

DIVERSIFYING OUR COMPANY'S FUTURE

CORPORATE RESPONSIBILITY & SUSTAINABILITY REPORT



ON THE COVER

At SaskPower, sustainability means successfully executing our strategic initiative of attracting and retaining an engaged, diverse and inclusive workforce. This includes increasing the presence of Indigenous employees and women in under-represented roles across our company through pathways such as our Powerline Technician Apprenticeship Program. Our goal: creating powerful career opportunities and a workforce that reflects the communities we serve.



TREATY & LAND ACKNOWLEDGEMENT

We acknowledge that we live and work on the Treaty and traditional lands of First Nations and Métis peoples. We respect and honour the Treaties that were made and are committed to moving forward in partnership with Indigenous Nations in the spirit of reconciliation and collaboration.

Progressive
Aboriginal
RELATIONS **GOLD
LEVEL**

Canadian Council for
Aboriginal Business 

 Sustainable
Electricity
Company™

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OUR VISION

Powering Saskatchewan to a cleaner energy future through innovation, performance and service.

OUR MISSION

Ensuring reliable, sustainable and cost-effective power for our customers and the communities we serve.

OUR VALUES

Safety, openness, collaboration and accountability.

OUR STRATEGIC PRIORITIES

- ▶ Deliver improved value for our customers and stakeholders
- ▶ Develop our workforce to meet the needs of the utility of the future
- ▶ Ensure our financial health in a transitioning industry
- ▶ Build a cleaner, reliable and modernized electricity system



OUR COMPANY

Established in 1929, SaskPower is Saskatchewan's leading energy supplier. We are defined by our commitment to support the province's economic growth, protect its natural resources and enhance the quality of life of its people. Our corporate mission: ensuring reliable, sustainable and cost-effective power for our customers and the communities we serve.

SaskPower's team is made up of over 3,000 permanent full-time employees. We manage over \$12 billion in generation, transmission, distribution and other assets.

Our company operates seven natural gas-fired stations, three coal-fired power stations, seven hydroelectric stations, and two wind facilities. Combined, they generate 3,968 megawatts (MW) of electricity.

SaskPower also buys power from various independent power producers. Our total available generation capacity is 5,423 MW. Our company also has transmission interties at the Manitoba, Alberta and North Dakota borders.



GLANCE AT A

652,000

square kilometres of service area

3,910 MW

annual peak load

1.2M

distribution poles

5,423 MW

available generating capacity

157,386

kilometres of transmission and distribution lines in service

3,057

permanent full-time employees

35%

renewable generation capacity

\$12B

generation, transmission, distribution and other assets

549,940

customer accounts

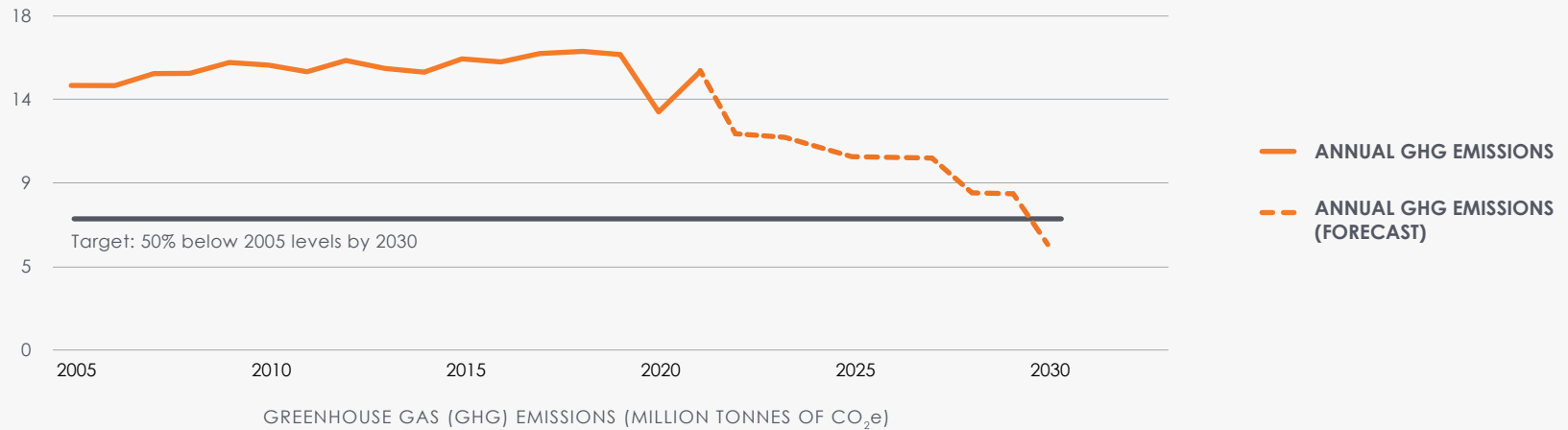
186,533

pole, pad-mounted and step transformers

2021-22 HIGHLIGHTS

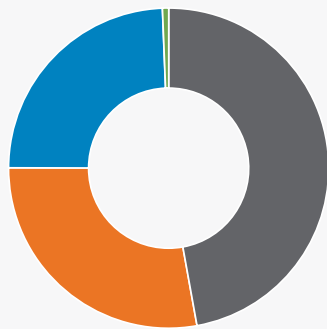
- ▶ **EXPANDED** our company's zero-emission wind power capacity by 385 megawatts (MW) with the addition of the 200-MW Golden South Wind Energy Facility, the 175-MW Blue Hill Wind Energy Facility, and the 10-MW Riverhurst Wind Energy Facility.
- ▶ **ADDED** Saskatchewan's first utility-scale solar project led by First Nations — the 10-MW Pesâkâstêw Solar Energy Facility.
- ▶ **RELEASED** a nuclear small modular reactor (SMR) strategic plan in concert with Alberta, Ontario and New Brunswick that could lead to a facility being operational in Saskatchewan as early as 2034.
- ▶ **INITIATED** development of up to 20 fast-charging electric vehicle stations across the province by making funding available to private-sector partners through the Electric Vehicle Infrastructure Program.
- ▶ **HOSTED** a series of virtual and in-person sessions with customers, stakeholders, and Indigenous rights holders to discuss clean electricity options being considered for a net-zero greenhouse gas (GHG) emissions future.
- ▶ **MARKED** a 12.1% Indigenous procurement rate — worth over \$94 million — of the purchase orders issued to Saskatchewan suppliers.
- ▶ **LAUNCHED** a Look Up and Live mapping tool to make it easier for customers to stay safe when working around overhead power lines.
- ▶ **INVESTED** \$1.9 million in educational and community initiatives across the province.
- ▶ **SELECTED** as one of Canada's Best Diversity Employers for a 14th consecutive year as well as one of Canada's Top Employers for Young People and one of Saskatchewan's Top Employers.

GREENHOUSE GAS (GHG) EMISSIONS SINCE 2005



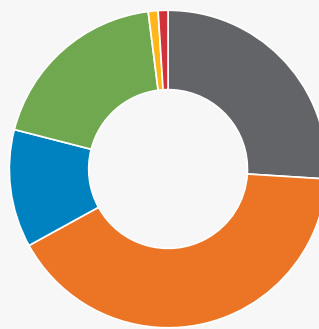
A SUPPLY MIX IN TRANSITION

2005



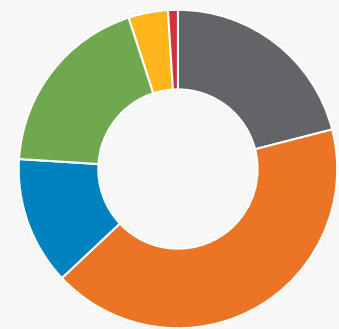
■ COAL - 47% ■ WIND - 1%
 ■ NATURAL GAS - 28%
 ■ HYDRO - 24%

2021-22



■ COAL - 26% ■ WIND - 12%
 ■ NATURAL GAS - 41% ■ SOLAR - 1%
 ■ HYDRO - 19% ■ OTHER - 1%

2026-27 FORECAST



■ COAL - 21% ■ WIND - 13%
 ■ NATURAL GAS - 42% ■ SOLAR - 4%
 ■ HYDRO - 19% ■ OTHER - 1%



A MESSAGE TO OUR STAKEHOLDERS

The evidence of climate change in our province has become impossible to ignore. More intense summer and winter storms are occurring, and there are extended periods of extreme weather that are leading to increased wildfires, droughts, and floods.

Within SaskPower, these climate-related events are requiring a significant transformation of the way we operate. As we look to the future, we are continuing efforts to map out a sustainable path to meeting climate action goals while also maintaining the reliability and resiliency of our electricity system for our customers.

Over the last year, we've made important progress towards our vision of a low-carbon future. While in 2021-22 our greenhouse gas (GHG) emissions increased year-over-year due to decreased hydro availability, increased customer load, and decreased availability at our Carbon Capture and Storage Facility, we are on track to achieve our long-term carbon target: by 2030, we will have reduced GHG emissions from our electricity system by 50% from 2005 levels. At the same time, scenario planning is underway to achieve a net-zero GHG future.

Expanding our renewable generation capacity is instrumental during this energy transition away from fossil fuels. Three new wind power facilities added 385 megawatts (MW) to Saskatchewan's electricity system in the last year: the 200-MW Golden South Wind Energy Facility; the 175-MW Blue Hill Wind Energy Facility; and the 10-MW Riverhurst Wind Energy Facility. At the same time, a

25-year supply contract was awarded for the 200-MW Bekevar Wind Energy Facility being developed by Awasis Nehiyawewini Energy Development, a wholly owned Cowessess First Nation entity, and Renewable Energy Systems Canada.

In the fall of 2021, the province's first utility-scale solar power installation – Saturn

Power's 10-MW Highfield Solar Energy Facility – began delivering enough zero-GHG emissions power to meet the needs of 2,500 homes. It was recently joined by the 10-MW Pesâkâstêw Solar Energy Facility, which was jointly developed by the George Gordon First Nation, Star Blanket Cree Nation and Natural Forces. Meanwhile, two additional utility-scale solar projects are currently under development and expected to be in service over the next two years: the 10-MW Awasis Solar Energy Facility being jointly developed by Cowessess First Nation and Elemental Energy; and the 10-MW Foxtail Grove Solar Energy Facility being developed by Kruger Energy.

As we progress in expanding our renewable power portfolio, we are mindful of the need to remain flexible in planning for the future. In late 2021, the Government of Canada introduced a proposed Clean Electricity Standard that outlines a requirement for a net-zero GHG emissions electricity sector in Canada by 2035. While SaskPower had been evaluating pathways to achieve net-zero GHG emissions by 2050, work has shifted to evaluating the implications for our company and customers as a result of the federal government advancing this target by 15 years.

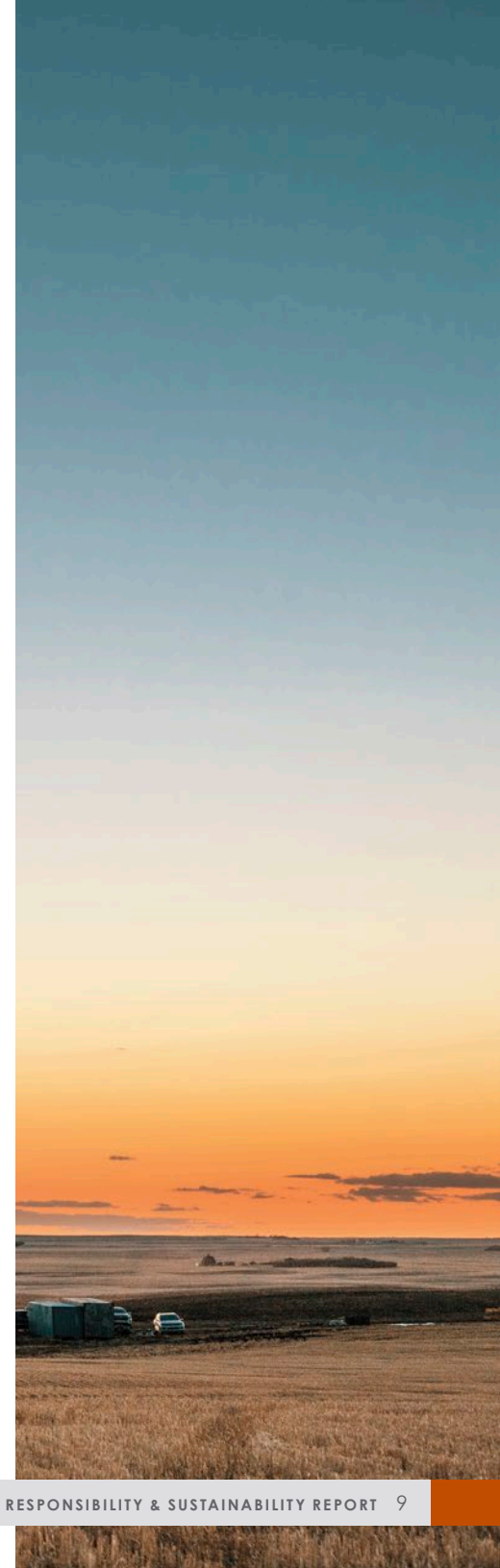
As life in our province continues to open following the initial period of the COVID-19 pandemic, a focus on preparing the province's electricity system for the future while supporting the Saskatchewan economy remains paramount. In December 2021, we witnessed signals of a growing pandemic recovery when a new record was set for peak electricity demand by our customers. This coincided with an overall increase in electricity use during 2021-22. We anticipate this trend will continue into the year ahead.

STRENGTHENING SASKATCHEWAN'S ELECTRICITY SYSTEM

To ensure we can sustainably deliver the reliable and affordable power needed to fuel Saskatchewan's economic growth, SaskPower invested \$385 million during the past year into the renewal and replacement of our existing generation, transmission and distribution infrastructure. A \$50-million Power Grid Renewal Grant from SaskBuilds Corporation was instrumental to executing on transmission and distribution projects, which provided important work for Saskatchewan contractors on line upgrades, rural line rebuilds, underground line replacements, and wood pole replacements.

Additional infrastructure work during the year included ongoing construction at the natural gas-fired 377-MW Great Plains Power Station, which will assist in backing up the growing presence of intermittent wind and solar generation. At the same time, multi-year refurbishment projects continued during 2021-22 at the Coteau Creek and E.B. Campbell Hydroelectric Stations. Renewal efforts for both facilities will require a total investment of almost \$360 million, with work slated to be complete in 2025-26.

With plans largely in place to power the province through the rest of the decade, investigation accelerated over the past 12 months into options that could provide the clean baseload power needed to reach net-zero GHG emissions. Analysis into nuclear small modular reactors (SMRs) completed in collaboration with utility peers in Ontario, Alberta, and New Brunswick indicates that a 300-MW SMR could be operational in Saskatchewan by the middle of the next decade.





Meanwhile, construction began on our first utility-scale battery energy storage system near Regina, which will offer a unique opportunity to assess the technology's performance in Saskatchewan's weather and electricity system. In addition, an 8-MW biomass generating facility being built by the Meadow Lake Tribal Council is expected to come into service in 2022, and a power purchase agreement was signed for the province's largest flare gas power project – the 15-MW Kopahawakenum Flare to Power Facility.

A CUSTOMER-CENTRIC RESPONSE

As customer interest grows in Distributed Energy Resources which include a range of smaller, renewable, and decentralized energy sources and storage options — we are working to define their potential contribution to long-term GHG emissions reduction goals. Other clean power generation options being considered in our energy system transition include carbon capture and storage, hydrogen, and expanded transmission interconnections with neighbouring regions.

Including customers in the conversation about our power future remained a priority through 2021-22, even as COVID-19

limited face-to-face interactions. The First Nations Power Authority was instrumental in facilitating discussions with Indigenous rights holders on potential electricity supply options that could contribute to a net-zero GHG emissions future. SaskPower's broader corporate efforts to foster positive relationships with Indigenous communities and businesses were acknowledged during the year when our Progressive Aboriginal Relations certification at the Gold status Level was renewed by the Canadian Council for Aboriginal Business.

A long-standing service commitment to be responsive to customer needs was apparent in the various short-term financial support programs offered at the height of the COVID-19 pandemic, including a 10% reduction in energy, demand, and basic monthly charges that was available until the end of November 2021.

Despite the challenges posed by the pandemic, satisfaction scores across all of SaskPower's customer segments either held steady or increased since the previous surveys in 2019-20. As part of ongoing efforts to improve the digital experience for residential customers, we added more self-service functionality to the MySaskPower

online customer portal in the last year. While plans to begin a province-wide Advanced Metering Infrastructure deployment in late 2021 had to be put on hold due to supply chain issues, smart meters will eventually deliver timely data that will help customers better manage their power use.

The launch of the Northern First Nation Retrofit Program in December 2021 was an important addition to our ongoing efforts to help customers save money and electricity. Over the next three years, SaskPower will deliver customer education programming and up to 260 home energy efficiency retrofits as we help address issues around high power bills in northern communities. At the same time, more than 700 applications were received for SaskPower's Energy Assistance Program – which offers free energy efficient products and advice tailored for low-income customers. During the year, the program was expanded to include both homeowners and renters.

