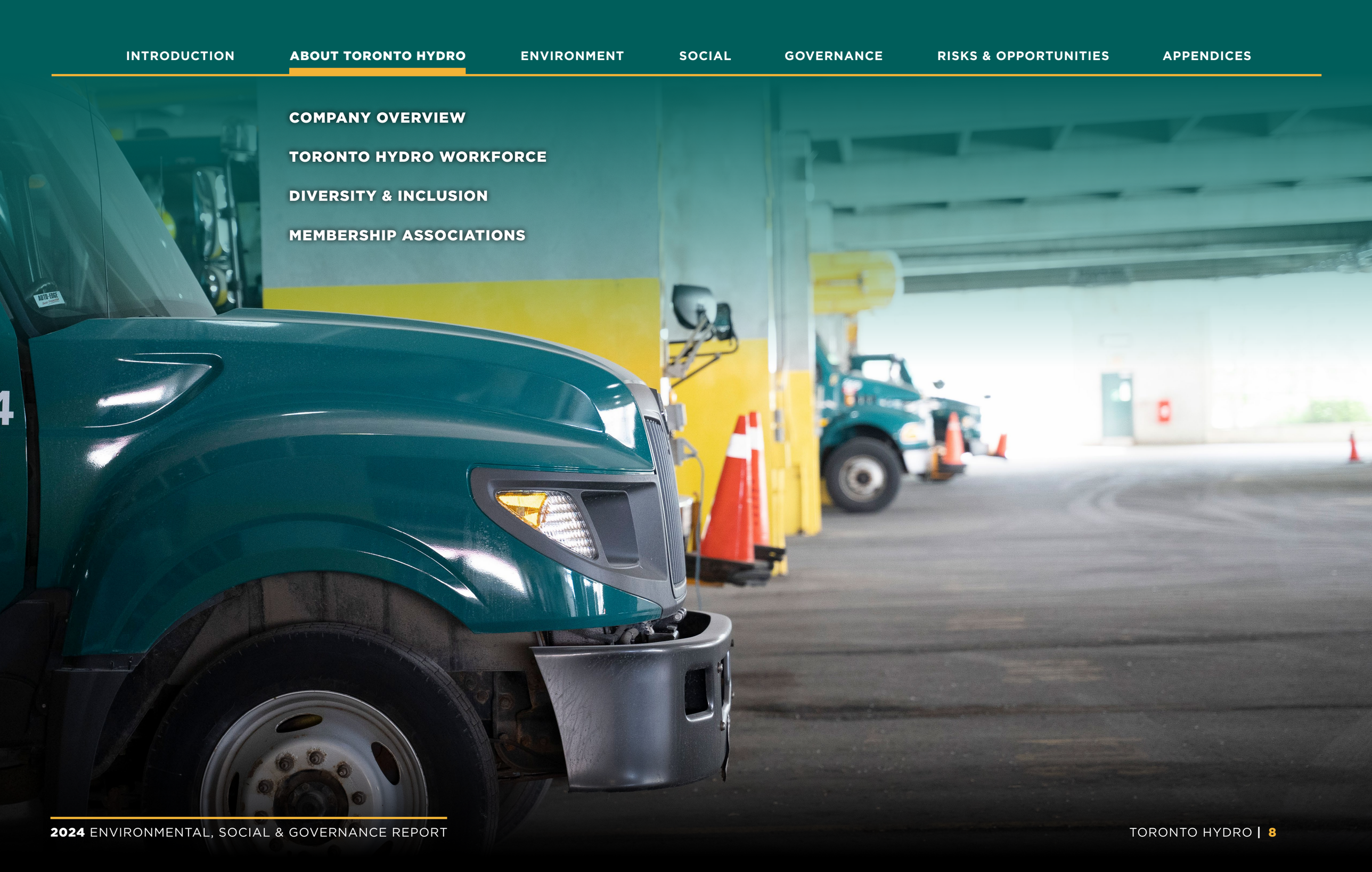


COMPANY OVERVIEW

TORONTO HYDRO WORKFORCE

DIVERSITY & INCLUSION

MEMBERSHIP ASSOCIATIONS



About Toronto Hydro

Toronto Hydro Corporation (THC) is a holding company that wholly owns two subsidiaries: Toronto Hydro-Electric System Limited (THESL), which distributes electricity, and Toronto Hydro Energy Services Inc. (TH Energy), which provides streetlighting and expressway lighting services in the city of Toronto (collectively, "Toronto Hydro" or "the Company"). The City of Toronto ("the City") is the sole shareholder of THC.

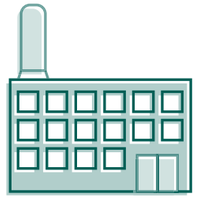
Toronto Hydro-Electric System Limited (THESL)

The principal business of Toronto Hydro is the distribution of electricity to the community and businesses within the Toronto Hydro service territory. THESL owns and operates $7.1 billion of capital assets, which refers to the sum of property, plant and equipment and intangible assets and the net of accumulated depreciation and amortization. It is comprised primarily of an electricity distribution system that delivers electricity to approximately 796,000 customers (both residential and commercial) located in Toronto. Electricity produced at generating stations is transmitted through transmission lines owned by Hydro One Limited to terminal stations. From the terminal stations, the voltage is then reduced (or stepped down) to distribution-level voltages. Distribution level voltages are then distributed across Toronto Hydro's electricity network to power distribution transformers, which step down the voltage for local use, at which point the voltage is further reduced (or stepped down) for supply to end-use customers. Electricity typically passes through a meter before reaching a distribution board or service panel that directs the electricity to end-use customers.

Toronto Hydro Energy Services Inc. (TH Energy)

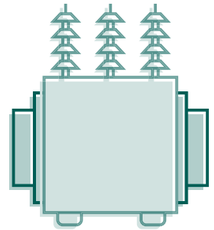
TH Energy provides streetlighting and expressway lighting services in the city of Toronto. TH Energy owns and operates $69.9 million of capital assets as of December 31, 2024. TH Energy owns certain street lighting assets located in the City, and has an agreement with the City of Toronto to provide streetlighting system maintenance and capital improvement services to the city. TH Energy sub-contracts streetlighting services to THESL.

OUR CUSTOMERS ARE SERVICED FROM:



37
TERMINAL STATIONS

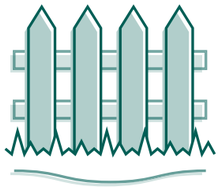
2
CONTROL CENTRES



16,720
PRIMARY SWITCHES

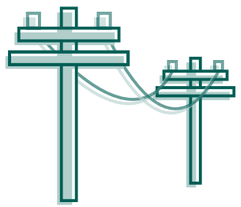
61,630
DISTRIBUTION TRANSFORMERS

95,500
SMART METERS

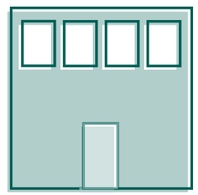


14,043
CIRCUIT KILOMETRES OF UNDERGROUND WIRES

185,440
POLES



15,349
KILOMETRES OF OVERHEAD WIRES



136
IN-SERVICE MUNICIPAL SUB-STATIONS

4
OPERATION CENTRES

*Figures are approximate (all figures above are as at December 31, 2024)

Toronto Hydro workforce

Toronto Hydro's workforce is made up of 1,409 full-time permanent employees: 69.6% male employees (981), 30.2% female employees (426) and 0.1% undeclared employees (2) (see Figure 2).

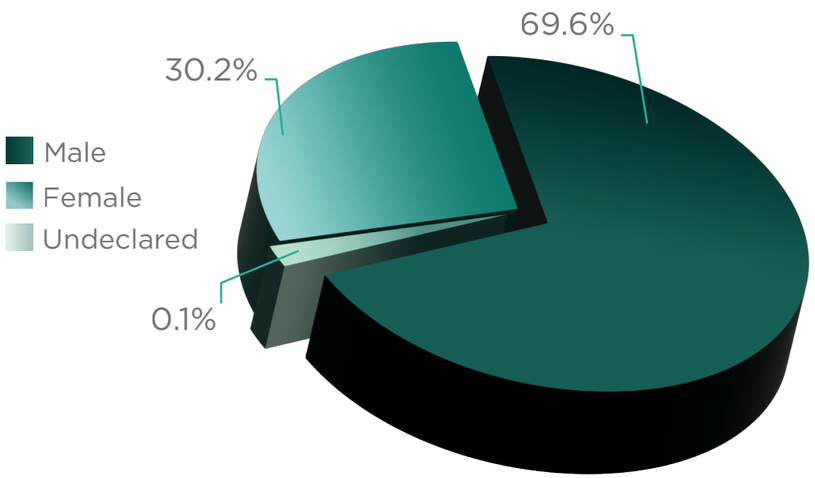
Of the total permanent employees, 48% are covered by collective bargaining units[1] (675 employees). Labour unions at Toronto Hydro include the Power Workers' Union (PWU) and the Society of United Professionals.

The exact composition of the bargaining unit depends on the terms of the collective agreement and the nature of the work performed by the employees. Of the total unionized employees, 512 members are represented by PWU and 92 professional engineers and 71 information technology professionals are represented by the Society of United Professionals.

In terms of contract employees, there are a total of 40 individuals, of which 55% are male (22) and 45% are female (18). Toronto Hydro has two part-time employees who are female, representing 100% of the part-time workforce.

Overall, Toronto Hydro has a total of 1,409 full-time permanent, 40 contract and two part-time employees.

FIGURE 2: TORONTO HYDRO'S WORKFORCE BREAKDOWN



[1] The composition of the bargaining unit may change over time as a result of negotiations between the company and the union, or due to changes in the company's operations or workforce. The Power Workers' Union (PWU) collective agreements were ratified by the members in June 2022. The duration of the agreements goes from February 1, 2022 to January 31, 2027.

Diversity and inclusion

As of December 31, 2024, females represented 64% (7 out of 11) of THC's Board of Directors, 67% (2 out of 3) of THC's executive officers and 50% (3 out of 6) of THESL's executive officers. Inclusive of the executive officers, 30% of the workforce is female.

Since 2018, Toronto Hydro has been a signatory to Electricity Human Resources Canada's Leadership Accord on Diversity, Equity and Inclusion and since 2021, a supporter of Catalyst, a global non-profit organization. These relationships affirm the organization's commitment to advance governance, education and best practices to achieve an equitable and diverse workforce with opportunities for growth and development. Leading and creating a culture of inclusivity has continued to be a focus of leadership development program design for all leadership levels. In 2024, Toronto Hydro continued its commitment to Diversity and Inclusion (D&I) through various initiatives aimed at fostering an inclusive workplace.

In 2024, the rollout of an interviewing techniques for leaders training program was completed, equipping leaders with the skills to conduct fair and effective interviews while recognizing and mitigating biases through the process. Leading and creating a culture of inclusivity has also been incorporated into the design of leadership development programs at all levels.

Through collaborations with Electricity Canada, local colleges and universities, and external partnerships with other organizations, Toronto Hydro continues to promote and mentor students with a focus on women pursuing educational programs in electrical engineering. These efforts aim to build a gender-diverse talent pipeline and support both short- and long-term workforce staffing and succession management needs. To further enhance inclusive and equitable hiring practices, Toronto Hydro introduced internal reporting metrics to track and analyze female candidate conversion rate from interview to hire, as well as monitor the diversity of interview panels. Toronto Hydro's efforts in this area support SDG 5 - Gender Equality, which aims to achieve gender equality and empower all women and girls.

MEMBERSHIP ASSOCIATIONS

Toronto Hydro maintains an active role in a number of associations and organizations in Canada and globally, including:

- Electricity Canada, which represents the electricity industry in Canada and promotes the development and growth of the industry
- The Ontario Energy Association, which represents the diverse range of companies and organizations involved in the energy sector in Ontario, Canada
- Toronto Region Board of Trade, which represents leading organizations in the Toronto region and advocates for economic growth and policy development to enhance the competitiveness of the Greater Toronto Area

ENVIRONMENTAL MANAGEMENT

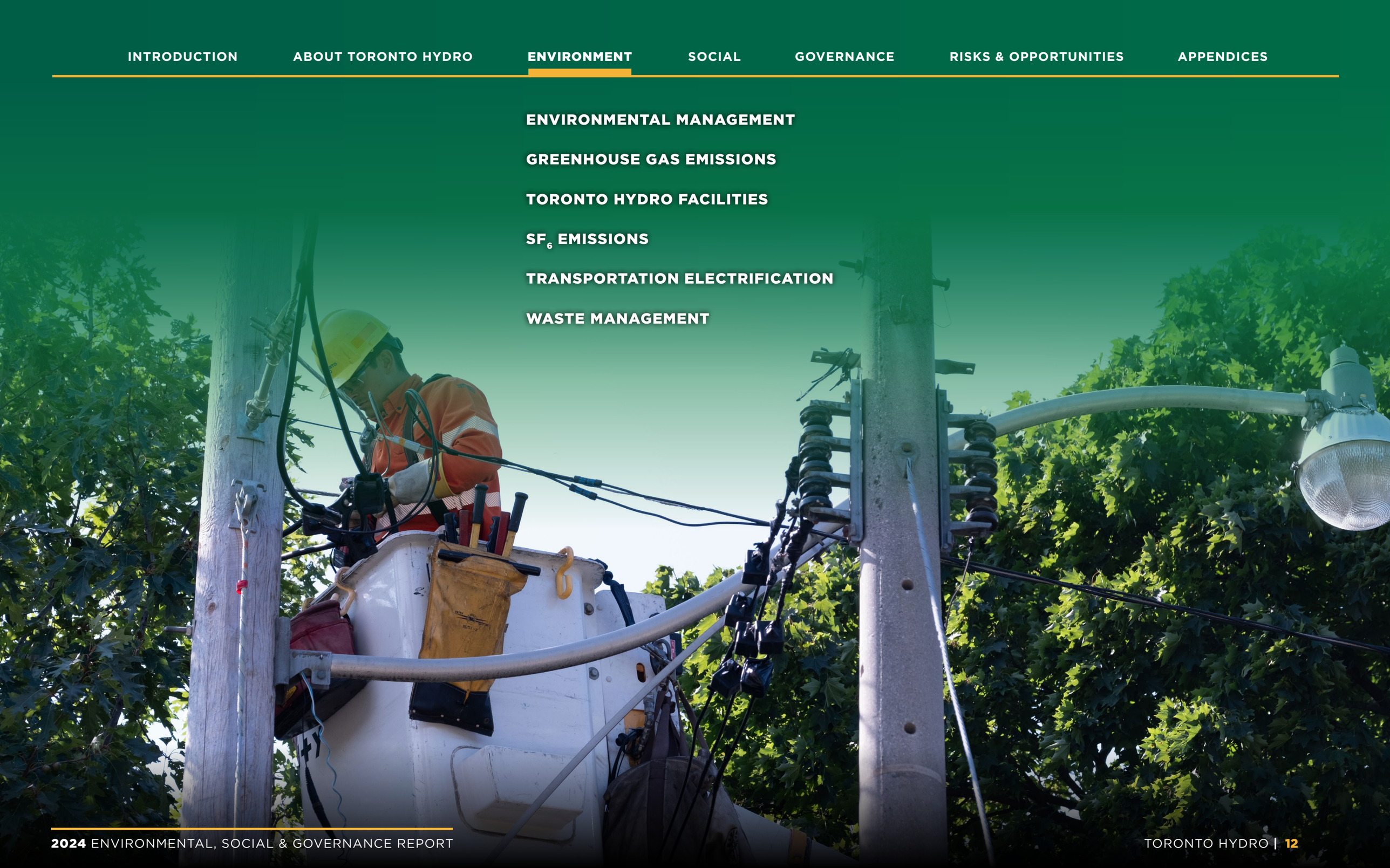
GREENHOUSE GAS EMISSIONS

TORONTO HYDRO FACILITIES

SF_6 EMISSIONS

TRANSPORTATION ELECTRIFICATION

WASTE MANAGEMENT



Environment

Envionmental management

Toronto Hydro received recognition for its leadership in ESG, sustainability and climate adaptation in 2024.

