



CORPORATE  
SUSTAINABILITY  
*report* 2023

MAKING A *positive* IMPACT

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# CEO message



## DEAR STAKEHOLDERS,

Employees at the Middlesex Water family of Companies are committed to providing high quality utility service and drinking water that complies with the strictest state and federal standards. Throughout the year, we strive to make a positive impact on the communities we serve and act a trusted resource to municipalities, developers and our customers. We continued to focus in recent years on making prudent investments in drinking water infrastructure, enhancing our emergency response to protect public health, and providing an inclusive environment where our employees can feel supported, work safely and be challenged, grow and thrive.

In this report, we include progress made to date, 2022 data, as 2023 data was not yet available, a 2020, 2021 and 2022 overview of key stats for easy reference. Our sustainability journey continues to evolve year over year as we identify ways that contribute to our overall business goals while, at the same time, improving our environmental, social and governance performance.



We are pleased to share our progress in a number of key areas of importance to our business including environmental compliance, training and professional development, climate change resilience, ethics, emergency management and more.

Sincerely,

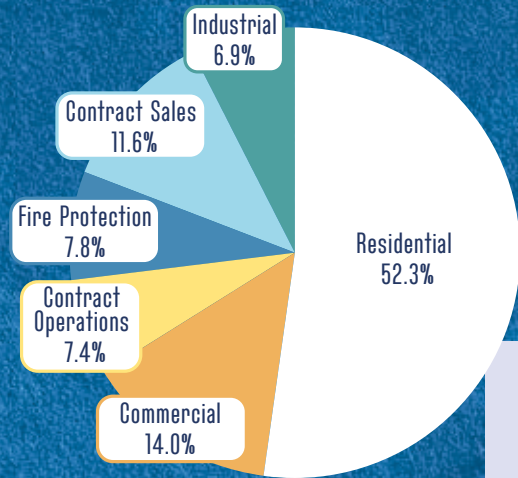
A handwritten signature in black ink that reads "Dennis W. Doll".

**Dennis W. Doll**  
Chairman, President and CEO  
Middlesex Water Company



## WHO *we* ARE

Middlesex Water Company (MWC) is a public water utility with corporate headquarters located in Iselin, New Jersey and has been in operation since 1897 as a water utility. MWC provides a full range of regulated and non-regulated water, wastewater utility and related services primarily in New Jersey and Delaware and serves a population of nearly 500,000.



Middlesex is subject to regulation by the New Jersey Board of Public Utilities (“NJBP”), New Jersey Department of Environmental Protection (“NJDEP”) and the United States Environmental Protection Agency (“USEPA”).

The Middlesex System serves Woodbridge Township, the Boroughs of Carteret and Metuchen, the City of South Amboy, portions of Edison and South Plainfield and to a minor extent, a portion of the Township of Clark in Union County, NJ. These retail customers include a mix of residential customers, large industrial concerns, commercial and light industrial facilities.

The company’s subsidiaries include Tidewater Utilities, Inc. (Tidewater), Pinelands Water Company, Pinelands Wastewater Company, Utility Service Affiliates, Inc., and Utility Service Affiliates (Perth Amboy) Inc. Tidewater’s wholly-owned subsidiaries include Southern Shores Water Company, LLC and White Marsh Environmental Systems, Inc. Please refer to our Middlesex Water 2022 Annual Report and Form 10-K for additional information.

The Company’s largest subsidiary, Tidewater and its wholly owned subsidiary Southern Shores Water Company, LLC, are subject to regulation by the Delaware Public Service Commission (“PSC”), Delaware Department of Natural Resources and Environmental Control (“DNREC”), and the Delaware Department of Public Health (“DPH”).

Through its affiliated companies, Middlesex delivers quality water and wastewater service and works to deliver technical and management expertise that creatively address challenges such as aging infrastructure and increasing regulatory pressures faced by municipalities, developers and small system owners.

Middlesex Water Company has paid cash dividends in varying amounts continually since 1912. 2023 marked the Company’s 51st year of consecutive annual dividend increases. Our teams remain committed to continually enhancing the quality of our operations, to growing and developing our talented workforce and to further driving shareholder value.

### Middlesex Water at a Glance 2022

NASDAQ Stock Market Symbol	Headquarters	Employees	2022 Revenue	Net Income	Utility Plant	Diluted Earnings Per Share
<b>MSEX</b>	<b>ISELIN, NJ</b>	<b>358</b>	<b>\$162.4M</b>	<b>\$42.4M</b>	<b>\$1,135.4.0M</b>	<b>\$2.39</b>



## OUR *mission*

The Middlesex Water family of companies are committed to providing service in the water, wastewater and related service fields in a safe, reliable and efficient manner.

## OUR *vision*

We will work to be the company of choice for individuals, developers and municipalities seeking water, wastewater and related service solutions that make operational and economic sense.

## OUR *values*

Our mission, and the way we deliver for our customers, our shareholders, our communities, and for each other is rooted in what we as a company believe to be our core values. These values and underlying business principles define us as an enterprise and help drive our daily individual and business decisions.



NEW STAFF ROLES ADDED  
*To enhance* SAFETY,  
*manage* ASSETS &  
*expand* TRAINING

## Making progress for the long term...

To support training, safety and emergency management needs, Middlesex added new personnel to support needs across the enterprise and focused on succession planning for key roles.

These new roles included:

**An IT Security Manager** who is responsible for overseeing the company's information security including its cybersecurity plan, monitoring organization networks, conducting security audits and testing, recommending security tools and enhancements, ensuring compliance with regulatory requirements and industry best practices.

