

2020 IMPACT REPORT

Powering a Culture of
Caring and an Inclusive
Future for All



A PURPOSE THAT INCLUDES EVERYONE

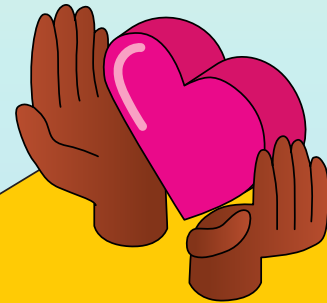
PJM has been prioritizing sustainability and corporate social responsibility work for a number of years now. In 2020, macro events – such as COVID-19 – and a strong focus on our activities around diversity, equity and inclusion (DEI), climate, and our societal impact, have cast an even brighter light on our overall purpose and value to members, stakeholders and society at large.

Modern society cannot do without electricity for any material amount of time. Aligned with our critical mission of reliable operations, fair and efficient markets, and infrastructure planning, the purpose behind our work is profound. At its core, electricity is a fundamental driver of modern life.

Acknowledging our profound purpose and mission, PJM works to ensure our social responsibility efforts reflect the values of the diverse communities we serve. In 2020, we adapted the way we report our community impact and social responsibility efforts using an environmental, social and governance (ESG) lens.

“PJM's success depends on our commitment to our Core Values, our commitment to teamwork and our culture of caring, respect and communication. We will continue to be guided by these principles.”

- Manu Asthana – President & CEO



The Commonwealth of Pennsylvania House of Representatives issued a resolution recognizing PJM operators for “ensuring there was continued power and electricity to our first responders, our hospitals, our homes and home offices ... many of the staff at PJM, who have very specialized roles in ensuring the reliability and continued operability of the electric grid, were actually sequestered ... so that they could ensure that they remained safe and able to continue to provide electric service to all.”

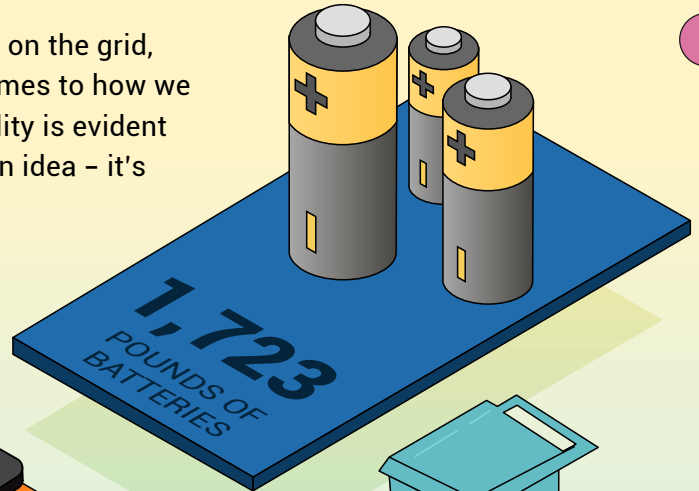
“Since the onset of this pandemic and our transition to our telecommuting posture, it's never been more obvious to me the commitment and dedication of the PJM people, those who tirelessly work to make sure we continue to fulfill our mission of reliably operating the transmission grid, efficiently operating our markets, planning for reliability in the future and all of the support tasks it takes to keep all of this going. It's through the commitment, dedication and unwavering focus of our people that PJM is able to fulfill our mission for the 65 million people we serve.”

- Stu Bresler – Senior Vice President
– Market Services



ENVIRONMENTAL

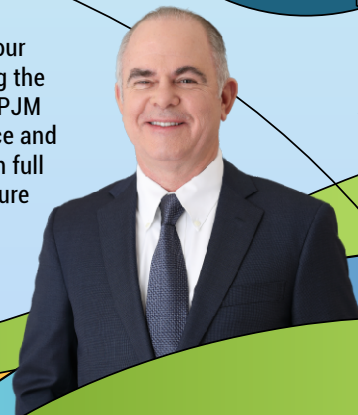
As we continue to focus on lowering emissions on the grid, PJM adheres to the same principles when it comes to how we operate our campus. Environmental sustainability is evident in all we do as a company. It's more than just an idea - it's part of our culture as an organization.