TABLE 1: RECOGNITION

ORGANIZATION	ACHIEVEMENTS
INTERNATIONAL ORGANIZATION FOR STANDARDIZATION	Completed an external audit confirming effective maintenance of an Environment, Health and Safety (EHS) Management System in accordance with the ISO Environmental Management Systems (ISO14001:2015) and the Standard for Occupational Health and Safety Management Systems (ISO45001:2018). This marks the 12th consecutive year that Toronto Hydro has been certified.
ELECTRICITY CANADA	Continued to be recognized as a Sustainable Electricity Leader™ by Electricity Canada.
CORPORATE KNIGHTS	Ranked second for corporate citizenship among electricity transmission and distribution utilities and 11th overall on Corporate Knights' annual ranking of the top 50 corporate citizens in Canada.
BUILDING OWNERS & MANAGERS ASSOCIATION (BOMA) BEST	Certified at three work centres as meeting the requirements for building environmental standards (BOMA Best).

In alignment with the City's TransformTO Net Zero Strategy, Toronto Hydro has committed to achieving net-zero Scope 1 emissions and minimizing Scope 2 emissions through direct action and supporting decarbonization by 2040. Since 2022, Toronto Hydro has monitored its progress towards achieving net-zero GHG emissions by 2040 through two metrics: 1) building emissions reduction and 2) fleet electrification. Dedicated management and steadfast commitment across all corporate levels led to surpassing the annual targets for both metrics in 2024.

Toronto Hydro's GHG inventory includes Scope 1 and Scope 2 emissions, quantified in accordance with national and provincial GHG reporting guidelines and the GHG Protocol Corporate Accounting and Reporting Standard. While Scope 3 emissions are not currently included in the inventory, data gathering and calculations have begun, starting with emissions from employee commuting.

ELECTRIFICATION OF THE WORKSITE

Toronto Hydro is actively exploring ways to prioritize electrification in the workplace by opting for battery-operated tools, using electric power take-off technology in our heavy vehicle fleet, and purchasing electric equipment over those that rely on fossil fuels. In 2024, Toronto Hydro introduced two electric stringing trailers to replace the conventional diesel units. These trailers not only offered environmental benefits, but also enhanced safety by minimizing human error through automation and reducing noise, making on-the-job training more effective.

SCOPE OF EMISSIONS

SCOPE 1

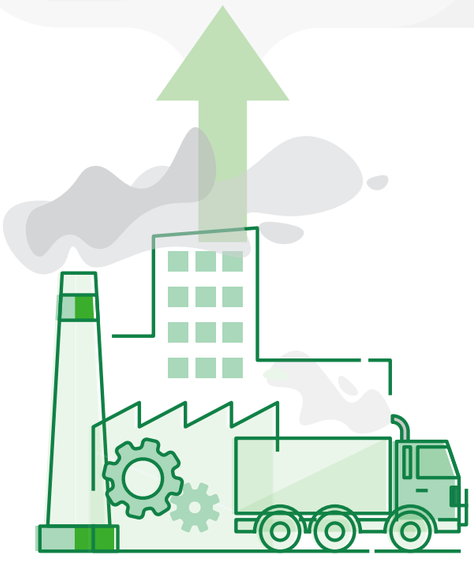
Direct emissions from stationary combustion (natural gas combustion for facilities), mobile combustion (fuel combustion for fleet) and fugitive sources (releases of sulfur hexafluoride (SF_6) and refrigerant gases).

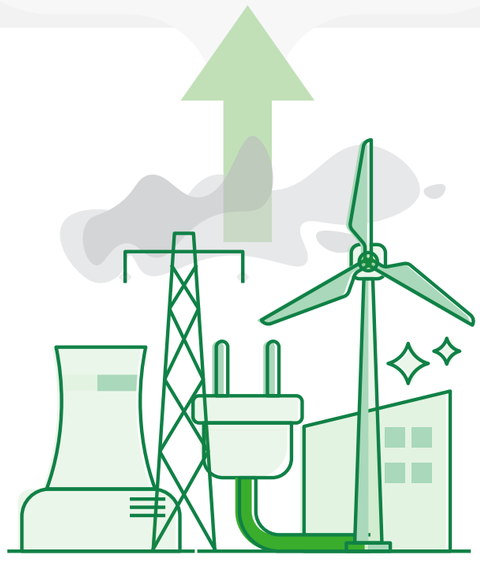
SCOPE 2

Indirect emissions from the use of purchased electricity (facilities and line losses).

SCOPE 3

All indirect emissions (not included in Scope 2) that occur in the value chain of the reporting company, including both upstream and downstream emissions. Scope 3 emissions are currently outside of Toronto Hydro's GHG inventory.





Greenhouse gas (GHG) emissions

The organizational boundary of this GHG inventory includes all Toronto Hydro owned and controlled (i.e., leased) facilities, equipment and vehicles. There were no significant changes in 2024 to Toronto Hydro's organizational boundaries. The emission factors used to calculate GHG emissions are published by Environment and Climate Change Canada and are representative of Ontario's energy supply mix. GHG emissions are measured in tonnes of carbon dioxide equivalent (tCO_2e).

In 2024, Toronto Hydro's total GHG emissions were 26,501 tCO_2e. Figure 3 and 4 show the makeup of Toronto Hydro's carbon footprint, by scope and by source. In summary, 76% of emissions are from line losses (17,315 tCO_2e), 11% are from SF_6 emissions (1654 tCO_2e), 8% are from facilities (electricity and natural gas use) (1704 tCO_2e) and 5% are from fleet emissions (1101 tCO_2e).

FIGURE 3: EMISSIONS (BY SCOPE)

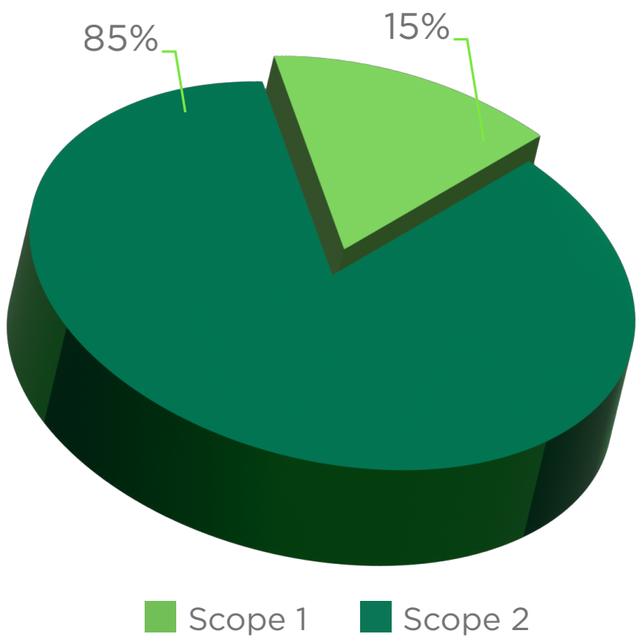
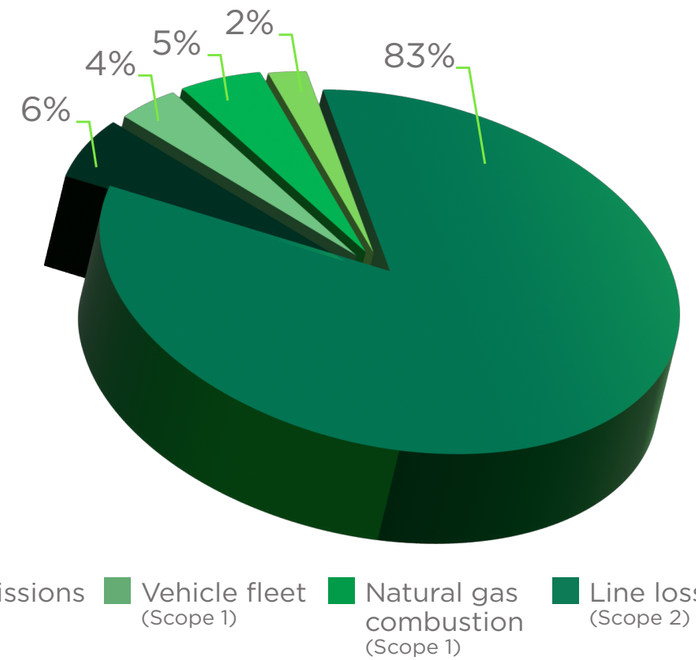


FIGURE 4: EMISSIONS (BY SOURCE)



In 2024, Scope 1 emissions decreased by 41% compared to the baseline year (2019). Scope 2 emissions, however, have increased by 62%. The increase can be attributed to a year-over-year rise in the provincial emission factor for line losses. Line losses account for 83% of Toronto Hydro's total GHG emissions and 98% of Scope 2 emissions.

Toronto Hydro's efforts to increase the efficiency of the system have resulted in a 22% reduction in line losses in 2024 compared to 2019. However, despite these reductions, emissions were higher in 2024 due to the increase in the emission factor. The provincial emission factor[2] is expected to continue to increase in the short term as emissions associated with electricity generation increase.

[2] Emission factors published in Environment Canada's National Inventory Report 1990-2022: Greenhouse Gas Sources and Sinks in Canada. Table A13-7: Electricity Generation and GHG Emission Details for Ontario Generation Intensity

Toronto Hydro facilities

Managing building emissions is critical to achieving net-zero GHG emissions by 2040. In 2024, Toronto Hydro prioritized energy conservation measures and capital investments to meet annual targets.

Toronto Hydro's building automation system (BAS) was a key driver in energy conservation efforts in 2024. The BAS was used to optimize heating and cooling schedules, manage air intake in unoccupied rooms and reduce temperature set points, all in an effort to reduce unnecessary gas and electricity consumption.

SF_6 emissions

SF_6 is used at Toronto Hydro as an insulating gas for electrical equipment. Toronto Hydro closely monitors SF_6 emissions, which result from leaks in SF_6 insulated electrical equipment. In 2024, a 34% reduction in reported SF_6 emissions was observed compared to the previous year and a 38% reduction when compared to the baseline year (2019). This decrease was influenced by multiple factors, including proactive inspections and improvements in asset management practices (for more details refer to the Preventative and Predictive Maintenance and Repairs section). Toronto Hydro has established an internal, multidisciplinary working group, the SF_6 working group, that continues to ensure an aligned approach to the continued reduction of SF_6 emissions. In 2024, Toronto Hydro also initiated trials to evaluate alternatives to SF_6.

HIGHLIGHTS FROM 2024 INCLUDE

- **19% reduction in building emissions in comparison to baseline year (2019)**
- **Achieved a recycling rate of 91%**
- **BEVs and PHEVs account for 29% of Toronto Hydro's fleet pool**
- **38% reduction in SF_6 emissions in comparison to baseline year (2019)**

[2] Emission factors published in Environment Canada's National Inventory Report 1990-2022: Greenhouse Gas Sources and Sinks in Canada. Table A13-7: Electricity Generation and GHG Emission Details for Ontario Generation Intensity

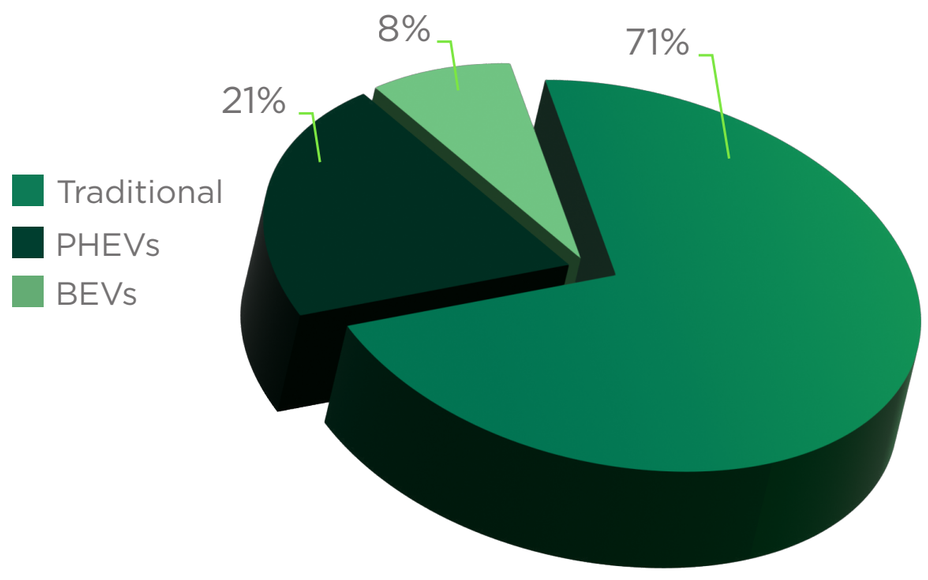
Transportation electrification

Toronto Hydro's fleet

Battery electric vehicles (BEVs) and plug-in hybrids electric vehicles (PHEVs) are 29% of Toronto Hydro's fleet, as illustrated by Figure 5; surpassing the 2024 fleet electrification target by 6%. Toronto Hydro's fleet includes seven BEV pickup trucks, 26 hybrid pickup trucks, nine hybrid SUVs, 29 plug-in hybrid electric cargo minivans, 13 BEV cars (Chevrolet Bolt), seven ePTO bucket truck units (hybrid operation), one hybrid single bucket truck, six BEV full-size vans (Ford E-Transit) and one BEV bucket truck. To support the growing electric fleet, Toronto Hydro maintains 70 level-2 charging stations across all work locations.

Toronto Hydro decommissioned 31 traditional vehicles from its fleet in 2024, including 14 heavy-duty and 17 light-duty vehicles. Additionally, 26 traditional vehicles (five heavy-duty and 21 light-duty) were replaced with hybrid, electric or ePTO alternatives. These efforts reflect the company's commitment to electrifying its fleet and transitioning toward more sustainable solutions.

FIGURE 5: FLEET ELECTRIFICATION



Electric bucket truck

Toronto Hydro's fully electric bucket truck is an important part of the company's electrification journey. Following testing in early 2024 in the training yard, the truck transitioned to operations in August 2024. Crews have provided positive feedback, reported no driving range capacity issues and highlighted advantages such as reduced noise levels, which benefit crew communication and community interactions. Similar to other electric vehicles, the fully electric bucket truck is equipped with a regenerative braking system that captures energy typically lost during braking and redirects it to recharge the battery. This improves energy efficiency and enhances operational flexibility, particularly during frequent stop-and-go traffic within the downtown core.

Electric Power Take-Off (ePTO)

Toronto Hydro also employs ePTO systems, which use lithium-ion batteries to provide electric power and reduce or eliminate emissions from fossil fuel-powered engines for on-site operations. The ePTO pressurizes the hydraulic systems, allowing operation of the boom of a bucket truck independently of the vehicle's engine, significantly reducing the need for idling during operation. In addition to reducing emissions, the ePTO system also decreases noise levels, creating a quieter and safer environment for both workers and nearby communities. This represents a shift toward electrification and sustainability in Toronto Hydro's fleet operations.

As of December 2024, Toronto Hydro has equipped seven bucket trucks with ePTO systems, including two previously installed units and five added during the 2023–2024 transition. Eight additional ePTO units are planned for deployment in 2025, further reducing the environmental impact of the fleet. These advancements demonstrate Toronto Hydro's adoption of emerging technologies to reduce emissions across its fleet operations.

Support for EV charging in condominiums

In 2024, Toronto Hydro simplified billing and reduced barriers for condominium customers with EV chargers in their buildings, aiming to make it more cost effective for residents using EV charging infrastructure.