SECURING SUSTAINABLE OUTCOMES

Throughout 2021-22, employee safety remained a top priority. We are proud of the efforts made by our employees across Saskatchewan to provide uninterrupted

service during the uncertainty that resulted from COVID-19 as well as a number of severe weather events. At the same time, development continued during the year on our corporate Roadmap to Safety, which is a collaborative effort between field staff, managers and our safety team and provides a sharper focus on employee attitudes about safety and their approach to work.

In 2021-22, SaskPower recorded a consolidated net income of \$11 million for the year. These modest earnings were anticipated as our company continued to defer increasing customer electricity rates in the face of rising cost pressures due to capital spending and a higher fuel and purchased power expense. At the same time, our company's per cent debt ratio was 71.9% and remains within our long-term target of 60% to 75%.

With the provincial economy showing signs of recovery, we turned our attention to the need to solidify our company's financial position. This resulted in SaskPower proceeding with a multi-year rate application – our first since SaskPower's last rate increase in March 2018. The Saskatchewan Rate Review Panel and provincial cabinet subsequently approved system average rate

increases of 4% effective September 1, 2022, and 4% effective April 1, 2023.

A PATH TO A BRIGHTER FUTURE

The past few years have seen an unprecedented convergence of climate, public health, and financial challenges. As we continue to reimagine the future for SaskPower, a sustainability mindset guides our singular purpose of providing reliable, sustainable, and cost-effective power for our customers while preparing the electricity system for a net-zero GHG future.

We know the transition to this new energy reality will, at times, bring uncertainty. But with ongoing engagement between SaskPower and our employees, customers, Indigenous rights holders, and stakeholders across this province, we are confident in our ability to succeed and help build a better Saskatchewan.



Chief Darcy Bear
Chair, Board of Directors



Rupen Pandya
President and CEO

OUR APPROACH TO CORPORATE RESPONSIBILITY AND SUSTAINABILITY

Meeting the corporate responsibility and sustainability challenge means using resources wisely, supporting the work and growth of our employees, maintaining the financial health of our business, and pursuing a clean, secure and affordable energy supply.

Success is dependent on honouring our relationships with stakeholders and Indigenous rights holders through openness, transparency and dialogue. It is also reliant on supporting the communities we serve while assisting our customers with the safe and efficient use of electricity.

Sustainability is at the heart of SaskPower's mission statement: reliable, sustainable and cost-effective power for our customers and the communities we serve. Our company considers sustainability; environmental, social, and governance (ESG) factors; and climate principles in the development of our corporate strategy.

SaskPower is in the midst of a transition to a cleaner energy future. As we proceed on this path, we are guided by a belief that all decisions we make as a company — whether they relate to environmental impact, our employees, the communities we serve, or financial performance — must be viewed through the lens of sustainability.

Having achieved designation as a Sustainable Electricity Company™ from Electricity Canada (formerly the Canadian Electricity Association), we have made a public commitment to serve current and future customers in a way that preserves our province's air, land, and water. To us, sustainability also includes a focus on customer and employee safety, as we support the development and professional growth of our workforce. At the same time, we apply continued diligence in managing our company's fiscal well-being by embracing new opportunities for efficiency that emerge through a commitment to continuous improvement.

During this time of transition, success in executing our sustainability agenda requires transparency and dialogue with customers, stakeholders, and Indigenous rights holders

as we seek their input and support for our future direction. Importantly, Electricity Canada's Sustainable Electricity Company™ designation includes a framework that can be used by external parties to gauge our effectiveness in applying sustainability principles across all facets of SaskPower's operations.

The International Organization for Standardization's (ISO) 26000 framework on social responsibility is a foundational guide, and specifically its seven core subjects and associated core issues, including organizational governance, human rights, labour practices, the environment, fair operating practices, consumer issues, and community involvement and development. At the same time, input from customer and stakeholder focus groups and meetings, project-specific consultations, and customer and employee surveys offer a critical Saskatchewan-based perspective for our sustainability program.

GOVERNANCE

A coordinated set of governance functions combine to inform SaskPower's approach to corporate responsibility and sustainability. SaskPower's governance practices are benchmarked against the guidelines of the Canadian Securities Administrators (CSA) and remain substantially consistent with these standards. This scorecard is available at saskpower.com. As a provincial Crown corporation, compliance with CSA standards is not mandatory.

MATERIALITY: SIGNIFICANT ISO 26000 ISSUES IDENTIFIED BY STAKEHOLDERS AND SASKPOWER LEADERSHIP

STAKEHOLDERS	Customers Landowners Indigenous Nations Business associations Community organizations Public interest groups	Employees/Executive/Board Members Other utilities Non-governmental organizations (NGOs) Academia Suppliers Governments (local, provincial and federal)
ISSUES IDENTIFIED	<ul style="list-style-type: none"> • Protection of the environment, biodiversity and restoration of natural habitats • Discrimination and vulnerable groups • Economic, social and cultural rights • Employment and employment relationships • Social dialogue • Health and safety at work • Human development and training in the workplace • Prevention of pollution • Sustainable resource use • Climate change mitigation and adaptation • Fair competition • Promoting social responsibility in the value chain • Respect for property rights 	<ul style="list-style-type: none"> • Fair marketing, factual and unbiased information and fair contractual practices • Protecting consumers' health and safety • Sustainable consumption • Consumer service, support, and complaint and dispute resolution • Consumer data protection and privacy • Access to essential services • Education and awareness • Community involvement • Education and culture • Employment creation and skills development • Technology development and access • Wealth and income creation • Social investment

* STAKEHOLDERS AND SIGNIFICANT ISSUES NOT PRESENTED IN ANY RANKED ORDER.

SaskPower's governance structure has its roots in *The Power Corporation Act*, through which the company became a provincial Crown corporation. This governance framework was amended with the passage of the *Crown Corporations Act, 1993*.

Over our 93-year history and legislative amendments, SaskPower's mission has remained fundamentally unchanged: to ensure reliable, sustainable, and cost-effective power for our customers and the communities we serve.

The Crown Investments Corporation of Saskatchewan (CIC) is SaskPower's parent company and ensures our performance reflects the provincial government's general policy direction as conveyed through the annual Speech from the Throne or formal policy statements. CIC develops Crown Sector Strategic Priorities which provide an outlook that forms the cornerstone of our efforts.

SaskPower's operations align with the provincial government's *Prairie Resilience: A Made-in-Saskatchewan Climate Change Strategy*, which focuses on Saskatchewan's

natural systems, physical infrastructure, economy, and communities. An annual *Climate Resilience in Saskatchewan Report* tracks progress in delivering on the strategy's 25 measures. As one of Saskatchewan's largest companies, our sustainability efforts also reflect Government of Saskatchewan policy articulated in *Saskatchewan's Growth Plan – The Next Decade of Growth 2020-2030*. SaskPower recognizes the significant economic contribution made by our more than 3,000 employees, in addition to the millions of dollars we spend purchasing goods and services from local suppliers.

SaskPower's Board of Directors is appointed by the Lieutenant Governor in Council and is accountable to the Minister Responsible for SaskPower. The Minister maintains links between our company, the provincial cabinet, and the members of the Saskatchewan Legislative Assembly.

At the beginning of each legislative session, members of the Standing Committee on Crown and Central Agencies are appointed. This committee holds public hearings and is empowered to review the annual reports,

financial statements and operations of Crown corporations and related agencies. The Minister Responsible for SaskPower and our company's senior Executives are called before the committee to answer questions about the year under review and issues of topical concern. Transparency and accountability are both principal components of SaskPower's corporate values and are essential to our relationships with our customers, stakeholders, and shareholder.

The President and Chief Executive Officer (CEO) of SaskPower reports to the Board of Directors, which relies on three committees to provide broad strategic oversight:

- The Safety, Environment & Corporate Responsibility Committee
- The Audit & Finance Committee
- The Governance & Human Resources Committee

Terms of reference for each committee are available at saskpower.com.

For employees, our Enterprise Risk Management Program provides a framework

for daily use in not only identifying strategic and functional risks, but also in crafting management and mitigation responses that align with sustainability principles. Additionally, employees are guided in day-to-day decision making by the company's Corporate Responsibility & Sustainability Policy, the Code of Conduct, and the Health, Safety and Environment Policy. We rely on established reporting protocols, internal and external audits, and support from external agencies to ensure ongoing compliance with these policies.

BOARD OF DIRECTORS

Responsible for oversight of the corporate responsibility and sustainability long-term vision and issues management.

BOARD COMMITTEES: SAFETY, ENVIRONMENT & CORPORATE RESPONSIBILITY; AUDIT & FINANCE; AND GOVERNANCE & HUMAN RESOURCES

CEO AND EXECUTIVE

Responsible for corporate responsibility and sustainability performance and long-term success.

EXECUTIVE ADVISORY COMMITTEES: STRATEGY & RISK AND OPERATIONS

CORPORATE SUSTAINABILITY OFFICE

Sets direction for corporate responsibility and sustainability integration, goals, and initiatives while executing performance reporting.

EMPLOYEES

Implement corporate responsibility and sustainability initiatives and identify opportunities.

SUSTAINABLE DEVELOPMENT GOALS



ALIGNMENT WITH UNITED NATIONS SUSTAINABILITY GOALS

SaskPower's operational policies related to sustainability, employee conduct, and health and safety support the objectives of the United Nations' 2030 Agenda for Sustainable Development, which came into effect on January 1, 2016. The 2030 agenda includes 17 sustainable development goals and 169 associated targets reflecting economic, social, and environmental aspects of sustainability. SaskPower's focus is on goals linked directly to our business.

GOOD GOVERNANCE LEADS TO IMPROVED SUSTAINABILITY



Passion is not often a word associated with corporate governance. But as Rachel Verret Morphy indicates with a chuckle, it is actually her favorite topic to discuss.

Verret Morphy is SaskPower's Vice-President, Corporate and Regulatory Affairs and General Counsel, and Acting Vice-President, Human Resources and Safety. She says the link between governance and sustainability comes down to a simple mantra – what gets measured, gets done. “Anytime you put visibility on something, it gets better,” she says.

At SaskPower, governance guiding corporate sustainability efforts includes setting goals and targets to measure progress against internal policies, as well as reporting on provincial and federal legislative commitments that the company must meet. “It is the concept of trust but verify. Any company can say they have sustainable practices, and they are meeting targets. You need strong processes in place for reporting and accountability,” she notes.

Verret Morphy says that the commitment to comprehensive reporting embedded in governance helps drive continuous improvement in SaskPower's work. When challenging questions

are posed by the Board of Directors about the company's operational results, she says, “We go back and ask our employees those challenging questions, and then improvements get made to processes to make it even better.”

Effective governance also helps SaskPower align with changing customer expectations. A few years ago, Verret Morphy recalls that some large customers were concerned about how much it was going to cost SaskPower to reduce greenhouse gas emissions: “Now those same customers are telling us they're concerned we're not going to do it fast enough, because their investors want them to reduce their environmental footprint.”

Clear governance also contributes to financial sustainability, because it prompts departments to align under shared goals that improve internal efficiency: “When decisions get made in isolation without strong governance, the risk of failure is higher and leads to waste and risk to corporate reputation,” Verret Morphy notes. That being said, she recognizes that governance needs to be appropriate for the decisions being made. For example, the same process to buy paperclips is not the same one that can be used to guide the construction of a transmission line.

Verret Morphy says that sustainability governance is far from static. Looking ahead, she expects a greater focus on engagement and dialogue: “It is one thing to meet the legal standard, but to have a successful project you have to go beyond that standard and do a good job of engagement.” Stakeholders and rights holders are getting more sophisticated, she says, at the same time regulators are expecting SaskPower to initiate deeper engagement for projects impacting residents, businesses, and communities.



CLIMATE CHANGE AND ENVIRONMENTAL PROTECTION

In our daily work and future planning, we must balance generating and delivering electricity with minimizing impacts on our natural environment. In response, we are pursuing cleaner sources of energy while continuing to promote environmental responsibility.

We continue to develop mitigation and adaption plans that address climate risk.

A global energy transition is underway, with a shift away from fossil fuel-based energy production and consumption. Addressing climate change requires a reduction in carbon emissions, and electric utilities like SaskPower are expected to lead the way in advance of the electrification of transportation, buildings and industrial processes.

As part of the Paris Agreement, countries are required to submit their greenhouse gas (GHG) reduction targets, called a Nationally Determined Contribution (NDC). The goal is to limit global warming below 2.0 degrees Celsius, preferably to 1.5 degrees Celsius, compared to pre-industrial levels. Canada's original GHG reduction target was 30% below 2005 levels by 2030 and has recently been increased to 40-45%.

SaskPower originally set a 40% below 2005 levels by 2030 GHG reduction target, which has since been strengthened to 50% below 2005 levels by 2030. In response to government policy proposals, SaskPower is reviewing technical opportunities and developing options to accelerate its emission reduction actions and achieve net-zero before 2050. As a result, SaskPower's target has and continues to exceed the Canadian NDC.

Meanwhile, expectations for the electricity sector are changing and expected to become more aggressive in order to support other sectors in achieving emissions reductions. Evolving federal regulations are increasing the urgent need for the move to lower-emitting generating sources. Meanwhile, on January 1,

2022, the Government of Canada's carbon tax for emissions that exceed established thresholds reached \$50/tonne of carbon dioxide equivalent (CO₂e).

The move to a low-carbon electricity system will be challenging as we strive to balance climate action progress with operational reliability and affordability. With federal legislation requiring that all conventional coal-fired generation be retired by 2030, the 141-MW coal-fired Unit #4 at Boundary Dam Power Station was taken out of regular service in December 2021. No jobs were lost, with staff reductions managed through attrition. By 2024, there are also plans to retire the 139-MW coal-fired Unit #5 at Boundary Dam Power Station.

Unprecedented growth in SaskPower's renewable power generation fleet during 2021-22 will contribute to further emissions reductions, as the 200-MW Golden South Wind Energy Facility, the 175-MW Blue Hill Wind Project, and the 10-MW Riverhurst Wind Project all came into service. Expansion of wind generation is set to continue, with an agreement reached for the development of the 200-MW Bekevar Wind Energy Facility, which will be situated north of Moose Mountain Provincial Park and is being developed by Renewable Energy Systems Canada and Awasis Nehiyawewini Energy Development, a wholly-owned Cowessess First Nation entity.

Through the year, we made notable progress on a commitment to add up to 60 MW of utility-scale solar power in the coming years. The 10-MW Highfield Solar Energy Facility, which was developed by Saturn Power and came into service in September 2021, is SaskPower's first utility-scale solar project. Situated near Swift Current, the Highfield

Solar Energy Facility will meet the average annual needs of 2,500 Saskatchewan homes.

Another 20 MW of solar power is also being provided from two projects advanced by the First Nations Power Authority, as part of its mandate to support Indigenous participation in the province's energy projects: the Pesâkâstêw Solar Energy Facility led by the George Gordon First Nation and Star Blanket Cree Nation (recently commissioned), and the Awasis Solar Energy Facility led by Cowessess First Nation. SaskPower is buying the clean power generated at each facility through 20-year power purchase agreements.

Electricity Canada acknowledged the importance of these projects in delivering on our net-zero GHG future when the projects received the organization's Centre of Excellence Award in the last year. Looking ahead, Kruger Energy's Foxtail Grove Solar Energy Facility, located in northeast Regina, will be contributing another 10 MW of power to the provincial grid by the end of 2023.

Because wind and solar power facilities are intermittent sources of generation that can only produce power when the wind blows and the sun shines, it is essential that reliable back-up generation be developed in lockstep with the growth of our renewable generation portfolio. Construction of the 377-MW Great Plains Power Station in Moose Jaw reflects our view that natural gas will be an important fuel source during the decarbonization of our generation fleet, as it offers quick-start backup for renewable facilities while producing less than half of the GHG emissions compared to conventional coal.

2021-22 PERFORMANCE INDICATORS

14,950,000 tonnes of carbon dioxide equivalent (CO₂e)

↑ Greenhouse gas (GHG) emissions — an increase of 17% from the previous year¹

29,000 tonnes

↑ Nitrogen oxide (NO_x) emissions — an increase of 26% from the previous year¹

80,000 tonnes

↑ Sulphur dioxide (SO₂) emissions — an increase of 21% from the previous year¹

32.3%

↑ Renewable generation capacity in generation fleet — a 6.3 percentage point increase from last year

¹ Reported on a calendar year basis as at December 31, 2021.



SASKPOWER SELECTED THE GE HITACHI NUCLEAR ENERGY BWRX-300 FOR SASKATCHEWAN'S FIRST SMALL MODULAR REACTOR TECHNOLOGY.

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To date, construction at Great Plains has already generated \$30 million in work for Saskatchewan firms, including road construction, civil works, foundation pours, underground installations, and steel erection. The Great Plains facility is scheduled to enter service in 2024.

During the year, SaskPower also signed a 20-year agreement to purchase the low-carbon electricity that will be produced by the Kopahawakenum Flare Gas to Power Facility, starting in late 2023. The project, located near Coleville, is a joint venture between SaskPower, Flying Dust First Nation and Genalta Power. Meanwhile, an 8-MW biomass generating facility located near the NorSask Sawmill and led by the Meadow Lake Tribal Council is expected to begin delivering power to the provincial grid in 2022.

Investments in SaskPower's existing clean power generation facilities continued throughout 2021-22 as we secure their position in our long-term generation plans. Comprehensive renewal work at both the E.B. Campbell Hydroelectric Station and Coteau Creek Hydroelectric Station is budgeted for almost \$360 million and is scheduled to be completed in 2025-26.