**A Technical Training Manager** who leads the design and delivery of technical training programs. This management level team member determines training objectives by conducting analysis of overall needs of the position and identifying specific skill or knowledge gaps.

**A Safety Coordinator** who assists with the review and evaluation of work environments and helps design programs and procedures to ensure compliance with applicable occupational health and safety regulations.

**An Emergency Preparedness and Security Manager** who is responsible for overseeing the development of mitigation, preparedness, response and recovery plans for all of the Company's operating units including evaluating operational risk and resiliency. This role also manages the day to day protection of facilities, personnel and assets and maintains relationships with key partners including the U.S. Department of Homeland Security, local law enforcement, fire and office of emergency management officials.

### A Manager of Enterprise Asset Management

who is responsible for developing a Criticality/Risk Prioritization Assessment for Assets, Level of Service Goals, monitoring asset life cycle costs and strategies and developing a funding strategy for the asset management plan.

In addition, following the retirement of a long term staffer, we hired a new **Director of Customer Service** who brings extensive utility experience to her role. Several internal promotions were announced demonstrating our intentional approach to promoting from within, wherever possible.



Middlesex Water delivered over  
**6,000 hours of training in 2022.**

## CYBERSECURITY AUDIT *commissioned*

# Securing our operational technology networks...

**To identify gaps in current cybersecurity protocols and policies and ensure resilience, the Board of Directors commissioned an independent audit of the Company's cyber security infrastructure.**

Middlesex Water's cyber program follows the NIST Framework for Improving Critical Infrastructure Cybersecurity. The Company regularly conducts cybersecurity awareness and training programs for all employees and has an incident response and recovery plan in place.

New Jersey's Water Quality Accountability Act (WQAA) requires public community water systems that have more than 500 service connections to develop a cybersecurity program in accordance with the requirements established by the New Jersey Board of Public Utilities (NJBP), and the 2021 amendments to the WQAA. The Middlesex Board of Directors commissioned an independent cybersecurity audit to identify any gaps that may exist with compliance with the WQAA and also to review the maturity of Information Technology practices and procedures. Middlesex will evaluate audit findings to mitigate vulnerabilities to protect its security architecture.

**Among areas reviewed as part of the board audit are:**

- ➔ Reviewing policies, plans, processes and procedures for identifying and mitigating cyber risk to critical systems.
- ➔ Risk assessments and how implementing appropriate controls help mitigate identified risks.
- ➔ Maintaining situational awareness of cyber threats and vulnerabilities.
- ➔ Reporting cyber security incidents and suspicious activity to Board Staff via the New Jersey Cybersecurity & Communications Integration Cell (NJCCIC).
- ➔ Exercising Incident Response and Recovery Plans.
- ➔ Appointing an executive to oversee the cybersecurity program.
- ➔ Purchasing cybersecurity incident insurance policies.

The MWC Enterprise has a **90 percent and above rating** on Securityscorecard.io which measures network security, DNS Health, Patching Cadence, Application and Endpoint Security, among other risk factors.

# MANAGING RISK *through* GEOGRAPHIC INFORMATION SYSTEMS *upgrade*



## Middlesex Water is upgrading its Geographic Information System (GIS) to better manage risk and assets and increase operational efficiency.

The Middlesex Team along with outside consultants have completed creation of a strategic plan for GIS includes upgrading its ESRI software suite, integrating it across the Middlesex family of companies and expanding GIS training beyond the Company's Engineering and Distribution Departments.

### The improvement is expected to result in:

#### Strengthened Risk Assessment

Improves our ability to assess asset vulnerabilities, evaluate the environmental impact of planned capital projects and new environmental regulations and better plan for emergency response.

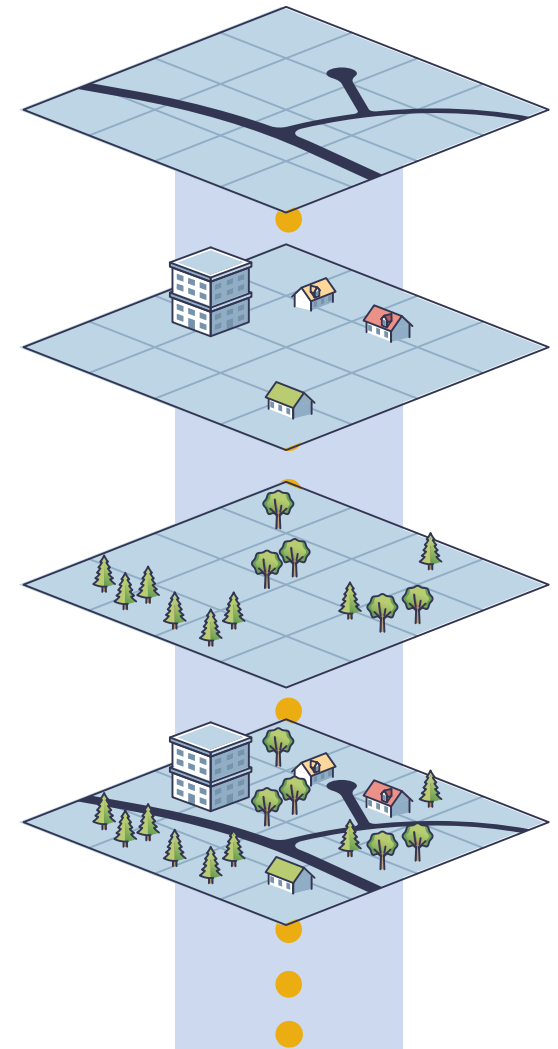
#### Asset Inspection and Maintenance

Better capture new construction project and manage asset repairs, document daily work and inspections and streamline maintenance.