Sustainable commute program

Toronto Hydro's sustainable commute program is designed to promote environmentally friendly commute options while gaining insights into how employees commute to work. Toronto Hydro offers a range of programs and services to employees at all four of its work centre locations: 14 Carlton Street, 500 Commissioners Street, 715 Milner Avenue and 71 Rexdale Boulevard. Key initiatives include:

- Bike storage facilities: To promote eco-friendly commuting, secure bike storage is provided at all work centres. This encourages employees to consider cycling as a viable and sustainable option for their daily commute
- EV charging stations: Charging stations have been installed for EVs at all work centres. These stations enable employees with electric or hybrid vehicles to conveniently charge their cars while at work, making the transition to cleaner transportation easier. Refer to the Transportation Electrification section for more information
- Carpooling: This program encourages carpooling among employees, promoting shared rides as an effective means of reducing the number of vehicles on the road and minimizing emissions

In addition to these efforts, Toronto Hydro conducted an internal survey to better understand employee commuting habits. The survey gathered insights on how frequently employees travel, the distances covered and preferred modes of transportation. This data is expected to provide valuable insight for shaping and refining the Sustainable Commute Program to better serve the needs of Toronto Hydro's dedicated workforce.

Waste management

Recycling rate

The recycling rate is the percentage of total waste generated that is diverted from landfill. In 2024, Toronto Hydro's recycling rate was 91%. Toronto Hydro measures the recycling rate of the waste included in Ontario Reg 103/94 Industrial, Commercial and Institutional Source Separation Programs as well as organic materials and electric utility-specific waste, such as concrete and wood utility poles. In 2024, initiatives focused on recycling education and increasing the recycling rate, including:

- Installing new signage across all three main yards to assist employees in properly sorting and disposing of materials
- Introducing a waste checklist for field leaders to monitor waste sorting practices effectively
- Leveraging ongoing communications (including Circular Economy Month-themed communications) and meetings to educate employees on waste diversion practices

Polychlorinated biphenyls (PCBs)

Toronto Hydro owns and operates legacy equipment that has oil containing PCBs. The operation of the equipment is compliant with current PCB regulations under the Canadian Environmental Protection Act, 1999. Toronto Hydro has been actively removing and safely disposing of equipment potentially containing PCBs in preparation for the end-of-use deadline of December 31, 2025, as per PCB regulations.

An organized approach to the removal and destruction of equipment and oil at risk of containing PCBs is enabled by proactive inspections of equipment suspected of having oil containing PCBs, testing of oil in equipment for the presence of PCBs and targeted replacement facilitated through capital construction projects. Approximately 46,300 kg of solid materials and 7,100 L of liquids containing PCBs were shipped for destruction in 2024. This is greater than the amount of PCB materials shipped for safe destruction in both 2023 (9,800 kg of solid material and 4,000 L of liquids containing PCBs) and 2019 (7,000 kg of solid material and 3,500 L of liquids containing PCBs).

Solar energy

Toronto Hydro jointly invested with the City of Toronto in solar photovoltaic projects on City-owned facilities. In 2024, these projects generated 4,679 MWh and displaced approximately 170 tonnes of carbon dioxide equivalent emissions (tCO_2e).

Two of these installations are at Toronto Hydro-owned facilities: 71 Rexdale Blvd Boulevard (David M. Williams Centre) and 715 Milner Avenue. Toronto Hydro owns 51% of these two installations, each with a 500-kW capacity. The installations at the David M. Williams Centre and 715 Milner generated 696 MWh and 583 MWh, respectively, in 2024, and each displaced approximately 25 tCO_2e and 21 tCO_2e.

Toronto Hydro previously invested in two other renewable generation projects (Better Living Centre Solar and 500 Commissioners Solar), which together have an installed capacity of 500 kW. These projects generated 588 MWh and displaced approximately 21 tCO_2e in 2024.

Climate advisory services

Toronto Hydro's Climate Action Plan supports the City's net-zero 2040 vision. In 2022, Toronto Hydro received expanded mandates for climate advisory services from Toronto City Council. Since then, Toronto Hydro has turned this mandate into action by establishing a permanent Climate Action team and developing resources, networks, and programs to support customers with their own climate action initiatives.

2024 marked the first full year of operation for the Climate Action team. Key highlights from the year included:

- Over 1,000 touchpoints with customers and stakeholders, who are beginning to recognize Toronto Hydro as a partner in their electrification journey
- Extensive outreach and communication, including 12 exhibition booths, 14 email blasts, 32 social media posts and 24 speaking engagements
- A strong network of collaborators in cleantech to drive electrification, including The Atmospheric Fund, Heating Refrigeration and Air Conditioning Institute, United Way, Building Decarbonization Alliance, BOMA Toronto, Toronto 2030 District, the Home Energy Network, Electric Mobility Canada and Toronto Parking Authority
- New programs and products ready for the market, including the Heat Pump Assistance Program, OPEN Tech Virtual Audit tool, and the Heat Load Estimator
- Customers installing EV chargers, heat pumps, solar panels and batteries
- Launched the Cleantech Services Network, a program aimed to connect customers interested in clean energy projects with qualified and trusted local service providers

For more information, refer to Toronto Hydro's most recent Climate Action Status Report at **torontohydro.com/climateactionplan**.

OCCUPATIONAL HEALTH & SAFETY MANAGEMENT SYSTEM

HAZARD IDENTIFICATION, RISK ASSESSMENT & INCIDENT INVESTIGATION

CONTRACTOR SAFETY MANAGEMENT

SAFETY ENHANCEMENTS

WORKER PARTICIPATION, CONSULTATION & COMMUNICATION

HEALTH & WELLNESS

TRAINING

EMPLOYEE OUTREACH

RESILIENCE & SYSTEM RELIABILITY

EMERGENCY MANAGEMENT

OUTAGE MAP

ASSISTANCE PROGRAMS

SUPPORTING AFFORDABLE HOUSING IN TORONTO

Social

On March 28, 2025 we lost a valued member of our Toronto Hydro family in a serious workplace incident. Toronto Hydro is focused on supporting the teams that were directly involved and developing a comprehensive action plan to prevent a similar tragedy from occurring in the future.

Occupational health and safety management system

Toronto Hydro remains committed to a healthy and safe work environment for all employees, contractors, visitors and the public. This commitment supports SDG 8– Decent Work and Economic Growth, which includes the promotion of a safe working environment for all workers. Toronto Hydro's management approach to occupational health and safety is to meet and exceed legal compliance requirements, eliminate or control known occupational hazards and risks, and implement opportunities for continual improvement to Occupational Health and Safety (OH&S) management and performance.

Toronto Hydro's OH&S Policy establishes specific commitments to continually monitor and improve Toronto Hydro's OH&S Management System. The policy applies to all employees, officers and directors of THC, as well as contractors and visitors. It is reviewed and approved annually by Toronto Hydro's Board of Directors.

THE POLICY OUTLINES TORONTO HYDRO'S CORE PRINCIPLES:

- Compliance
- Risk management
- Contractor management
- Communication
- Incident investigation
- Engagement and consultation
- Performance monitoring
- Accountability
- Wellness

Toronto Hydro has established a health and safety management system that has been certified to the ISO 45001:2018 standard by third-party auditors. Legislated OH&S requirements for Toronto Hydro come under provincial jurisdiction exclusively, and all legislated occupational health and safety reporting requirements are complied with. Third-party OH&S compliance and management systems audits are conducted to provide assurance that OH&S requirements are achieved. Other tools that support Toronto Hydro's health and safety management system include: documented procedures and programs, training, performance monitoring (key performance indicators), risk assessments, near-miss reporting, hazard reporting, incident investigations, internal audits and inspections.

In 2024, Toronto Hydro passed an external audit confirming it effectively maintained its Environment, Health and Safety Management System in accordance with the **ISO Standard for Occupational Health and Safety Management Systems** (ISO45001:2018).

This marks the **12th consecutive year** that Toronto Hydro has been certified to stringent, internationally recognized standards for occupational safety management systems by independent third-party auditors.

Hazard identification, risk assessment and incident investigation

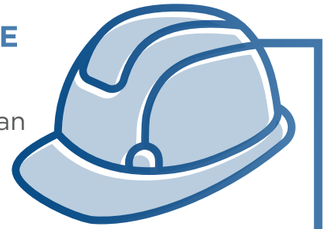
The nature of work performed at electrical utilities require active and ongoing identification, evaluation, and management of health and safety hazards and risks.

Toronto Hydro mitigates these risks through various approaches, including:

- Development and implementation of work procedures and program requirements, as well as ongoing verification through inspections
- Worksite-level risk assessments
- Training on safe work practices
- Proactive equipment inspection, maintenance and replacement
- Application of "Safety by Design" principles in the development of construction standards and design practices
- Risk assessments on new products and equipment introduced for use in the distribution system, while also actively engaging employees in the testing and evaluation process
- Safety inspections and audits to identify hazards, collaborating with employees to eliminate or mitigate these risks, and subsequently developing and implementing action plans based on the findings of these activities
- Development and sharing of health and safety communications and messaging
- Introduction of new technology, tools and equipment, and data analytics

Health and safety hazards and risks are regularly assessed at Toronto Hydro to continually improve health and safety for employees, contractors and visitors. Toronto Hydro maintains a database to quantify the risks of operations and activities that can impact health and safety. The database is reviewed annually by a cross-sectional group of employees to ensure accuracy and relevance.

HUMAN & ORGANIZATIONAL PERFORMANCE IN SAFETY



Toronto Hydro is embedding the five principles of Human and Organizational Performance (HOP) in safety:

1. People make mistakes.
2. Blame fixes nothing.
3. Learning and improving is vital.
4. Context drives behaviour.
5. How we respond to failure matters.

The 10 priority risks identified in 2024 were as follows:

1. Crushed/struck by while working near mobile work equipment.
2. Caught in, or compressed by, equipment or objects while loading and unloading equipment on trailers, trucks or other vehicles.
3. Vehicle or work equipment accident while driving on road.
4. Harassment or violence when interacting with the public (including customers).
5. Exposure to public traffic/vehicles (struck by) when working outdoors.
6. Struck by hand-held object (e.g., wrench, tools, etc.) when performing general workplace activities.
7. Struck by flying objects (particles in eyes) when using tools/equipment or performing tasks that generate airborne particles (e.g., grinders, chain saws, drills, etc.) or general workplace activities.
8. Fall on the same level (e.g., lose footing, balance, etc.) when pulling/tugging on equipment, rope, object, etc.
9. Exposure to biohazards (e.g., animal or bird droppings, sewage) when working outdoors/indoors.
10. Falling into or engulfed by water when working around water or exposed to water.

MANAGING HAZARDS AND RISKS

ELECTRONIC WORKSITE RISK ASSESSMENT (eTAILBOARD)	The E-WRA was implemented in 2020. The tool allows workers to document their assessment of the work, the steps required to complete each task, hazards and risks identified, the required controls and applicable procedures to ensure the safety of all on site. The conference, where the risk assessment is verbally discussed and agreed to, is recorded and reviewed by the leader to provide positive and constructive feedback. In 2024, 6,412 E-WRAs were completed.
SAFETY LEADERSHIP INSPECTIONS	All leaders are required to complete safety leadership inspections. These inspections allow leaders to engage with and listen to the safety concerns of their employees, identify hazards and risks, determine underlying causes, and collaborate with employees to eliminate hazards or control the risks. In 2024, 16,894 inspections were completed.
AUDITS	Toronto Hydro has a detailed auditing strategy to cover its Environment, Health and Safety Management System (EHSMS), compliance and internal operational control audits. Operational control audits assess the effectiveness of safety systems and controls at the department level. In 2024, Toronto Hydro expanded the scope of its operational control audits to include office safety, motor vehicle safety and industrial work around work centres. A total of 12 audits were completed in 2024, including one internal EHSMS audit, one external EHSMS audit and 10 operational control audits.
INCIDENT INVESTIGATIONS	All incidents are investigated to identify causation (apparent, contributory and root cause), and to develop and implement corrective actions to prevent recurrence of the incident Corrective actions address the identified root cause and contributing factors, and aim to prevent reoccurrence of that incident. Risk assessments are completed for corrective actions to verify that the new action, if implemented as intended, will not introduce a new uncontrolled OH&S risk or environmental impact. Trending incidents support continual improvement in Toronto Hydro's EHSMS.
MANAGEMENT OF CHANGE	The Management of Change procedure ensures changes to existing processes, activities, projects or the introduction of new tools are evaluated for potential health, safety and environment impact through the completion of a risk assessment. All changes must be reviewed to ensure hazards introduced by change are identified, analyzed and controlled prior to implementation. For changes to equipment, materials or tools, Toronto Hydro's Product Change Committee conducts extensive evaluations to determine whether products will not only meet the applicable organizational and industry standards, but will also add value to the organization. The Product Change Committee approved 340 requests in 2024.
SAFETY CONCERN REPORTING	Safety concern reporting enhances the Internal Responsibility System by providing a documented method for employees to formally raise safety concerns that they believe cannot be addressed in a timely manner through normal communication channels with their leaders.
NEAR-MISS REPORTING	A near-miss is an unwanted, unplanned event that did not cause an injury or property damage but may have done so if conditions were slightly different. Near-miss reporting presents an opportunity to investigate, trend and take action on potentially dangerous situations before an injury occurs. All reported near-miss incidents are investigated. Information gathered through near-miss reporting is valuable for finding the root cause of dangerous incidents, proactively taking steps to reduce the danger, and improving health and safety performance. In 2024, 54 near-miss incidents were reported and investigated.
JOB SAFETY ANALYSIS (JSAS)	JSAs were introduced in 2021 as a systematic process used to separate job steps, identify hazards associated with each step and develop controls for the identified hazards. The JSA develops a standard operating procedure to be followed by all workers. JSAs are similar to Worksite Risk Assessments in terms of hazard control except that JSAs are used in repetitive routine work environments, while Worksite Risk Assessments are for non-routine work. There are 77 JSAs in total as of December 31, 2024, 12 of which were created in 2024.

HAZARD REPORTING MODULE

In 2024, Toronto Hydro released a hazard reporting module. This module is used to report hazards that are identified outside of an audit, safety leadership inspection, worksite risk assessment or job safety analysis and to track corresponding corrective actions. The module engages employees in identifying and addressing hazards, in alignment with internal responsibility system. It also allows for trending of hazards and potential risks and provides opportunity for continual improvement.

Contractor safety management

Contractor safety management is one of the core principles in Toronto Hydro's OH&S Policy. All contractors are required to meet or exceed Toronto Hydro's quality, safety and environmental requirements. Contractors are evaluated on performance statistics, EHS management programs specific to the work that will be performed, assured compliance, insurance, Workplace Safety and Insurance Board (WSIB) clearance, and training. Contractors are required to meet all requirements prior to starting work with Toronto Hydro.

To ensure compliance with legislation, terms of contract, and Toronto Hydro policies and procedures, inspections and audits are performed regularly for contractors throughout the term of their contracts. Contractors are held accountable for incidents and associated non-conformances that occur while working for Toronto Hydro.

To ensure contractors remain up-to-date and have relevant information, pre-job and regular safety meetings are held with contractors. Toronto Hydro also leverages contractor management software to communicate relevant bulletins, and provide regular updates to Toronto Hydro policies, procedures and processes.

In 2024, Toronto Hydro continued to hold sessions for frontline managers to ensure leaders understand and meet their responsibilities and obligations with respect to contractor management requirements.

Safety enhancements

Toronto Hydro continues to provide additional controls to employees in the forms of tools, equipment and information to improve safety. Tools introduced in 2024 include:

- **Voltage proximity detector,** allowing employees to measure and detect voltage without making direct contact with the conductor
- **Remote cable cutters**, allowing workers to maintain a safe distance from potential hazards during cable-cutting operations
- **Handline assembly** to be used to lower and raise tools and materials safely when climbing poles and there is no access for a bucket truck
- **Multi-gas detector kit** used by underground field crews to test atmospheric conditions when working in cable chambers
- **Pole light and flag equipment** for safe pole-mount transportation, providing better visibility of the pole on the road
- **Shelf racking kits for vehicles** to improve housekeeping in the vehicles
- **Hard hat and respirator combination** to allow hard hats to be worn with a full-face respirator
- **Nitrile dipped gloves**, which have a higher cut-resistant level
- **Insulated diagonal cutting pliers**, which help prevent electrical contact/arc flash hazard when performing work on or near energized equipment
- **Digital torque wrench**, which is ergonomically friendly and can be used in tight spaces

Worker participation, consultation and communication

Joint Health and Safety Committees (JHSCs): The JHSCs have both worker and management representation. Together, they are committed to improving the health and safety conditions of the workplace. Committee members inspect the workplace at least once a month and meet quarterly at a minimum to discuss learnings and issues, share observations from inspections, and make recommendations to improve overall health and safety.

