

Carim Khouzami joined BGE as CEO in late 2019, but he's no stranger to the company or Baltimore. He was raised in Baltimore – in the Towson area after his family moved here from Lebanon. He enjoys watching the Orioles play and putting Old Bay on everything. He loves the city he's called home since he was only a few months old. After college and working in New York City in investment banking, Carim returned to Baltimore in 2005 and joined Constellation, where he focused on mergers and acquisitions, as well as the strategic focus of the company. At the end of 2008, Carim was asked to run the investor relations group at Constellation. After two years leading that group, Carim came to BGE as chief financial officer. He served in that role from 2011 until 2014 when he was tapped to lead Exelon's integration of PHI – his first operational role. Then, in his last stop before becoming BGE's CEO, he joined Exelon Utilities as CFO and then chief operating officer.

Interview Questions for BGE CEO Carim V. Khouzami

1. Tell us how does it feel being CEO of our nation's first gas utility and Baltimore's oldest incorporated business?

I'm excited to be back at BGE, a company that is such a huge part of the community, and to continue to help shape and improve the places we live. Having grown up here, I have a lot of pride in Baltimore and Maryland and want to see the city and state thrive. BGE is a big piece of that. We do so much in the community, and I'm thrilled to be a part of the team that is leading that charge. I am happy to be a part of the group that is improving BGE and moving the company to the next level.

2. BGE is one the best managed utilities in America in terms of safety, customer satisfaction, reliability, diversity, and inclusion. How do you keep it going?

I want to build on the momentum that my predecessor, Calvin Butler, created. His leadership as CEO drove so much growth and improvement throughout the company and also a shift in mindset when it comes to things like community involvement and what it means to be committed to diversity and inclusion.

We have to keep in mind that BGE is a 204-year-old company. With that tenure, there can be a tendency to fall into the trap of doing things the way we've always done them. And, that's not going to work. Our customers expect us to work in a different manner. They have higher levels of expectations from a customer service perspective. One way we can do that is through innovation. I want to leverage technology and different products to operate more efficiently and more cost effectively to better serve our customers. We must also find ways to continue to address our customers' ever-changing needs and desires.

3. I have observed that part of BGE's core values are diversity and inclusion. Why is that so important to the corporate culture?

Our culture at BGE is extremely collaborative, where all employees are working toward one purpose and goal – which is to make BGE the best it can be. The company also has strong relationships with our customers, communities and other stakeholders. Employees support the communities where they live and work, and at the root of this is our commitment to diversity and inclusion. We are stronger and better when diverse perspectives and experiences are brought to the table, but, even more importantly, are accepted in an inclusive culture. This means those diverse voices are heard, respected, and considered when discussions happen and decisions are being made. I truly believe the best decisions are made by diverse groups.

4. It is reported that BGE is north of forty percent with its annual spend with certified diverse suppliers. How do you keep that up during COVID-19 and how can BGE influence other Greater Baltimore corporations to create policy for inclusionary spend and practice it?

As our business grows, we're committed to ensuring that diverse companies – our contractors – grow along with us. BGE spent \$2.2 billion with diverse suppliers from 2009-2019, and during that time our annual spending with diverse suppliers increased more than 500 percent. In 2019, we spent \$437 million with diverse companies, representing 42 percent of the goods and services we purchased. The good news is our work doesn't stop. Earlier this year we submitted a multi-year plan with the Maryland Public Service Commission that outlined \$5

billion worth of work on our gas and electric systems over the next three years. We need our contractor partners to be there with us as we complete this work, and especially as we work to deliver essential community services during the pandemic.

The way we do this is through the BLocal initiative to help share the best practices we've developed while running our Focus Forward diverse supplier academy. This initiative trains diverse suppliers on how to compete for contracts that larger organizations might offer. It also equips these businesses with the skills necessary to maintain those relationships and deliver quality work so that they can continue to grow.

5. BGE has blessed this region with Focus Forward empowerment training for local diverse suppliers. Please tell us your vision on maintaining or enhancing the program?