#### Utility System Configuration

Use GIS data to simulate the configuration of a water system network that would work best.

Because of its value in streamlining field operations and quicken the decision making process, Middlesex is seeking to imbed GIS it its culture as a tool of benefit to the entire enterprise.



The MWC system replaced **29,600 feet** of aging water mains in 2022.



**HELPING  
BUSINESSES  
*better*  
understand  
THEIR WATER  
USAGE**

**In New Jersey, the Clean Energy Act of 2018, signed into law by Governor Philip Murphy, mandates the NJBPU to require the owner or operator of each commercial building over 25,000 square feet in New Jersey to benchmark energy and water use for the prior calendar year using the United States Environmental Protection Agency’s Portfolio Manager tool.**

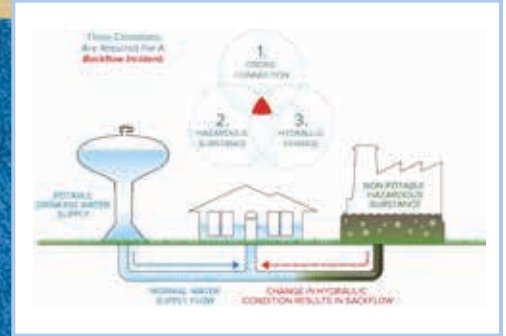
Benchmarking allows commercial building owners and operators to measure and analyze their facilities’ energy and water use, and to compare their performance to that of similar buildings. Building owners can now submit an online request for their water consumption data from Middlesex Water Company which they can then input into the Portfolio Manager online tool for reporting purposes.

**Visit our website [Benchmarking Program](#) page >**

This allows owners and operators the opportunity to comply with reporting requirements while identifying performance improvements that can help them reduce energy and water use and facility costs.



**CROSS  
CONNECTION  
CONTROL  
*protects*  
WATER SUPPLY**



**Middlesex Water is a staunch advocate for cross connection controls.**

A cross-connection is an actual or potential temporary or permanent connection between a public water system and any source or system containing nonpotable water or other substances. Cross-connections can result in a hazardous and undesirable event known as backflow. Backflow occurs when a drop in water pressure causes water to flow in the opposite direction – potentially allowing contaminated or polluted water to flow back into the drinking water pipes.

As water suppliers, we work to ensure that proper backflow preventers are installed and maintained at the water service connection to each system or premise that poses a significant hazard to the public water system.

Our Tidewater subsidiary in Delaware has adopted a cross-connection control program designed to comply with new regulations issued by the State of Delaware under Title 16 of the Delaware Administrative Code (Code). Administered by the Office of Drinking Water, the new regulations prohibit hazardous interconnections to public water systems and now requires all Delaware public water systems to develop a comprehensive cross-connection control program. Code Section 4455 requires the installation of specific backflow prevention devices, methods and assemblies to isolate cross-connection control hazards associated with drinking water supply plumbing.

These new regulations align with Tidewater’s mission to protect the public water supply and to continue to provide safe, clean drinking water to households and businesses throughout Delaware.

## HELPING SCHOOLS & CHILDCARE FACILITIES MAINTAIN *drinking water* QUALITY

**In addition to providing quality water service, Middlesex Water has a program to educate school and childcare facility owners about ways to maintain water quality in their buildings.**

This is especially important for buildings where water may sit in internal pipes for long periods of time, as in school breaks or at the end of the school season. When water is not used and is allowed to stagnate in internal piping, disinfectant will break down and the water temperature can change allowing bacteria to grow. A stagnant environment can also allow metal from internal plumbing, like lead, to dissolve into the water. Regular usage by students and staff and routine flushing helps keep fresh water flowing through pipes.

An information packet was sent to school superintendents and principals in its service area which included recommendations for implementing a step by step routine flushing and maintenance plan as well as handy checklists. Larger facilities were encouraged to create a water system building profile which outlines how their internal system is connected, general direction of water flow and all fixture locations used for consumption, including any connected devices like water storage tanks, water softeners or plumbing “dead ends” areas of low usage. This information will help schools prevent water stagnation in internal plumbing so students can enjoy clean, fresh drinking water.



Click image to view full document online.

## CEO *action* FOR DIVERSITY & INCLUSION

Eager to continue to build on our strong workplace culture where diverse perspectives are welcomed and to attract even more employees representative of the communities we serve, Middlesex Water became one of over 2,400 signatories of CEO Action for Diversity & Inclusion™ the largest CEO-driven business commitment to advance diversity, equity & inclusion within the workplace.

### CEO **ACT!ON** FOR DIVERSITY & INCLUSION

**By signing on, Middlesex pledges to:**

- ➔ Continue to cultivate a workplace that supports open dialogue on complex, sometimes difficult, conversations about diversity and inclusion.
- ➔ Conduct and expand unconscious bias training
- ➔ Share best practices, challenges and successful strategies and actions
- ➔ Engage our board of directors in the development and evaluation of our diversity and inclusion strategies.



**RENEW PROGRAM  
PROVIDES**  
*enhanced*  
**WATER QUALITY,  
RESILIENCY AND  
RELIABILITY**



**As part of our Water for Tomorrow® initiative to enhance reliability, resiliency and water quality, our water main replacement program takes place annually. Known as the “RENEW” Program, this large-scale improvement effort includes installing new below ground meter pits and replacing cast iron water mains and outdated service lines in a target area.**

In 2022, the Company invested \$7.9 million to upgrade over 24,000 linear feet of water main providing drinking water in Woodbridge Township, NJ. As part of its RENEW 2023 Program, the Company invested \$11.1 million in the Borough of Carteret and in Port Reading, New Jersey. These improvements are designed to improve fire flows and overall service quality in the area as the new mains being installed have greater water carrying capacity. RENEW also helps the Company to save water by identifying any existing leaks. Proactively addressing aging infrastructure on a planned replacement schedule reduces the likelihood of future disruptive and costly emergency repairs.