OH&S communication: Effective communication is a core component of the Toronto Hydro EHSMS. Toronto Hydro ensures timely and relevant OH&S information is communicated to employees. The following communication channels are used to help ensure that employees have the information they need to continue working safely:

- Orientation for new hires: A structured introduction to key components of Toronto Hydro's OH&S management system is provided as part of each employee's onboarding
- Safety meetings: Meetings held monthly for operational staff and quarterly for office staff to review recent incidents and findings, discuss procedure/process updates, introduce new tools and communicate recent safety trends
- Communication boards: Bulletin boards, located in all work centres, provide employees with information regarding organizational updates, policies and EHS Bulletins. To support reduction in paper consumption, Toronto Hydro has transitioned to electronic communication boards
- Weekly dashboards: All leaders receive a weekly dashboard containing key EHS performance metrics (TRIF, spills, hazard reporting, weekly incidents, near miss rate), incident details and key messaging
- Intranet: Toronto Hydro's intranet includes access to pertinent EHS information, including all company policies, procedures and programs, EHS bulletins, weekly communications, etc.
- Document release notifications: All new or updated documents (including safety documents) require a release notification that is sent to all leaders and cascaded to employees if relevant
- *Spectrum* magazine: This internal magazine offers an in-depth exploration of Toronto Hydro employees and covers ongoing initiatives both within the company and in the community, safety advancements, industry insights and more
- THTV: TVs are located throughout work centres to share relevant information with employees (e.g., safety messaging, upcoming events)
- Training: Training serves to share and verify the transfer of important safety information, updates, and organizational policies and procedures to employees
- EHS bulletins: Bulletins are prepared for immediate notification of potential workplace hazards, incidents, injuries, near misses and environmental issues

Health and wellness

Toronto Hydro protects the physical and mental health of its employees in their work environment and promotes employee wellbeing. The following activities support Toronto Hydro's Health and Wellness program:

Biological monitoring: Employees are monitored for exposure to potential hazards in the workplace, specifically lead and asbestos. This includes blood lead levels, pulmonary function and x-ray surveillance. Pre-placement examinations, routine monitoring and exit medical examinations are conducted, and the results are reviewed by an occupational physician. This monitoring helps assess the effectiveness of workplace controls in mitigating the risk associated with these hazards, ensuring continuous improvement in workplace safety. All testing related to designated substances is conducted in accordance with the program for Medical Surveillance for Designated Substances (Ministry of Labour, Immigration, Training and Skills Development).

HEALTH & WELLNESS EXPO

In 2024, Toronto Hydro worked with third-party health organizations to host a Health and Wellness Expo at all work centres. Employees spoke with professionals about various aspects of wellness, including physical, mental, social, occupational and financial wellness. External organization present included: Workplace Medical Corporation, Manulife, OMERS, Co-operators, Goodlife Fitness, Canadian Mental Health Association, TELUS Health and Sunshine Therapy Dogs.

Respiratory protection: Toronto Hydro employees are trained on respiratory protection, fit-tested for approved respirators and provided with approved respiratory protection to help prevent occupational exposure to airborne contaminants. Fit-testing and retraining is completed every two years (or earlier if required). In order to determine the presence of respiratory hazards and to assist in the selection of an appropriate respirator, hazard assessments are completed in different work areas.

Early and Safe Return to Work (ESRTW) program: Toronto Hydro recognizes early intervention is integral in reducing negative long-term effects of injury/illness on employees. The ESRTW program is a reactive approach to helping injured/ill employees return to suitable and productive work activities in a safe and timely manner. All employee health information obtained by the internal Toronto Hydro Health Services team is kept confidential. Employee cases are handled in an objective and respectful manner in accordance with reporting obligations under the Workplace Safety and Insurance Act and the Occupational Health and Safety Act (OHSA). In 2024, Toronto Hydro rolled out an ESRTW online course for leaders, a refresher on the requirements of the ESRTW program, including: the requirements for reporting and documenting both occupational and non-occupational injury or illness, and leader and employee responsibilities.

Psychological health and safety: Toronto Hydro's goal is to protect employees from harm to their physical and mental health, and promote employees' psychological wellbeing and resiliency. Accordingly, both physical and psychological health and safety elements are included in EHSMS. One particular area of focus is adopting elements of the National Standard for Psychological Health and Safety in the Workplace (CSA-Z1003). While there are many factors external to the workplace that can impact psychological health and safety, the emphasis is on those within the control, responsibility or influence of the organization. Toronto Hydro's focus continues to be on expanding knowledge in the workplace and strengthening the 13 workplace psychological factors by implementing targeted initiatives. In 2024, Toronto Hydro continued to release training programs covering these psychological factors. Lunch and Learn sessions were also held for leaders, which provided additional insight on psychological health and safety in the workplace.

COVID-19 vaccine and flu clinics: In 2024, Toronto Hydro offered COVID-19 vaccine booster clinics and flu clinics at all work centres. In total, there were 289 attendees surpassing previous years' attendance.

Employee and Family Assistance Program (EFAP) services (24/7 access): The EFAP services offer 24/7 access to various resources, including confidential counselling support by phone, video, in person or online. Additionally, there are online articles, tools and resources available to support health and wellness. The program also provides parenting and family care support, as well as financial and legal advisory services.

Virtual care service (24/7 access): In 2020, Toronto Hydro expanded employee benefits coverage to include a virtual health care service. The virtual care service provides on-demand access to primary care providers through mobile and web applications. The service enables employees and their dependents to get prescriptions, general medical advice, laboratory requisitions and specialist referrals online.

Monthly wellness messaging: Monthly wellness messaging is shared with employees to foster consistent awareness, promote healthy habits, and provide ongoing support to maintain mental and physical wellbeing. Communications shared in 2024 included: hypertension awareness, box breathing, fatigue management, spine health, dehydration, liver health, listeria product recall awareness, West Nile virus public health awareness, kidney health and respiratory illness.

National Institute of Disability Management and Research (NIDMAR): In November 2023, the National Institute of Disability Management and Research (NIDMAR) conducted an independent, voluntary assessment of Toronto Hydro's occupational and non-occupational disability management programs within Health Services. This Workplace Disability Management Assessment (WDMA) aimed to proactively identify opportunities for improvement in Toronto Hydro's disability management processes.

Based on the WDMA recommendations, several enhancements were implemented in 2024, including:

- Updated leader and employee ESRTW onboarding presentations to include EFAP and virtual care information
- Released an updated Offer of Modified Work (OMW) form, incorporating a section for employee acknowledgment signatures
- Developed and launched a mandatory ESRTW microlesson for leaders, which was added to learning plans on October 7, 2024
- Introduced health services metrics to evaluate the effectiveness of the ESRTW program and overall disability management for both occupational and non-occupational cases

Training

Toronto Hydro offers a wide range of instructor- and self-led web-based training. Content includes role-specific training, legislative requirements, company-specific policies, Toronto Hydro's apprenticeship program, personal development training and leadership development. All employees at Toronto Hydro are required to complete safety-related training, including:

- Utility Work Protection Code
- Effective Inspections and Investigations
- Ergonomics
- First Aid
- Bucket/Confined Space Rescue
- Worksite Setup Book 7
- Working at Heights

In 2024, there was a total of **53,492 hours** of training delivered to the oraganization, averaging 5 days of training per employee.

A training risk assessment is completed for each role at Toronto Hydro to determine training requirements. New training opportunities may be identified through audits, hazard risk assessments, legislative change reviews and/or opportunities identified for continual improvement.

Employee outreach

Plug'n Drive

Toronto Hydro collaborated with Plug'n Drive to host an Electric Vehicle (EV) Test Drive and Electrification event, providing employees with an opportunity to experience EV technology. The event featured an indoor roadshow and test drives of four EV models provided by Plug'n Drive, a non-profit organization dedicated to accelerating EV adoption in Canada. With over 200 attendees and 115 test drives conducted, the event offered participants valuable insights into the benefits of EVs and highlighted Toronto Hydro's initiatives to support the transition to sustainable transportation. Plug'n Drive's knowledgeable ambassadors were available to answer questions, helping attendees understand their EV options.

Bike event

In collaboration with Cycle Toronto and the City of Toronto's Smart Commute program, Toronto Hydro held bike tune-up workshops in August. Employees were invited to bring in their personal bicycles for safety checks and minor adjustments. A total of 35 employees attended the event, and approximately 40 bike tune-ups were performed. These hands-on sessions also provided information on sustainable commuting options.

United Way

The United Way and its partner agencies play a vital role in providing essential services to vulnerable and disadvantaged members of our local communities. Toronto Hydro's 2024 United Way employee campaign was a fantastic success, raising over $200,000. The campaign featured various initiatives, including kick-offs at each work centre, an online auction, bake sales, trivia, employee portraits and a CN Tower Climb.

Resilience and system reliability

Toronto Hydro is strategically investing to modernize the grid to support the energy transition and ensure safe, reliable power supply for Torontonians, in alignment with the City's infrastructure resiliency objective. By enhancing reliability, efficiency and sustainability, Toronto Hydro is preparing for a future where electricity becomes the primary energy source for many.

Grid modernization

Toronto Hydro's Grid Modernization Strategy, a five-year plan, focuses on delivering on the utility's long-term vision of improving reliability and resiliency, efficiently accommodating and managing an expected influx of distributed energy resources (DERs), and preparing for electrification across various sectors. Grid modernization initiatives are enhancing the reliability and resiliency of Toronto Hydro's electricity system by integrating advanced technology into the existing infrastructure. Grid modernization initiatives aim to leverage improved grid observability (i.e., data from grid-edge devices) and advanced analytics to enable data-driven decision making for applications such as grid planning and optimization, load forecasting, and asset management. For details on grid modernization projects, refer to Toronto Hydro's most recent Climate Action Status Report at **torontohydro.com/climateactionplan**.

TORONTO HYDRO'S ENERGY CENTRE

Toronto Hydro's Energy Centre platform supports grid reliability through the enablement of DER adoption — an important element of preparing the grid for future electrification.

- Enabling the integration of DERs connected to Toronto Hydro distribution system
- Optimizing grid management through monitoring, control and forecasting of DERs
- Supporting LDR programs

The Energy Centre is helping to enhance the visibility and capabilities of renewable DERs such as EVs, solar photovoltaic and battery energy storage. As the volume of DERs on Toronto Hydro's system rises, the future capabilities for EV load management and vehicle-to-grid (V2G) technologies can provide additional tools to enhance grid reliability. For more details about the Energy Centre, refer to Toronto Hydro's most recent Climate Action Status Report at **torontohydro.com/climateactionplan**.

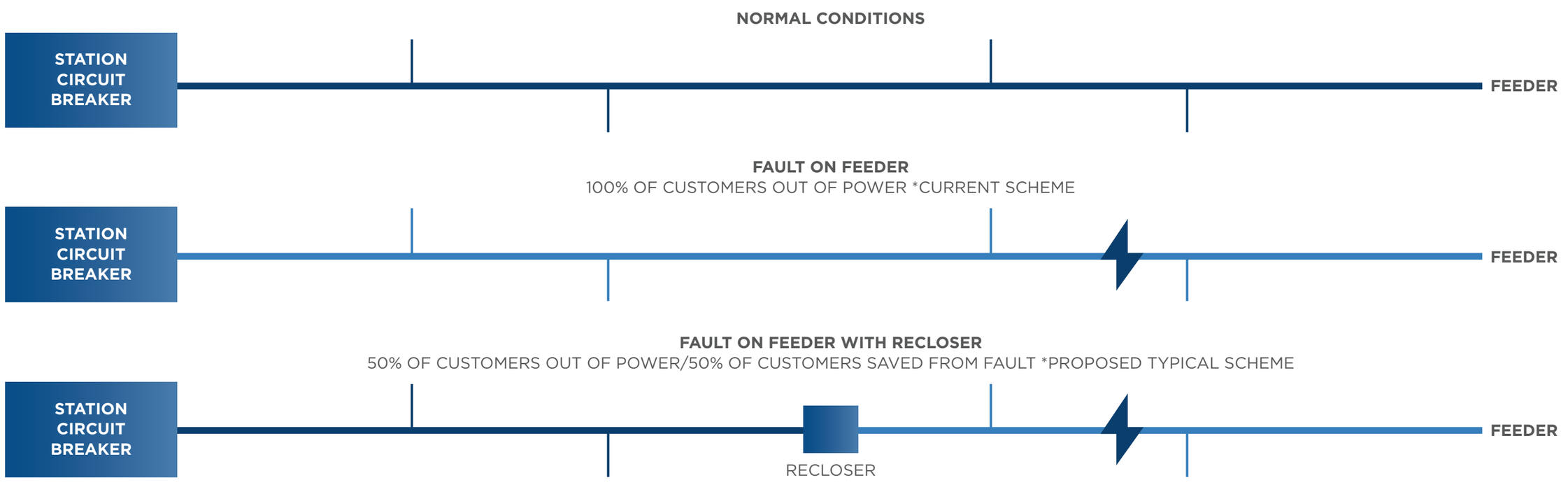
Reclosers

Toronto Hydro is enhancing the reliability of its grid by installing reclosers, an advanced technology designed to minimize the impact of power outages. Reclosers are smart devices that quickly detect faults, such as those caused by fallen tree branches or lightning strikes, on the power grid and operate to minimize reliability impacts to our customers. With reclosers using PulseClose technology, in the event of an outage, a small pulse (~5% of fault let-through energy) can be used to test fault conditions on the circuit, resulting in reduced impact to system assets and potentially eliminating additional interruptions when compared to conventional reclosing practices. See Figure 6 for more details.

The increasing risk of extreme weather events is projected to cause significant disruptions to Toronto Hydro's distribution system. The use of reclosers helps reduce both outages on affected customers directly and stress on the remaining operating grid while preventing voltage dips on nearby feeders, ensuring fewer disruptions for customers.

Toronto Hydro recently undertook two pilot programs to optimize recloser performance. The first pilot tested how well reclosers coordinate with upstream protective devices such as station circuit breakers to improve fault response. The second pilot explored communication-based coordination to enhance system efficiency further. With both pilot trials concluded, Toronto Hydro is now finalizing operational strategies and is completing a maintenance strategy to ensure that this technology is properly monitored and maintained. These advancements play a part in Toronto Hydro's commitment to providing a more resilient and reliable grid for its customers and the city.

FIGURE 6: STATION CIRCUIT BREAKER WITH RECLOSER



Preventative and predictive maintenance and repairs

Inspections: Toronto Hydro's preventative and predictive maintenance programs support the integrity of the distribution system. Inspections are conducted routinely on an inspection cycle established using an engineering analysis framework called Reliability Centred Maintenance (RCM). At the heart of this framework is an emphasis on safe operations (from the perspective of both work crews and the public), environmental protection, compliance and equipment reliability. The information collected through these inspections serves as the basis for Toronto Hydro's strategic plan outlining the removal and replacement of assets such as transformers. In 2024, the inspection program maintained its efficacy by identifying assets in poor condition and streamlining timely replacements to prevent potential catastrophic oil-spill events. The program resulted in an 83% decrease in the number of oil spills when compared to the baseline year (2019), underscoring Toronto Hydro's commitment to maintaining resilient and reliable infrastructure.

In 2024, Toronto Hydro's preventative maintenance plan had an increased focus on equipment containing SF_6. All distribution equipment containing SF_6 was inspected at least once during the year to ensure optimal performance and leak prevention. The repair initiation process was streamlined to improve efficiency, ensuring all leaks identified are quickly addressed to minimize environmental impact.