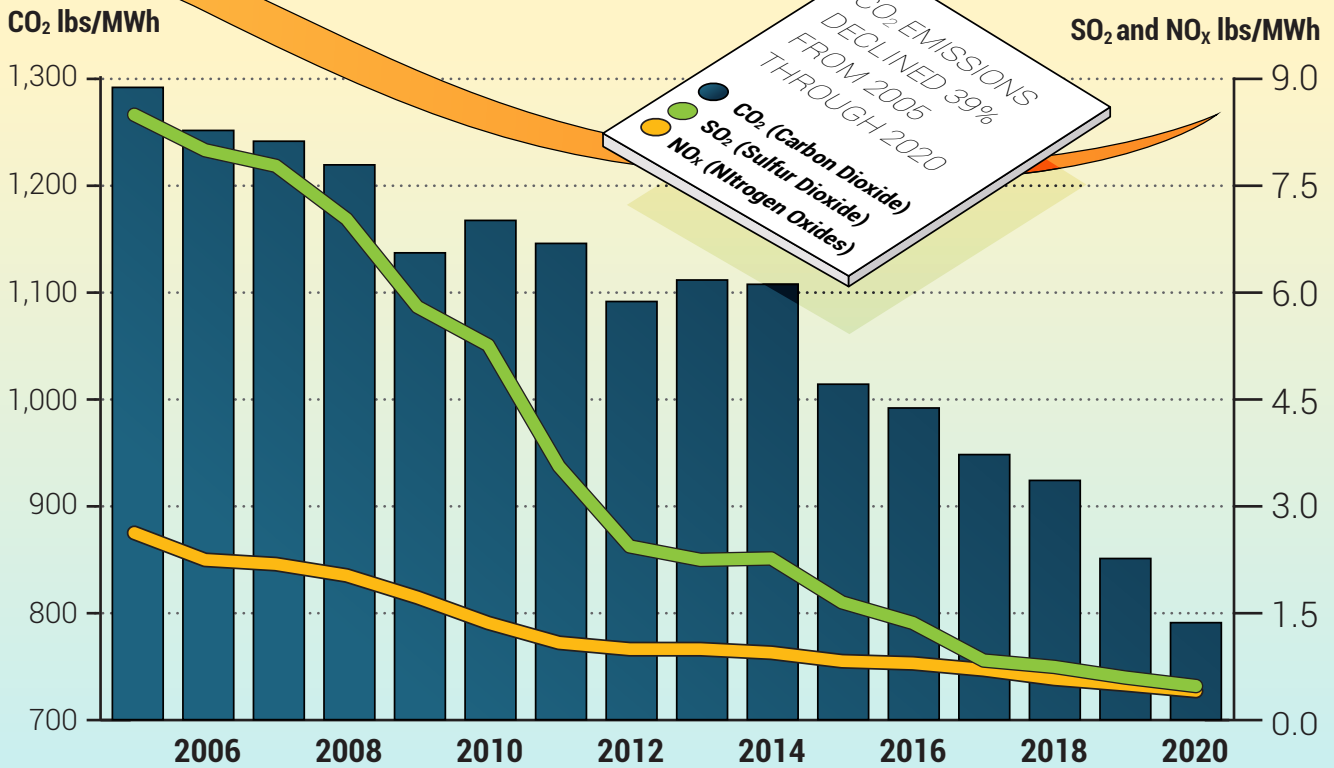
In November, PJM and the New Jersey Board of Public Utilities announced a landmark initiative to help New Jersey advance its offshore wind goals through a never-before-used provision of PJM's transmission planning process.

“ We are keeping health and well-being at the forefront of our decision-making as we respond to the pandemic. Keeping the lights on is job number one. Without question, the entire PJM team has responded with outstanding dedication, sacrifice and perseverance. Those that have worked on-site, some in full sequestration, have sacrificed tremendously to ensure business continuity and grid reliability.”

- Mike Bryson - Senior Vice President - Operations



PJM SYSTEM AVERAGE EMISSIONS RATES



CONSCIOUS CAMPUS INITIATIVES

TRASH-TO-ENERGY

PJM recycles or provides trash-to-energy fuel for waste generated on campus.

LANDFILL FREE

The Valley Forge and Milford campuses divert from landfills 100 percent of waste generated through a trash-to-steam program.

ENERGY STAR RATING

PJM's Technology Center building earned the EPA's ENERGY STAR rating, making it more efficient than 75 percent of similar facilities nationwide.

COMPOSTING

All organic food waste generated on campus is sent to a composting yard in Pennsylvania.