At the same time, MWC will be performing lead service line replacement to help customers address lead on portions of the service line that they own. As new mains are installed, any lead and galvanized service lines will be replaced with copper service lines at no direct cost to the property owner or tenant.

Customers are being asked to report the composition of the water service line on their property via an online tool to help complete the Company’s lead service line inventory.

**Number of customer-owned drinking water service lines in MWC system of unknown composition:**

**34,360 Service Lines**



# SUCCESSFULLY TREATING *groundwater* FOR PFAS COMPOUNDS



**MWC has an unwavering commitment to the health and safety of our customers. Faced with newly regulated contaminants, environmental threats such as harmful algal blooms and adverse climate impacts, the Company must continue investing in its systems and facilities to protect drinking water.**

In July 2023, Middlesex Water Company completed construction of an upgraded treatment plant at its Park Avenue wellfield in South Plainfield, New Jersey to treat Perfluorooctanoic Acid (PFOA). The \$52 Million-dollar new facility is currently treating groundwater in compliance with all state and federal drinking water standards.

In 2021, the NJDEP adopted a new regulation, or Maximum Contaminant Level (MCL), for one of the more prevalent per-and polyfluoroalkyl substances (PFAS) compounds, PFOA. While the drinking water delivered by Middlesex met all existing regulatory standards at the time, when the new MCL became effective, the Park Avenue Plant initially exceeded the new PFOA standard.

The Company expedited a phased construction approach to begin successfully treating groundwater containing PFOA through a partial and temporary treatment by June 2022. In June 2023, the facility progressed from temporary treatment to permanent treatment status and achieved compliance with all state and federal drinking water standards.



# BY THE *numbers*



PERCENTAGE AND VOLUME  
OF NON-REVENUE  
REAL WATER LOSS

**2022: 14.2% | 5.51 MGD**  
**2021: 14.8% | 5.67 MGD**



TOTAL WATER DELIVERED  
BY MIDDLESEX SYSTEM IN 2022:

**14.2 BILLION GALLONS**



INVESTMENTS IN INFRASTRUCTURE  
FOR WATER MAIN REPLACEMENTS

**2022: \$22,074,460**  
**2021: \$19,265,699**



TOTAL INVESTMENT IN  
WATER SYSTEM INFRASTRUCTURE

**2022: \$89,900,570**  
**2021: \$147,154,362**



# LINEAR FEET OF WATER MAINS  
REPLACED OR INSTALLED  
to prevent water loss  
through leaks or main breaks

**2019: 34,497 FEET**  
**2020: 58,854 FEET**



NUMBER OF PRODUCTIVE HOURS  
WORKED IN 2022:

**744,640**



NUMBER OF PERMANENT BACKUP  
POWER GENERATOR INSTALLATIONS  
IN 2022

**5**



MIDDLESEX MET  
ALL NEW JERSEY  
WATER QUALITY  
ACCOUNTABILITY ACT  
REQUIREMENTS IN 2022?

**YES**

# SUPPORTING CUSTOMER *growth* IN DELAWARE



## Investment in water infrastructure provides broad economic benefits wherever it is implemented and supported.

Meeting these investment needs requires collaboration across public and private sectors, including strong partners at the local, state, and federal level. Our subsidiary, Tidewater, continues to deliver safe and reliable water service to rapidly expanding communities in Delaware. To facilitate this growth new elevated storage tanks were constructed in the Millville by the Sea and South Rehoboth districts in southern Delaware. The elevated storage tanks, standing over 150 feet tall with a capacity of one million gallons, will help address seasonal water use fluctuations and improve pressures throughout the distribution system once they are placed into service.

To further maximize system efficiencies in southern Delaware, two large water systems were interconnected – the Rehoboth District and the Angola District in Sussex County. The combined systems serve nearly 20,000 service connections with over 1,100 new connections added in the past year. This critical interconnection helps to better integrate and stabilize water supply for area residents and businesses. Additionally, a new treatment plant was constructed in the Bayside Americana community and placed into service in the second quarter of 2022 to serve the growing community and economic health.

In 2022, Tidewater produced **2.8 billion gallons** serving over **56,000 retail customers** from **178 wells** in over **460 separate communities** in Delaware.

# HELPING CUSTOMERS *“knock out lead”*



## Middlesex Water Company continually invests to upgrade our water infrastructure to provide safe and reliable water service to our customers.

We proactively replaced any known company-owned portions of known lead lines decades ago. Now, under New Jersey regulations, the Company is focused on replacing galvanized steel service lines either on company or customer owned property as well as any lead service lines on the portion of the service line owned by the customer. Details about the material of property owners' service lines have largely been unknown. Since Middlesex Water cannot easily access the part of the water service line located on the portion of the service line owned by our customers we have embarked on a public communications campaign asking for their help.

We launched our program, “Knocking Out Lead,” under which these customer owned service lines will be replaced at no immediate or direct cost to the property owner. As we build our inventory of known lead service lines, the Company will be working on a neighborhood-by-neighborhood basis to replace these reported and identified lines, factoring-in already planned construction activities and prioritizing geographic areas based on the most vulnerable areas and populations.