Vegetation management: The preventative and predictive management program also includes effective vegetation management for mitigating tree-related interferences. Toronto Hydro's vegetation management program employs arboriculture techniques carefully designed to provide proper care for trees. In 2024, Toronto Hydro continued a pilot program utilizing satellite imagery to enhance vegetation management efforts. This technology helps create models and identify areas with vegetative encroachment, allowing Toronto Hydro to prune trees at the highest risk of contacting wires and other distribution equipment. The pilot program was trialed in North York and Etobicoke, with plans to expand in the future. In 2024, Toronto Hydro pruned approximately 71,200 trees adjacent to distribution lines in a manner that minimizes injury to the trees but helps improve system reliability. Tree pruning is conducted in accordance with the City's Urban Forestry Tree Pruning Guidelines. These vegetation management practices are essential for safeguarding the system against adverse weather conditions, as they involve removing vulnerable sections of the tree canopy that may break during high winds or from the accumulation of ice and snow.

Reuse program: Global supply chain disruptions have created unprecedented challenges in the supply of major equipment (mainly distribution transformers) to Toronto Hydro. To address this disruption, Toronto Hydro enhanced its equipment reuse program, which assesses major equipment (e.g., transformers, switches, network protectors) returned from service, identified through inspections or in-construction projects. The program addresses environmental concerns by minimizing the wasteful disposal of equipment that has yet to reach the end of its operational life. In 2024, 206 units underwent successful repairs and were reintroduced within the system.

Emergency management

Emergency management is the process of planning for, responding to, and recovering from an incident or emergency. Toronto Hydro stays prepared for emergencies through table-top exercises, continual improvement of plans and systems, and training employees. Toronto Hydro's emergency management program is designed with consideration of emergency management best practices, such as the Ontario Incident Management System and the CSA Z-1600 emergency and continuity standards. All employees at Toronto Hydro are assigned emergency roles and are provided additional training as needed. The Emergency Response Organization (ERO) framework is revised and adjusted to reflect the realignment of resources
and findings from events and tests as they occur.

Human-caused climate change is expected to increase the number and severity of heat waves and storms, as well as extreme cold, wind, ice and rain. Toronto Hydro continues to develop its emergency management program to improve disaster/emergency response outcomes, including for climate-related emergencies.

Business continuity is the practice of identifying work priorities objectively, and what resources are required to accomplish them. This ensures Toronto Hydro is able to maintain critical services in the event of emergencies. In 2022, Toronto Hydro implemented a software tool to formalize and standardize the business continuity program by identifying priority systems and requirements. Since implementation of the program in 2022, 77 unique plans have been created, with 51 completed in 2024 alone.

Toronto Hydro understands the critical role it plays when supporting the City in emergency situations. To ensure continual improvement and a strong working relationship, Toronto Hydro works closely with the City of Toronto Emergency Management Office to update plans and participate in working groups (e.g., extreme weather (winter/heat) working groups, flood risks working group).

In 2024, there were several large disruptions and one major event that required emergency response. In July 2024, Toronto Hydro declared an emergency to respond to the loss of supply caused by severe flooding in the city of Toronto. Toronto Hydro worked closely with Hydro One and City divisions, agencies and corporations to coordinate response and ultimately restore power to the approximately 165,000 customers impacted.

EMERGENCY PREPAREDNESS & BUSINESS CONTINUITY WEEK

Emergency Preparedness Week and Business Continuity Week are national annual awareness campaigns that take place during the first and second week of May, respectively. In 2024, Toronto Hydro organized Lunch and Learn sessions, distributed communications and displayed posters throughout the company to educate employees about emergency preparedness and their specific roles.

During the awareness weeks, Toronto Hydro also participated in an extreme heat exercise event held by the Province of Ontario and the City of Toronto by providing a working scenario for the exercise.

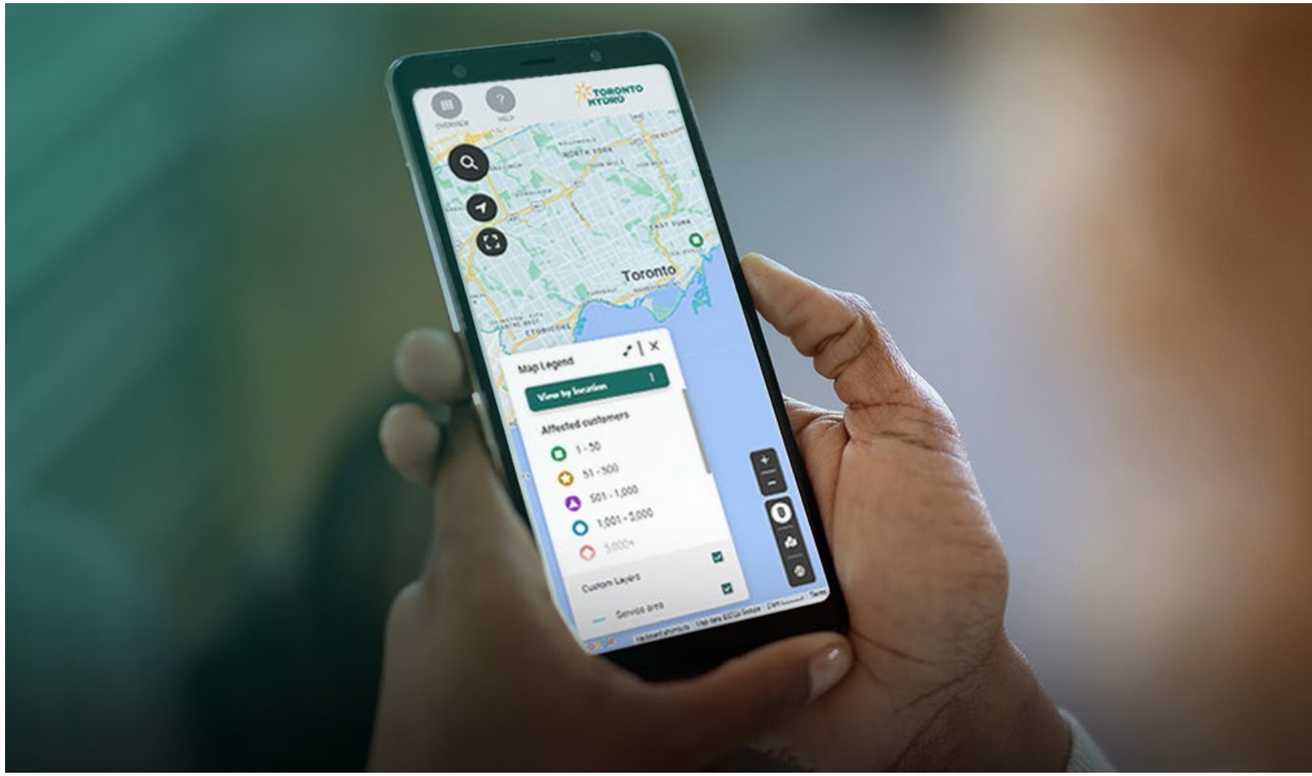
Outage map

Toronto Hydro continues to enhance communication, responsiveness and transparency, fostering trust among its customer base. In the summer of 2024, Toronto Hydro released an enhanced outage map for customers. This map provides customers a user-friendly way to access outage information, as well as improved reliability and functionality.

NEW FEATURES INCLUDE THE ABILITY TO:

- View outages by location or ward
- Search for outages by address or geolocation
- Explore different map styles, including road, satellite and hybrid views
- Enable weather radar
- Chat with a representative
- Receive live notifications (SMS or email)
- Access other relevant information and resources

The outage map shows where outages are taking place, approximately how many customers are affected, the current estimated time of restoration and crew status. The map is updated every 10 minutes.



CLIMATE ADAPTATION

Severe weather events such as flooding, high winds and freezing rain are becoming more frequent and necessitate a robust adaptation strategy that reduces risks from damage or outages. To improve resiliency against major disruptions for vulnerable parts of the system, Toronto Hydro's 2025–2029 investment plan includes investment in: (a) the targeted undergrounding of equipment to harden vulnerable areas of the overhead system against extreme weather events, and (b) enhanced configuration options for the downtown network, which services critical loads such as major hospitals and financial institutions.

Assistance programs

Toronto Hydro provides several financial assistance programs to support customers that may need help managing their electricity costs. These programs include:

Emergency Energy Fund (EEF): Low-income Toronto residents may be eligible for assistance from the City of Toronto to address energy-related emergencies. This includes reconnection, preventing disconnection or managing arrears for hydro services. To qualify, customers must have received a disconnection notice, have been disconnected, or they must have energy arrears and not enough money to pay them.

Ontario Electricity Support Program (OESP): Administered by the OEB, the OESP offers monthly bill credits to low-income households. The credit amount is determined by household size and income and is directly applied to eligible customers' bills.

Low-income Energy Assistance Program (LEAP): LEAP is a grant program that helps eligible low-income customers who are behind on their electricity or natural gas bill and face having their service disconnected.

Equal Payment Plan (EPP): Our EPP helps customers by evenly distributing their energy costs over the year. Toronto Hydro estimates the customer's annual electricity usage, divides it into equal monthly payments and reconciles the account annually. Any overpayment or underpayment is applied to the next bill, and adjustments are made to ensure accurate monthly payments for the following year.

Arrears Payment Plan (APA): The APA, prescribed by the OEB, is available to residential and small business customers with outstanding electricity charges who meet eligibility criteria. The terms of the agreement depend on the customer class and the arrears balance relative to their average monthly bill.

Temporary disconnection waiver: Eligible low-income customers can receive one free temporary disconnection per 12-month period. Eligibility is based on approval for LEAP or OESP. Additional disconnection requests within the same period will be charged at standard rates.

These programs are designed to ease financial pressures and support sustainable energy use for Toronto Hydro customers.

Supporting affordable housing in Toronto

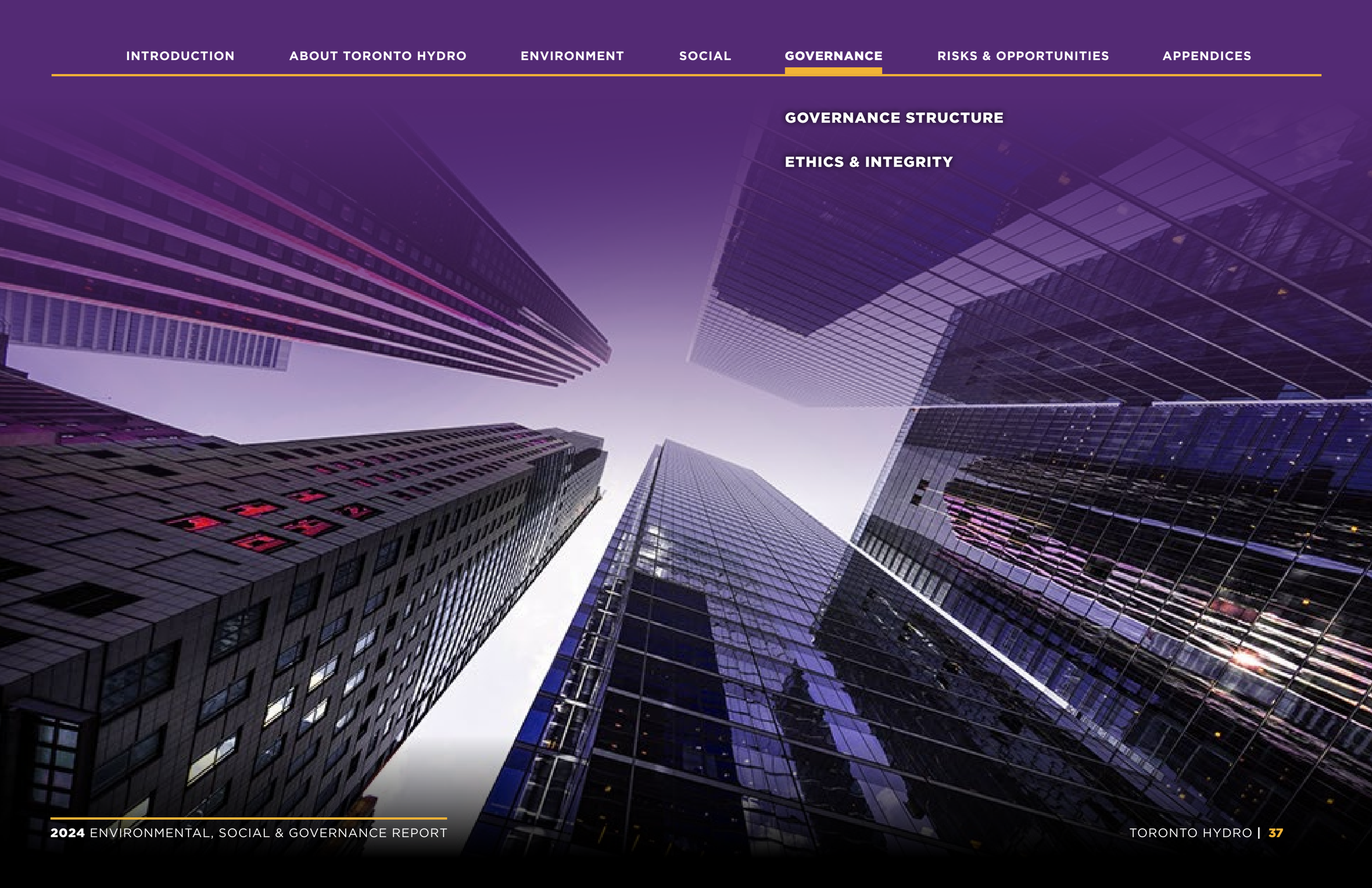
Toronto Hydro is committed to supporting the City of Toronto's affordable housing initiatives through updates to residential construction standards that enable greater flexibility and alignment with city zoning allowances. These revisions reflect Toronto Hydro's commitment to support the City in addressing evolving community needs and increasing housing capacity in the city.

Implementation and current status

The revised construction standards were implemented in mid-2024. These measures enhance the ability of Toronto Hydro's infrastructure to accommodate multiplex developments while addressing technical challenges related to electrification. By aligning with the City of Toronto's affordable housing goals, Toronto Hydro continues to demonstrate its commitment to fostering sustainable growth. For details on the Multiplex Guide, refer to Toronto Hydro's most recent Climate Action Status Report at **torontohydro.com/climateactionplan**.

GOVERNANCE STRUCTURE

ETHICS & INTEGRITY



Governance

Governance structure

Toronto Hydro's leadership team recognizes that effective corporate governance is vital for delivering exceptional customer value, ensuring operational efficiency, enhancing shareholder returns and maintaining investor trust. Through policies such as the Code of Conduct and Whistleblower Procedure, and Disclosure Policy, along with the active involvement of board committees, Toronto Hydro manages its operations and business activities with integrity and accountability. Toronto Hydro Corporation's Board of Directors has established a governance framework that aligns with provincial legislation and Canadian securities regulations, striving to adhere to leading practices for regulated utilities. The Board operates under a clearly defined mandate, and its committees follow detailed charters, all of which are reviewed and approved on a regular basis to maintain high governance standards. Toronto Hydro's Board, executive team and senior leadership team are dedicated to addressing climate-related risks and integrating these considerations into the Corporation's strategic planning. Each governance body is responsible for various environmental, social and governance (ESG) topics. In November 2024, Toronto Hydro's board committees were restructured. Table 2 outlines the roles of the various governance bodies going forward.