DAYLIGHT HARVESTING

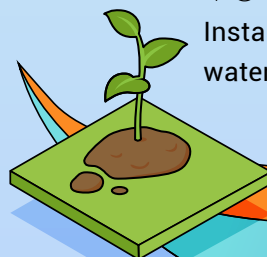
PJM buildings use special daylight-harvesting sensors to gauge the brightness outside and automatically adjust indoor lights, making the buildings more energy efficient.

OCCUPANCY SENSOR LIGHTING FIXTURES

Automatically turn off lights when rooms are empty to reduce energy usage.

TOUCHLESS WATER FAUCETS

Installed throughout PJM campuses to reduce water usage and the spread of germs.



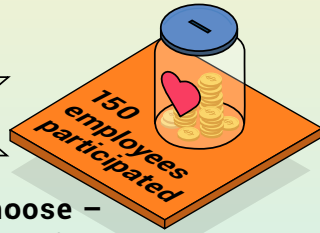
SOCIAL



I am proud of the generous contributions from PJM employees totaling \$54,039 in funds for COVID-19 relief. Through its Matching Gift Program, PJM double-matched the employee contributions for a total of \$162,117 in COVID-19 relief donations. PJM employees stepped up during a time of uncertainty to help others, demonstrating yet again our dedication to PJM's long-standing culture of caring.



SPECIAL GIVING CAMPAIGN FOR COVID-19 RELIEF:



Philabundance – providing food to those in need; building and distributing emergency food boxes across a nine-county service area.

\$32,700

American Red Cross – prevents and alleviates human suffering in the face of emergencies by mobilizing the power of volunteers and the generosity of donors.

\$8,225

PHL COVID-19 Fund – helping the Greater Philadelphia area nonprofit community navigate near- and longer-term challenges from COVID-19; brings together a diverse coalition of philanthropy, government and business partners.

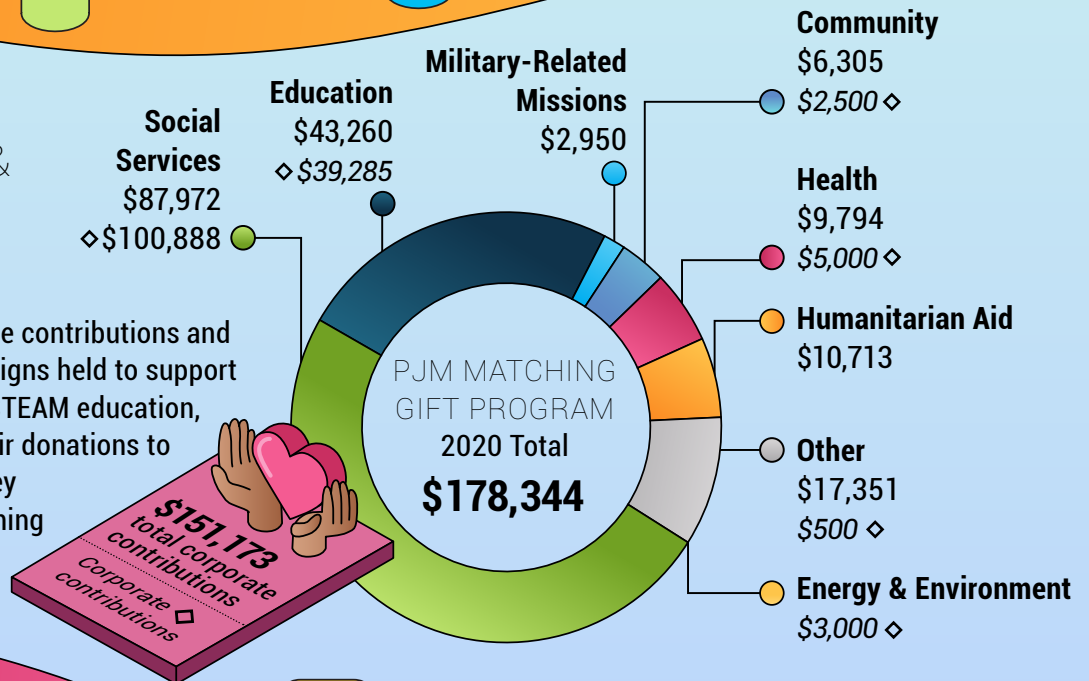
\$8,080

Donors Choose – coronavirus relief to keep kids learning; providing materials such as books, basic supplies and food to help kids learning at home during school closures.

\$5,034

CORPORATE CONTRIBUTION & MATCHING GIFT PROGRAM

In addition to PJM's corporate contributions and special double-match campaigns held to support COVID-19 relief efforts and STEAM education, employees can maximize their donations to organizations and causes they support through PJM's Matching Gift Program.