Our work at E.B. Campbell was acknowledged through an Electricity Canada Centre of Excellence Award, recognizing the project's importance in ensuring that the six units at this facility, first commissioned in 1963, will now be able to operate for another 60 years. To date, \$11 million in project expenditures have supported Indigenous and local employment opportunities and procurement. Each supplier contract related to the E.B. Campbell refurbishment that has

on-site labour includes a local Indigenous hiring requirement.

SUPPLY OPTIONS

New technology pathways will be essential to moving our company beyond our 2030 emissions reductions targets and reaching a net-zero GHG emissions future. SaskPower recognizes that no one supply option will meet all of Saskatchewan's clean energy needs in the decades to come. As we consider a range of future supply alternatives, we are subjecting them to a thorough suitability assessment that accounts for Saskatchewan's unique geographical and operating constraints.

Nuclear small modular reactors (SMRs) remained a focus of investigation during the year as we evaluate options for clean

baseload power. An engineering and technical services contract was awarded to Calian to help support SMR planning and project development work. Ongoing strategic planning on SMRs completed with counterparts in Ontario, Alberta and New Brunswick in the winter of 2022 determined that a 300-MW SMR could be commissioned in Saskatchewan by 2034.

Robust energy storage solutions are essential as we add more intermittent power sources like solar and wind power to our provincial system. To better assess this technology option and how it stands up to the rigours of the Saskatchewan climate, SaskPower is proceeding with construction of our first-ever utility-scale battery energy storage system.

This 20-MW facility is being built by Quebec's On Power at an estimated cost

of \$26 million and with support from the federal government. Situated in northeast Regina, the battery energy storage system will be able to power up to 20,000 homes for one hour. The project has already earned a Centre of Excellence Award from Electricity Canada, not only for its potential role in achieving our net-zero GHG emissions target, but also in recognition of our proactive work with key stakeholders to understand environmental risks or effects that needed further consideration, along with emergency services support at the facility.

Carbon capture and storage, hydrogen, and expanded transmission interconnections with neighbouring jurisdictions continue to be evaluated for their potential fit in SaskPower's energy transition plans.

ENVIRONMENTAL STEWARDSHIP

Responding to the challenge of climate change reflects only one aspect of SaskPower's environmental commitment. The work associated with SaskPower's day-to-day operations often results in impacts on the province's air, land, and water resources, and drives wide-ranging and diverse efforts inside the company as we strive to be responsible environmental stewards.

Meanwhile, expectations of the electricity sector continue to increase as other sectors seek to achieve their own emissions reduction targets.

SaskPower's Environmental Management System (EMS) conforms with the International Organization for

Standardization (ISO) 14001 Standard, which serves as the basis of our commitment to strong environmental performance and transparency. The EMS guides our employees and contractors to conduct their work in an environmentally sustainable manner while remaining committed to continuous environmental improvement and transparent reporting. SaskPower employees and contractors are required to participate in a comprehensive environmental awareness training program to ensure they understand their roles and responsibilities within the EMS.

Efforts to minimize the environmental impacts resulting from construction and maintenance work on our power system infrastructure is guided by SaskPower's Environmental Beneficial Management Practices Manual, which provides employees with essential information covering the pre-construction and planning, construction, and maintenance phases of these projects. The manual is regularly updated to reflect the impact of new federal and provincial environmental legislation.

Site assessment work at SaskPower properties is regularly undertaken to understand and mitigate adverse impacts on the land; these efforts include soil and groundwater analysis.

During 2021-22, 64 assessments were completed prior to property sale, purchase, or lease agreements being finalized, along with any required monitoring and remediation work. At the same time, we continued assessments at 32 northern sites where SaskPower operated diesel generating

stations until the 1980s; this work is expected to be completed by 2026.

All spills or releases into the environment that occur at a SaskPower facility or job site – whether they are accidental or not – are reported internally. Spills that meet regulatory thresholds are reported to the provincial and/or federal regulators. In 2021-22, 23 regulated releases were reported. No long-term environmental impacts were recorded, and corrective actions were implemented to reduce the risk of similar incidents in the future.

Since 2014, work has been underway across SaskPower on a multi-year plan to remove nearly all equipment containing polychlorinated biphenyls (PCBs) from our system. PCBs are a toxic substance historically used to help cool electrical equipment, like pole-top and ground transformers. At the end of 2021-22, 1,347 pieces of PCB-contaminated equipment or equipment of unknown status remain in SaskPower's system, down from more than 100,000 in operation when the initiative began.

We remain on target to complete the removal of equipment where the concentration of PCBs is equal to or greater than 50 milligrams per kilogram ahead of the federally regulated December 31, 2025, deadline.

About 10% of SaskPower's power outages each year are caused by trees contacting our power lines. While climate change has made reducing the risk of wildfires resulting from these incidents in northern Saskatchewan

WORK TO COMBAT NORTHERN WILDFIRE RISK GAINS TRACTION



A cross-divisional SaskPower team was responsible for developing an award-winning approach to mitigating wildfire risk.

With climate change increasing the number of wildfires in northern Saskatchewan, SaskPower has been recognized for leading the development of sustainable plans to reduce this risk and help maintain reliable service to customers in the region.

In the fall of 2021, a dedicated employee team crafted a 10-year, \$50 million enhanced program to clear plants, shrubs, and trees around our northern power lines. Their innovative work was recognized when they received the Premier's Award for Excellence in Public Service. The program's proactive vegetation management approach will also result in wider rights-of-way around our facilities, helping reduce power line contacts that increase the risk of igniting wildfires.

Collaboration with northern Indigenous groups and communities, as well as the provincial Wildfire Management Branch, was essential in the SaskPower team's success. The program is also generating important economic opportunities for the northern Indigenous companies hired to complete this vegetation management work.

Half of the program's funding was secured from the federal government's Disaster Mitigation and Adaptation Fund, with SaskPower providing matching support.

a priority area of focus, during 2021-22, our company also maintained proactive vegetation management practices across the rest of the province to remove tall and hazardous tree species near our facilities and nurture low growing shrubs and native plants.

To minimize environmental impacts while also respecting traditional land use, SaskPower's vegetation management approach relies on machine mulching with large equipment, sustainable herbicide applications, and manual removal using tools such as chainsaws. During the year, targeted education efforts continued to guide decisions made by our farm and residential customers when it comes to the best trees and plants to grow that provide a safe buffer around power lines.

Our expanded use of Environmental Protection Plans (EPPs) during 2021-22 helped streamline day-to-day maintenance operations while ensuring compliance with provincial Ministry of Environment regulations. After successful provincial stakeholder consultations in 2018 regarding our shift to this standardized approach, we developed an EPP to guide routine work on transmission and distribution infrastructure in or near water on private land; this plan has been successfully deployed in the field during the last year.

Benefits of the EPP approach include streamlined project planning and execution through reduced paperwork and permitting requirements. Over the past year, we have extended the use of EPPs to cover infrastructure maintenance work on Crown agriculture land.

Work throughout the last 12 months to monitor and reduce biosecurity risks focused on lowering the possibility of regular SaskPower operations inadvertently contributing to the spread of weeds, pathogens, pests, or aquatic invasive species. In rural Saskatchewan, we're using techniques developed by an internal cross-functional team to reduce the spread of clubroot, an agricultural pathogen that can inadvertently be distributed as we construct, maintain, or repair transmission and distribution infrastructure.

Leafy spurge management around the Boundary Dam Power Station is also an area of focus, due to its ability to spread quickly and crowd out native vegetation while overtaking large areas of open land. During 36 days of spraying for leafy spurge in the last year, we completed coverage of 686 hectares, which was an increase from the 555 we treated in 2020-21, while recording no evidence that non-target species were impacted.

At the same time, SaskPower continued its collaboration with regulators and agencies on public awareness campaigns designed to support keeping zebra mussels out of the province, as we also provided \$25,000 in annual funding to the Saskatchewan Aquatic Invasive Species Task Force. The ability of zebra mussels to grow quickly and block water intake structures at our power generating facilities creates operational risks. Working in partnership with the provincial Water Security Agency, Ministry of Environment, and the University of Saskatchewan, we are relying on water sample analysis for environmental DNA to



SINCE COMMENCING OPERATIONS IN 1991, THE SASKPOWER SHAND GREENHOUSE HAS PRODUCED AND DISTRIBUTED OVER 13 MILLION SEEDLINGS.

assist in early detection of zebra mussels before the organisms are present in high enough numbers to be found using standard methods.

For over 30 years, the SaskPower Shand Greenhouse has served as our company's flagship to offset our operational impacts on the environment. Conifer, deciduous, and shrub seedlings are all grown in the greenhouse, which uses waste heat from the adjacent Shand Power Station to

enhance its energy efficiency. In 2021-22, 1,598 applications were received from Saskatchewan not-for-profit organizations, service clubs, conservation groups, and individual landowners for 405,936 free seedlings, which were ultimately used in land conservation, reclamation, wildlife habitat creation, and shelterbelt projects across the province.

To ensure the ongoing operation of the greenhouse, work was completed in the last

year to replace aging infrastructure that also resulted in expanded seedling production capacity. Since commencing operations in 1991, over 13 million seedlings have been produced and distributed by the facility.

During the year, our partnership continued with the University of Regina's biology department to survey for habitat suited to sharp-tailed grouse in southern Saskatchewan. The work includes a specific focus on identifying lek sites; these are

important locations the birds return to annually and where males compete for the attention of females as part of the breeding process.

As part of the project approval process with the provincial Ministry of Environment, SaskPower committed to offsetting construction impacts by contributing to efforts that conserve high suitability sharp-tailed grouse habitat. So far, 147 leks have been identified, with only 28 of those having



Dr. Stefano Liccioli, Wildlife Ecologist,
Grasslands National Park

PROTECTING GREATER SAGE-GROUSE IN GRASSLANDS NATIONAL PARK

Dr. Stefano Liccioli estimates that there are fewer than 10 to 15 greater sage-grouse in the west block of Grasslands National Park (GNP), which is located in southern Saskatchewan. A wildlife ecologist with Parks Canada, he has been observing and studying the species in GNP with the rest of his team since 2016, monitoring the west block as well as a slightly larger population in the park's east block that is connected through migration to a much larger population south in Montana. In the west, Liccioli says the population is so small and precarious that almost anything could cause numbers to plummet — coyote and great horned owl predation or a big snowstorm. "The population seems to be very isolated in the west," he says. "It's very close to extirpation."

To help recover populations and improve habitat, SaskPower partnered with GNP to remove above-ground power lines, which had provided handy perches for predatory raptors. In 2020, the company buried 11 kilometres of line in the Frenchman River Valley, which improved an estimated 400 hectares of greater sage-grouse habitat. This year, SaskPower will move another nine kilometres of line underground for the same purpose.

"There are many efforts ongoing to preserve population and habitat," Liccioli says. "Any infrastructure can potentially negatively impact the species, including fences, power lines, outbuildings, any anthropogenic structures that aid or attract predators." Removing these structures from the landscape also offers additional benefits — better sightlines for park visitors and a more natural environment.

"The infrastructure in GNP was quite old and would have required refurbishment in the coming years," says Jaret McDonald, Specialist, Environmental Strategic Issues Management for SaskPower. "Enhancing service and reliability while enhancing greater sage-grouse habitat was a perfect alignment of corporate goals and objectives."

The power line relocation is one piece of a sustainability puzzle focused on improving numbers of greater sage-grouse in western Canada. In GNP, that work also has to preserve the experience of visitors and maintain a certain amount of fenced grazing land for cattle and bison.

Scientific studies have shown that greater sage-grouse hens nest within five to 10 kilometres of mating areas (called leks), so efforts can be prioritized to these areas first. GNP also works with the Calgary Zoo on a captive breeding program, with birds released in the west block.

"It might take a long time for the population to rebound," Liccioli says. "The captive breeding is a tool to buy some time while these longer-term changes return benefit." In the meantime, every effort to improve the conditions for the greater sage-grouse — including the work done by SaskPower to relocate a power line — makes an important contribution to the chances of the birds' long-term survival.

SASKPOWER CONDUCTED THE TRIAL USE OF A DRONE TO INSTALL BIRD FLIGHT DIVERTERS (BFDs) ON TRANSMISSION LINE SHIELD WIRES. BFDs REDUCE THE POTENTIAL FOR BIRD COLLISION IN HIGHER RISK AREAS. THIS ALSO REDUCES COST AND PERSONNEL RISK ASSOCIATED WITH CONVENTIONAL INSTALL METHODS.



been previously recorded. This research alliance began during the construction of the Chinook Power Station in 2017, which impacted a large sharp-tailed grouse lek site.

Protecting provincial bird populations remained a priority within our broader biodiversity safeguarding initiatives throughout 2021-22. Thanks to the financial support our company provides for the Saskatchewan Breeding Bird Atlas, SaskPower staff gain access to important insights about bird nesting that are used to avoid sensitive habitats and breeding periods

during the construction and maintenance of transmission and distribution infrastructure.

During the year, proactive reporting by SaskPower transmission and distribution staff supported avian experts in safely moving active bird nests situated on our facilities, which improved reliability of service to customers while also protecting important bird species.

At the same time, by undertaking most of the major construction work in the winter months when open water was frozen, we

were able to complete safety and reliability updates to a 50-year-old transmission line between the Coteau Creek Hydroelectric Station and the Swift Current Switching Station while mitigating impacts on birds, animals, and plants. Native plants were replanted to replace those disturbed during construction will be monitored for five years as we endeavour to restore the area to its original state.



Dr. Chris Somers, Professor of Biology,
University of Regina

STUDYING THE SPORT FISH OF SOUTHERN SASKATCHEWAN

The hosts of *Fish'n Canada* are still talking about the spectacular sport fishing they found in Saskatchewan in 2017: big, clear northern lakes filled with oversized northern pike and lake trout. Then there was the unexpected, something they never thought they would find in the province's cold waters: "Largemouth bass in Saskatchewan?" they wrote in *Outdoor Canada*. "Really?"

The Boundary Dam Reservoir near Estevan is currently home to Saskatchewan's only stock of largemouth bass, swimming in the elevated temperatures that make it an anomaly in the province. Water from the reservoir cools operations at SaskPower's Boundary Dam Power Station, and the outflow creates ideal conditions for this sought-after fish. A healthy ecosystem of sport fishing and its supporting tourism economy have built up around the reservoir in the seven decades since the plant was built.

Now, as federal greenhouse gas emissions reduction targets are expected to impact operations at Boundary Dam Power Station through the end of the decade, anglers are wondering what will happen to all the fish.

To answer that question, SaskPower has partnered with University of Regina biology professor Dr. Chris Somers to conduct a multi-year study of the reservoir and the effects of potential cooling as the conventional coal-fired units at the station are decommissioned. With a team of undergrad and Masters students,

they will start by benchmarking the environmental conditions, including pH levels, temperature and clarity. They will also create a detailed characterization of the water and the life in it — zooplankton, vegetation, fish, and invertebrates.

"This is an amazing opportunity for a biologist," Somers says. He describes it as observing common ecosystem transitions in reverse, studying the effects of cooling rather than warming. Those effects are already in evidence. He says that locals observed the thickest ice on the reservoir this past winter that they've seen since the plant was opened in 1959.

"We want to find out just how important this warm water has been to organisms in the reservoir," he adds, noting that the work will extend beyond bass to also look at stocks of walleye, northern pike and perch. Historically, fish have grown bigger, and faster, without the overgrowth of algae and other vegetation usually observed in warmer water bodies.

With a baseline record of the reservoir's ecology, he and his students will be able to create a trajectory of change, and potential remedies for protecting the fishery as the water temperature drops. "Once we have a better understanding of the trends, we can manage this change and its impact on the local community positively," says SaskPower biologist Jaret McDonald.

In the meantime, Somers says, "This is a good place to be a bass."

INVESTING IN HYDROELECTRIC STATION REFURBISHMENTS

Hydroelectric power is front and centre in SaskPower's long-term plans to achieve net-zero greenhouse gas (GHG) emissions from operations. That is why our company is making significant investments in two of its largest and most important hydroelectric stations.

At the E.B. Campbell Hydroelectric Station, \$300 million in upgrades will focus on renewing and replacing electrical and mechanical components that are nearing the end of their operating life. Booker Kenny is the project manager and says that by replacing the original turbine blades with new ones designed by computer — something not available when the facility was built in 1963 — they'll be able generate more power using the same amount of water. Work began in 2021 and will focus on refurbishing one of the six units each year until 2025. Kenny says this approach allows the plant to continue producing zero-emission power while work is underway.

At the Coteau Creek Hydroelectric Station, which has been operating on the South Saskatchewan River since 1969, project manager Charles McEachen says \$59 million will be invested by 2026 to upgrade and modernize electrical, mechanical, and control equipment. McEachen says it is important to do the work now, before the facility's reliability is impacted or a significant equipment failure occurs.

McEachen says the work was designed so any changes in water flows through the plant do not impact piping plover

that nest on the shoreline of Lake Diefenbaker. Similar to the approach at E.B. Campbell, only one unit will be taken out of service and refurbished each year, meaning water used by towns and cities downstream from the facility will not be impacted.

As part of the Coteau Creek renewal project, McEachen says a remote-controlled submarine was used to inspect the power station's concrete water inlets — over 200 feet below the surface of Lake Diefenbaker — for the first time since the facility opened and they were found to be in near-original condition. McEachen says a special monorail is being built to remove and refurbish the original head gates that stop the flow of water to the turbine in case of emergency or for maintenance.