TABLE 2: GOVERNANCE IN ESG-RELATED TOPICS

GOVERNANCE BODY	ROLE IN ESG GOVERNANCE	ESG-RELATED TOPICS REVIEWED
BOARD OF DIRECTORS	• Oversees Toronto Hydro's ESG strategy and ensures its alignment with the overall corporate strategy to drive sustainable value creation • Oversees the identification of the principal risks of the business and implementation of appropriate systems to manage these risks • Maintains a general understanding of the risk profile, categories and types of risks, including those related to environmental sustainability • Reviews the risk philosophy on a regular basis • Approves corporate metrics — including Building Emission Reductions and Fleet Electrification — and regularly monitors progress towards achievement of these metrics • Responsible for reviewing and assessing the Company's remuneration policies for alignment with the Company's purpose, values, strategic objectives and risk appetite, and ensuring that incentives drive long-term shareholder value and responsible business practices	• Transportation Electrification: Fleet Electrification, Electric Vehicle Charging • Building Emissions Reduction • Total Recordable Injury Frequency (TRIF) • System Average Interruption Duration Index (SAIDI) • System Average Interruption Frequency Index (SAIFI) • ESG-related risks and opportunities • Climate change-related government policy • Toronto Hydro's Climate Action Plan • Toronto Hydro's Environmental Policy **Related reports reviewed:** • Annual Information Form • Annual Report • ESG Report • Corporate Scorecard • Major Event Reports • Forced Labour in Canadian Supply Chains Reports • Climate Action Year-End Status Report
HUMAN RESOURCES & SAFETY COMMITTEE[3]	• Responsible for the oversight of environmental-related matters[4] • Provides the Board with updates on Toronto Hydro's ESG performance[5]	• Transportation Electrification: Fleet Electrification, EV Charging • Building Emission Reduction • TRIF • Lost-time Injury Frequency (LTIF) • Safety inspections • Safety audit findings closure • Spills • Polychlorinated biphenyls (PCBs) **Related reports reviewed:** • Annual Information Form • Corporate Scorecard • Forced Labour in Canadian Supply Chains Reports

[3] Formerly the Human Resources and Environment Committee.
[4] As of the February 2025, this function is now with the Sustainable Corporate Governance Committee.
[5] As of the February 2025, this function is now with the Sustainable Corporate Governance Committee.

GOVERNANCE BODY	ROLE IN ESG GOVERNANCE	ESG-RELATED TOPICS REVIEWED
SUSTAINABLE CORPORATE GOVERNANCE COMMITTEE	• In recognizing the Corporation's commitment to sustainability, environmental protection, diversity, equity and inclusion principles, best practices in corporate governance in accordance with legal requirements, and the importance of Toronto Hydro to the community, the Sustainable Corporate Governance Committee oversees ESG-related program governance and performance, and sustainability matters **Responsibilities with respect to sustainability matters:** • Reviews and reports to the Board regarding the Corporation's identification of material ESG topics impacting Toronto Hydro and its stakeholders, and progress in integrating material ESG factors into business strategy, policies, practices and decision-making processes • Oversees Toronto Hydro's engagement on sustainability and related public policy matters, including climate change and the energy transition, to ensure effectiveness in managing risks and opportunities, meeting corporate obligations and advancing long-term business goals • Provides the Board with regular reports on the Corporation's key ESG programs and commitments, and tracks the organization's performance against key climate action and other ESG-related measures • Reviews and supports the Audit Committee in its review of reporting issuer-related reporting and public disclosures related to climate change and sustainability • Annually reviews the Corporation's Environmental Policy and makes recommendations to the Board • Periodically reviews performance under the Environmental Policy with management and reports to the Board concerning the same • Reviews material compliance issues with applicable environmental legislation and international standards and results of audits relating thereto, and reports to the Board • Reviews new environmental legislation with management and informs the Board of its responsibilities under such legislation • Reviews significant environmental issues, and reports upon the same to the Board **Responsibilities with respect to corporate social impact:** • Oversees the development, implementation and operation of diversity, equity and inclusion and community relationship programs, and related performance measures, and reports to the Board concerning the same • Reviews with management material developments and potential risks in government relations and public policy, the Corporation's energy policy strategies, and advocacy and related stakeholder management as set out in periodic reporting	**Related reports reviewed:**[6] • ESG Reports • Environmental Policy

[6] To date of this ESG Report.

GOVERNANCE BODY	ROLE IN ESG GOVERNANCE	ESG RELATED TOPICS REVIEWED
EXECUTIVE TEAM	• Ensures systems are in place to identify, manage and monitor risks and trends • Assesses the appropriateness and consistent application of systems to manage environment-related risks • Brings risks forward for discussion and action • Directs corporate compliance program • Ensures resources necessary to achieve objectives and goals are provided • Reports on corporate metrics progress (including TRIF, Building Emissions Reduction and Fleet Electrification) • Reports on performance under the Environmental Policy • Reviews new environmental legislation • Reviews and reports on material developments and potential risks in government relations and public policy, the Corporation's energy policy strategies and advocacy and related stakeholder management • Executive officers are eligible for performance-based incentives compensation when the company achieves its corporate performance objectives; performance objectives are established and serve to encourage success and continual improvement in both the executive officers' performance and Toronto Hydro's overall results	• Transportation Electrification: Fleet Electrification, EV Charging • Building Emissions Reduction • Environmental sustainability-related risks and opportunities • Future energy scenarios **Related reports reviewed:** • Annual Information Form • Annual Report • ESG Reports • Corporate Scorecard • Corporate Compliance Report • Major Event Reports • Forced Labour in Canadian Supply Chains Reports • Environmental Policy
SENIOR LEADERSHIP	• Manages and reports upon enterprise risks, including environment-related risks • Works with the executive team to oversee the Corporation's risk profile and performance against its defined risk philosophy • Understands changes in risk status and trends, and identifies potential opportunities • Determines responses and action plans that are implemented by the organization • Ensures effective, efficient, complete and transparent risk reporting to the executive team • Undertakes corporate compliance program	• Enterprise risks and the embedded environment-related risks (refer to Table 4: Climate Related Risks and Opportunities) • Risk management

Committees with a role in sustainability-related topics

As per Table 3, Toronto Hydro has established cross-functional groups to manage material topics.

TABLE 3: COMMITTEES WITH A ROLE IN SUSTAINABILITY-RELATED TOPICS

GROUP	PURPOSE	FREQUENCY OF MEETINGS
ESG ADVISORY COMMITTEE	To inform ESG strategy with input from appropriate departments, the committee reviews ESG strategy, progress towards targets, integration of ESG in regulatory applications, investor inquiries relating to ESG, environmental sustainability-related risks and reports. **Outcomes:** Developed a cohesive ESG strategy that aligns with stakeholder expectations and improved transparency in ESG reporting.	Quarterly
NET ZERO 2040 PLANNING COMMITTEE	To manage building emissions and review progress towards reducing emissions as per targets to align with net zero-target. **Outcomes:** Achieved measurable reductions in building emissions, ensuring alignment with interim targets. Building emissions are 19% lower than the baseline year (2019).	Bi-weekly
SF_6 ELIMINATION TEAM	To develop and manage an aligned approach to the management of SF_6 to eliminate emissions and achieve Toronto Hydro's net-zero 2040 commitment. **Outcomes:** Improved inspection and repair process, and initiated search and trials for SF_6 alternatives. SF_6 emissions were 34% lower than the previous year and 38% lower than the baseline year (2019).	Quarterly
EV WORKING GROUP	To discuss EV-related initiatives and ensure progress towards electrification initiatives, discuss how initiatives impact one another and share industry knowledge as the market continues to change. **Outcomes:** Facilitated the integration of new EV technologies into Toronto Hydro's fleet, enhancing progress toward fleet electrification goals and increasing employee utilization.	Quarterly
FORCED LABOUR IN CANADIAN SUPPLY CHAINS (BILL S-211) WORKING GROUP	To assess gaps and areas for improvement in supply chain processes to meet requirements of Bill S-211. **Outcomes:** Identified areas for improvement and established plans for upcoming year to enhance pre-qualification questionnaire for contractors to include questions on forced labour in supply chains, updated contract language and ongoing evaluation of contractors on forced labour practices.	Bi-monthly

TORONTO HYDRO CORPORATION'S BOARD OF DIRECTORS

Toronto Hydro Corporation's Board of Directors ("the Board") and management team are committed to a high standard of governance. The corporate structure is designed to foster transparent, informed and effective decision making, with consistent monitoring of compliance and performance. This structure ensures accountability at all levels, as well as oversight and alignment with Toronto Hydro's long-term strategy.

Ethics and integrity

Toronto Hydro is committed to being a responsible business and corporate citizen, with a focus on strong stakeholder engagement. Efforts are guided by the following corporate pillars:

People: Ensure a healthy and safe environment; enhance diversity, equity and inclusion; optimize processes and invest in employee capabilities; and engage employees through purposeful work.

Financial: Meet the financial objectives of the shareholder and continue to increase shareholder value.

Operations: Improve reliability through an optimal and sustainable system and build a grid that supports a modern city.

Customer: Provide added value and efficient services through various channels; provide proactive and data-driven response to all customer segments, use technology and analytics to meet customer information needs; and make it easy for customers to interact and transact with Toronto Hydro.

Environment: Advance as a sustainable electricity company, reduce the Company's environmental footprint and enable Toronto Hydro customers to be part of the shift to a sustainable economy.

In 2024, Toronto Hydro initiated the groundwork for a comprehensive strategy refresh, scheduled to take effect in 2025. This strategic overhaul aligns with our new purpose statement: **"Electrifying Communities Today. Building a Brighter Tomorrow."**

Through this refresh, new pillars have been established: **Operational Excellence, Responsible Growth & Enable the Future**.

The Code of Business Conduct and Whistleblower Procedure ("the Code"), initially implemented in 2003, undergoes a comprehensive review, revision and re-approval by Toronto Hydro's Board of Directors from time to time. The Code outlines the fundamental principles that guide Toronto Hydro and its employees in conducting business responsibly, achieving organizational goals and meeting stakeholder commitments. It addresses a wide range of ethical and legal concerns while providing clear channels for guidance and reporting violations.

All employees, officers and directors at Toronto Hydro are held to high standards of honesty and integrity, ensuring adherence to the commitments outlined in the Code.

The Code designates an Ethics Officer and establishes a confidential hotline for reporting perceived violations, with the option to remain anonymous. If a complaint involves the conduct of a Toronto Hydro director or officer, the Ethics Officer escalates the matter to the Chair of the Human Resources and Safety Committee[7] or, for issues related to auditing or accounting, to the Chair of the Audit Committee. If the report relates to an executive officer or the report involves the Ethics Officer, it may be submitted in a sealed envelope addressed to the Chair of the Human Resources and Safety Committee. The Ethics Officer also provides quarterly updates to the Human Resources and Safety Committee, and the Director of Internal Audit and Compliance reports quarterly to the Audit Committee on matters related to audit and compliance. For more details, a copy of the Code is available on Toronto Hydro's website: **torontohydro.com/about-us/governance.**

Toronto Hydro requires all employees, officers and directors to complete training on the Code of Conduct and sign an attestation upon commencement of employment. Contractors are also required to attest to the review of all applicable Toronto Hydro policies.

All Toronto Hydro employees, officers and directors must adhere to and actively support the principles and standards described in the Code and adhere to the standards set out in applicable policies, guidelines and legislation. Management is responsible for ensuring that no retaliatory action will be taken against anyone who in good faith made a report of an ethical or legal concern or violation; lawfully provided information or assistance in an investigation regarding any conduct that may involve a violation of securities laws or fraud; filed, testified, participated in or otherwise assisted in a proceeding relating to a potential violation of applicable securities laws or fraud; provided a law enforcement officer with truthful information regarding the commission or possible commission of an offence; or provided assistance to the Ethics Officer, the Board of Directors, management or any other person in the investigation of a report.

Toronto Hydro complies as is necessary with any and all applicable legislative whistleblower protections, including but not limited to those under securities legislation.

[7] Formerly known as Human Resources and Environment Committee.

TO OUR EMPLOYEES...

We are committed to workplace health and safety, and to treating all employees with dignity and respect.

- Share responsibility for creating a safe and healthy work environment and preventing unsafe conditions, injuries or illnesses. We are expected to come to work fit for duty, stay informed, work safely, and identify, report and address safety hazards and associated risks where appropriate
- Foster a work environment where employees have opportunities for professional development, are treated with dignity and respect, and are recognized for their contributions to Toronto Hydro and its customers. We do not tolerate discrimination or any form of harassment, including sexual harassment or violence. We do not tolerate any form of compulsory labour or child labour

TO OUR CUSTOMERS AND OTHER BUSINESS PARTNERS

We are committed to being fair and honest.

- Treat our business partners courteously, respectfully, and in a professional and helpful manner
- Commit only to what we honestly believe we can deliver
- Honour the commitments we make
- Protect any information shared with us on a confidential basis by a business partner
- Do not release customer information to any third party without proper authorization from the customer or Toronto Hydro management
- Do not attempt to improperly influence the decisions of existing or potential business partners or attempt to secure preferential treatment for Toronto Hydro by offering gifts, entertainment or benefits that we ourselves would not be able to accept
- Do not use our position at Toronto Hydro to obtain personal favours or special consideration for ourselves, our family members, close personal friends or associates
- Select our suppliers objectively, based on fairness and the long-term best interests of Toronto Hydro
- Conduct business only with reputable persons whose conduct aligns with this Code

TO THE COMMUNITIES WHERE WE OPERATE

We are committed to protecting the environment and enhancing quality of life.

- Understand the environmental impact of our activities and treat it as an integral factor in all of our decisions
- Conduct our operations in a manner that protects the safety of the community
- Recycle materials and strive to conserve resources to the extent possible, consistent with sound business operations
- Immediately report any environmental mishaps
- Be open about and accountable for our environmental performance
- Strive to find business partners who conduct their business in an environmentally responsible manner
- Support health, education and environmental initiatives
- Support and work with voluntary and charitable organizations that respond to community needs
- Get involved in and work with the community to assist in solving community problems
- Encourage our employees to contribute to their communities through involvement with community services and charitable and professional organizations
    - Employees must consider whether their activities could pose a conflict of interest or adversely affect their performance of duties for Toronto Hydro, and should only use Toronto Hydro time or resources for such activities with the prior approval of management
- Encourage, support and seek partnerships with organizations that need our help, whether they be schools or social service organizations
- Involve local communities in decision making for issues that affect them

Policy commitments are publicly available on the Toronto Hydro website: **torontohydro.com/about-us/governance**.

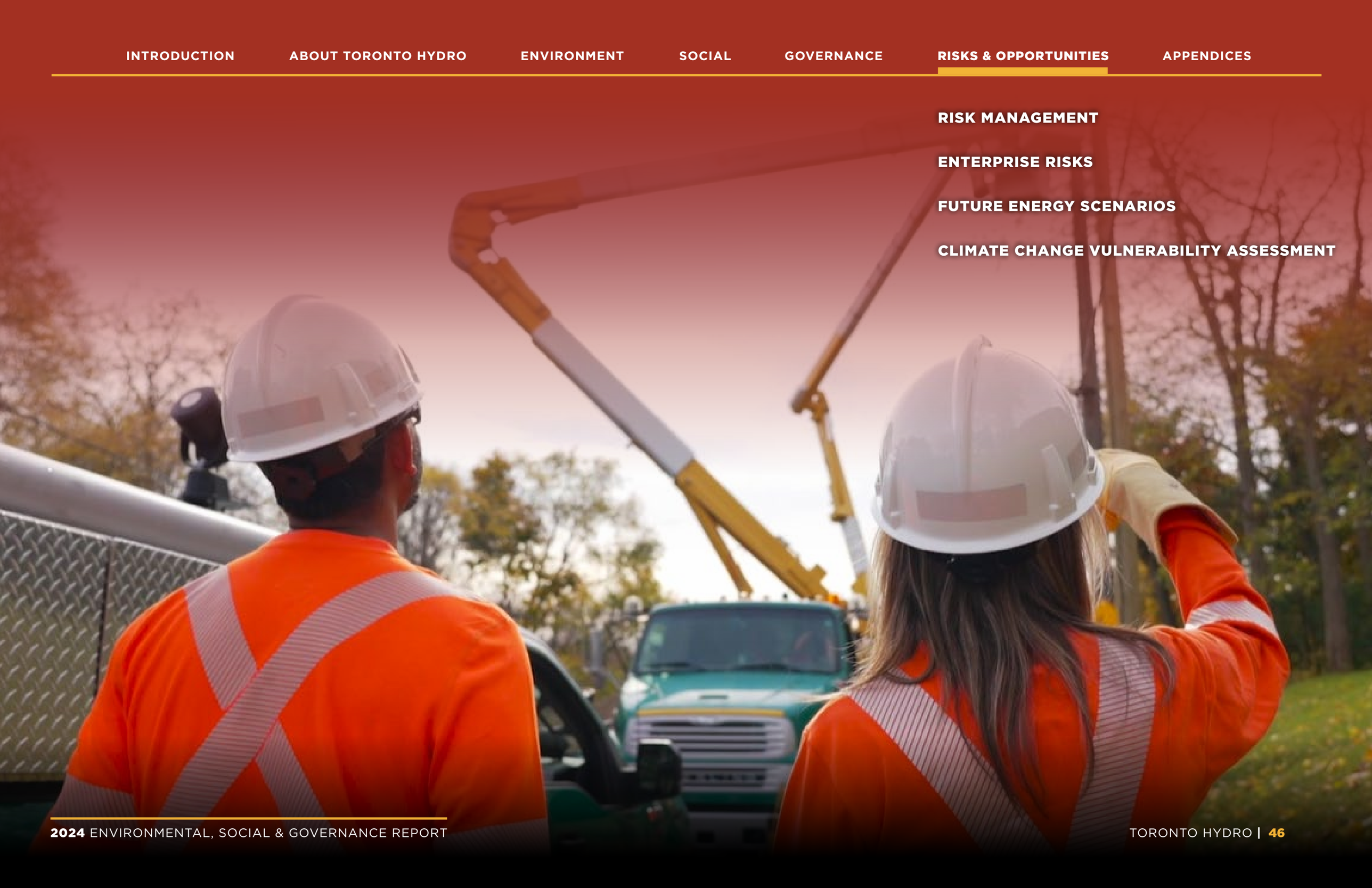
Toronto Hydro also has policies and have implemented standards and practices that serve to protect the natural environment, aligned with the precautionary principle (i.e., where there are threats of serious or irreversible damage, lack of full scientific certainty shall not be used as a reason for postponing cost-effective measures to prevent environmental degradation). For example, where the environmental impact of a release of oil is unknown, Toronto Hydro's spill response and reporting procedures require employees to act with an abundance of caution when establishing and implementing a plan to remediate the spill.

