

Essential Utilities Publishes 2022 ESG Report: Achieves Supplier and Employee Diversity Targets, Highlights Strong Progress on Emissions Reduction Goals

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New report notes key environmental, social and governance performance highlights

BRYN MAWR, Pa.--(BUSINESS WIRE)--Sep. 20, 2023-- Essential Utilities today published its <u>2022 Environmental</u>. Social and Governance Report, tracking key progress on the company's commitments to the environment, its employees and the communities it serves. The company achieved key supplier and employee diversity goals while continuing to make strong progress toward its 2035 target of a 60 percent reduction in greenhouse gas emissions versus its 2019 baseline.

Highlights from the report include:

- Achieved Essential's diverse supplier and employee commitments, ensuring the company's team and business reflect the communities they serve¹.
- Reduced Scope 1 and Scope 2 greenhouse gas emissions by 25 percent from a 2019 baseline and against the goal of a 60 percent reduction by 2035.
 - This is the equivalent of removing about 80,000 cars from the road each year.
 - Successfully shifted to nearly 100 percent renewable electricity procurement for its water and wastewater operations in Pennsylvania, New Jersey, Ohio and Illinois.
 - Reduced methane emissions through the company's long-term infrastructure improvement goal to replace more than 3,000 miles of pipeline and spearheading innovative research on emissions-reducing energy technologies (through its natural gas segment, Peoples).
- Outperformed the national average for water quality by nearly five times (through its water segment, Aqua).
- Donated \$4.5 million in 2022 to more than 400 community organizations, primarily through the Essential Foundation.
- Volunteered for nearly 4,000 hours across a range of environmental and social causes.

"Providing clean, safe and reliable natural resources is our purpose. Making them affordable, sustainable and available to everyone is our business. With these ideals always in mind, we are committed to better -- and measurable -- outcomes for our environment, employees and the communities we serve," said Chris Franklin, Chairman and CEO of Essential Utilities. "This is important work, and I am pleased to share our progress over the last two years. More importantly, we look forward to continuing our momentum and achieving even more in the coming years."

Hear more from Chris Franklin and the Essential team on the importance of these efforts in this video.

Essential releases comprehensive ESG reports every two years that track against key reporting frameworks and indices including Sustainable Accounting Standards Board (SASB) disclosures, a Task Force on Climate-Related Financial Disclosures (TCFD) report, a Carbon Disclosure Project (CDP) questionnaire, American Gas Association sustainability template, and an ESG commitment progress tracker to showcase specific progress against goals. You can view the 2022 report at <u>ESG.Essential.co</u>.

About Essential

Essential Utilities, Inc. (NYSE:WTRG) delivers safe, clean, reliable services that improve quality of life for individuals, families, and entire communities. With a focus on water, wastewater and natural gas, Essential is committed to sustainable growth, operational excellence, a superior customer experience, and premier employer status. We are advocates for the communities we serve and are dedicated stewards of natural lands, protecting more than 7,600 acres of forests and other habitats throughout our footprint.

Operating as the Aqua and Peoples brands, Essential serves approximately 5.5 million people across 10 states. Essential is one of the most significant publicly traded water, wastewater service and natural gas providers in the U.S. Learn more at <u>www.essential.co</u>.

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¹ Essential's 2022 ESG Report presents data as of 12/31/22, at which time the Company's employee diversity was 16%. As of 6/30/23, this figure increased to 17%, matching the employee diversity commitment. While not reflected in the 2022 ESG Report, this new figure is reflected in the Company's "Measuring Progress Towards Our Targets" tracker on its ESG microsite.

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