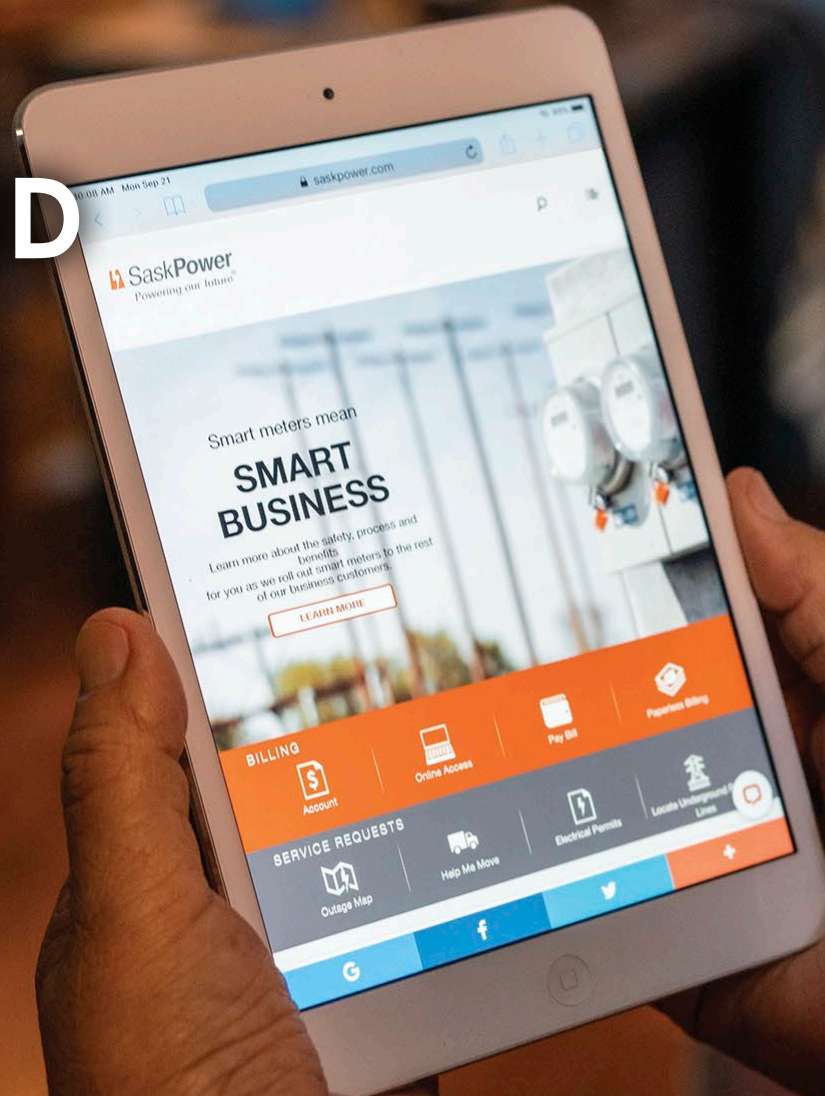
Both construction projects are creating important local economic benefits. At E.B. Campbell, Kenny says an Indigenous procurement plan means all major contractors must meet a hiring requirement of 10-25% Indigenous staff, while companies with Indigenous ownership have also been included in the project delivery team. Kenny says even though Andritz — the main contractor for the E.B. Campbell work — comes from outside the province, up to 85% of their staff for this project is Saskatchewan-based. At Coteau Creek, meanwhile, McEachen says local contractors are also making an essential contribution to the project's completion; at project peak, there will be over 80 contractors on site.



Charles McEachen, Project Manager, Power Production Project Delivery (left) and Booker Kenny, Manager, Construction-North, are working to ensure SaskPower's hydroelectric generating stations continue to provide emissions-free electricity for a long time to come.

CUSTOMER AND COMMUNITY ENGAGEMENT

We believe that a strong relationship with those who have a shared interest in SaskPower is fundamental to our company's success. We pursue a connection with customers, Indigenous rights holders and all stakeholders that is transparent and accountable while encouraging the development of partnerships. We champion safety as well as energy efficiency and conservation initiatives while supporting the communities we serve.



SaskPower's success in living up to our sustainability commitments relies on deep and ongoing engagement with those we serve across Saskatchewan. Through dialogue with customers, stakeholders, and Indigenous rights holders, we proactively seek to identify emerging needs and gather essential insights which guide us in refining or developing programs that support our objective of providing valued products and services. Meanwhile, we are working to further develop a customer-focused organization while growing our partnerships with both customers and stakeholders.

With the COVID-19 pandemic generating significant and ongoing uncertainty, customers expressed continued worries about financial challenges they were facing. In response, during the year SaskPower extended our commitment to waive late payment interest charges, pause residential customer disconnections for nonpayment, and suspend active collections. Additional support came in the form of the provincial government's Saskatchewan Economic Recovery Rebate, which provided a 10% reduction in energy, demand, and basic monthly charges from December 1, 2020, to the end of November 2021. At the same time, a one-time relief program was implemented that provided \$700,000 to cover demand charges at non-profit rinks between March and September 2021.

CUSTOMER GENERATION

Increasing customer enthusiasm to take action on climate change, combined with lower costs for smaller-scale renewable power options, has resulted in increasing interest in self-generation options within our service territory. Created specifically to respond to the needs of Saskatchewan's industrial sector, our Power Generation Partner Program offered customers the opportunity to submit proposals for generating and selling solar and carbon neutral power to SaskPower. October 2020 marked the close of the intake process for new proposals. There are currently 8 projects connected to the grid and delivering 3.2 MW of customer generation, with 31 more projects moving forward for an additional 37.0 MW.

More affordable self-generation options for residential and farm customers are also driving ongoing interest in our Net Metering Program. Our company extended the current price paid for renewable power through the Net Metering Program until March 2026, providing stability for renewable energy vendors and existing program participants. The decision to maintain current pricing was made after we hosted two province-wide virtual workshops in the summer of 2021 and evaluated the results of two customer surveys; participants clearly indicated that they are eager to be part of future conversations about the Net Metering Program and distributed generation.

STAKEHOLDER RELATIONS

As we map a pathway to a sustainable and low carbon future for SaskPower, actively seeking input and feedback from diverse voices across our province will ensure our plan reflects the needs of all Saskatchewan residents and businesses.

Targeted engagements with Indigenous rights holders in the fall of 2021 offered a unique chance for focused dialogue around the potential clean electricity supply options we are considering for the future. SaskPower partnered with the First Nations Power Authority to host these events, deploying a mix of virtual and in-person sessions that reflected the public health restrictions associated with the COVID-19 pandemic.

At the same time, we considered input from the nearly 300 customers and stakeholders who attended a series of virtual workshops offered in the spring of 2021, as we seek to better understand what must be considered in our journey to net-zero greenhouse gas (GHG) emissions. We will continue to expand and deepen these conversations with customers, stakeholders, and Indigenous rights holders through additional province-wide engagement efforts that feature future planning scenarios.

ENHANCING SERVICE

Beyond our focused dialogue around future supply, SaskPower regularly gathers customer input to evaluate our ongoing efforts to meet service expectations around rates, reliability, and communication.

2021-22 PERFORMANCE INDICATORS

5.8 hours

↓ SAIDI (distribution): the average customer's total interruption time in hours over the year — a decrease of 3% from the previous year

3.6 outages

↑ SAIFI (distribution): the average customer's number of interruptions over the year — a 29% increase from the previous year

126 minutes

↓ SAIDI (transmission): the average duration of interruption experienced at a bulk electric service delivery point in one year — a 6% decrease from the previous year

2.2 outages

↓ SAIFI (transmission): the average number of forced interruptions experienced at a bulk electric service delivery point in one year — a 19% decrease from the previous year

ALL HANDS ON DECK FOR SPRING STORM



On April 23, 2022, a “Colorado Low” weather system moved into the southeast corner of Saskatchewan, bringing a powerful storm with high winds and heavy precipitation that caused significant damage to infrastructure and left about 24,000 customers without power.

Once road conditions allowed for safe travel, crews began assessing the damage and making repairs. Additional crews were also called in from Weyburn, Yorkton, Melville, Regina, Saskatoon, North Battleford, Prince Albert, Tisdale, Kindersley and Swift Current. Two helicopters were also deployed to conduct aerial patrols. It required two days to restore power to most residential and farm customers.

The lengthy list of impacted infrastructure included the Auburnton Switching Station, eight transmission lines, and numerous distribution lines throughout the region. In total, crews identified nearly 1,260 individual damage points that required repairs, primarily to wood poles and cross arms.

These customer experience surveys are vital tools in helping us identify opportunities for service and program improvements. We track satisfaction across our three primary customer segments – residential, small and medium business, and key and major accounts.

After choosing to pause this research in 2020-21 due to the circumstances resulting from the COVID-19 pandemic, the results from this year’s customer experience surveys indicate that the pandemic did not have a negative impact on perceptions. An improvement in the rating from residential customers regarding the ease and effectiveness of doing business with SaskPower reflects ongoing investments in recent years to improve digital services.

New functionality added to the MySaskPower online portal has made it easier for customers to connect and do business with us when and where they want. Enhancements include the ability to avoid move-in/move-out connection fees by submitting meter reads with a picture; new reports that deliver personalized billing, payment, consumption, and weather information; the ability to update account information online; and options to sign up, modify or cancel equalized payment plans and pre-authorized plans. More conversational-style communication with SaskPower Customer Service Representatives was also introduced through a revamped message centre.

At the same time, customer notifications about power outages were enhanced within the MySaskPower online portal and a new

sign-up service offered on our website. Our focus on improving the online experience we provide was validated when ESource, a leading North American research firm focused on electricity and gas companies, ranked saskpower.com as tied for second best among participating Canadian utility websites.

Recognizing that not all customers prefer to engage with us virtually, our provincial call centre saw phone and email inquiries return to historic rates during 2021-22. Compared to the prior year, we saw increased collections and disconnect activities, customer inquiries arising from the introduction of the residential advanced metering infrastructure program, and the transition of many customers back to normal business processes after adhering to COVID-19 pandemic restrictions.

Guided by a promise to show that we care in every interaction, our service goal is to earn our customers’ business every day. For small and medium business customers, the last 12 months saw ongoing execution of a multi-year strategy to improve relationships through the introduction of a dedicated contact centre team, enhanced self-serve options, and the publication of a quarterly newsletter. These efforts paid off as we recorded a 5% increase in the customer experience rating for this segment, despite the challenges presented by the COVID-19 pandemic.

Our belief in the value of a tailored approach for each customer segment we serve led us to continue targeted social media and radio campaigns that use Cree,

Dene and English to build awareness about SaskPower's services in northern Indigenous communities. Based on the success of a pilot project we started in 2019, our Indigenous Customer Care Centre is now a part of our permanent service model and reflects the innovative approaches we're deploying to build better relationships with customers in the far north.

With energy affordability remaining an issue of concern for Indigenous customers living in northern Saskatchewan, we unveiled the Northern First Nations Home Retrofit Program to deliver up to 260 home energy efficiency retrofits. The program, which will run until March 2024, is funded by both SaskPower and the Government of Canada's Low Carbon Economy Fund, and also includes targeted education to help northern residents improve home energy efficiency.

Meanwhile, our Energy Assistance Program (EAP) recorded satisfaction rates exceeding 90% from the more than 300 lower-income customers who have participated to date. The EAP provides free energy efficient product upgrades and one-on-one advice from a SaskPower expert. In the last year, program eligibility was expanded to include both renters and homeowners, who can expect average savings of \$230 on their combined annual utility bill. With 700 applications received in 2021-22, our goal is to engage with 3,000 lower-income customers across the province.

SaskPower's large customers hold a unique position as we advance our sustainability agenda. Many are pursuing their own plans

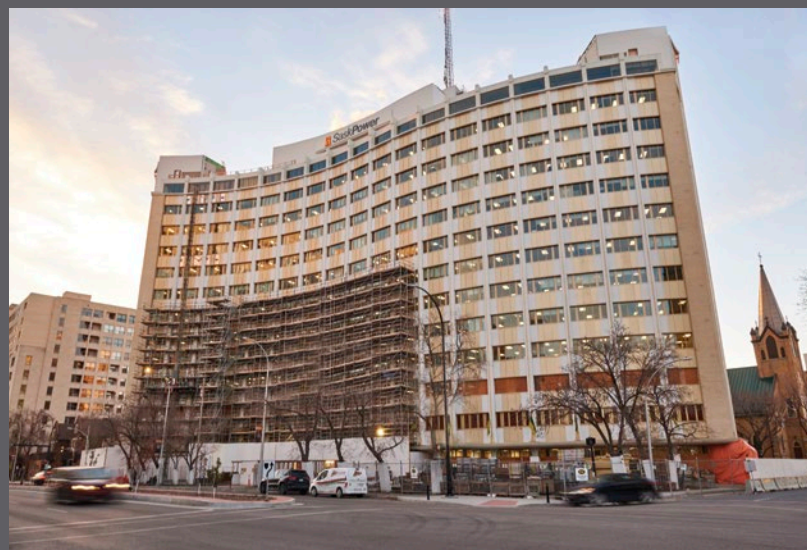
to respond to climate change, as calls from investors to align with Environmental, Social and Governance (ESG) requirements in their daily operations grow louder. A cross-functional team inside SaskPower is dedicated to helping us better understand the future business needs of our large customers and how they want to collaborate with us on the path to net-zero GHG emissions.

Two new programs announced in the last year support this customer segment's transition to a cleaner energy future. The Renewable Subscription Service offers commercial and industrial customers the chance to buy renewable energy certificates (RECs) from our renewable power facilities, to support their own internal carbon reduction targets.

Larger customers, meanwhile, can now purchase certified clean power and RECs by subscribing to a portion of the output from a 100-MW dedicated solar facility to be constructed as part of our new Renewable Partnership Offering. An expression of interest closed at the end of March 2022 for this program, which presents a more economical option to customers wanting to meet ESG requirements as compared to operating their own renewable generation facilities.

At the same time, ongoing dialogue with a wide range of key stakeholders and industry associations over the past 12 months has explored the viability of a call for partnerships with industrial and commercial customers.

BUILDING SUSTAINABILITY



Investments made in the nearly 60-year-old SaskPower head office in Regina highlight how our company is relying on its corporate-wide Internal Energy Management Plan (IEMP) to lead by example when it comes to enhancing sustainability within our operations.

Work during a multi-year renovation to our Regina headquarters includes enhancements to the building envelope, installation of heating, ventilation and air conditioning systems, and updates to plumbing fixtures — all which will meet or exceed energy efficiency standards and which reflect the IEMP's goal of improving operational performance in our own facilities.

Not every IEMP success story is as dramatic as the changes implemented during our head office renovation, but the results are equally important. By incorporating smart meter data into regularly scheduled energy audits at SaskPower facilities across the province, for example, we have discovered how even small changes in daily operational practices can deliver significant savings. As we strive to meet industry-leading energy management principles, SaskPower's building operators will continue to refine energy-use dashboards to uncover additional improvement opportunities. We will also assess the new technology deployed during our head office renovation for potential use at other new construction and renovation projects.

Addressing SaskPower's future supply challenges is in everyone's interest and potential synergies may be found through their ongoing efforts to mitigate environmental concerns, show progress on their own ESGs and manage the impacts of future rate increases. Load management or contracts for cogeneration and renewable power are some options being discussed at this preliminary stage.

For SaskPower's largest industrial and manufacturing customers wanting to take quicker action, the Power Support Service (PSS) was launched in April 2021 as a pilot program to help them understand energy use within their facilities and provide advice on applying those insights to energy savings and/or beneficial electrification opportunities. To date, the program has already completed 21 presentations and energy diagnostic reports. A decision on whether to make the PSS a permanent program offering is currently under evaluation.

During the year, we supported customers who want to reduce their personal emissions footprint through the switch to an electric vehicle (EV) by initiating educational and awareness efforts that tackle misinformation about EVs. In preparation for the impact that EV growth is forecast to have on our provincial electrical infrastructure, we wrapped up a year-long effort in the spring of 2022 through which we collected data from almost 90 EV users on how, when, and where they charge their vehicles.

Part of our Smart Charge Saskatchewan initiative, this information will help us craft future load management strategies, inform forecasting assumptions, and guide future equipment design standards. At the same time, we have shared this Smart Charge data with a team at the University of Regina's Faculty of Engineering to use in a project that will evaluate and model the impact of EV penetration on Saskatchewan's urban residential distribution system.

OUR COMMUNITIES

At SaskPower, an important aspect of sustainability includes providing meaningful assistance to non-profit organizations across the province. Over the year, our Corporate Contributions Program delivered \$1.9 million in support of educational programs and business initiatives that align with our strategic priorities, including career opportunities for youth, improving safety around electricity, building strong Indigenous relations, fostering business relationships, and expanding education focused on saving power and protecting our environment. In the uncertain times experienced during the COVID-19 pandemic, this funding was especially critical for the diverse range of organizations and communities who benefit from contributions.

Every October, employees across the company are enthusiastic participants in our United Way provincial campaign, with each dollar they donate to their local United Way matched 100% by SaskPower. In 2021, our company raised a total of \$226,642.