SOCIAL

FALL GIVING CAMPAIGN:

Employees contributed \$13,232 in our fall giving campaign. After PJM double-matched the employee contributions, a total of \$39,231 was donated to the following organizations.

Mary's Shelter

\$7,283

National Girls Collaborative Project

\$4,450

Women in Transition

\$1,499

PJM Outreach organized a virtual food drive benefitting the Norristown Hospitality Center.

Mary's Shelter – providing housing services, homelessness prevention and social services for mothers and their babies through various services including a maternity home, pantry services, life-skill classes and youth services programs.

National Girls Collaborative Project – bringing together organizations throughout the United States that are committed to informing and encouraging girls to pursue careers in science, technology, engineering and mathematics.

Women in Transition – empowering people to attain safety, equality and justice, and build independent and self-sustaining lives for themselves and their children; and to pioneer collaborations with community partners to create an intolerance of gender-based violence, substance abuse and poverty. Services are offered to people of any gender identity and/or sexual orientation.

Domestic Violence Awareness Month

Employees wore purple during a virtual walk to raise awareness and show support for survivors of domestic violence.

Employees organized an interactive panel discussion event to promote breast cancer awareness.

340,000 steps walked by PJM employees, contractors and family members to show we stand together.

PJM supported the American Red Cross COVID-19 antibody testing efforts **\$20,000**

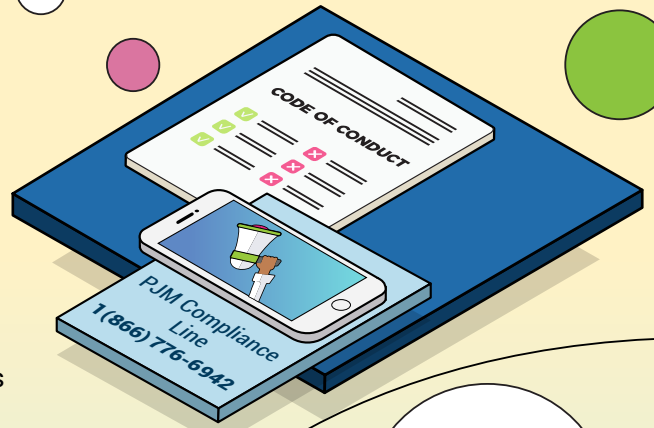
33 pints of blood donated from employees

PJM Named a Top Adoption-Friendly Company in the United States for 14th Consecutive Year

GOVERNANCE

EMPLOYEE CODE OF CONDUCT

As a reinforcement of PJM's commitment to ethical business conduct and a culture of compliance, PJM has re-designated the PJM Employee Hotline as the PJM Compliance Line, available to PJM members, stakeholders and others who have a relationship with PJM.



Employees, vendors, contractors and other non-employees, including specifically PJM members and stakeholders, are encouraged to use the PJM Compliance Line to report any concerns regarding any potential violations of PJM's Code of Conduct, governing documents, applicable laws (including FERC, NERC, ReliabilityFirst), other compliance obligations or any other concerns about PJM.

CORE VALUES

These Core Values define the culture of teamwork we strive for at PJM Interconnection.

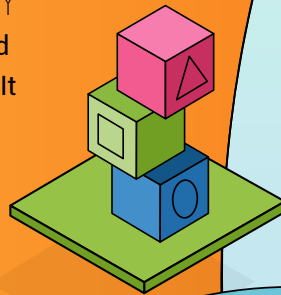
The employee-defined Core Values are summarized by the acronym I CARE. The acronym begins with an "I" but is completed by a group of letters that each add value, like a successful team.

PJM's success depends on our individual commitment to these Core Values, to our fellow employees and to our member companies.



SUPPLIER DIVERSITY

PJM recognizes the importance and benefits of a diverse supplier base. It is good for PJM, for our members, for the business community and for the 65 million people who live and work in the region PJM serves. Not only is supplier diversity the right thing to do, it makes good business sense.

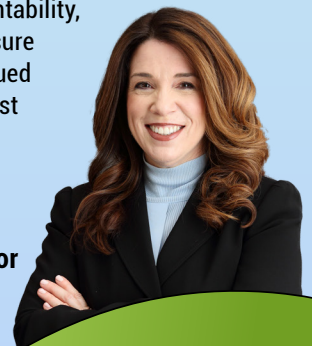


“At PJM, we are asking ourselves what bold and compelling actions we can take to address our needs and the needs of the greater PJM community. Our diversity strategy is built on three pillars: workforce diversity, workplace inclusion and community accountability. We will take action to build upon these pillars and continue to foster a work environment that champions our differences, just as we champion the differences within our footprint and in the communities around us.”

