



ADDENDUM TO THE 2019 CSR REPORT

Our Workforce

Health and safety

No employee or contractor fatalities occurred for 2017-2021.

Dependent care

We offer a complimentary Employee Assistance Program, which can assist employees with support for dependent care in various ways. Additionally, we offer a Dependent Care Flexible Spending Account where employees can save tax dollars on dependent care expenses.

Leave

The company complies with federal and state laws related to employee leave of absences, including maternity leave, paternity leave and family care leave. In addition, we offer a generous sick and vacation leave policy so that our workforce can take care of themselves and their loved ones, as well as promote a healthy work-life balance.

Diversity & Inclusion

The company has an extensive Diversity & Inclusion Policy available in the ESG section of its website. Among other things, it discusses policies and programs that reflect short- and long-term plans to improve diversity and inclusion. In addition, our current trainings serve to improve our efforts, as well as increase outreach and engagement with various minority, disabled, and veteran organizations to foster greater interest in pursuing employment opportunities with our family of entities.

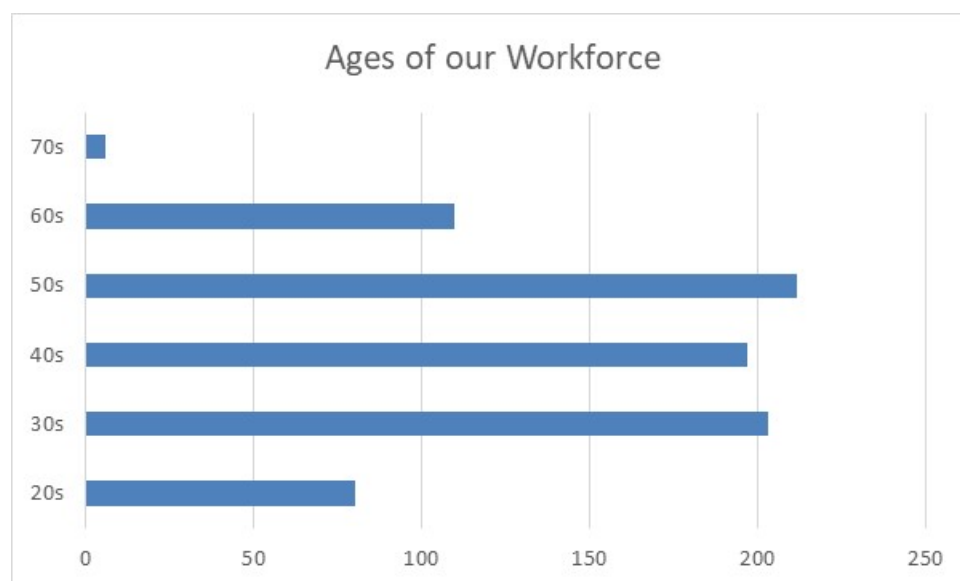
Workforce Diversity

Presented below is a chart showing our diversity demographics. The information is based on our reported EEO-1 data. Our workforce is representative of the U.S. workforce population in terms of ethnic diversity. Although our workforce gender population does not correlate with the national statistics, it does align with the industry population statistics for the water, wastewater and electric utility industries.

	Company Demographics	2018 EEO-1 Aggregate National Report		Company Demographics		
				Supervisors	Managers & Directors	Officers
White	46.3%	59.4%		51.7%	67.3%	66.7%
Black	7.9%	15.2%		3.4%	7.3%	0.0%
Hispanic	29.8%	15.4%		25.3%	5.5%	11.1%
Asian	10.5%	6.8%		16.1%	18.2%	22.2%
Native Hawaiian/Pac Islander	1.1%	0.5%		0.0%	1.8%	0.0%
American Indian	1.2%	0.5%		1.1%	0.0%	0.0%
2+ Races	3.1%	2.2%		2.3%	0.0%	0.0%
Total:	100.0%	100.0%		100.0%	100.0%	100.0%

Female	29.0%	48.2%		19.5%	29.1%	22.2%
Male	71.0%	51.8%		80.5%	70.9%	77.8%
Total:	100.0%	100.0%		100.0%	100.0%	100.0%

Company data as of 12/31/21



As of 12/31/21

Large-scale redundancies and significant job cuts

There has not been an implementation of large-scale redundancies or significant job cuts affecting more than 1,000 employees or more than 5% of the total workforce during the last 10 years.