This program allows our customers to self-report the composition of their service lines utilizing our website and easy online tools.

MWC’s utility-wide lead service line replacement program aims to **remove all lead and galvanized steel service lines** on the customers side **by 2031**.

## PREPARING FOR THE *unexpected*

**Over forty individuals from throughout the enterprise participated in a two-day Emergency Response training workshop jointly hosted by the U.S. EPA, Delaware Public Health Laboratory, Middlesex Water and our Delaware subsidiary Tidewater in September 2023.**

The exercise was designed especially for the Water Sector and particularly laboratories to enhance their preparedness to respond to an all-hazard water contamination incident. This opportunity provided the perfect forum to get industry experts together and review and update emergency response plans while sharing best practices.

Additionally, the company partners with a third-party vendor to develop and implement strategies to protect and prepare our utility's source water, specifically with regards to occurrence of a release event that has the potential to impact our source water supplies, such as a truck carrying chemicals accidentally falling into a source river or canal. This vendor tool includes a company specific dashboard that can be used for data analysis and data visualizations that provide insights into the risk of acute source water contamination events. This information aids in both the Company's and our local emergency partners' risk assessment, provides rapid identification of treatment methods and helps accelerate overall spill response in the event of an emergency.



## MAINTAINING OPERATIONAL *resiliency*

**Water is a lifeline sector serving communities, industries, and businesses daily and has the power to help maintain and restore normalcy during a storm or service disruption, which makes maintaining or quickly restoring water services our highest priority.**

The MWC Emergency Management and Security Committee is a multi-disciplinary team that is charged with developing processes, policies and procedures, conducting staff education, and securing necessary resources to ensure a prompt, coordinated and effective response to all disasters as they pertain to operational resiliency of the Enterprise. The committee is responsible for all facets of the emergency operations plan, including the incorporation of exercises and after-action reports intended to examine our response while identifying opportunities for improvement.

In Spring 2023, Middlesex Water rehabilitated its 48" transmission main, located in a high risk area, using carbon fiber-reinforced polymer (CFRP), a trenchless repair method, which reduces the environmental impact of construction activity. This innovative CFRP method enabled Middlesex to install the main rapidly and extend the main's life cycle to 50 years, while reducing risk and increasing reliability for Middlesex customers. This effort has been named a finalist by Underground Infrastructure magazine in the Rehabilitation Project of the Year category.



Middlesex Water works with local, state and federal authorities to **prepare for widespread emergencies** and help protect critical infrastructure.

## ENGAGING OUR customers

### Our customers are at the center of everything we do.

We work to educate them in all their water service-related matters and to make those resources as easily accessible as possible.

To support our non-English speaking customers, the Company implemented a web translation tool which allows the content on our website to be translated into multiple languages. In addition, customers can update their contact information in our DirectALERT system which enables them to receive important updates and service interruption notices, boil water advisories and other critical customer information.



Our Customer Service Team handles on average over **8,500 calls monthly.**

Average speed of answer: **57 seconds**

Abandoned Call Rate: **4.5%**

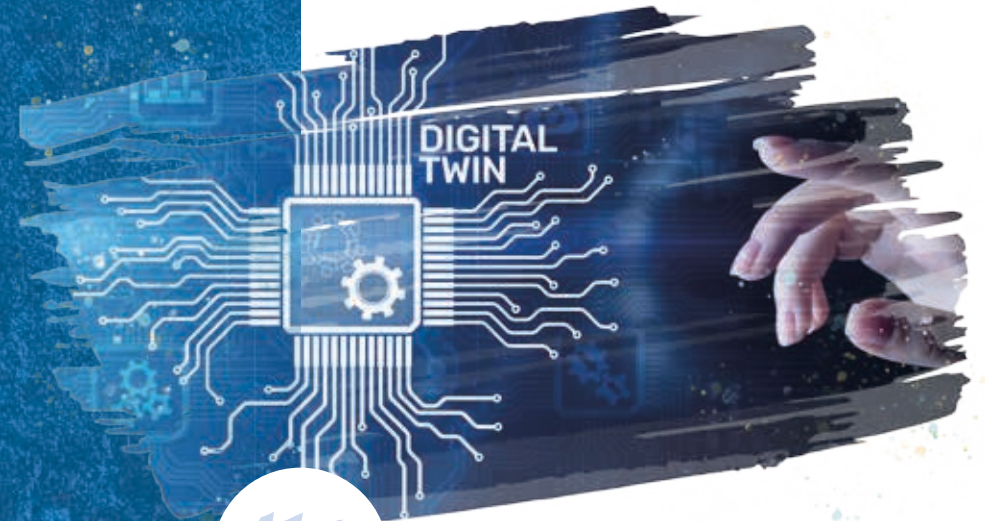
Typical monthly water bill for a residential customer in the Middlesex System: **\$53.28**

Total cost to a residential billed customer with a 5/8" meter for 50,000 gallons used per year: **\$639.36**

## DIGITAL TWIN — PLANT OPERATOR simulated TRAINING TOOL

### Middlesex Water Company has been working with Jacobs Engineering to develop a digital twin of the Carl J. Olsen Water Treatment Plant.

This digital twin is a virtual replica of the plants' physical assets utilizing real-time data from instrumentation and hydraulic models, as well as historical records. The digital twin will serve as a "flight simulator" to help train new plant operations staff. Experienced operators and training coordinators will work together to train new staff on the intricacies of operating a water treatment plant. The simulations provide a safe environment for trainees to learn without any risk to the real system. The tool will create realistic and immersive training scenarios to navigate the complexities of pumping and distribution operations, that will build trainee confidence as they develop the skills and knowledge they need to perform their jobs accurately and effectively.