- Asim Haque – Vice President – State & Member Services, and Executive Sponsor of the Diversity & Inclusion Council

“The Executive Team and I are personally dedicated to creating a more inclusive work environment. We ask each and every employee to help by practicing PJM's Core Values – Integrity, Communications, Accountability, Respect and Excellence. Making sure that every voice is heard and valued is the standard by which we must hold ourselves accountable every day and in every situation.”

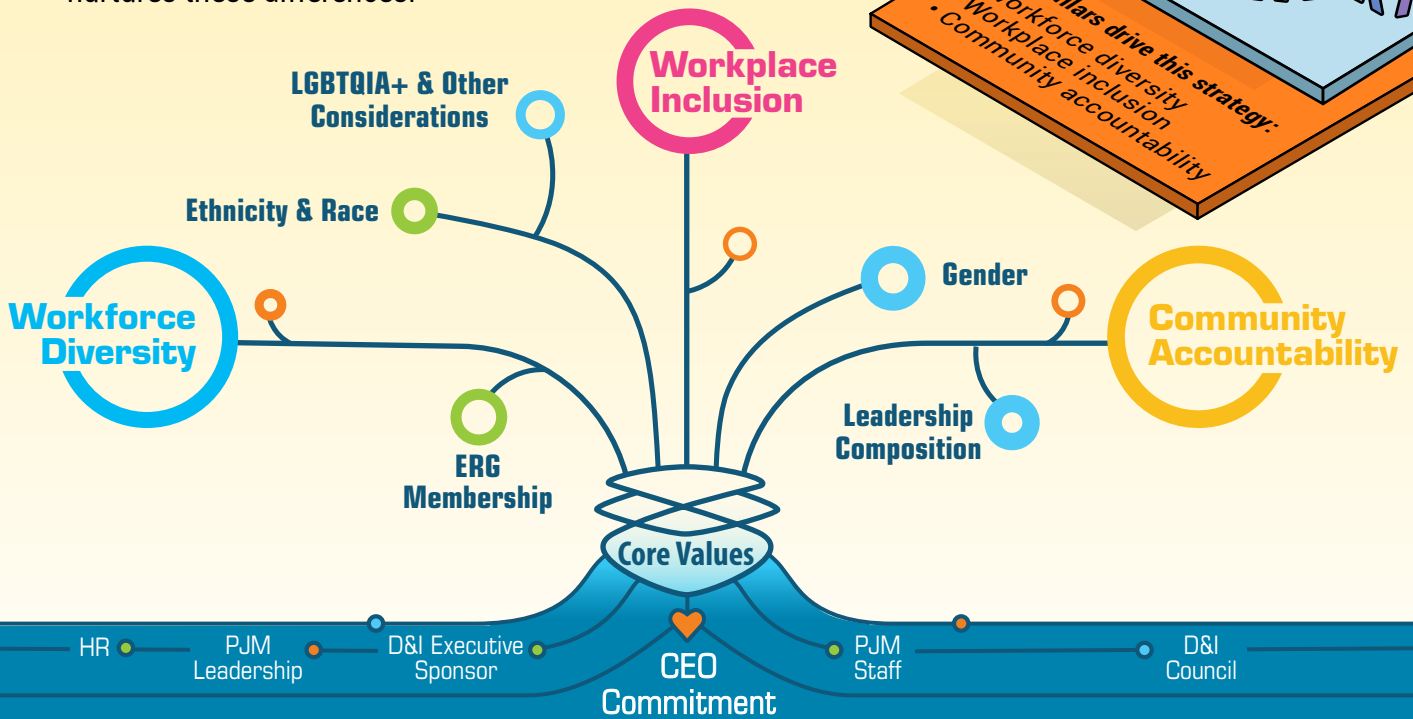
- Nora Swimm – Senior Vice President – Corporate Client Services





DIVERSITY, EQUITY AND INCLUSION STRATEGY

A key part of our culture is creating an inclusive environment where each employee can bring their best selves to work. To support this effort, in 2020 PJM renewed its dedication to diversity and inclusion with a new three-year DEI strategic plan. We seek to continue to foster a workforce that includes a general reflection of the people we serve, and to create a workplace that recognizes and nurtures these differences.