SaskPower's commitment to communities and families during the last year also included an annual donation of \$400,000 to the STARS Air Ambulance and \$320,000 to the Saskatchewan Science Centre.

In Coronach, home to the Poplar River Power Station, SaskPower provided critical financial support as residents joined forces to purchase a new ambulance that contributes to the community's long-term health and safety of residents.

The volunteer work of our employees within their home communities across the province is recognized through a SaskPower program which provides up to \$60,000 in donations to non-profit community organizations as a way of acknowledging our employees' commitment to serving the towns and cities in which they live and work.

Meanwhile, in the last year, our Properties and Shared Services department delivered approximately 1,000 pieces of office furniture and equipment — no longer required as renovation projects at our facilities were completed — to 80 different non-profit groups and Indigenous communities. In Regina, two surplus fridges were also provided to the local Community Fridge program.

With the December holiday season being an especially challenging time for many across Saskatchewan during the second year of the COVID-19 pandemic, employees put in extra efforts to provide clothing, toiletries and food items that would assist those in need. In Regina,

we collaborated with Awasiw: The Place of Hope in these outreach efforts, along with Kitchener School and Thomson Elementary School. Students at the Hector Thiboutot Community School in Sandy Bay also received essential donations over the holidays that were gathered by our staff.

PLACING PUBLIC VOICES INTO SASKATCHEWAN'S FUTURE POWER PLANNING

How do SaskPower's customers think we should power the future? As Saskatchewan residents become more aware of the challenges and opportunities in a changing climate, this question is more important than ever. To help answer it, SaskPower has begun an enhanced approach to gathering input that involves talking to citizens and stakeholders across the province about their hopes, concerns, and questions around power generation through the next decade and beyond.

Lara Ludwig is SaskPower's Manager, Public Engagement & Stakeholder Consultation. She and her team have been working on a series of meetings, conversations, and feedback sessions to inform SaskPower's future supply planning process. "We want to give people an opportunity to participate," she says. "They can see themselves in this and know they've been heard."

Her team has just completed the first of a five-stage process which will ultimately result in a long-term plan to meet SaskPower's future energy needs. Stage One identifies interested groups and individuals — municipalities, large account holders, organizations like Barrier-Free Saskatchewan, and individual customers — and engages them in deliberative dialogue. "The goal in this isn't to come to a consensus," Ludwig says. "It's to give people a chance to hear other perspectives, to see what some of the challenges and opportunities are in this type of planning."

From there, SaskPower's supply planners will create potential scenarios that show

how different combinations of energy generation sources — such as renewables, hydroelectricity, biomass, hydrogen, and natural gas — could provide the clean power needed for our province's future.

During this dialogue, there are several factors that Ludwig says are non-negotiable. "In the end, we have to make sure the grid is reliable, cost-effective, and meets our greenhouse gas targets." But beyond that, how the province undertakes its energy transformation is still under consideration and open for discussion.

"People care more and more about climate change," says Nanette Salamon, SaskPower's Manager, Supply Planning, who has been involved in this engagement process from the beginning. "And at the same time, we have a strong voice from industry and business owners to keep rates reasonable."

She adds that in a time of transition, this type of consultation is more important than ever. "We have a lot of decisions to make in the next 10 years," she says. "Communicating effectively with the public and gaining their input will be key to ensure we are creating a solution that works for Saskatchewan."

It will be the task of Salamon's team to weave this public input into the planning process, and to come back to later-stage engagement sessions with examples of what the province's energy mix might look like. "This is the start of many more conversations," Ludwig says. "The planning process is never static."



Lara Ludwig, Manager, Public Engagement & Stakeholder Consultation (left) and Nanette Salamon, Manager, Supply Planning.



..... Matt Pointer, President, SEVA

PARTNERING TO HELP DRIVE ELECTRIC VEHICLE GROWTH

SaskPower's plan to make it easier to get around Saskatchewan in an electric vehicle (EV) is relying on insights from current EV owners across the province to succeed.

The Electric Vehicle Infrastructure Program (EVIP) was launched by SaskPower in the spring of 2022 to help fund, develop and install up to 20 public EV fast charging projects that will result in more opportunities for motorists to charge vehicles during road trips in Saskatchewan. SaskPower and Natural Resources Canada (NRCan) are providing up to 75% of the cost to build a charging project, to a maximum of \$200,000 per project.

The Saskatchewan Electric Vehicle Association (SEVA) and its members have worked closely with other EV drivers in the province to support SaskPower and the EVIP by engaging with and helping identify towns and businesses across the province who may be interested in participating. In fact, SEVA set up a charging committee dedicated to "get boots on the ground to scout out locations," says Matt Pointer, SEVA's president.

Pointer says SEVA's membership met with municipal leaders and local businesses to drum up interest in the EVIP. Pointer admits it was a tough sell at times, due to the prevalence of myths about EVs. "We used (EVIP) as an opportunity to educate folks — electrification is coming, it is in fact already here. This is a great way to diversify your business and deliver a

different perspective on what you offer to visitors and customers."

SEVA members pointed out in their local conversations that towns and businesses which are chosen to host a charging station through the EVIP will benefit economically, since they'll have a captive audience. Says Pointer: "If someone is charging their car in Davidson, for example, they won't sit in their car, but they will explore the surrounding area, venturing into businesses, checking out the town. We see it as a win/win."

SEVA's work supporting the EVIP is a natural continuation of the organization's collaboration with SaskPower over the last two years to help support the broader electrification of transport in Saskatchewan, "looking to not only bring awareness but education and get rid of some of the misinformation and old misnomers that are no longer relevant," Pointer notes.

While there were only approximately 1,200 EVs in Saskatchewan as of December 2021, SaskPower and SEVA expect this number to grow significantly. The EVIP is an important part of the company's efforts to prepare for a future where EVs are increasingly prominent on Saskatchewan highways.

SaskPower is contributing \$2 million in funding to the EVIP, while NRCan's Zero Emission Vehicle Infrastructure Program has provided another \$2 million.

DELIVERING RESULTS FOR NORTHERN INDIGENOUS CUSTOMERS

For Nadine Goldstone, the drive to create a service model dedicated to the needs of Indigenous customers in northern Saskatchewan was rooted in a sense of compassion: “SaskPower is sometimes difficult to do business with. We assume everyone knows how to interact with us, knows power lingo and power processes, and they can fit in and get what they need. But that’s not the truth.”

In fact, Goldstone, who is now a Senior Business Advisor, Indigenous Procurement at SaskPower, said stories she heard firsthand from northern residents about their relationship with SaskPower moved her to tears.

Goldstone was the leader of SaskPower’s Indigenous Customer Care (ICC) service model when it was created as a pilot project in 2019 and given the broad mandate of improving customer service and processes that “were really difficult” for Indigenous customers in northern Saskatchewan. Many of these customers consistently face high bills because they must use electricity for home heating. As the ICC started, Nadine says the team was guided by a mindset of “genuinely showing up with the intent to serve.”

In just two years, Goldstone and her team have delivered impressive results, including a 94% drop in customer escalations and \$2.1 million collected in outstanding payments. In 2021, the team was made permanent, and Fern Pewapsconias — who originally joined ICC as a relationship manager — took over as Manager of Indigenous Customer Care in April 2022.

Before ICC was created, Pewapsconias says SaskPower was using the same approach with customers across the province and no consideration was given to unique language or cultural barriers in the north. “The message was not going through. We ended up frustrating people as a result because we assumed they understood,” Pewapsconias says. By translating communications into Cree and Dene and using a mix of phone calls, texts, emails and social media, engagement has become much more effective.

At the same time, community power representatives (CPRs) were put in place to serve as local contacts that northern residents can turn to for help when they need to deal with SaskPower. Through weekly mentoring sessions, Pewapsconias works with each CPR so they can support people in their community deal with high bill, payment, and collections issues, while also introducing new energy savings tools.

Pewapsconias acknowledges the work hasn’t been easy: “It was tough. We had to prove to them in two years that we are here to serve them.” With the ICC now firmly established, she says, “It feels great that the company is taking these important steps to reconciliation. Showing up differently is important as a company. We still have to do business with our customers, but we don’t have to make it harder than it already is.”

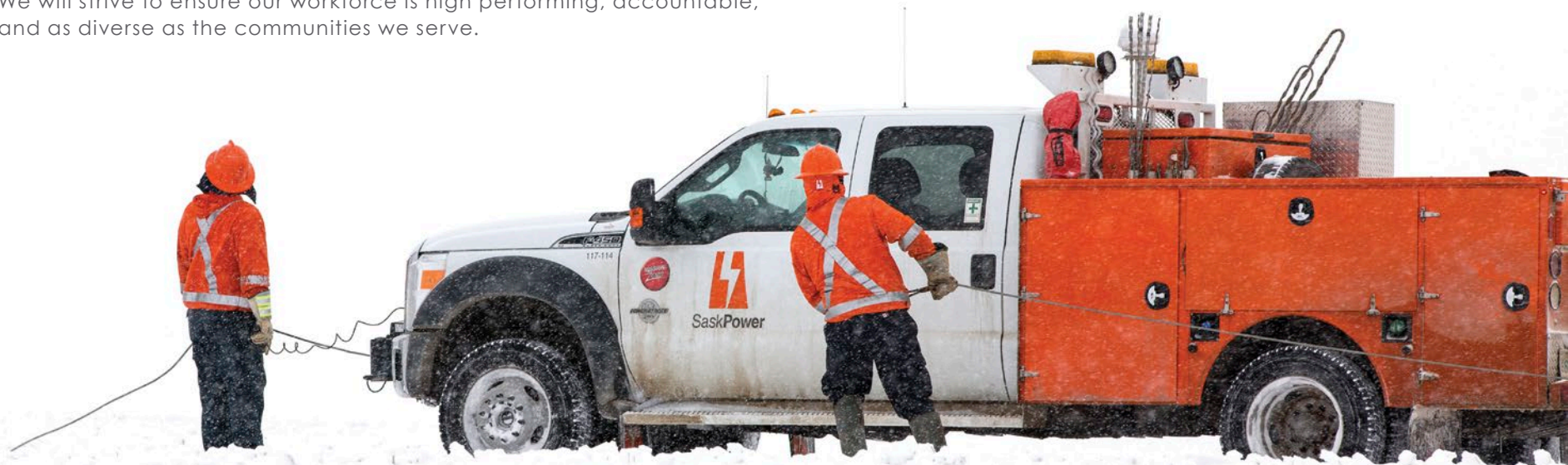
Nadine Goldstone, Senior Business Advisor, Indigenous Procurement (left) and Fern Pewapsconias, Manager, Indigenous Customer Care.

PEOPLE

We believe that nothing is more important than the health, safety and well-being of SaskPower's employees, contractors and the public.

The success of our company is dependent upon the strength of our workforce. We work to be an employer of choice, with dedicated and engaged employees.

We will strive to ensure our workforce is high performing, accountable, and as diverse as the communities we serve.



SaskPower's success in delivering on a clean energy future will rely on the hard work and dedication of a workforce of more than 3,000 employees. Providing a wide range of support and development opportunities to staff across the province so they can perform at their best during this transformation — while also stepping up efforts to attract new individuals to our workforce — is foundational to our company reaching its sustainability aspirations.

Nearly half of our workforce is comprised of members of the International Brotherhood of Electrical Workers (IBEW) Local 2067, while approximately 13% of employees belong to Unifor Local 649. The balance of staff is out-of-scope.

Formal corporate employee engagement surveys are conducted every second year. They provide a critical snapshot into the health of our workforce and inform decisions around how we can improve our corporate culture. SaskPower's recent shift to a biennial survey allows us more time to develop and implement meaningful responses to what employees had to say. Being named as one of Saskatchewan's Top Employers for a 15th consecutive year, as well as one of Canada's Top Employer's for Young People for the 10th consecutive year, offers an indication that we are on the right path.

However, we recognize there is much work to do in preparing for the challenges that lie ahead. SaskPower's inaugural workplace

culture survey was released in the winter of 2022, offering staff a new way to tell us what it is like to work in our company. Results were reported back against five essential culture behaviours: act with integrity, increase knowledge and share learning, engage everyone, speak up responsibly, and do it the right way.

The overall culture index score of 79% was favorable, which shows that there are several culture and safety behaviours that are demonstrated well across the organization. Based on the feedback provided, we will focus on areas that can be improved to help build a better workplace and improve our overall organizational culture.

An integrated approach to culture and leadership that nurtures the development of current and future corporate leaders remained a top priority through 2021-22. Our recently revamped corporate leadership model provides a clear roadmap for individuals as they plot their personal development journey.

During the year, we updated leadership programs to reflect the unique needs and experiences of our in-scope supervisors. At the same time, SaskPower contracted with an external company to deploy an online platform that supports our employees' ongoing personal and professional development. This digital tool offers flexible access to a wide range of learning topics and activities as we empower our workforce in their pursuit of new knowledge, skills, and abilities.

The broader mental health impacts being felt by individuals and families across society due to the COVID-19 pandemic are well-documented. Complementing existing

supports already available to SaskPower employees, we engaged with an external company during the last year to offer our staff access to an innovative app that provides resilience-building exercises, training, and one-touch crisis support.

Meanwhile, as we identify new critical employee segments that reflect our increased use of technology and automation — the importance of proactive workforce planning has never been more evident. Improved succession planning and increasingly sophisticated job competency frameworks that outline the knowledge, skills, abilities, attitudes, and behaviours we are seeking in a future workforce are contributing to improved recruitment and retention efforts.

SaskPower's Apprentice Awards Program — now in its fifth year — continues to play a key role in our workforce planning and transition efforts. The program recognizes deserving journey person apprentices who achieve high marks on their exams while also demonstrating a commitment to SaskPower's core values.

Our company's Employee Sustainability Network (ESN) is an employee-led volunteer group that focuses on fostering a sustainability-focused corporate culture. During 2021-22, employees participating in the ESN organized EV Ride and Drive events in Regina and Saskatoon. At the same time, virtual lunch-and-learn events provided energy efficiency ideas to staff working from home during the COVID-19 pandemic while other events and discussions promoted a wide range of sustainability topics.

2021-22 PERFORMANCE INDICATORS

33%

↑ Diversity of the Executive team — a 13% increase from the previous year

40.8%

↓ Workforce diversity — a 0.5% decrease from the previous year

12

↓ Total lost-time employee injuries — a decrease of 2 injuries from the previous year

6.5

↓ Lost-time employee injury severity rate — a 74% decrease from the previous year

ESN members also partnered with one of our employee resource groups – the Indigenous Employees Network – on a renewable energy site tour at Cowessess First Nation and supported a donation drive for Awasis: The Place of Hope. The ESN also created a set of easy-to-use tips that SaskPower employees could incorporate into creating more sustainable Christmas holiday celebrations.

DIVERSITY & INCLUSION

SaskPower aspires to be an employer that engages and empowers all staff to reach their full potential, while bringing their whole selves to work. Our commitment to delivering on this vision resulted in SaskPower being recognized as one of Canada's Best Diversity Employers for the 14th consecutive year.

SaskPower's six internal employee resource groups hold a vital place in our diversity and inclusion success, providing supportive environments that foster a sense of community and comfort while raising awareness through a variety of events and activities during the year. These groups include: the Indigenous Employees Network; Lesbian, Gay, Bi-Sexual, Transgender, Queer, Two-Spirited (LGBTQ2S+) Network; Network of Employees with Disabilities; Cultural Diversity Group; Women's Resource Group; and PowerGen (leadership development network).

As we strive for further progress, we are guided by SaskPower's Diversity & Inclusion Strategic Plan, which sets out a course of action focused on three priority areas: our people, our partnerships, and our culture. To ensure this strategy reflects how our company

will have to adapt during the energy transition, recent updates have seen a new emphasis on diversity of thought. Other aspects of the strategy, which has been designed to align with our five essential culture behaviours, highlight the importance of leveraging external partnerships and improving data collection and metrics.

During the year, a new Women Mentoring Circle Program was established. The intent of this group is to support growing the confidence and capabilities of women employees and advancing the careers of women across SaskPower. Meanwhile, 11 full day training sessions on Indigenous awareness were held across SaskPower in 2021-22 that covered the basics of proper terminology while seeking to break stereotypes, as participants took part in a journey that highlighted the challenges faced by First Nation and Métis people. A presentation on Unconscious Bias delivered to company leaders in November 2021 provided ideas and support they can use to foster a culture of inclusion during ongoing recruitment efforts and daily management of their teams.

SAFETY

Workplace safety remained top of mind for all leaders and employees across SaskPower during the COVID-19 pandemic, as staff were redeployed to work from home and additional protocols were established to reduce risks facing field workers whose work required them to engage with customers in person. These extraordinary efforts over the last two years reflect our long-standing belief that nothing is so important that it cannot be done safely.

SaskPower's Safety Management System (SMS), managed by our Health and Safety Department, serves as the anchor for our company's commitment to safety. The SMS is aligned with the ISO 45001 standard. A comprehensive SMS governance structure means all levels of our workforce — from field workers to our Executive team — are accountable for ensuring strong safety values are evident across the company. During 2021-22, our in-house safety team worked to update SMS procedures so that they align with the updated requirements of ISO 45001.

Recognizing that sustaining a dynamic safety culture requires a continuous improvement mindset, work continued throughout 2021-22 on our corporate Roadmap to Safety, which relies on a collaborative approach with employees to design workplace safety solutions that address issues and challenges they have experienced firsthand in their work.