# MIDDLESEX *recognized* FOR COMPLIANCE AND ETHICS

## AWARDS & RECOGNITIONS

- NJBIZ ICON Award (Dennis W. Doll)
- National Association of Water Companies Droplet Award (Dennis W. Doll)
- Best Compliance and Ethics Program (Governance Intelligence)
- Underground Infrastructure Awards finalist
- Employer Support Award (AWWA-NJ)
- Corporate Gender Diversity Award (Executive Women of NJ)
- Top NJ Workplace (NJ.Com)
- Professional Excellence Award (NJ Law Journal)
- Water Sector Response Award (NJ Water Association)
- Living Water Award Finalist (NAWC)
- Top 10 Influential Women in Water (Mazars)
- General Counsel of the Year (NJ BIZ)
- Superstars in Business (DE State Chamber of Commerce)
- Water Fluoridation Quality Award (Dover AFB)



Middlesex Water earned honors at the 16th Annual Corporate Governance Awards, sponsored by Corporate Secretary, a digital and print platform where corporate governance experts share their experience and best practice recommendations.

The Company won in the category of Best Compliance and Ethics Program. Middlesex Water Company's compliance and ethics program is designed to ensure that the company operates in full compliance with all applicable laws and regulations. The program encompasses a comprehensive set of rules, practices, policies, and processes that guide the conduct of employees at all levels of the organization.

The Corporate Governance Awards, organized by an independent panel of industry experts, honors companies across North America that demonstrate exceptional leadership and adherence to ethical practices. Middlesex Water Company's inclusion as a finalist underscores its dedication to upholding the principles of transparency, accountability, and integrity.



## DENNIS DOLL EARNS BUSINESS AND INDUSTRY HONORS

Dennis W. Doll, Chairman, President and CEO Middlesex Water Company, who announced plans to retire at year end, was honored by NJBIZ, New Jersey's leading business journal, as its Icon Award recipient. Mr. Doll was also recognized by the National Association of Water Companies (NAWC) with its Water Droplet Award. Mr. Doll has served the investor-owned water and wastewater industry for over 40 years.



## EMPLOYEE RECRUITMENT AND ONBOARDING *videos*



### Recruiting a talented and diverse employee base helps us to deliver quality services to our customers.

In addition to participating in numerous job fairs, the Company worked to produce several videos to promote a career in the water industry to attract qualified candidates. Since onboarding is such a crucial component of understanding a company’s internal culture and values, the Company created a Welcome video, featuring our employees, to help new employees feel like they are part of our Middlesex Water “family of companies” from day one. Our recruiting and onboarding videos help communicate why working in the water and wastewater field is a life sustaining role that helps preserve the environment serves as an engine for the local economy, serves as an engine for the local economy, and offers boundless opportunities for professional development and advancement.

The Middlesex Water family of companies includes a non-unionized workforce that enjoys a comprehensive compensation and benefits package which includes:

- ➔ Competitive Salary
- ➔ Medical, Dental, Vision and Prescription Coverage
- ➔ Life and Disability Insurance
- ➔ Tuition Reimbursement
- ➔ 401(k) plan
- ➔ Paid Vacation and Personal Days
- ➔ Paid Holidays
- ➔ Employee Assistance Program
- ➔ Utility Credit Union
- ➔ Hybrid Work Schedules (where possible)
- ➔ Flexible Spending Accounts (FSAs)
- ➔ Insurance
- ➔ Discretionary Profit Sharing
- ➔ Discounts through Dell
- ➔ Verizon and Plum Benefits (Travel, Events, Concert Discounts)

We’re pleased to provide our employees programs that support their mental and physical well being.

## NEW APPLICANT *tracking* SYSTEM AND ONLINE PERFORMANCE *evaluation*

### Middlesex has worked to streamline the hiring process – making it easier for all involved.

In 2021, we integrated use of ClearCo., an online applicant tracking system that helps set the stage for talent maximization. The system is designed to streamline the requisition, sourcing, interviewing and onboarding process. We also, more recently in 2022, introduced a new performance management system. This system allowed for the company to implement a paperless performance review process and also allows for the inclusion of employee self-assessments. Adopting this approach allows the employees an opportunity to become an active participant in their own evaluation to assess their strengths, highlight their accomplishments and also define opportunities for improvement.



### Voluntary Employee Resignation in 2022:

**7.8%**

# EMPLOYEE *appreciation* AND *engagement*



Throughout the year we host many events with the goal of getting our employees together, showcasing diversity and demonstrating appreciation to our employees for their dedication and hard work.

These include our annual service awards and holiday dinners, food truck day, hot dog day, hockey and baseball games, to name a few. In addition, our Human Resources team emails our Wellness Wednesday newsletters that include resources like recipes, professional help or educational material all about health and wellness.

Through our Company intranet, we work to educate employees about diverse cultures and holidays to better understand and celebrate our differences.

**Health, wellness, togetherness... these are all ways to say that we value and care for our employees!**



SERVING OUR  
*community*



**We continually seek ways to create value and further enhance the quality of life in the communities where we work and serve.**

We support and invest in our local communities through in-kind donations, financial contributions, engaging in and encouraging employee volunteerism and community relations events that help strengthen our community connection. We base our support on charities that contribute directly to the environment, conservation, health, wellness, hunger, youth protection and education. Many of our employees serve in leadership roles on local organizations such as the Chamber of Commerce, Workforce Development boards, local service organizations and industry working groups and committees.