Position on non-regular employment

The company tries to limit the number of temporary and contract workers, preferring instead to hire and employ directly. At times, temporary and contract workers are used for a finite period of time and in a limited capacity to continue a project or workflow until

we can hire an employee. It is also common for those temporary workers to be hired on as a regular, full-time employee.

Wastewater and Sewer Systems

Integrity of the sewer systems

All American States Utility Services, Inc. (ASUS) locations maintain routine schedules to inspect, jet and clean all sewer system piping and manholes for which we are responsible. These inspections are accomplished through a number of means to include CCTV, sonar/acoustic equipment and smoke testing.

Maintaining these routine schedules helps to prevent the accumulation of blockages which, in turn, reduces the frequency of sanitary sewer overflows. Additionally, sewer aerals and other "at risk" segments are prioritized in the ASUS infrastructure recapitalization program to be either rehabilitated or placed underground to reduce risk.

With respect to infrastructure, ASUS systematically replaces its sewer system as part of 50-year recapitalization programs at each location that are updated annually. The piping to be replaced is prioritized based on the number of service outages, highest maintenance frequency and greatest Inflow and Infiltration issues.

Sewage sludge treatment

ASUS utilizes agricultural as the sole sewage sludge disposal method. This is a partnering effort with local agricultural farmers with no current need to seek other strategies. This approach is in compliance with Federal regulations.

ASUS operates and maintains wastewater treatment facilities that have biological nutrient removal capabilities, which reduce/remove high concentrations of nitrogen and phosphorus from the wastewater stream.

Quality of treated wastewater

ASUS is 100% compliant with the removal rates of all constituents required under its wastewater treatment plant operating permits.

ASUS works closely with state regulators and industry associations to stay current with emergent issues related to wastewater treatment. ASUS proactively addresses treatment requirements as they are added to its permit for compliance.

Cyber and Digital Security

Cybersecurity updates are given to the board of directors on a quarterly basis. Quarterly cybersecurity training is required for all employees, with the topics varying each quarter. The company also conducts specialized training. ASUS is required to train all employees annually on protecting certain types of information relating to the work we do with the U.S. Government.

Emissions

Greenhouse Gas (GHG) Emissions and Related Metrics

The following are results of our greenhouse gas (GHG) emissions inventory and related metrics.

Metric Category	2019 Value	2020 Value	Units
Total Scope 1 – Direct Emissions	2,653	2,585	tCO ₂ e
Total Scope 2 – Indirect Emissions (Location-based) ¹	14,404	15,138	tCO ₂ e
Total Scope 2 – Indirect Emissions (Market-based) ²	14,207	14,876	tCO ₂ e
Total Emissions (Scope 1+2)			
Total (Location-based)	17,057	17,724	tCO ₂ e
Total (Market-based)	16,860	17,462	tCO ₂ e
Total Grid Electricity Consumption	63,678	66,924	MWh
Water Supply Intensity (Market-based) ³	0.000285	0.000279	tCO ₂ e/ccf

¹ Location-based emissions are calculated using location specific (i.e. state average) electricity grid intensity factors

² Market-based emissions are calculated using electrical utility specific intensity factors

³ Water Supply Intensity is the amount of GHG emissions generated per ccf of water supplied. This does not factor in water loss as water loss can be dependent on a number of factors outside of the company's control.

Scope 1, or Direct Emissions, refers to emissions created primarily through our vehicle fleet. Scope 2, or Indirect Emissions, refers to emissions primarily generated from the consumption of grid electricity.

The company had a higher level of Indirect Emissions in 2020 versus 2019, largely due to an increase in electricity consumption at Golden State Water Company (GSWC), as we pumped more water to meet customer demand.

Reducing our Carbon Footprint

The company has developed a greenhouse gas emissions reduction target of 60% by 2035, based off 2020 baseline numbers. To accomplish this, the company has developed a phased approach, which includes short-, medium- and long-term actions. Our priorities include reductions in energy use and increasing purchases of green energy for our water operations, increasing purchases of green energy for distribution to our electric customers, and reviewing our vehicle fleet needs and electrification. Achievement of this reduction target is contingent on certain external factors, which include the ongoing development of technology, and successful achievement by the state of California in reaching its Renewables Portfolio Standard goal for this period.

February 2022