Having identified that the traditional hazard and risk assessment (HARA) process was cumbersome and not serving its intended purpose, field workers joined forces with safety team members to create a new electronic HARA form that incorporates a series of drop-down menus. The form is now easier to complete and instantly links employees to any applicable safety regulations and procedures required for the work they're about to begin. In the year ahead, small employee teams will continue tackling a wide range of issues under the Roadmap's five key improvement themes: visible leadership; proactive safety; human factors; technology; and measures and performance.

SaskPower highlighted our safety culture challenges and successes as we hosted the Transmission and Distribution Maintenance Management Association Conference, which included 24 utilities and more than 150 delegates from across Canada and the United States. Due to COVID-19 restrictions, the event was delivered virtually for the first time in its history.

Our goal of ensuring safety around electricity has always extended beyond our employees and contractors to include the public. During 2021-22, two new programs were introduced that are intended to help us improve safety outcomes. A new portable display shows how power flows through a machine if someone contacts an overhead line. Three different live models have been created, representing some of the most frequent types of overhead line contacts in Saskatchewan: a tractor and auger, a dump truck, and a track hoe machine. We will be increasing the use of these displays as public events resume in a post-pandemic environment.

At the same time, with a historic average of 1,100 contacts being made with SaskPower infrastructure each year, the new Look Up and Live map application is an important tool that contractors, farmers, and members of the public can rely on when planning work around overhead lines. On a mobile device, the app works much like a regular GPS mapping system, showing a user's location in relation to nearby overhead power lines and other infrastructure. The app was profiled in April 2022 as part of the Saskatchewan Common Ground Alliance's Safe Dig Month.

Another proactive initiative that aims to prevent powerline contacts is our Farmyard Line Relocation Program. Farmers pay 25% of the cost to have power lines buried or moved from their farmyard, with SaskPower paying the remainder of costs up to a maximum of \$2,000. Safety risks for farmers are also being addressed where possible through the Rural Rebuild Program, which is a long-standing initiative to move or maintain power lines underground.

Contractors play a key role in helping construct and maintain our power system, and so it is essential that we engage in ongoing dialogue to support an improved safety culture within their own organizations. As we do this, we are benefiting from specific feedback they provide – and which we can now effectively capture in ISNetworld – to better understand the challenges they face. We are then applying those insights to improve existing safety programming and implement new initiatives.

Annually, SaskPower tracks corporate safety performance through leading and lagging indicators. Proactive activities that are within our control and will help prevent incidents before they occur are measured through leading indicators, and include our work to identify and assess hazards, as well as efforts to eliminate, minimize, and control risks. During the last 12 months, nearly all key leading indicators — such as work observations, incident correction and preventative actions and health and safety training — showed improvement compared to 2020-21.

Lagging indicators, meanwhile, measure our performance against critical standards such as lost-time injury frequency; lost-time injury

severity; and all injury frequency. Although our company's performance improved on all lagging indicators compared to 2020-21, lost-time injury frequency and severity rates were significantly below their respective targets.

Delivering on our safety commitment across all facets of our operations requires increasing investments in cyber security, as these threats evolve at an exponentially rapid rate. As we continue to act on recommendations from a corporate cyber security program initiated in 2020, we now have additional controls in place that protect against rogue computers and other devices attaching to our networks.

Improved monitoring of potential hacker activity has also been implemented, while standardized tools and patterns were established to maintain security while also streamlining development time for custom applications. Employees continue to be equipped with various security awareness techniques and training to understand emerging phishing risks.

At the same time, we contributed to the ongoing operation of a secure and stable North American bulk electric system through our participation in the North American Electric Reliability Corporation's Critical Infrastructure Program.

PROTECTING CUSTOMERS THROUGH THE COMMON GROUND ALLIANCE



April marks the unofficial start of the digging season for Saskatchewan homeowners and contractors. To highlight how digging during commercial and home renovation projects can damage underground power lines that may result in service interruptions and serious injuries, SaskPower has joined forces with the Common Ground Alliance (CGA) to take part in Safe Dig Month promotional efforts across the province.

The CGA is an organization that includes provincial utilities and stakeholders such as excavators, locators, planners, and facility owners who share an interest in damage prevention and underground worker safety. SaskPower sits as a CGA Board member.

As part of Safe Dig Month educational efforts throughout April 2021, the CGA promoted a SaskPower video that reminds homeowners and contractors about the need to plan ahead, request a line locate, and to never deviate from safe digging best practices.



Kerrilee Kinder, Journeyperson Electrician, SaskPower

PHOTO COURTESY STUDIO D, SASKATOON

WELCOMING MORE WOMEN INTO THE SKILLED TRADES

“You need a strong personality to be female in a male-dominated trade,” says Kerrilee Kinder. Her experience at school and in previous work had given her a sense of imbalance, especially when, as she says, “the stereotypes kicked in.” But that experience, along with her own attitude and work ethic, gave her a solid foundation when she began working as a journeyperson electrician at SaskPower’s Meadow Lake transmission and distribution centre.

Kinder is one of 17 women in trade-specific jobs at SaskPower. In a company with over 3,000 employees, 70% of them men, that leaves plenty of opportunity for change.

Last year, partnering on a national program initiated by Electricity Canada (formerly the Canadian Electricity Association), SaskPower created a working committee with representatives from across the company to focus on advancing women in skilled trades. It was prompted in part by the difficulty all utilities were experiencing in filling trades jobs, and not just for women. “Canada is currently facing a shortage in skilled trade workers, and women make up only 13% of Canada’s skilled trade workers,” says Lindsay Riegel, Manager, People Strategy, Diversity and Metrics at SaskPower. “We need to be intentional with our efforts to introduce and promote skilled trade careers to young women.”

New, more creative approaches were needed. This gap in the workforce had already been well-identified, and a focused effort to increase awareness of opportunities for women in trades had begun in 2019. Since then, SaskPower has developed several strategies aimed at building capacity from the ground up.

The company sponsors Girls Exploring Trades and Technologies (GETT) summer camps on the Regina

and Saskatoon campuses of Saskatchewan Polytechnic, with a third pilot location beginning in Prince Albert during the summer of 2022. There is also a new partnership with Saskatchewan Indian Institute of Technologies to develop a power line technician pre-apprenticeship program that will be piloted during the fall of 2022.

Inside SaskPower, the focus is on not only increasing awareness of opportunities and building a pipeline of skilled tradespeople, it is also retaining women in trades jobs once they’re there. Assigning two women to the same crew, for example, can make them feel less isolated on the job. “We want to be more intentional about this to ensure women have a support network,” says Riegel.

Riegel adds that these changes are part of an overall strategy of diversifying SaskPower’s workforce, to bring a vision to life of being an employer that represents the communities we serve, values the diversity of its people and empowers them to bring their whole selves to work. “SaskPower benefits as a diverse and inclusive workforce because it enhances organizational strength, improves innovation and performance, and these combine to create a highly engaged workforce.”

To Kinder, who made a mid-life switch into the skilled trades after an earlier career as a cosmetician, these changes will make a difference. “If I knew in high school how many skilled trades there actually were, I could have been so many other things,” she says. “But when you’re young, you don’t know what you don’t know. I wish that information had been more available, or that I’d known where to look for it.”



(Left to right) Raquel Boyko, Director, People Strategy & Programs; Nidal Dabghi, Director of Safety; and Lynton Howes, Director of Transmission Operations & Maintenance; are part of a large team of SaskPower field and management staff working together to execute on SaskPower's Roadmap to Safety.

COLLABORATION TO FURTHER SASKPOWER'S SAFETY CULTURE

“What’s stopping you from being safe out there?”

Nidal Dabghi, SaskPower's Director of Safety, said this question is at the heart of a multi-year effort to improve the company's safety culture through the development and execution of a Roadmap to Safety.

The journey began with an intensive month of face-to-face meetings that included over 500 field staff — in groups no larger than 10 — shortly after a fatal incident in the fall of 2020 where two SaskPower employees died.

The meetings were led by Dabghi and his two peers — Lynton Howes, Director of Transmission Operations & Maintenance and Kevin Lalonde, Director of Distribution Construction & Work Management. Dabghi personally led 31 sessions to learn firsthand what fieldworkers thought about SaskPower's safety culture. What he heard were concerns about employees having too much work on their plates and conflicting priorities. The increased pressure to perform led them to feel they had to cut corners on the job.

After this listening tour, Dabghi, Howes and Lalonde, created a list of 40 priority safety improvement items, sorted into five key themes: visible leadership; proactive safety; human factors; technology; and measures and performance. Not long after starting their Roadmap efforts, SaskPower's Power Production department joined the initiative, as did staff from Human Resources.

Dabghi says a unique approach to implementation has been key to delivering safety improvements through the Roadmap's framework. In the past, management assigned safety experts to develop new programs in isolation. With the Roadmap, however, field staff have taken a central role in creating solutions.

To start, 50 employees from the field joined supervisors and safety experts on small teams for a nine-month period. Each team was given a set of safety issues to tackle. The message to field staff was simple: “You said that these are problems. You identified them, so we'd like you to help us solve them,” Dabghi recalls.

Ultimately, 200-300 field staff will serve on one of these cross-functional teams and address a wide range of safety issues. Dabghi says involving so many different employees not only changes the corporate safety culture, but ensures improvements are sustained over the long run. He says this reflects the Roadmap's philosophy that changes are, “from the people, designed by the people, fixed by the people.”

With the Roadmap's initial successes, Dabghi says field staff feel less like they are being policed or that management “is out to get them” for safety violations. Because management is listening and involving employees in the process, “the attitude has changed. They are a partner in the solution.”

FINANCIAL AND OPERATIONAL RESPONSIBILITY

SaskPower's aim is to provide competitive rates in the face of an unprecedented period of investment in infrastructure renewal and cleaner energy sources. We recognize our role in supporting the economy and quality of life, and the need to preserve our financial strength in the face of electricity market transformation. Successfully meeting our corporate mission means securing the present and future supply of electricity while addressing environmental responsibilities and supporting Saskatchewan's energy transition.

The inherent challenge in operating as a sustainable company is apparent in SaskPower's ongoing efforts to balance the challenges of decarbonizing Saskatchewan's electricity system, ensuring reliability, and maintaining affordability for customers. Evolving federal regulations are also impacting the cost of electricity in our province.

On January 1, 2022, the federal carbon tax reached \$50/tonne of carbon dioxide equivalent (CO₂e) for emissions above established thresholds. Yet only two days prior to that, a record peak demand for electricity of 3,910 MW was set on December 30, 2021, sending an undeniable signal that Saskatchewan's industrial, agricultural, and business sectors will require more power to support ongoing economic growth.

In 2021-22, SaskPower recorded a consolidated net income of \$11 million. These modest earnings were anticipated as our company continued to defer increasing electricity rates in the face of rising cost pressures due to capital spending and higher fuel and purchased power expense. At the same time, our company's per cent debt ratio was 71.9% and remains within our long-term target of 60% to 75%.

As we begin to see signs of pandemic recovery, with a higher-than-expected electricity demand increase of more than 4% in 2021-22 and a forecasted increase of 1.4% in 2022-23, we have turned our attention to the need to solidify our company's financial position. This

has resulted in SaskPower proceeding with a multi-year rate application — our first since our last rate increase in March 2018. This has resulted in the Saskatchewan Rate Review Panel and provincial cabinet approving system average rate increases of 4% effective September 1, 2022, and 4% effective April 1, 2023.

As we face rising cost pressures, uncovering opportunities for internal efficiencies takes on an even greater importance. A notable example of this push for efficiency saw a team from SaskPower win the SAP hackathon in 2021, for its development of the Mobile Meter Return app, which streamlines work by eliminating the need for manual data entry while also protecting against data entry errors.

At the same time, improved collaboration with other Crown utilities in Saskatchewan saw us achieve almost \$49 million in operational cost savings across a number of significant collaboration initiatives during the year, including joint infrastructure installation with SaskTel; leveraging the project management expertise of our company's Corporate Project Management Office to benefit other Crowns and government groups; and the consolidation of line locating efforts with SaskEnergy and SaskTel.

SUPPLY CHAIN

Over the last year, sourcing locally remained a primary aspect of our sustainable procurement plan, with \$778.6 million being awarded to Saskatchewan suppliers; this equates to 65% of total purchase orders issued. At the same time, procurement targeting Indigenous goods and services providers amounted to more than \$94 million, or 12.1% of the purchase orders

issued to Saskatchewan suppliers in 2021-22. In fact, Indigenous procurement grew by approximately 55% — an additional \$33 million compared to 2020-21.

Indigenous suppliers have become essential partners in fulfilling SaskPower's service needs around vegetation management, wood pole supply, and wood pole inspection and remediation. SaskPower is an active supporter of the provincial government's focus on creating more opportunities for Indigenous suppliers and works closely with other Crown corporations to report on progress, while also sharing challenges, ideas, and opportunities on how to improve engagement.

Aligned with this commitment, our company's procurement team hosted an exclusive session with Indigenous suppliers in January 2022 that focused on economic reconciliation. The Canadian Council for Aboriginal Business recognized efforts by SaskPower to forge positive relationships with Indigenous communities and businesses when they renewed our Progressive Aboriginal Relations certification at the Gold status Level during the last year.

Development of local suppliers through regular and meaningful engagement efforts remained a primary focus throughout 2021-22. Even with restrictions in place due to the pandemic, we were able to connect with the broader Saskatchewan vendor community through 38 outreach and information session events, on top of 28 shop tours and 17 engagements with industry-specific supplier associations.

2021-22 PERFORMANCE INDICATORS

\$2,885M

↑ Revenue — a 4% increase from the prior year

\$1,744M

↑ Operating costs — increase of 16% over the prior year due to higher fuel costs

\$1.9B

↑ Direct contributions to provincial economy — a 9% increase from the prior year

12.1%

↑ Indigenous procurement — 1.5 percentage point increase from the prior year

We also engaged more than 160 companies as we delivered 12 sessions of our “Tools for Success” supplier bid training, where we offer a deep dive into SaskPower’s competitive procurement process and provide tips on how suppliers can better position their capabilities in their bid proposals.

A formal program to track supplier performance and share feedback that will improve their alignment with our needs is another example of our commitment to forge closer relationships with the local vendor community. At the same time, we continued to be intentional about listening to what suppliers have to say about SaskPower’s performance: through an annual benchmarking survey released in December 2021, we earned a satisfaction rating of 4.17 out of 5. This score was an improvement over the previous year and exceeded the industry benchmark of 3.91. In the year ahead, we will continue to address opportunities for improvement identified by vendors through the survey, such as: cost containment and reduction; collaborating with industry associations to identify best practices; and improving forecasting and planning sessions.

A supplier Code of Conduct introduced during the last year continues to shine a light on opportunities where our established suppliers can address the sustainability of their own operations by encouraging more robust evaluation and mitigation of environmental risks, as well as taking steps to prepare for the potential impact that climate change could have on their daily business.

Applying a holistic sustainability lens to our corporate procurement efforts has led to the creation of a Women-Owned Business Program that aims to improve diversity within our supplier ranks. By proactively engaging with women suppliers, identifying opportunities, and setting benchmarks and metrics based on best practice industry research, we are working to make our supplier network more inclusive and equitable. SaskPower’s provincial leadership in this sector was evident in the last year, when we were the first Saskatchewan Crown corporation to sign a charter supporting women-owned businesses that was developed by the Women Entrepreneurs of Saskatchewan.

INVESTING IN THE FUTURE

Delivering on a clean energy future for Saskatchewan requires a modernized provincial electricity grid that can dynamically respond to the ongoing expansion of renewable power generation and Distributed Energy Resources. At the same time, the grid of the future must be resilient and reliable, especially as climate change brings increasingly severe weather to our province.

Total spending on SaskPower capital projects during 2021-22 tallied \$922 million, which was a significant increase over the \$693 million spent in the previous year. With much of our transmission and distribution system more than 50 years old, 2021-22 saw SaskPower invest \$385 million on the renewal and replacement of existing infrastructure, including transmission line upgrades, rural line rebuilds, underground line

RECOGNIZING A NORTHERN BUSINESS SUCCESS STORY



From a single contract in 2011 to clear trees for the construction of a northern powerline, Kitsaki Vegetation Services (Kitsaki) has grown to become a multimillion-dollar Indigenous company that employs 60 full-time staff. Kitsaki’s important role in helping SaskPower deliver on its vegetation management objectives was recognized when they were awarded our Supply Chain Award for Service Leadership in December 2021.

Owned by the Lac La Ronge Indian Band in northern Saskatchewan, Kitsaki has continued to leverage the experience of its members in forestry work as the organization has taken on responsibility for all vegetation management around SaskPower’s northern transmission and distribution infrastructure. SaskPower’s Indigenous Procurement Program provided support for Kitsaki in their early days of working with our company.

The expertise Kitsaki developed through its work for SaskPower has provided a launching pad for them to expand across the rest of the province and offer a full range of vegetation management services that rival the operations of other well-established firms. At the same time, as part of their commitment to maintain an 80% Indigenous staff complement, Kitsaki works with northern communities to hire and train local workers, which is providing millions in economic benefits for the region.

OPERATIONAL AND SMART TECHNOLOGY CONVERGENCE



Smart goggle technology could soon be making a small but important contribution towards optimizing SaskPower's field operations.