RISK MANAGEMENT

ENTERPRISE RISKS

FUTURE ENERGY SCENARIOS

CLIMATE CHANGE VULNERABILITY ASSESSMENT



Risk and opportunities

Risk management

Identifying and assessing risks

Toronto Hydro's Enterprise Risk Management (ERM) framework leverages industry best practices and international guidelines tailored to meet Toronto Hydro's circumstances, and focuses on identifying emerging trends in risks and related opportunities particular to Toronto Hydro through a comprehensive evaluation of Toronto Hydro's business and the industry generally. Toronto Hydro views ERM as a management activity undertaken to add value and improve overall operations, and has made it an important part of its decision-making processes. Toronto Hydro's ERM framework helps enable the attainment of strategic goals and objectives through a systematic, disciplined approach towards identifying, evaluating, treating, monitoring and reporting risks, including climate-related risks.

The ERM framework is operationalized by a consistent and disciplined methodology that clearly defines the risk management process, and which incorporates the judgment of subject matter experts within Toronto Hydro, risk quantification, risk trends and risk interdependencies. The risk criteria used to assess each enterprise risk relates to reputational, stakeholder management, financial, distribution system, information system, compliance, occupational health and safety, public safety and market share impacts.

Managing climate-related risks

Climate-related risks are consolidated into Toronto Hydro's enterprise risks. Toronto Hydro has assigned a designated responsible member of senior management for each enterprise risk to ensure that such risks are being monitored and managed. Additionally, Toronto Hydro's risk governance structure includes internal coordination efforts to align outreach to key external stakeholders, both from a strategic and consistency perspective, to help reduce risks and identify opportunities for engagement.

Internal ERM professionals meet regularly with the designated responsible persons to gather and review risk indicators and trends, and identify potential emerging facts that could impact Toronto Hydro, augment other risks or curtail opportunities. Such risk management processes and tools help Toronto Hydro prioritize its mitigation efforts, strengthen its planning efforts and identify areas for improvement.

The management of climate-related risks is also embedded within Toronto Hydro's Environmental Policy. Specifically, Toronto Hydro is committed to mitigation of the potential adverse effects of climate change and other environmental conditions on the organization, and action to eliminate or reduce (as far as practicable) any potentially adverse environmental impacts through the implementation of policies, programs and procedures.

Toronto Hydro manages its environmental aspects in conformance with ISO 14001:2015 and conducts annual third-party audits to maintain certification. Toronto Hydro actively participates in industry engagement efforts in order to discuss and share best practices, identify and mitigate risks (including climate-related risks), and realize potential opportunities in regulatory, climate change and energy policy development. Through these types of engagements, Toronto Hydro monitors proposed regulatory, climate change and energy policy changes that may support or impede its business.

Toronto Hydro has implemented various initiatives aimed at improving the system's resiliency to increasingly frequent extreme weather events caused by climate change. These initiatives include updating major equipment specifications, revising planning guidelines, reviewing load forecast impacts, revising design practices and enhancing maintenance programs.

As the municipal electricity distribution company serving the largest city in Canada, Toronto Hydro continues to invest in the renewal of existing aging infrastructure and in the development of new infrastructure to address safety, reliability, hardening of the distribution system against the effects of climate change, and customer service requirements now and in the future. Toronto Hydro is also focused on enhancing the intelligence, automation and interactivity of Toronto Hydro's electricity distribution grid to support the reliability of its core infrastructure grid operations, prepare for increased electricity demand from net-zero GHG emission policies, promote greater value and deliver solutions for its customers.

Enterprise risks

Toronto Hydro faces various climate-related risks that could impact the achievement of its strategic objectives. The enterprise-wide approach to risk management is based on an overall enterprise risk philosophy, and achieved through a process of consolidating and aligning the various views of risk across the enterprise via a risk governance structure. Climate-related risks are routinely considered in forecasting, planning and executing key aspects of the business through the ERM process, which is an integral part of the strategic management of Toronto Hydro.

Climate-related risks and opportunities are consolidated into Toronto Hydro's enterprise risks (i.e., oversight, governance, financial, information technology, safety, marketplace, customer operations, operations, compliance, human capital and asset management risks). The following table summarizes the climate-related areas of the relevant enterprise risks and Toronto Hydro's management of these risks. It also classifies each risk as either a transition risk (i.e., risk related to the transition to a lower-carbon economy) or a physical risk (i.e., risk related to the physical impacts of climate change). Finally, the table indicates the time horizon used to monitor each risk. The time horizons have been defined for the purpose of this report as short-term (quarterly), medium-term (prior to 2030 to align with Toronto Hydro's next regulated rate period) and long-term (2040 to align with Toronto Hydro's Net-Zero Scope 1 emissions 2040 target and the City's TransformTO timelines). Action plans are monitored against the medium- and long-term, and emerging issues are monitored in the short-term.

TABLE 4: CLIMATE-RELATED RISKS & OPPORTUNITIES

RISK TYPE: TRANSITION

ENTERPRISE RISK	EMBEDDED CLIMATE-RELATED RISK	POTENTIAL FINANCIAL IMPACT	TIME HORIZON	TORONTO HYDRO'S MANAGEMENT OF THE RISK
OVERSIGHT	• There can be no assurance that governmental authorities will pursue net-zero greenhouse gas (GHG) policies that optimally use electrification or adequately support local distribution companies in facilitating electrification • Potential that broader climate change and energy government/regulatory policy framework does not align with Toronto Hydro's business direction and Climate Action Plan • There can be no assurance that the Ontario Energy Board (OEB) will approve and permit recovery through rates of past and future expenditures incurred by Toronto Hydro in preparing for or expanding electricity distribution service to meet increased electricity demand or other requirements resulting from net-zero GHG emission policies	• Loss of revenue due to lack of regulatory or governmental support for the provision of distribution infrastructure or services facilitating electrification • Disallowed or limited recovery of costs	• Short- to medium-term	• Monitor proposed regulatory, climate change and energy policy changes that may support or impede its business • Actively engage with government entities and participate in industry organizations to monitor emerging policies and, where appropriate, play an advocacy role • Employ a comprehensive organizational regulatory application program, which includes a risk assessment, to ensure that all applications to the OEB achieve the highest utility standard of evidence-gathering, preparation and presentation, and most accurately reflects the needs of Toronto Hydro and its customers • Implement the investment plan for the electricity distribution system, which includes capital expenditures for the period between 2025–2029 focused on supporting electrification. This plan, recently approved by the OEB, aims to meet increased electricity demand

RISK TYPE: TRANSITION				
ENTERPRISE RISK	**EMBEDDED CLIMATE-RELATED RISK**	**POTENTIAL FINANCIAL IMPACT**	**TIME HORIZON**	**TORONTO HYDRO'S MANAGEMENT OF THE RISK**
GOVERNANCE	• Changes in external macro-environmental factors could drive evolving municipal activity (laws, policies and interventions) • This, in turn, could impact Toronto Hydro in its efforts to support local electrification and to achieve the City's climate, social and environmental goals	• Early retirement of existing assets • Increased cost to provide new services • Increased cost of investment in infrastructure	• Short-to medium-term	• Established a Climate Action Plan adopted by City Council (see the Climate Action section of this report for more information) • Entered into a Memorandum of Understanding with the City with respect to coordinating climate mitigation efforts between the City and Toronto Hydro's Climate Advisory Services • Ongoing engagement with City representatives, departments and agencies to review and consider the impact of directives on Toronto Hydro's ability to meet business objectives and serve customers • In 2024, the City and Toronto Hydro agreed on the City making new equity investments in Toronto Hydro totalling $300 million by 2034. In addition to these equity investments, City Council has also approved amendments to Toronto Hydro's Shareholder Direction, which set out targets for reduced dividends from the Corporation to the City for the period between 2025 and 2034. These equity investments and Shareholder Direction amendments support Toronto Hydro's long-term financial stability and optimize the returns on equity to the City, strengthen the Corporation's ability to invest in the grid in line with its regulated capital structure, and help deliver on Toronto Hydro's Climate Action Plan supporting the City's Net Zero Strategy
FINANCIAL	• Lack of access to/availability of cost-effective financial resources, and support for required capital structure, to undertake infrastructure expansion to facilitate customer electrification • A reduction in demand for grid-supplied electricity distribution may arise from conservation measures • New technologies, including those related to self-generation, could reduce customer demand for grid-supplied electricity distribution	• Lost revenue/higher customer rates due to reduction in delivery of electricity through the Toronto Hydro grid and reduced need to expand distribution infrastructure	• Medium-term	• Frequently engage with shareholder and capital market investors and institutions, and develop transparent public disclosure on Toronto Hydro's climate action and facilitation of electrification • Invest in infrastructure to modernize the grid to drive resiliency, reliability, customer effectiveness and efficiency, and facilitate customer technology • Facilitation and integration of distribution energy resources (DERs) to unlock grid benefits at the distribution level, and potentially at the bulk-system level

RISK TYPE: TRANSITION				
ENTERPRISE RISK	**EMBEDDED CLIMATE-RELATED RISK**	**POTENTIAL FINANCIAL IMPACT**	**TIME HORIZON**	**TORONTO HYDRO'S MANAGEMENT OF THE RISK**
MARKETPLACE	• Energy sources and services that offer alternatives to grid-based electricity	• Loss of revenue due to emerging competition	• Short-term	• Established a Climate Action Plan (see the Climate Action section of this report for more information), including a Climate Action department designed to facilitate reductions in GHG emissions via electrification by reducing stakeholder-identified barriers that prevent or inhibit customers from effectively participating in the energy transition • Enhance the intelligence, automation and interactivity of Toronto Hydro's electricity distribution grid, including use of developing technologies and facilitating customer use of technology and business models to support the reliability of core infrastructure grid operations, prepare for increased electricity demand from net-zero GHG emission policies, promote greater value and deliver solutions for customers • Focus on effective connections processes required to balance bi-directional grid energy flows and enable a more flexible electricity system to facilitate use of DERs
OPERATIONS	• As a result of net-zero GHG emissions policies, Toronto Hydro may need to accelerate capital investments to accommodate increasing electrification	• Increased investment funding requirements due to capital expenditures for system upgrades and new technologies to increase grid capacity and resilience • Customer affordability due to need to pass along costs of increased infrastructure and operational expenditures	• Medium-to long-term	• Commissioned a "Future Energy Scenarios" study to assess the future demand for electricity under different technology, policy and consumer uptake assumptions, which informed Toronto Hydro's 2025–2029 distribution rates application • Secured a regulatory mechanism (known as a variance account) to reconcile differences between forecasted and actual revenue requirements in certain demand-driven capital programs. This mechanism is key to protect both ratepayers and the utility from structural unknowns that could have a material impact on the plan during a time of unprecedented change and transformation in the economy and energy system • Engaged in regional planning activities and processes to ensure the adequacy of the regional transmission system serving the city • Align asset management system to the ISO 55001: Asset Management standard to manage the asset lifecycle more effectively, reduce system costs, and improve system visibility and reliability

RISK TYPE: TRANSITION				
ENTERPRISE RISK	**EMBEDDED CLIMATE-RELATED RISK**	**POTENTIAL FINANCIAL IMPACT**	**TIME HORIZON**	**TORONTO HYDRO'S MANAGEMENT OF THE RISK**
COMPLIANCE	• Climate change-related extreme weather events increasing federal, provincial and local regulation relating to the protection of the environment	• Fines, remediation activity expenditures or other incremental costs	• Short- to long-term	• Toronto Hydro has a Corporate Compliance program that strengthens the organization's culture of legal and regulatory compliance • Commitment from leadership to provide suitable and sufficient resources for the environmental management system to ensure adherence with material compliance requirements • Implementation of Electric Vehicle Charging Connections Procedure (EVCCP), as per OEB directive, will contribute to streamlining the process for connecting public charging facilities that commonly service multiple EVs
RISK TYPE: PHYSICAL				
ENTERPRISE RISK	**EMBEDDED CLIMATE-RELATED RISK**	**POTENTIAL FINANCIAL IMPACT**	**TIME HORIZON**	**TORONTO HYDRO'S MANAGEMENT OF THE RISK**
FINANCIAL	• Outage-related concerns arising from extreme weather events reducing the demand for electricity	• Reduction in purchased electricity	• Short- to medium-term	• Invest in infrastructure to modernize the grid to drive resiliency, reliability, customer effectiveness and efficiency
SAFETY	• Extreme weather events impacting the safety of employees, contractors, customers and members of the public as a result of damage to Toronto Hydro assets	• Fines, remediation activity expenditures or other incremental costs	• Short- to medium-term	• Toronto Hydro further mitigates health and safety risks to employees, customers and members of the public through equipment inspection, replacement and maintenance, employee training, communications programs, and reactive and emergency work • "Safety by Design" principles are applied in the development of construction standards and infrastructure design practices
OPERATIONS & ASSET MANAGEMENT	• Extreme weather events impacting Toronto Hydro's electricity distribution system	• Increased cost to repair damaged asset	• Short- to long-term	• Implemented an emergency and business continuity management program to support organization-wide resiliency • The Standard Design Practices enhancement and updates dictate that all new underground secondary distribution design shall use pad-mounted transformers (unless otherwise approved) • Invest in infrastructure to modernize the grid to drive resiliency, reliability, customer effectiveness and efficiency • Continue to invest in the renewal of aging infrastructure and in the development of new infrastructure to harden the resiliency of the distribution system against the effects of climate change • Implementing a strategy to achieve Net-Zero Scope 1 GHG emissions and minimize Scope 2 emissions through direct action and supporting decarbonization by 2040

OPPORTUNITY TYPE: TRANSITION				
In addition to consolidating climate-related risks within its enterprise risks, Toronto Hydro has identified climate-related opportunities that align with its enterprise risks.				
ENTERPRISE RISK	**EMBEDDED CLIMATE-RELATED RISK**	**POTENTIAL FINANCIAL IMPACT**	**TIME HORIZON**	**TORONTO HYDRO'S MANAGEMENT OF THE RISK**
OVERSIGHT	• Government authorities pursue climate policies that optimally use electrification and support Toronto Hydro in facilitating electrification	• Increased revenue from optimal use of electrification to achieve climate objectives	• Medium-to long-term	• Participate in industry engagement efforts to realize opportunities in climate policy development • Comprehensive regulatory application program to achieve approval for the modernization and asset renewal required to prepare for growth and electrification
GOVERNANCE	• Directives or mandates to provide new services to achieve climate objectives	• Increased revenue from new services	• Short-to medium-term	• Established a Climate Action Plan (see the Climate Action section of this report for more information)
CUSTOMER OPERATIONS	• Increased customer connections and electricity demand to support electrification (including EVs, artificial intelligence and heating sources)	• Increased revenue	• Medium-to long-term	• Toronto Hydro uses advanced, detailed scenario analysis to consider consumer behaviour, policy impacts and other external drivers, and to guide its investment strategies • Engaged in regional planning activities and processes to ensure the adequacy of the regional transmission system serving the city of Toronto • 2025–2029 Investment Plan includes capital expenditures for system upgrades and new technologies to increase grid capacity and resilience • Established a Climate Action Plan (see the Climate Action section of this report for more information)
ASSET MANAGEMENT	• Investments in infrastructure will be made to increase the capacity and resilience of the grid. This will be required to support the electrification of both the economy and people's daily lives, thereby supporting the achievement of government net-zero GHG emission targets	• Increased funding to meet growth in electricity demand requirements and need for expanded capacity	• Medium-term	• Toronto Hydro uses advanced, detailed scenario analysis to consider consumer behaviour, policy impacts and other external drivers, and to guide its investment strategies

Future energy scenarios

Toronto Hydro commissioned a study to assess future demand for electricity under different technology, policy and consumer uptake assumptions.