# ESG AT A *glance*

## ENVIRONMENTAL, SOCIAL & GOVERNANCE STATS



	2022	2021	2020
Operating Revenues (\$ in millions)	162.4	143.1	141.6
Net Income (\$ in millions)	42.4	36.5	38.4
Diluted Earnings Per Share (\$)	2.39	2.07	2.18
Cash Dividends Paid Per Share (\$)	1.18	1.11	1.04

## ENVIRONMENTAL HIGHLIGHTS

	2022	2021	2020
<b>Total Energy Consumed (Gj) IF-WU-130a.1</b>			
CJO Plant	82804.7	70515.2	65697.6
Tidewater Campus	543.1	598.2	598.7
Renewable Energy (%)	3	3	3
<b>Natural Gas Consumption (therms)</b>			
CJO Plant	78002.7	51212.0	50366.7
Tidewater Campus	2602.4	2228.6	1898.3
<b>Green House Gas Emissions (Metric Tons CO2e)</b>			
CJO Plant (Scope 1)	414.3	272	267.5
CJO Plant (Scope 2)	6837.4	5822.6	5424.8
CJO Plant Total	7251.7	6094.6	5991.6
Tidewater Campus (Scope 1)	13.8	11.9	10.1
Tidewater Campus (Scope 2)	44.9	49.4	49.4
Tidewater Campus Total	58.7	61.3	59.5

ESG AT A  
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ENVIRONMENTAL,  
SOCIAL &  
GOVERNANCE STATS



ENVIRONMENTAL HIGHLIGHTS Cont'd.

	2022	2021	2020
<b>Water Supply Management, Reliability and Resilience IF-WU-000.B</b>			
Total Water Sourced Middlesex System (%)			
Surface	83	74	64
Ground	5	18	27
Purchased	12	8	9
<b>Water System Efficiency and Conservation IF-WU-000.E / IF-WU-130a.1/ k IF-WU-140a.1/IF-WU-450a.3</b>			
Total Length of transmission & Distribution Mains (mi)	746	746	741
Water Main Replacement (feet)	29,600	38,001	46,224
Water Main Replacement Rate (%)	0.75	0.96-	1.18
Volume of Non-revenue Real Water Loss (MGD)	5.51	5.67	4.50
Non-revenue Real Water Loss (%)	14.2	14.8	12.0
Investments in Infrastructure for Water Main Replacements (\$)	22,074,460	19,265,699	27,011,482
Total Investment in Water System Infrastructure (\$)	67,517,738	63,523,193	92,380,835
Number of Pump Station Replacements	1	0	1
Number of Permanent Backup Power Generator Installations	5	5	4
Total Water Delivered by Middlesex System (Billion Gallons)	14.2	14.0	13.7
Number of unplanned service disruptions	467	288	332
<b>Environmental Management and Compliance IF-WU-250a.1</b>			
Violations of Non-compliance with Environmental Regulations	3	3	0

# ESG AT A *glance*

## ENVIRONMENTAL, SOCIAL & GOVERNANCE STATS



### SOCIAL HIGHLIGHTS

	2022	2021	2020
Total Amount Donated to Local Non-profits, Community, Philanthropic Organizations (across subsidiaries in \$)	88,000	46,590	170,000
<b>Drinking Water Quality and Customer Safety IF-WU-140B.1</b>			
Number of Acute Health-based Drinking Water Violations	0	0	0
Number of Non-acute Health-based Drinking Water Violations	0	2	1
Number of Non-health-based Drinking Water Violations	3	0	1
Number of Incidents of Non-compliance Concerning the Health and Safety Impacts of Products and Service	0	0	0
<b>Water Affordability and Access IF-WU-240a.2, IF-WU-240a.3</b>			
Residential Customer Water Disconnections for Non-payment (%)	3.1	1.2	0
General Water Service Consumption Charges: Rate per Thousand Cub. Feet (\$)	61.33	45.92	45.92
Typical Monthly Water Bill for Residential Customers (\$) Based on 5/8 Meter, 50,000 Gallons per year	53.28	41.33	41.33
<b>Cybersecurity and Data Privacy</b>			
Number of Complaints Concerning Breaches of Customer Privacy and Loss of Customer Data	0	0	0
<b>Customer Service IF-WU-000.A</b>			
Number of Residential Customers Served (Middlesex System)	54,890	56,411	56,285
Number of Commercial Customers Served (Middlesex System)	3,644	2,286	2,281
Total Customers served (Middlesex System)	58,534	58,697	58,566

# ESG AT A *glance*

## ENVIRONMENTAL, SOCIAL & GOVERNANCE STATS



## SOCIAL HIGHLIGHTS Cont'd.

	2022	2021	2020
<b>Diversity and Inclusion</b>			
Women in Overall Workforce (%)	25.70	27.19	24
Women in First/Mid-level Management (%)	16.98	25	26
Women in Executive/Senior level Management (%)	28.57	28.57-	40
Women on Board of Directors (%)	38	38	38
<b>Racial/ethnic Diversity: Field and Office staff (%)</b>			
White	74.37	73.68	76
Hispanic Latino	11.19	11.65	10
Black or African American	9.30	10.15	9
Asian	3.61	2.63	3
American Indian	0.36	0.36	1
Two or more races	1.08	1.5	1
<b>Racial/ethnic Diversity: First/Mid-level Management (%)</b>			
White	84.9	86.36	88
Hispanic Latino	5.6	4.55	6
Black or African American	9.43	6.82	6
<b>Racial/ethnic Diversity: Executive/Senior level management (%)</b>			
White	89.2	89.2	90
Black or African American	3.57	3.57	10
Asian	3.57	3.57	-
Hispanic Latino	3.57	3.57	-
<b>Talent Attraction and Retention</b>			
Total Number of Employees	358	339	348
New Employee Hires	42	50	25
<b>Employee Turnover (%)</b>			
Involuntary	1	1	1.3
Voluntary	7.8	10.9	5.6