SaskPower's Transmission Engineering Services and Technology & Security departments have collaborated with Microsoft and CraneMorley — an expert in online learning technology — on a test of smart goggles that allows the physical and virtual worlds to exist together. This mixed reality technology holds potential for SaskPower engineers and field personnel to remotely collaborate and gain real-time visibility into operations.

The benefits of deploying mixed reality technologies across SaskPower include cost savings by reducing the need to send subject matter experts to remote sites and facilities, as well as fewer emissions due to lower vehicle use for travel.

Smart goggles also hold promise for use in new infrastructure construction projects. As part of the technology testing completed to date, smart goggles were used by contractors at a SaskPower substation construction site to collaborate in real time with designers and engineers.

Looking further into the future, smart goggles could be used for virtual facility inspections and quality control, delivering even more cost savings, improving service reliability, and helping reduce SaskPower's environmental footprint.

replacements, and wood pole replacements. A \$50-million Power Grid Renewal Grant from SaskBuilds Corporation was key to enabling this infrastructure renewal, which also has delivered important post-pandemic economic benefits by creating work for Saskatchewan contractors.

At the same time, \$490 million was spent on growth, compliance and resiliency during the year, including: \$294 million spent on generation assets, of which \$288 million was related to the new Great Plains Power Station; \$54 million on increasing grid capacity; and \$142 million to connect customers to the SaskPower electricity system.

SaskPower's advanced metering infrastructure initiative encapsulates how we are delivering on our sustainability agenda by improving internal operational efficiencies and customer experience while simultaneously preparing for our corporate transition that relies on technology and automation. After extensive real-world testing, we have used a phased deployment approach to provide more than 70,000 commercial and industrial and residential customers access to current power use and billing information through smart meters.

Plans for a multi-year province-wide residential smart meter deployment effort originally set to begin in late 2021 have been delayed by global microchip supply issues that has resulted in meter shortages. Our broader residential deployment has been rescheduled to begin in 2022-23.

This scalable installation plan has been designed to be agile in the face of ongoing meter supply uncertainty, although we anticipate all customers will receive a smart meter by the middle of the decade.

To ensure continuity of business operations and set the technology foundation for future improvements, SaskPower is embarking on a multi-year effort to upgrade our current SAP software platform. Major projects included within this Juno Program that go beyond a technical upgrade include integrating our current human resources platform into SAP, upgrading our customer relationship management system, and adding business tailored applications.

In a province as vast as Saskatchewan, with customer density among the smallest of any utility in Canada, diligent and ongoing maintenance planning is necessary to ensure ongoing reliable service delivery. Through our annual Wood Pole Inspection and Replacement Program, we spent over \$15 million in 2021-22 to assess more than 104,000 of our system's 1.2 million wood power poles and replace 3,000 of them that were no longer safe for operation.

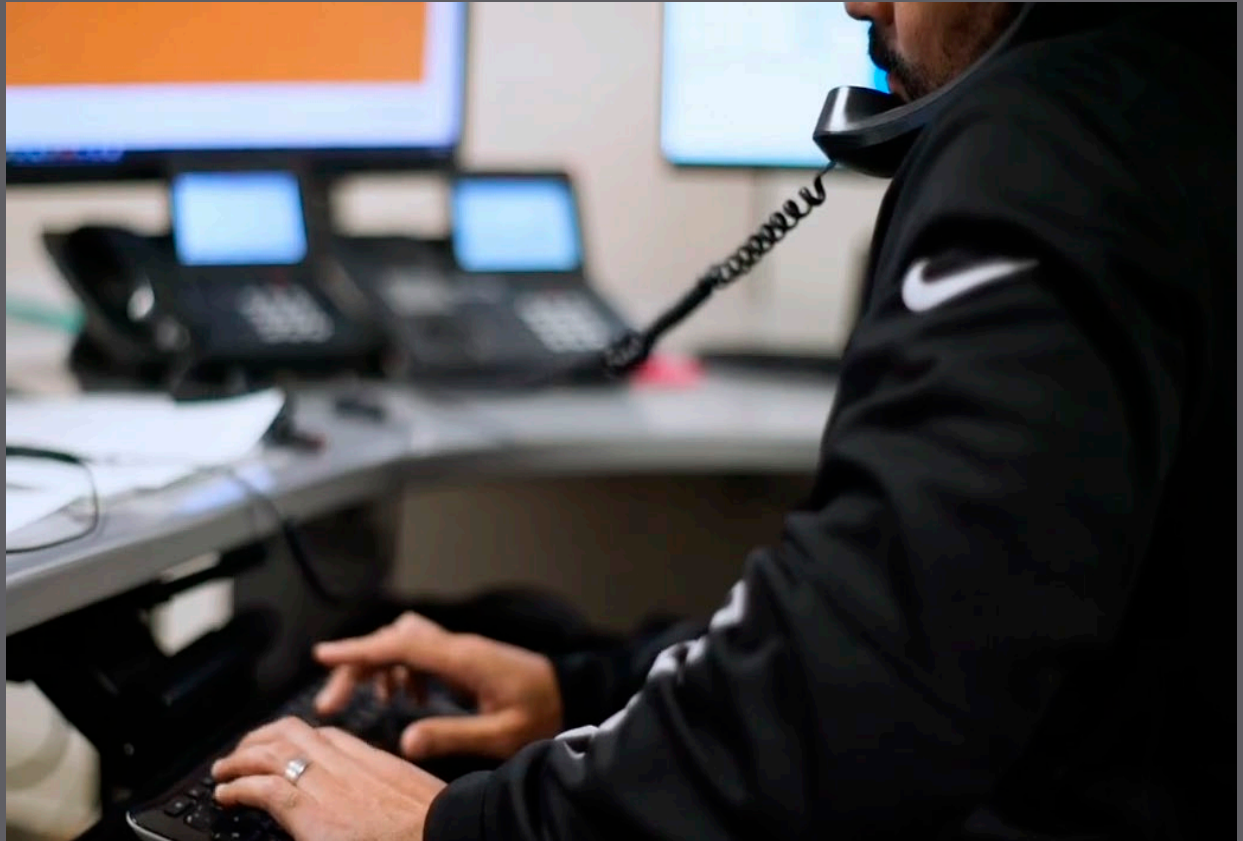
SaskPower's investments in a sustainable future also include creating workplaces where employees can more effectively collaborate and be productive. By the end of 2022, the multi-year renovation of our head office in downtown Regina, first opened in 1963, is expected to be complete.

New interior space designs and comprehensive heating, cooling, insulation, and lighting upgrades will save money and improve employee comfort while also reducing the building's water and power use. Greenhouse gas (GHG) emissions from the building are forecast to drop by at least 30% compared to pre-renovation performance.

At the same time, work on our Logistics Warehouse Complex continued to advance through 2021-22. When completed, this facility will enhance operations and reduce costs by bringing together warehouse operations, field staff and other departments currently spread across several facilities in Regina. Leading sustainability and environmental considerations are being integrated into the complex's design and construction.

Similar operational efficiencies are already being recognized in Yorkton, where construction of a new maintenance hub facility has brought all SaskPower operations in and around the Yorkton area under one roof. Meanwhile, LED lighting retrofits completed at a range of existing facilities across Saskatchewan — in Creighton, La Ronge, Wynyard, Wadena, Humboldt, Christopher Lake, Candle Lake, and Weyburn — have reduced the environmental footprint associated with their operation. Recycling stations were also installed in all larger facilities and some smaller buildings around the province.

SUSTAINABILITY OPPORTUNITIES IN TECHNOLOGY DELIVERY



SaskPower's commitment to sustainability places a priority on creating opportunities for Indigenous rights holders to help shape and be a part of the ongoing evolution of our company.

As we put that belief into practice, our Technology & Security department has been using the services of Plato Testing Saskatchewan since 2020. Plato was founded to develop and leverage a network of Indigenous contractors to complete software testing work that has historically been sent outside of Canada. Until a recent sale, the company's majority owner was FHQ Developments, the investment and economic development arm of the File Hills Qu'Appelle Tribal Council representing 11 First Nations from Treaty 4. To date, five Plato experts have been deployed to work with SaskPower and have played an instrumental role in the success of a wide range of projects for SaskPower, including a customer bill redesign and improvements to [saskpower.com](https://www.saskpower.com).



INDIGENOUS-OWNED CONTRACTOR BUILDS WITH A BOOST FROM SASKPOWER

Kelly Hewison remembers the first impressions he had when he joined a SaskPower power line crew 25 years ago. “I thought I was a unicorn,” he says. “I grew up in the bush, basically, for the first 13 years of my life with no electricity and no running water.”

In his late teens, Hewison was planning to leave home north of the Montreal Lake Cree Nation for work, and he had a decision to make. “I was going to join the army,” he says. “But I saw a SaskPower ad in the paper looking for workers. They hired me and I left for lineman boot camp in Weyburn instead.”

He considers himself lucky to have had that career. He didn’t know anyone in the trade, and knew few, if any, other Indigenous workers on the crews. But after more than two decades in line construction, it was time for a change. In the summer of 2019 he started Amisk Powerline Contractors, named after the Cree word for beaver: “I wanted to give Indigenous men and women an opportunity they might not have otherwise.”

Based in Prince Albert, Amisk started with one truck and the contacts Hewison built over years in line construction. He reached out to SaskPower’s Indigenous Procurement Office for assistance in getting his company’s safety protocols in place so they could qualify to bid on work.

“We wanted to work with an Indigenous supplier,” says Alanna Whippler, Consultant, Indigenous Procurement, for SaskPower. “We knew Hewison and his team weren’t quite ready, but they had potential.”

By March 2020, Amisk had its safety rating in place and was ready to get to work. They started by navigating through COVID-19 pandemic restrictions and building a track record through smaller contracts — swapping in LED lights and doing some salvage work. The experience gained through those contracts qualified the company for a Master Construction Agreement with SaskPower, which they achieved in 2021. From there, Amisk was in a position to bid on bigger jobs, which allowed Hewison to add staff to his crews.

Today, there are 15 employees on the Amisk payroll, and 90 per cent of Hewison’s field crew is Indigenous. The company has just won a five-year contract for underground work in Saskatoon from SaskPower, a job that will help their apprentices gain hours and will get Amisk closer to building a consistent and self-sustaining pipeline of apprentice-to-journeyperson opportunities for Indigenous tradespeople.

“My grandson is five years old,” Hewison says. “He’s already decided he’s going to be the boss at Amisk when he grows up. He’s got a plan.”

PERFORMANCE INDICATORS

Forward-looking information or statements included in this Corporate Responsibility & Sustainability Report are provided to inform readers about management's assessment of SaskPower's future plans and operations. They are based on SaskPower's estimates and assumptions concerning future results and events. Due to the risks and uncertainties inherent in any forecasted outlook, the actual results could differ materially from those anticipated. These risks and uncertainties include, but are not limited to, natural gas prices, coal and hydro availability, weather, economic conditions, number of customers, new and changing regulations, and market conditions in other jurisdictions.

PERFORMANCE INDICATORS

CLIMATE CHANGE & ENVIRONMENTAL PROTECTION					
TOPIC (CALENDAR YEAR)	2019	2020	2021	2022 TARGET	NOTES
Greenhouse gas (GHG) emissions (tonnes)	15,900,000	12,800,000	14,950,000	11,600,000	Emissions from fossil fuel generation — including carbon dioxide (CO ₂) emissions, and the CO ₂ equivalents (CO ₂ e) for methane (CH ₄) and nitrous oxide (N ₂ O) emissions — calculated in accordance with Environment and Climate Change Canada's Greenhouse Gas Reporting Program requirements.
Carbon intensity: supply (tonnes of CO ₂ e/GWh)	627	518	583	503	Supply intensity provides the amount of CO ₂ e emissions produced per gigawatt hour (GWh) of electricity supplied to the system.
Carbon intensity: consumption (tonnes of CO ₂ e/GWh)	686	570	637	566	Consumption intensity considers line losses and Renewable Energy Certificate sales in the calculation and therefore represents an appropriate intensity number for the end consumer.
Nitrogen oxide (NO _x) emissions (tonnes)	32,000	23,000	29,000	26,000	Stack emissions from fossil fuel generation calculated in accordance with the National Pollutant Release Inventory requirements.
Sulphur dioxide (SO ₂) emissions (tonnes)	77,000	66,000	80,000	72,000	Stack emissions from fossil fuel generation calculated in accordance with the National Pollutant Release Inventory requirements.
Mercury (Hg) emissions (tonnes)	415	349	370	430	Stack emissions from fossil fuel generation calculated in accordance with the Canada-Wide Standards for Mercury Emissions.
TOPIC (FISCAL YEAR)	2019-20	2020-21	2021-22	2022-23 TARGET	NOTES
Renewable generation portfolio (%)	24.3	26.0	32.3	35.0	Renewable generation capacity as a percentage of total installed generation capacity (including independent power producer-contracted capacity).
Total number of priority spills ¹	7	9	8	6	A priority spill refers to a petroleum spill that is over 500 litres; a spill containing PCBs over 1g; and/or any volume of petroleum-based or PCB-contaminated substance that enters a water body.
Outstanding pieces of equipment subject to the Polychlorinated Biphenyl (PCB) Action Plan	18,000	5,000 ²	1,347	296	These pieces of equipment have been identified as potentially containing PCBs. They are slated for inspection, after which they will be confirmed as PCB-free, removed from service, or have their PCB-contaminated oil removed.

1. Restated from calendar year to fiscal year to align with other external reporting and target setting.
2. The PCB Action Plan was revised and led to the exclusion of approximately 3,800 pieces of equipment.

CUSTOMER & COMMUNITY ENGAGEMENT					
TOPIC (FISCAL YEAR)	2019-20	2020-21	2021-22	2022-23 TARGET	NOTES
Total number of public fatalities	1	1	1	0	
Customer Experience Index ¹					
• Residential	69	—	69	70	
• Small & medium business	68	—	73	73	
• Key & major accounts	79	—	77	80	
Competitive rates (thermal utilities) (%)	91	90.5 ³	90.3	≤100	A comparison of customer rates against other thermal utilities within Canada using Hydro Quebec's annual survey results.
System average interruption duration index (SAIDI) (Distribution) (hours) ²	5.9	6.0	5.8	5.9	A measure of the service interruption length in hours that an average customer experiences in one year.
System average interruption frequency index (SAIFI) (Distribution) (outages) ²	2.3	2.8	3.6	2.7	A measure of the number of outages that an average customer experiences in one year.
SAIDI (Transmission) (minutes) ²	146	134	126	135	A measure of the average duration of interruptions in minutes experienced at a bulk electric service delivery point in one year.
SAIFI (Transmission) (outages) ²	3.2	2.7	2.2	3.0	A measure of the average of forced interruptions experienced at a bulk electric service delivery point in one year.

1. Due to the disruptions caused by the COVID-19 pandemic and the resulting challenges faced by our customers, SaskPower made the decision to forgo this measure for 2020-21.
2. In 2019-20, SaskPower began to remove Major Event Days — events that exceed reasonable design and/or operational limits of the power system — from SAIDI and SAIFI performance in conformance with the Institute of Electrical and Electronics Engineers' Beta Methodology.
3. Prior period results have been restated.

PEOPLE					
TOPIC (FISCAL YEAR)	2019-20	2020-21	2021-22	2022-23 TARGET	NOTES
Employee engagement scores (%)	59	67	-	67	In 2021-22, SaskPower changed the frequency of its employee engagement survey from annual to biennial. The next survey will be conducted in 2022-23.
Workforce diversity (%)	40.9	41.3	40.8	42.3	The percentage of permanent employees that: <ul style="list-style-type: none"> Self-identify as being in one or more designated equity grouped (Indigenous, visible minorities, and/ or persons with disabilities) and/or Are women in positions or occupations where there is less than 47% representation.
Number of employee fatalities	0	2	0	0	
Lost-time employee injury <ul style="list-style-type: none"> Total Frequency rate 	18 0.6	14 0.5	12 0.4	- 0.5	A lost-time employee injury is any occupational injury/illness that results in lost days beyond the date of injury as a direct result of an occupational injury/illness. The lost-time employee injury frequency rate refers to the industry standard calculation of the number of lost-time injuries multiplied by 200,000 hours then divided by the actual number of hours worked.
Lost-time employee injury severity <ul style="list-style-type: none"> Days Rate 	491 17.2	711 25.0	178 6.5	- 13.0	The lost-time employee injury severity shows the number of calendar days lost as a result of a lost-time injury. The lost-time employee injury severity rate refers to the industry standard calculation of the number of lost days multiplies by 200,000 hours then divided by the actual number of hours worked.
Out-of-scope employees receiving regular performance and career development reviews (%)	94.4	96.9	92.9	100	
Diversity of the Board (%)	42	42	42	-	The percentage of permanent employees that: <ul style="list-style-type: none"> Self-identify as being in one or more designated equity grouped (Indigenous, visible minorities, and/ or persons with disabilities) and/or Are women in positions or occupations where there is less than 47% representation.
Diversity of the Executive (%)	20	20	33	40	

FINANCIAL & OPERATIONAL RESPONSIBILITY					
TOPIC (FISCAL YEAR)	2019-20	2020-21	2021-22	2022-23 TARGET	NOTES
Revenue (in millions)	\$2,771	\$2,771	\$2,885	\$2,936	Economic value generated.
Operating costs (in millions)	\$1,442	\$1,507	\$1,744	\$1,796	Includes fuel & purchased power and operating, maintenance & administration costs.
Employee salaries and benefits (in millions)	\$436	\$447	\$452	\$469	These costs are included in operating costs (above).
Finance charges (in millions)	\$431	\$426	\$401	\$371	Finance charges include the net interest on long-term and short-term debt; interest on lease liabilities; interest on employee benefits plans; interest on provisions; interest capitalized; debt retirement fund earnings; and interest income.
Direct contributions to the Province of Saskatchewan (in millions)	\$460	\$456	\$391	\$395	Direct contributions include dividends, interest charges (also included in finance charges above); Saskatchewan capital tax; coal royalties; and water usage and evaporation charges paid to the Province of Saskatchewan.
Community investments (in millions)	\$1.7	\$2.1	\$1.9	\$1.8	Support for educational programs and business initiatives throughout Saskatchewan.
Saskatchewan spend (in billions)	\$1.8	\$1.8	\$1.9	\$1.9	Contributions to the provincial economy through the procurement of goods and services from Saskatchewan suppliers; payment of salaries, wages and benefits to employees; purchase of coal and natural gas; and acquisition of electricity from Independent Power Producers.
Indigenous procurement (%)	8.6	10.6	12.1	10.0	Calculated as Indigenous-sourced procurement relative to total Saskatchewan procurement.

