

Horizon Takes a

One of Horizon Utilities' fleet of hybrid service vehicles. (Photo courtesy of Horizon Utilities)



“Our commitment to sustainability balances social, environmental and economic considerations without sacrificing economic performance. We anticipate that sustainable development will improve our current economic performance and long-term prospects for success.”

Max Cananzi,
President and CEO, Horizon Holdings Inc.

Today's leading companies are shifting their focus and are looking beyond traditional measures of financial performance to include social and environmental standards. They have realized that in a world impacted by climate change, dwindling natural resources, and a connected global marketplace, corporations have a responsibility to operate in a sustainable manner.

Horizon Holdings, like many other local utility companies, is constantly evaluating its performance against specific regulatory requirements, sector standards, business goals and best practices, and public and shareholder expectations. The company also maintains a strong corporate-wide performance focus on safety, reliability, social responsibility, and employee and customer satisfaction.

But it is clear that society is now asking for more - for companies to practice sustainable development. Through their adoption of a Sustainability Policy, Horizon has established a new and more robust performance requirement.

The progressive move signals the utility's commitment to building a company that will contribute to the sustainability of the communities they serve, while encouraging a culture of energy conservation in Ontario. It's about embedding sustainable practices into Horizon's normal business routines - which is not only good for the environment, but is good business practice for improving the company's economic performance and long-term business success.

With the goal of establishing themselves as an industry leader in sustainable development, the company has taken the bold action of being the first utility in Ontario to measure and report performance under the *Global Reporting Initiative™* (GRI) framework. By benchmarking themselves against an international standard for sustainability, they are better positioning themselves to improve business practices and bring added value to all of the utility's stakeholders.

Released in June, the *2008 Sustainability-Based Annual Report* provides a unique snapshot of the company's social, environmental and economic activities. It's part and parcel of Horizon's movement towards sustainable development and aligns nicely with the 'green' public policy

Bold Step Towards Sustainable Development

direction of the provincial government and the recent passage of the *Green Energy and Green Economy Act* (GEGEA).

The cornerstone of the GRI framework is its *Sustainability Reporting Guidelines*, which emphasize a triple bottom line approach to performance reporting - an examination of social, environmental and economic factors. It has given the utility a framework for internalizing core sustainable development values and provides a concrete, measurable, base from which to initiate programs and direct investments designed to continuously improve business practices in terms of sustainability.

Horizon's sustainability initiatives have been spearheaded by Neil Freeman, Vice President of Business Development. To meet the challenge of producing the first sustainability-based annual report and GRI filing, Horizon hired a sustainability consultant to guide staff in compiling and verifying the detailed information required on the social, environmental and economic aspects of its business.

The sustainability-based annual report outlines the company's newly adopted Sustainability Policy and highlights the utility's activities in:

- Employee relations and development
- Customer satisfaction
- Energy conservation and demand management
- Recycling and waste reduction

- Smart growth, smart meters and smart grids
- Preparing for a 'green' economy and 'green' jobs
- Public education on electrical safety and energy conservation
- Providing economic value to communities
- Corporate governance

By publishing a sustainability-based annual report and making a GRI filing, Horizon is blazing a path to become a sector leader in sustainable development and in the pursuit of the 'green'

economy. Taking this action speaks volumes about Horizon's values and sets a new bar in terms of best practice in the industry. ■



Horizon Holdings Inc. 2008 Sustainability-Based Annual Report (Image courtesy of Horizon Utilities)

Horizon Utilities, the local distribution company of Horizon Holdings, is one of the largest municipally-owned electricity distribution companies in Ontario, providing electricity and related utility services to more than 230,000 residential and commercial customers in the Cities of Hamilton and St. Catharines. The 2008 Looking Beyond Sustainability-Based Annual Report and its companion GRI filing can be accessed from Horizon's website at www.horizonutilities.com.

Three Pillars of Sustainability

Social Impacts

- Health and safety practices
- Hiring practices
- Labour practices
- Training and education
- Reliability of the electricity distribution system
- Corporate giving / employee volunteerism
- Community involvement

Environmental Impacts

- Recycling
- Waste reduction
- Emissions (air, water)
- Energy use
- Impact on wildlife or the natural environment

Financial Impacts

- Financial performance
- Corporate governance and ethics
- Accountability, transparency and reporting
- Economic impact on communities
- Local employment / local suppliers