TABLE 5: CHANGING ENERGY LANDSCAPE

PURPOSE: To forecast the actual impact on grid load (in megawatts) so that Toronto Hydro can identify modification opportunities for the grid.		
SCENARIO ANALYSIS TYPE	Transition focused, quantitative, scenarios based on TransformTO data, NRCan modelling for EVs, Ministry of Transportation data, vendor proprietary uptake models	
TIMEFRAME	2022 to 2050	
SCOPE	Toronto Hydro's electrical distribution system within the city of Toronto. Specific inputs included: 1. Core demand (residential, industrial and commercial). 2. EV growth (light, medium, bus and rail). 3. Electrified heating (heat pump, air and ground). 4. Distributed generation (solar and wind, biofuels, gas and generation). 5. Storage (residential, industrial and commercial). 6. Efficiency measures (electrical and thermal efficiency forecasts, Time-of-Use tariffs and EV demand response).	
PROCESS	Four different future scenariosfor the city of Toronto were developed and analyzed, each with different assumptions around degree of decarbonization and societal change, including uptake of low carbon technologies. Three of the scenarios use the base assumption that measures will be implemented to limit warming to 1.5°C through an achievement of net zero CO_2 by 2050, at a minimum[8].	**Scenario 1: Net Zero 2040** Highest ambition, meeting key policy targets and aligns with the City of Toronto's TransformTO Net Zero 2040 scenario.
		Scenario 2: Consumer Transformation A central scenario, aligning with Net Zero 2050, achieving decarbonization through a bottom-up approach with high societal change. This scenario involved high electrification and efficiency.
		Scenario 3: System Transformation A central scenario, aligning with Net Zero 2050, achieving decarbonization through a top-down approach with low societal change. This is the gas-backed scenario.
		Scenario 4: Steady Progression A low ambition scenario aligned with the TransformTO Business as Planned, seeing deployment of existing plans but falling short of 2030 and 2050 targets.
	Drivers of electricity demand and generation, including building stock, electrification of transportation, decarbonized heating, distributed generation, battery storage and flexibility, were modelled individually on a low/medium/high basis to develop a single cohesive view of a potential future world for each scenario.	
KEY INSIGHTS/ FINDINGS	The findings from the scenario analysis were used to understand the impact of different policy, technology and consumer behaviour drivers on the electricity distribution system. The insights informed Toronto Hydro's 2025–2029 Distribution Rate Application. The scenario analysis remains available as a reference point as the utility monitors ongoing energy transition developments.	

[8] https://www.ipcc.ch/sr15/chapter 2

Climate change vulnerability assessment

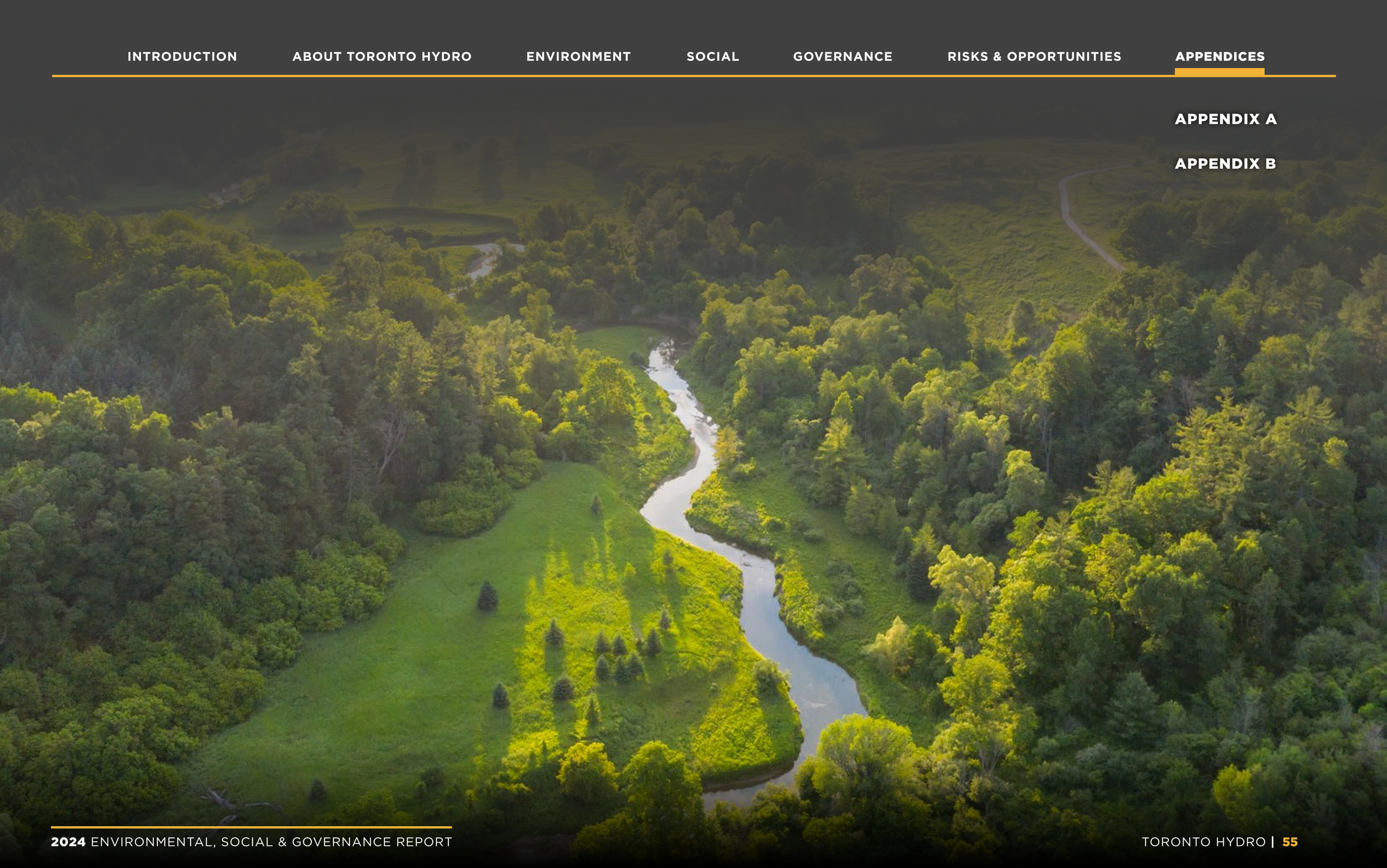
TABLE 6: VULNERABILITY ASSESSMENT

PURPOSE: To perform risk assessment for the various components and areas of the distribution system that would be affected by climate change, and evaluate the vulnerability of Toronto Hydro's electrical distribution system within the city of Toronto to a changing climate by employing Engineers Canada's Public Infrastructure Engineering Vulnerability Assessment Protocol (PIEVC Protocol).

SCENARIO ANALYSIS TYPE	Physical focused (Representative Concentration Pathways (RCP) 4.5 and RCP 8.5 of Intergovernmental Panel on Climate Change Fifth Assessment Report (IPCCAR5). Qualitative analysis.
TIMEFRAME	2015 to 2050
SCOPE	Toronto Hydro's electrical distribution system within the city of Toronto
PROCESS	A system-level approach was employed to assess the impacts of climate change on the various parts of the electrical distribution system. This approach divided the distribution system into six major asset categories: stations, feeders, communications systems, civil structures, auxiliary mechanical systems and human resources. Asset categories were assessed based on their general characteristics (e.g., typical, representative or common electrical or mechanical configurations, standards, equipment).
KEY INSIGHTS/ FINDINGS	The results were used to develop a roadmap on climate adaptation initiatives (such as changing the specifications for transformers in below-grade vaults to require that transformers be constructed from stainless steel, a material more resistant to corrosion) and implementing procedures requiring consideration of climate risks when planning new projects.

APPENDIX A

APPENDIX B



Appendices

Appendix A: GRI index

GRI STANDARD	GRI DISCLOSURE	PAGE #
GRI 2: GENERAL DISCLOSURES	2-1 Organizational details	9
	2-2 Entities included in the organization's sustainability reporting	9
	2-3 Reporting period, frequency and contact point **ADDITIONAL INFORMATION:** Report publication date: April 22, 2025. Please send any questions about this report to **sustainability@torontohydro.com**	3
	2-4 Restatements of information **ADDITIONAL INFORMATION:** In the 2023 ESG report, Toronto Hydro reported 0 significant spills. Upon review it was confirmed there were 7 significant spills, totalling 1323L. This discrepancy was identified January 20, 2025.	
	2-6 Activities, value chain and other business relationships	9
	2-7 Employees	10
	2-9 Governance structure and composition	38-40
	2-10 Nomination and selection of the highest governance body	38-40
	2-11 Chair of the highest governance body	
	2-12 Role of the highest governance body in overseeing the management of impacts	38-40
	2-13 Delegation of responsibility for managing impacts	
	2-14 Role of the highest governance body in sustainability reporting	38-40
	2-15 Conflicts of interest	42
	2-16 Communication of critical concerns	42
	2-19 Remuneration policies	38-40, 59
	2-20 Process to determine remuneration	38-40, 59
	2-22 Statement on sustainable development strategy	2
	2-23 Policy commitments	42-45

GRI STANDARD	GRI DISCLOSURE	PAGE #
GRI 2: GENERAL DISCLOSURES	2-24 Embedding policy commitments	42
	2-25 Processes to remediate negative impacts	42
	2-26 Mechanisms for seeking advice and raising concerns	42
	2-28 Membership associations	11
	2-29 Approach to stakeholder engagement	6
	2-30 Collective bargaining agreements	11
GRI 3: MATERIAL TOPICS DISCLOSURES	3-1 Process to determine material topics	6
	3-2 List of material topics	6
GRI 201: ECONOMIC PERFORMANCE TOPICS DISCLOSURES	201-2 Financial implications and other risks and opportunities due to climate change	48-51
GRI 305: EMISSIONS	305-1 Direct (Scope 1) GHG emissions	14-15, 58
	305-2 Energy indirect (Scope 2) GHG emissions	14-15, 58
	305-3 Other indirect (Scope 3) GHG emissions	14
	305-5 Reduction of GHG emissions	15, 58
GRI 403: OCCUPATIONAL HEALTH & SAFETY	403-1 Occupational health and safety management system	22
	403-2 Hazard identification, risk assessment and incident investigation	23-25
	403-3 Occupational health services	26-29
	403-4 Worker participation, consultation and communication on occupational health and safety	26
	403-5 Worker training on occupational health and safety	29
	403-6 Promotion of worker health	26-29
	403-7 Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	26-29
	403-8 Workers covered by an occupational health and safety management system	22
GRI 405: DIVERSITY & EQUAL OPPORTUNITY	405-1 Diversity of governance bodies and employees	11, 59

Appendix B: ESG metrics summary

ABOUT US	
COMPANY NAME	Toronto Hydro Corporation
COUNTRY	Canada
GCIS INDUSTRY	Electric Utilities

FINANCIAL
Additional information relating to the Corporation, including financial information provided in its Annual Information Form, Consolidated Financial Statements, and Management's Discussion and Analysis, is available on Toronto Hydro's website at **torontohydro.com** and on the SEDAR website at **sedar.com**.

ENVIRONMENTAL	2024	2023	2022
ENERGY USE (GJ)	76,030	93,130	102,913
RENEWABLE ENERGY USE (GJ)	17,132	16,365	16,726
GHG EMISSIONS (METRIC TONNES CO_2) – SCOPE 1	3,931	4,953	6,303
GHG EMISSIONS (METRIC TONNES CO_2) – SCOPE 2	22,570	17,729	16,044
VOC EMISSIONS (METRIC TONNES)	0.9	0.9	0.11
NOX EMISSIONS (METRIC TONNES)	2.4	2.3	2.65
SOX EMISSIONS (METRIC TONNES)	0.10	0.10	0.10
TOTAL PARTICULATE MATTER EMISSIONS (METRIC TONNES)	0.05	0.05	0.05
SYSTEM AVERAGE INTERRUPTION DURATION INDEX (SAIDI)	1.04	0.88	0.97
SYSTEM AVERAGE INTERRUPTION FREQUENCY INDEX (SAIFI)	1.48	1.42	1.63
WATER USE (M^3)	12,636	10,956	18,648
WASTE GENERATED (METRIC TONNES)	3,676	3,122	3,463
WASTE RECYCLED (METRIC TONNES)	3,336	2,855	3,202
SIGNIFICANT SPILLS[9]	10 (3,694 litres total)	7 (1,323 litres total)	4 (approx. 1,461 litres total)

[9] Significant spills to land (petroleum-based spills ≥500 L) and water (petroleum-based spills ≥100 L).

SOCIAL	2024	2023	2022
HEALTH & SAFETY			
LOST TIME INJURY FREQUENCY RATE (200,000 HRS)	0.07	0.00	0.16
TOTAL RECORDABLE INJURY FREQUENCY RATE (200,000 HRS)	0.48	0.30	0.47
DAYS AWAY, RESTRICTED OR TRANSFERRED RATE (200,000 HRS)	11.56	8.21	13.33
FATALITIES	0	0	0
EMPLOYEE TURNOVER			
EMPLOYEE TURNOVER, INCLUDES VOLUNTARY TURNOVER OF FULL-TIME, PERMANENT EMPLOYEES (%)	4.99	7.17	9.68
UNDER 30 (%)	1.66	1.93	2.94
30 TO 50 (%)	2.87	5.00	6.22
OVER 50 (%)	0.45	0.24	0.50
MALE (%)	3.48	5.72	6.06
FEMALE (%)	1.51	1.45	3.62
NEW HIRES			
UNDER 30 (#)	90	90	115
30 TO 50 (#)	94	105	81
OVER 50 (#)	8	4	6
MALE (#)	123	117	129
FEMALE (#)	69	81	72
UNDECLARED (#)	0	1	1
PAY EQUITY			
CEO TO EMPLOYEE PAY RATIO[10]	8.3 to 1	8.3 to 1	8.4 to 1
LEADERSHIP DIVERSITY			
WOMEN BOARD OF DIRECTORS (%)	69.2	61.5	40.0
WOMEN IN EXECUTIVE MANAGEMENT (%)	50	40	66.7

[10] Includes salaries and benefits for full-time employees as well as term contract employees from Toronto Hydro's 2024 Financial Report and CEO compensation from Toronto Hydro's 2024 Annual Information Form. Note this reflects previous CEO's compensation; a new CEO was appointed September 2024.

TORONTO HYDRO® Corporation