TASK FORCE ON CLIMATE-RELATED FINANCIAL DISCLOSURES (TCFD)

Developed by the Financial Stability Board, the TCFD has introduced a framework to improve reporting of climate-related financial information. Its purpose is to augment reporting of financial risks related to climate change. SaskPower's commitment to sustainability is demonstrated through our Sustainability Electricity Company™ designation from Electricity Canada and through this report. In addition, SaskPower is aligned with the TCFD's recommendations across the four themes: Governance; Strategy; Risk Management; and Metrics and Targets.

GOVERNANCE		
TCFD RECOMMENDED DISCLOSURES	SASKPOWER ACTIONS	SOURCE MATERIAL
a. Describe the Board's oversight of climate-related risks and opportunities.	SaskPower's Board is responsible for the oversight of the corporate responsibility and sustainability long-term vision and issues management. A Board Committee — the Safety, Environment & Corporate Responsibility Committee — reviews company environmental performance and continues to monitor regulatory developments for greenhouse gases and other air pollutants. The committee also receives updates on environmental legislation across Canada and considers the potential impacts on the company and its Officers and Directors. A second Board committee — Audit & Finance — oversees SaskPower's risk management registry and reporting, which includes climate-related risks to operations.	<ul style="list-style-type: none"> • Annual Report • Corporate Responsibility & Sustainability (CR&S) Report
b. Describe management's role in assessing and managing climate-related risks and opportunities.	As part of the strategic planning process, major challenges to our business have been identified, including climate-related risks. The risks are identified, managed, and to the extent possible, mitigated through our Enterprise Risk Management (ERM) Program. Our ERM Program promotes a consistent and standard approach to risk identification, assessment and management throughout the organization.	<ul style="list-style-type: none"> • Annual Report • CR&S Report
STRATEGY		
TCFD RECOMMENDED DISCLOSURES	SASKPOWER ACTIONS	SOURCE MATERIAL
a. Describe the climate-related risks and opportunities the organization has identified over the short, medium and long term.	<p>We have identified the following climate-related risks and opportunities:</p> <p>Short-term risk: Environmental regulation (elimination of conventional coal generation as a new generation option), federal carbon tax, and increase in extreme weather events.</p> <p>Short-term opportunities: The federal-provincial Equivalency Agreement that allows more flexibility to reduce emissions, as well as planning and investment into hardening the electricity system against weather events.</p> <p>Medium-term risk: Environmental regulation (elimination of all conventional coal generation by 2030), and future carbon tax (undefined beyond 2030), and increased extreme weather.</p> <p>Medium-term opportunities: Move baseload power sources to natural gas until non-emitting baseloads options become commercially available.</p> <p>Long-term risk: Potential for increased natural gas regulation and the future of carbon taxes.</p> <p>Long-term opportunities: Growing the presence of new renewable and clean generation options and increasing electricity system resiliency.</p>	<ul style="list-style-type: none"> • Annual Report • CR&S Report • Toward 2030 • Prairie Resilience
b. Describe the impact of climate-related risks and opportunities on the organization's businesses, strategy, and financial planning.	Climate change adaption is embedded in our corporate strategy. We have set a goal to reduce greenhouse gas (GHG) emissions by 50% from 2005 levels by 2030 with a view to net-zero GHG emissions future.	<ul style="list-style-type: none"> • Annual Report • CR&S Report
c. Describe the resilience of the organization's strategy, taking into consideration different climate-related scenarios, including a 2°C or lower scenario.	Our strategy meets or exceeds all federal climate change-related regulations. This includes our 50% reduction of GHG emissions from 2005 levels by 2030, which exceeds the federal government's target. Through scenario planning we are considering many options to achieve our emissions goals and will pursue the most efficient and cost-effective way to do so.	<ul style="list-style-type: none"> • CR&S Report • SaskPower Supply Plan • Toward 2030

RISK MANAGEMENT		
TCFD RECOMMENDED DISCLOSURES	SASKPOWER ACTIONS	SOURCE MATERIAL
a. Describe the organization's processes for identifying and assessing climate-related risks.	SaskPower identifies and outlines risks through our ERM Program. Further climate-related risks will be outlined in the Climate Adaptation Plan that is currently under development.	<ul style="list-style-type: none"> • Annual Report • CR&S Report • Toward 2030
b. Describe the organization's processes for managing climate-related risks.	SaskPower manages and mitigates climate risk through our Asset Management and ERM Programs and will also do so through a new Climate Adaptation Plan that is currently under development.	<ul style="list-style-type: none"> • CR&S Report
c. Describe how processes for identifying, assessing, and managing climate-related risks are integrated into the organization's overall risk management.	SaskPower identifies and outlines risks through our ERM Program. There is also an internal SaskPower Emissions Planning Team that was established to discuss the need for our company to reduce our emissions and the strategic operational measures we can put in place to minimize emissions in balance with costs. Further climate-related risks will be outlined in the Climate Adaptation Plan that is under development.	<ul style="list-style-type: none"> • CR&S Report

METRICS AND TARGETS		
TCFD RECOMMENDED DISCLOSURES	SASKPOWER ACTIONS	SOURCE MATERIAL
a. Disclose the metrics used by the organization to assess climate-related risks and opportunities in line with its strategy and risk management processes.	From SaskPower's Corporate Balanced Scorecard: <ul style="list-style-type: none"> • Renewable generation portfolio (%) • GHG emissions (% change from 2005 levels) • SAIDI/SAIFI (distribution and transmission) • Other internal measures 	<ul style="list-style-type: none"> • Annual Report • CR&S Report
b. Disclose Scope 1, 2 and, if appropriate, Scope 3 greenhouse gas (GHG) emissions and the related risks.	2021 GHG emissions were 14,950,000 tonnes of carbon dioxide equivalent (CO ₂ e) — GHG emissions from SaskPower-owned generating facilities and electricity delivered to the grid from independent power producers.	<ul style="list-style-type: none"> • Annual Report • CR&S Report
c. Describe the targets used by the organization to manage climate-related risks and opportunities and performance against targets.	GHG emissions to be at least 50% below 2005 level by 2030. Planning for a net-zero GHG emissions future.	<ul style="list-style-type: none"> • Annual Report • CR&S Report • Toward 2030

REPORTS

SaskPower Annual Report:

A report focused on the prior year's financial performance, corporate outlook, performance management, Enterprise Risk Management and corporate governance.

SaskPower's Corporate Responsibility & Sustainability Report (CR&S):

A report produced annually that summarizes SaskPower's sustainability strategy and performance related to governance, environment, social resources, and economic resources.

Toward 2030:

An internal planning document to help SaskPower achieve its vision for 2030 and beyond.

Prairie Resilience - A Made-in-Saskatchewan Climate Change Strategy:

A provincial strategic document containing 40 commitments designed to make Saskatchewan more resilient to the effects of our changing climate.

FINANCIAL SUMMARY

<i>(in millions)</i>	2021-22	2020-21	2019-20	2018-19	2017-18
Consolidated statement of income					
Revenue	\$ 2,885	\$ 2,771	\$ 2,771	\$ 2,725	\$ 2,586
Expense	2,874	2,611	2,566	2,528	2,440
Net income	\$ 11	\$ 160	\$ 205	\$ 197	\$ 146
Financial indicators					
Capital expenditures	\$ 922	\$ 693	\$ 696	\$ 833	\$ 996
Total net debt	\$ 7,273	\$ 7,059	\$ 7,179	\$ 7,347	\$ 7,211
Net cash from operating activities	\$ 738	\$ 814	\$ 866	\$ 671	\$ 708
Return on equity ¹	0.4%	5.8%	7.8%	7.9%	6.2%
Per cent debt ratio ²	71.9%	71.4%	72.6%	74.1%	74.9%

1. Return on equity = (net income)/(average equity), where equity = (retained earnings + equity advances).

2. Per cent debt ratio = total net debt/total capital.

OPERATING STATISTICS

	2021-22	2020-21	2019-20	2018-19	2017-18
Net electricity supplied (GWh)					
Gas	10,766	10,551	10,767	10,603	9,144
Coal	9,479	8,146	9,182	10,286	10,864
Hydro	2,850	4,277	3,859	3,591	3,873
Wind	1,661	913	815	659	765
Imports	752	629	278	490	515
Solar	12	1	-	-	-
Other ¹	124	117	132	148	156
Gross electricity supplied	25,644	24,634	25,033	25,777	25,317
Line losses	(1,649)	(1,731)	(1,707)	(1,796)	(1,731)
Net electricity supplied	23,995	22,903	23,326	23,981	23,586
Available generating capacity (net MW)					
Gas	2,160	2,160	2,172	1,839	1,824
Coal	1,389	1,530	1,530	1,530	1,530
Hydro ²	989	989	889	889	889
Wind	626	241	241	241	221
Solar ³	54	39	34	4	2
Other	28	28	27	28	27
Total available generating capacity	5,246	4,987	4,893	4,531	4,493
Peak loads (net MW)					
Annual peak load	3,910	3,722	3,722	3,723	3,792
Minimum load	2,106	1,918	2,147	1,442	2,057
Summer peak load	3,547	3,481	3,437	3,524	3,470
Lines in service (circuit km)					
Transmission lines	14,673	14,600	14,356	14,332	14,140
Distribution lines	142,713	142,972	142,773	142,415	143,422
Total lines in service	157,386	157,572	157,129	156,747	157,562
Number of permanent full-time employees	3,057	3,036	3,178	3,167	3,144

1. Includes small independent power producers with generation sourced from flare gas, waste heat recovery, landfill gas, wind and solar facilities.

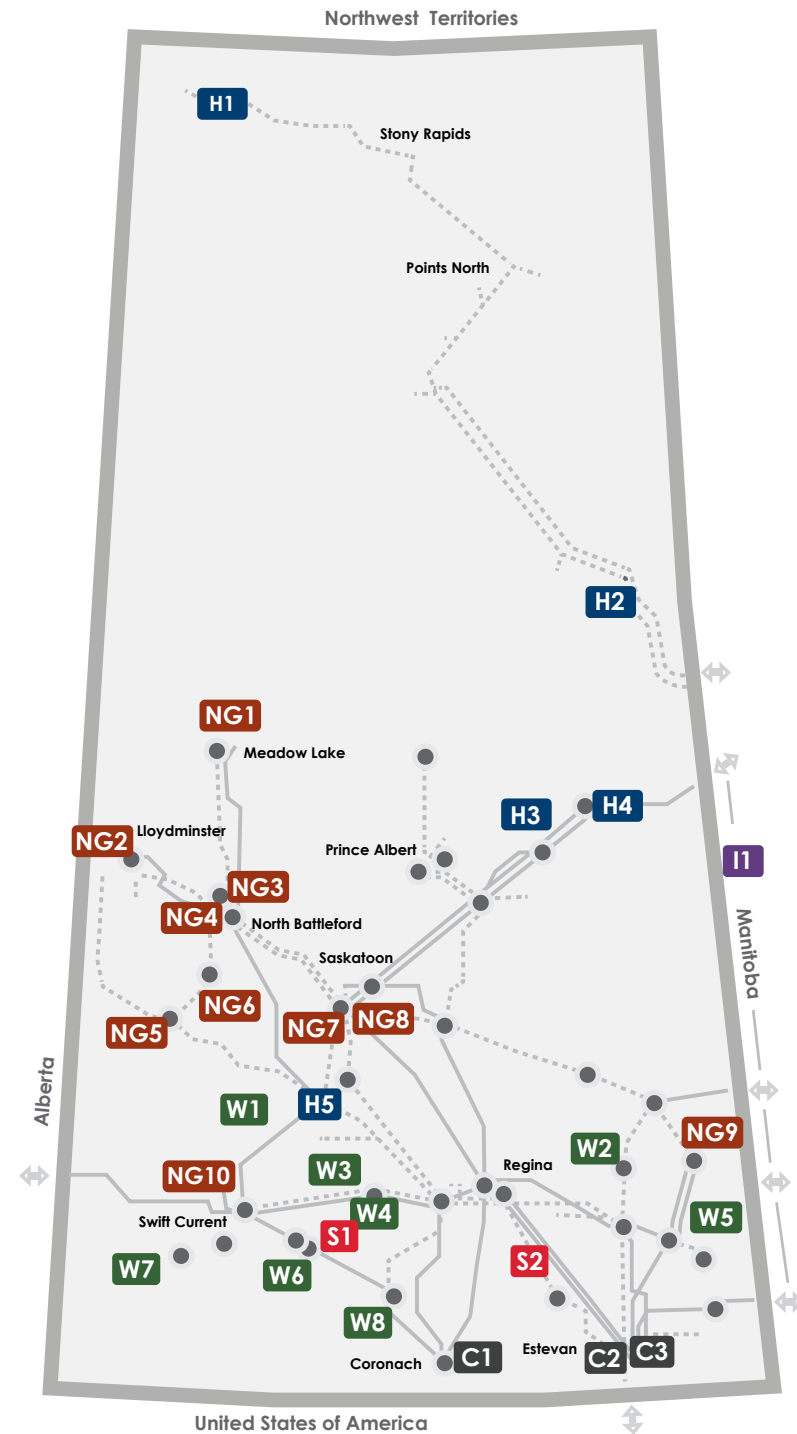
2. Includes import power purchase agreements with Manitoba Hydro.

3. Capacity from the Corporation's net metering program prior to 2019-20 is not reported.

SYSTEM MAP

TOTAL AVAILABLE
GENERATING CAPACITY -
5,423 MEGAWATTS (MW)

AS AT SEPTEMBER 1, 2022



HYDRO TOTAL CAPACITY - 864 MW

- H1 Athabasca Hydroelectric System - 23 MW
- H2 Island Falls Hydroelectric Station - 111 MW
- H3 Nipawin Hydroelectric Station - 255 MW
- H4 E.B. Campbell Hydroelectric Station - 289 MW
- H5 Coteau Creek Hydroelectric Station - 186 MW

IMPORT POWER PURCHASE AGREEMENTS - 290 MW

- I1 Manitoba Hydro - 290 MW

NATURAL GAS TOTAL CAPACITY - 2,160 MW

- NG1 Meadow Lake Power Station - 41 MW
- NG2 Meridian Cogeneration Station* - 228 MW
- NG3 North Battleford Generating Station* - 289 MW
- NG4 Yellowhead Power Station - 135 MW
- NG5 Ermine Power Station - 90 MW
- NG6 Landis Power Station - 78 MW
- NG7 Cory Cogeneration Station - 234 MW
- NG8 Queen Elizabeth Power Station - 623 MW
- NG9 Spy Hill Generating Station* - 89 MW
- NG10 Chinook Power Station - 353 MW

WIND TOTAL CAPACITY - 617 MW

- W1 Riverhurst Wind Energy Facility* - 10 MW
- W2 Western Lily Wind Energy Facility* - 20 MW
- W3 Morse Wind Energy Facility* - 23 MW
- W4 Blue Hill Wind Energy Facility* - 175 MW
- W5 Red Lily Wind Energy Facility* - 26 MW
- W6 Centennial Wind Power Facility - 150 MW
- W7 Cypress Wind Power Facility - 11 MW
- W8 Golden South Wind Energy Facility* - 200 MW

Customer-generated wind capacity - 2 MW
(NOT SHOWN ON MAP)

SOLAR TOTAL CAPACITY - 69 MW

- S1 Highfield Solar Energy Facility* - 10 MW
- S2 Pesâkâstêw Solar Energy Facility* - 10 MW

Customer-generated solar capacity - 49 MW
(NOT SHOWN ON MAP)

COAL TOTAL CAPACITY - 1,389 MW

- C1 Poplar River Power Station - 582 MW
- C2 Boundary Dam Power Station - 531 MW
- C3 Shand Power Station - 276 MW

SMALL INDEPENDENT POWER PRODUCERS

TOTAL CAPACITY - 34 MW (NOT SHOWN ON MAP)

(Includes flare gas, waste heat recovery, landfill gas and biomass)

TRANSMISSION

- 230 kilovolt (kV)
- - - - - 138 kV/115 kV/110 kV
- Switching station
- ↔ Interconnection

*Large independent power producer

CONTACT US

If you would like further information about this report or SaskPower, please email sustainability@saskpower.com.



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