## SOCIAL HIGHLIGHTS Cont'd.

	2022	2021	2020
<b>Training and Development</b>			
Hours of Employee Training	6,000	8,048	4,325
Number of Average Hours of Training per Employee	16.7	23.7	12.4
Employees Receiving Regular Performance Reviews (%)	100	100	100
Employee Participation in Mgmt. /Leadership Development Programs (%)	52%	52%	20
<b>Workplace Health and Safety</b>			
Number of Work-related Fatal Accidents among Employees	0	0	0
Number of Work-related Fatal Accidents among Contractors Working on our Projects	0	0	0
Days Away Restrictions and Transfers (DART) rate	2.82	2.72	3.29
Lost Time Rate	2.25	1.51	0.89
Number of Vehicular Incidents	42	39	38
Number of Productive Hours Worked	744,640	662,179	669,580

## GOVERNANCE HIGHLIGHTS

	2022	2021	2020
<b>Board Composition</b>			
Independent Directors (%)	88.8	88.8	87.5
Women on the Board (%)	33	33	38
Average Tenure of Directors (years)	10.4	9.4	8.50
Median Age of Directors	59.8	58	58.5
<b>Ethics</b>			
Number of Calls Received to Ethics Hot line	0	0	0
<b>Public Policy and Political Involvement</b>			
Total Expenditures for Lobbying Purposes which includes Contributions to Relevant Industry Associations (\$)	20,000	20,000	20,000

ESG AT A  
*glance*

ENVIRONMENTAL,  
SOCIAL &  
GOVERNANCE STATS



**SASB CONTENT INDEX:  
WATER UTILITIES  
AND SERVICES  
SUSTAINABILITY**  
*accounting  
standard*



Material Topic	SASB Disclosure	Location or Prior Direct Response
<b>Energy Management</b>		
Climate Change, Energy and Emissions	IF-WU-130a.1: (1) Total energy consumed, (2) percentage grid electricity, (3) percentage renewable	pg. 21, 22
<b>Distribution Network Efficiency</b>		
Water System Efficiency and Conservation	IF-WU-140a.1: Water main replacement rate	pg. 22
	IF-WU-140a.2: Volume of non-revenue real water losses	pg. 22
<b>Effluent Quality Management</b>		
Environmental Management and Compliance	IF-WU-140b.1: Number of incidents of non-compliance associated with water effluent quality permits, standards and regulations	pg. 23
<b>Water Affordability and Access</b>		
Water Affordability and Access	IF-WU-240a.2: Typical monthly water bill for residential customers for 10C of water delivered per month	pg. 16, 23
	IF-WU-240a.3: Number of residential customer water disconnections for non-payment, percentage reconnected within 30 days	pg. 23
<b>Drinking Water Quality</b>		
Drinking Water Quality and Customer Safety	IF-WU-250a.1: Number of (1) acute health-based, (2) nonacute health-based and (3) non-health-based drinking water violations.	pg. 22
	IF-WU-250a.2: Discussion of strategies to manage drinking water contaminants of emerging concern	pg. 12

# SASB CONTENT INDEX: WATER UTILITIES AND SERVICES SUSTAINABILITY *accounting standard*

Material Topic	SASB Disclosure	Location or Prior Direct Response
<b>Energy Management</b>		
Climate Change, Energy and Emissions	IF-WU-130a.1: (1) Total energy consumed, (2) percentage grid electricity, (3) percentage renewable	pg. 21, 22
<b>Distribution Network Efficiency</b>		
Water System Efficiency and Conservation	IF-WU-140a.1: Water main replacement rate	pg. 22
	IF-WU-140a.2: Volume of non-revenue real water losses	pg. 22
<b>Effluent Quality Management</b>		
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Water Affordability and Access	IF-WU-240a.2: Typical monthly water bill for residential customers for 10C of water delivered per month	pg. 16, 23
	IF-WU-240a.3: Number of residential customer water disconnections for non-payment, percentage reconnected within 30 days	pg. 23
<b>Drinking Water Quality</b>		
Drinking Water Quality and Customer Safety	IF-WU-250a.1: Number of (1) acute health-based, (2) nonacute health-based and (3) non-health-based drinking water violations.	pg. 22
	IF-WU-250a.2: Discussion of strategies to manage drinking water contaminants of emerging concern	pg. 12
<b>End-Use Efficiency</b>		
Water System Efficiency and Conservation	IF-WU-420a.2: Customer water savings from efficiency measures, by market	pg. 9
<b>Network Resiliency and Impacts of Climate Change</b>		
Climate Change, Energy and Emissions	IF-WU-450a.3: (1) Number of unplanned service disruptions and (2) customers affected, each by duration of category	pg. 22
<b>Activity Metric</b>		
Customer Service	IF-WU-000.A: Number of (1) residential, (2) commercial and (3) industrial customers served, by service provided	pg. 23
Water Supply Management, Reliability & Resilience	IF-WU-000.B: Total water sourced, percentage by source type	pg. 22
Water System Efficiency and Conservation	IF-WU-000.E: Length of (1) water mains and (2) sewer pipe	pg. 22

**CORPORATE SUSTAINABILITY REPORT 2023**



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