We are proud of Focus Forward; since 2013 more than 40 companies have successfully completed the program, and many of them work on our system today. Despite the hurdles that COVID-19 brought, our current cohort is scheduled to finish in January, and the program has moved from in-person to virtual so that we can launch our next class sometime in 2021. This program is alive and well and even the difficulties presented by a global pandemic can't stop it!

6. What is your take on clean, renewable, electric energy now and in the future? As well as the increase of all electric automobiles and commercial interstate trucking? Are there new opportunities there?

The market has shown that renewable and carbon-free power sources are here to stay. At Exelon, our purpose is to power a cleaner and brighter future for our customers and communities. BGE's job is to ensure that the grid is resilient and reliable so that our customers can pursue the energy sources that make the most sense for them.

Electric vehicles present a huge opportunity, not only for our industry but for society to remove a major pollution producer – the internal combustion engine. At BGE, we have launched our EVsmart program which provides both residential customers and developers/building managers rebates for installing chargers. We have also launched our own public charging network, which will be made up of 500 chargers located around our service area once it is fully built. This is all to support the state's goal to have 300,000 zero-emissions vehicles on the road by 2025 in an effort to improve air quality and the health of the Chesapeake Bay.

The other side of this is our goal to electrify half of BGE's own fleet by 2030. This drives down the amount of carbon emissions we contribute while also providing us a great way to learn about charging and how it affects power sources and infrastructure. This will enable us to meet future demand for electric cars as they become more and more prevalent.

7. Looking into the future, how do you see American energy evolving?

In many industries, customers demand more and they demand more choices, and energy is no different. Customers want more control over the sources of their energy and how they manage their use. Energy is also the backbone of nearly every single thing we do in society, and that trend is just accelerating. This makes resiliency of our systems – against both natural and manmade threats – increasingly important.

8. Do you have any role models, whom and why?

I've had many mentors over the course of my career. In every position, I've had people from whom I can learn. What I always tell people is that you can learn both good and bad things from mentors and leaders. I've learned what to do and what not to do in positions of leadership. When I look back, I think about many people – many who are no longer with BGE or Exelon – who gave me opportunities to get here and helped shape me. I also think of how Calvin Butler impressed upon me the importance of setting uncomfortable goals and engaging the community more deeply and in a way that may be considered above and beyond what is 'required' for a business.

9. Baltimore is a troubled city and its image is tattered, how can BGE assist in its improvement?

Baltimore is a great city with a tremendous history. I grew up here and love that it has all the attributes of a big city – sports teams, museums, arts – with a small-town feel. Many Baltimore folks have lived here their whole lives. But it's true that there are a lot of opportunities for the city and our people to do better. We are fully committed to Baltimore and know that it will take more than volunteer events and donations to make a real difference, although both are so important.

One of the main pathways that BGE must help Baltimore is through employment opportunities. We need to ensure that our workforce reflects our service area, including areas like Baltimore City which may have been underrepresented in the past. This is why we have put so much behind our Smart Energy Workforce Development program which helps students and community members earn jobs in the energy industry – with BGE and our contractor companies. We work with local high schools, bringing in interns, helping them prepare for industry mandated testing, and showing them what a career at BGE could look like. We've partnered with Civic Works, a fantastic Baltimore-based nonprofit, to develop our Workforce Collaborative which provides job readiness training for local adults who are under- or unemployed. In just a year nearly 40 people have earned job offers through this program with our major contractors. And these aren't just any jobs, they are now on the way to a life-long career that pays a wage that can sustain a family.

10. What makes you sad and happy about your role as CEO at BGE?

Every day at BGE is both a challenge and an opportunity. Our customers expect the best and it is up to us to serve them. The services we provide are so critical to our customers and the community that we can't fall short of very high expectations. If our customers are unhappy, it is up to us to do better. I relish this challenge, though, and am fortunate to be working with a great team at BGE that rises to the occasion repeatedly.