

ADVANCING A **CLEAN ENERGY FUTURE** FOR ALL

2022 Environmental Social Governance Report



As a provider of electric transmission and distribution services in the Pittsburgh region, Duquesne Light Company's (DLC) vision is to deliver a clean energy future for all: one that benefits our workforce, customers, economy and communities in a fair and equitable way.

To demonstrate our commitment, we are establishing a culture that focuses on protecting people, the planet and prosperity in everything we do, as well as measuring, tracking and reporting on our performance. The publication of this inaugural environmental, social and governance (ESG) report represents the next step in our journey.

This report captures our work in these fields and establishes baselines for key data, highlights our strategy and approach for accomplishing this work and describes our long-term aspirations and targets. Read on to view a summary of each section of our report below.

Interested in learning more about our commitments? We welcome you to read the full report on the [Corporate Responsibility](#) section of our website.

About DLC

For more than 100 years, DLC has been a leader in the transmission and distribution of electricity in the Pittsburgh region. Today, we serve more than 600,000 customers in Allegheny and Beaver counties and consistently rank among the most reliable utilities in the commonwealth of Pennsylvania. Part of that reliability is our commitment to upgrading our infrastructure and modernizing the electrical grid. Our employees are dedicated to ensuring that customers have access to safe, resilient, reliable and affordable energy while also enabling our region’s clean energy future.

Long-Term ESG Targets

In our inaugural report, we are committing to the following long-term targets. As our strategy continues to evolve, we’ll be transparent in our efforts to meet these targets through annual reporting and disclosures.

GHG Emissions	From 2022 - 2027, reduce our combined Scope 1 and Scope 2 emissions by 10%.
GHG Emissions - Fleet Electrification	By 2030, 30% of DLC’s fleet will be powered by electricity. Overall, we aim to find electric solutions for 100% of DLC light-duty vehicles, 25% of medium-duty vehicles, 30% of heavy-duty vehicles and 50% of forklifts.
Transportation Electrification	Enable the grid infrastructure that will support 50,000 EVs in the Pittsburgh region by 2030.
Infrastructure Reliability	Invest \$1.9 billion in transmission and distribution infrastructure between 2023 and 2027.
Energy Efficiency	Enable 350,000 MWh of customer energy savings between 2021 and 2026 through energy efficiency programs and decarbonization efforts, while creating additional electrification opportunities for customers. ¹
Philanthropy	Grant at least \$5 million to diverse-led nonprofits in our service territory for work impacting social and economic equity, workforce development and sustainability initiatives between 2022 and year-end 2027.
Supplier Diversity	Achieve total supplier diversity spend of 31.5% by 2027. Additionally, achieve total local and regional spend of 34.0% by 2027.



Our ESG Pillars

To bring our vision to life, we have organized our ESG strategy under three pillars: climate conscious, powering people and responsible performance. These three pillars of our strategy also align with the ESG framework.

CLIMATE CONSCIOUS	POWERING PEOPLE	RESPONSIBLE PERFORMANCE
<ul style="list-style-type: none"> • Building Electrification • Climate Strategy • Energy Efficiency • Greenhouse Gas Emissions/ Non-Greenhouse Gas Emissions • Infrastructure Reliability • Renewable Energy and Distributed Energy • Transportation Electrification 	<ul style="list-style-type: none"> • Customer Relations • Diversity, Equity and Inclusion • Talent Management 	<ul style="list-style-type: none"> • Cybersecurity • Physical Security • Innovation

¹ Based on the five-year Phase IV of the Act 129 energy efficiency and conservation (EE&C) Program, which operates from June 1, 2021 through May 31, 2026.



CLIMATE CONSCIOUS



As an electric utility, we play a pivotal role in our region’s energy transition. We are working to manage the many ways a changing climate can impact on our business strategy while continuously ensuring the safe, reliable, resilient and affordable supply of power to our customers.

2022 GHG Emissions

- Scope 1 Emissions: 11,480 tCO₂e
- Scope 2 Emissions¹:
 - ▶ 14,158 tCO₂e (market-based)
 - ▶ 13,134 tCO₂e (location-based)

Energy Efficiency

- 85,700 MWh customer energy reduction according to Act 129

Infrastructure Reliability

- SAIFI = 0.92
- SAIDI = 134
- CAIDI = 146

¹Excludes the emissions generated as a result of line losses.



POWERING PEOPLE



Our goal is bigger than keeping the lights on. We strive to be a leader in social responsibility with a dedicated focus on supporting our customers, communities and employees. We do this by empowering all employees to have a seat and voice at the table while maintaining a diverse, skilled and successful workforce. We are also helping to create and foster healthy, vibrant communities across our service territory through charitable donations and employee volunteerism.

Volunteerism & Philanthropy

- >\$2 million donated to local nonprofits
- 70% of charitable dollars distributed to diverse-led nonprofits
- 4,000 hours of volunteer service by employees

Our Employees

- 51% union employees
- 28% female employees
- 14% BIPOC employees
- 8% veterans
- 44% overall workforce diversity

Diversity & Inclusion

- 5 Business Employee Resource Groups and Ally Circles

Customer Relations

- 68.9% report high satisfaction



RESPONSIBLE PERFORMANCE



We reinforce the importance of good governance and ethical practices to maintain a resilient and responsible organization. These practices are integral to delivering high-quality service to our customers and operating a respectful workplace. This includes a keen focus on risk management, security, innovation and responsible procurement practices.

Supplier Diversity

- 20.8% total supplier diversity spend
- 33.0% total local and regional supplier diversity spend

Board of Directors

- 33% female directors
- 22% racially/ethnically diverse
- 55% overall diversity (race, ethnicity and gender)
- 9 Board members | 2 independent members