“As D&I Council Chair, I am excited to build relationships internally and externally to benefit PJM DEI efforts. I believe DEI changes can start small with open conversations within our networks: our families, our friends, our neighbors and our PJM peers and community. I am dedicated to recommending and participating in DEI initiatives to support PJM's DEI strategy.”

- Anita Patel – Manager – Knowledge Management Center, and Chair – D&I Council

“Fairness, objectivity and equity in opportunity and decision-making. Open-mindedness and impartiality in collaboration and coordination. If you believe in these concepts, then you believe in diversity, equity and inclusion. Objective decision-making and true collaboration improves PJM's value proposition all around. So why stop at your comfort level? Open the door. Supporting efforts to make D&I part of our DNA is everyone's business. How will you make it yours?”

- Darlene Phillips – Executive Director – Operations Engineering Support

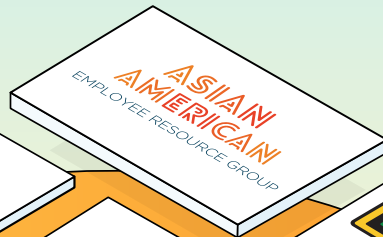
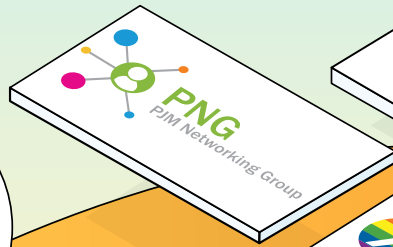
ACCESSIBILITY WORK BEING DONE WITH PJM TOOLS:

PJM has embarked on making all of our online member tools compliant with the Americans with Disabilities Act standards. Additionally, we're working through our website to achieve a level of accessibility on all pages of pjm.com.



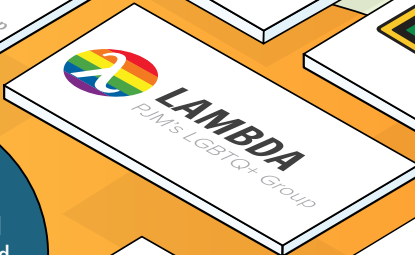


EMPLOYEE RESOURCE GROUP HIGHLIGHTS:

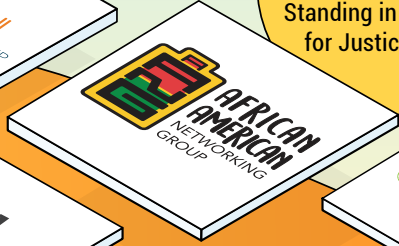


African American Networking Group and Lambda hosted: Standing in Solidarity for Justice event.

PJM hosted an awareness event with the American Association of People With Disabilities.



In honor of Pride Month, PJM hosted a TED Talk event titled "The Danger of Hiding Who You Are."



The D&I Council offered weekly Suggested Resource Lists highlighting various books, videos and podcasts on DEI-related materials appropriate for each age group.

PJM Recognized International Pronouns Day by offering employees pronouns training through the Lambda ERG.



Speaker Series Event with Rev. Dr. Lorina Marshall-Blake: Diversity Is Good Business.

PJM held a contest for employees to create a new DEI slogan. Employees shared 60+ creative ideas with the winning slogan being, "The Power of Together."

Civil Rights leaders showcased as part of African American History Month

PJM Celebrates Asian/Pacific American Heritage Month

Ramadan: A Month of Training the Body and Soul

International Women's Day Recognized

Rosh Hashanah - The Jewish New Year

Celebrating Ganesh Chaturthi: A Hindu Celebration Rich in Symbolism

PJM recognized a wide variety of cultural holidays and ERG activities throughout 2020.



“For me, Pride is about positive visibility and celebration. I think about how my life would have been different if I grew up in a world where LGTBQIA+ folks were just a normal part of everyday life, existing openly in all aspects of our community – instead of hidden. I'm glad that today I am able to be myself as a gay man and hopefully be that example in someone's life that it's OK to be who you are.”

“Inclusion is not only having a seat at the table but having your opinions and thoughts valued and respected.”

- Zachery Van Ness – Senior Engineer I – Interconnection Analysis, and Chair, Lambda – PJM's LGTBQIA+ Group

- Francine Murphy – Senior Analyst I – Market Settlements Development, and D&I Council Member



Working to Perfect the Flow of Energy

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