



ENMAX CORPORATION

Annual Report on Governance and Compensation

June 25, 2019



We are pleased to present ENMAX's Annual Report on Governance and Compensation. As part of our commitment to transparency regarding our governance practices and executive compensation, this year we have created a combined report on these matters. Our aim is that this Annual Report on Governance and Compensation enables you to refer to our disclosure regarding our board of directors and executive team in an easy and convenient manner.

Good Governance & Leadership

Strong and effective governance practices are at the core of what we do. Our board of directors and executives work closely to optimize our approach to governance and to ensure we are keeping abreast of industry trends and best practices.

In addition, we are continually developing and recruiting ENMAX leaders to enable us to provide the best services possible to our customers.

Our Pledge to Ethical Conduct

Our strong ethical conduct is the foundation of our business and is vital to our success. At ENMAX, we are committed to both preserving and enhancing the confidence and trust of our shareholder and customers.

Creation of Shareholder Value

ENMAX has a proud history with our shareholder, The City of Calgary. From 1998 to 2018, we have contributed more than \$1 billion in dividends to The City of Calgary. Our dividends help bolster The City of Calgary's revenues, enable growth and support a number of services that benefit Calgarians. In 2019, ENMAX declared a shareholder dividend of \$50 million, which is an increase of 25 per cent over the prior year.

Looking Forward

We are committed to not only meeting the needs of our customers today but also their demands of tomorrow. Our board of directors and executive team are confident that ENMAX's strategic direction will support growth in a rapidly changing electricity industry, while continuing to create near and long-term shareholder value.

We thank you for your continued support.



Greg Melchin
Chair of the Board of Directors



Gianna Manes
President and Chief Executive Officer

Table of Contents

About ENMAX	1	Board Compensation Practices	19
About this Document	1	Compensation Framework	20
Our Governance Approach	1	Director Expenses	20
Our Corporate Governance Philosophy & Practices	1	2018 Total Compensation	20
Ethical Business Conduct	2	Director Total Compensation	21
Our Board of Directors	3	Our Approach to Executive Compensation	22
Governance Structure	12	Compensation Principles	22
Director Independence	12	Pay Positioning	22
Audit Committee	12	Peer Group	22
Governance Committee	13	Compensation Components	24
Safety & Human Resources Committee	13	Pay Mix	25
Directors' Attendance	13	Compensation Governance at ENMAX	25
Director Education, Evaluation & Succession Planning	14	Mandate of the Safety & Human Resources Committee	25
Director Orientation	14	Compensation Approval Process	25
Director Education	14	Compensation Risk Mitigation	26
Director Evaluation & Board Performance Assessment	14	Compensation Advisors	27
Skills & Expertise	14	Our Named Executive Officers	28
Director Succession Planning	15	2018 Executive Compensation	31
Diversity	15	Setting Each Compensation Component	31
Board Operations	17	Annual Variable Pay Program	32
Board Oversight of CEO	17	Long-Term Incentive Plan	34
Board Oversight of the Executive & Employees	17	Pension Plans	35
Strategic Planning	17	Additional Benefits	37
Managing & Assessing Risk	18	Detailed Compensation Disclosure	37
Internal Controls	18	Summary Compensation Table	37
External Auditors	18	LTIP Grants Table	38
		Pension Plan Tables	39
		Employment Agreements & Termination Provisions	40

About ENMAX

ENMAX Corporation (“ENMAX”) is an energy company headquartered in Calgary, Alberta. Our mission is to power the potential of people, businesses and communities by safely and responsibly providing electricity and energy services in ways that matter to them today and tomorrow.

We make, move and market electricity safely and reliably as one of the largest electricity providers in Alberta. Through our subsidiaries and predecessors, we hold a proud history of delivering electricity to Calgarians for over 110 years. We are involved across all areas of the electricity value chain with approximately 1,700 employees and serve approximately 667,700 residential and commercial sites across Alberta.

About This Document

As our sole shareholder is The City of Calgary (the “Shareholder”), and as an essential part of our local community, ENMAX is committed to providing transparency regarding its operations, finances, governance and executive compensation. This document is part of delivering on that transparency and is provided in addition to our annual and interim financial reports. Although ENMAX is not required to publicly file an annual information circular of a type that publicly listed companies do for their annual meetings, ENMAX strives to provide disclosure regarding governance and executive compensation that is comparable to public company disclosure, and the disclosure is informed by the requirements applicable to public companies. In the past, we have published separate reports with respect to governance and executive compensation. This year, to ensure that the information is easily accessible and convenient for our stakeholders, we have combined the governance and executive compensation reports into one document.

INFORMATION CONTAINED WITHIN THIS REPORT IS DATED AS OF JUNE 25, 2019, UNLESS OTHERWISE SPECIFIED.

Our Governance Approach

Our Corporate Governance Philosophy & Practices

At ENMAX, our board of directors (the “Board” or “Directors”) and executive team (the “Executive”) are committed to the highest standards of ethical conduct and corporate governance. We believe that sound corporate governance contributes to shareholder value, trust, and confidence in ENMAX. Ultimately, our governance practices are built on the belief that how we earn profits is equally as important as the level of profits we earn.

ENMAX’s governance practices are key in how we make decisions. Our governance framework guides how we assign accountability, delegate authority and determine resources to support and enhance our decision-making process. Our framework also helps us to ensure our corporate values are always reflected in the work we do.

Our approach to governance and the disclosure of our practices is informed by National Instrument 58-101 – *Disclosure of Corporate Governance Practices*.

Our governance framework is based on the following principles:

- Diversified, expertise-based Board that promotes continued responsible growth and success;
- Clear definition of roles and responsibilities, making for effective decision-making;
- Delegation to committees of the Board (the “**Committees**”) to ensure the Board’s mandate is appropriately carried out;
- Accountability through annual evaluation of the Board, Directors and our President & CEO;
- Established enterprise risk management system; and
- Commitment to clear communications with our Shareholder and other stakeholders.

Ethical Business Conduct

The Board expects all Directors, officers and employees of ENMAX to act with honesty, integrity and impartiality. This allows ENMAX to earn and maintain the trust of our Shareholder, employees, stakeholders, customers and the communities in which we operate. Our [principles of business ethics policy](#) (“**Business Ethics Policy**”) contains principles and guidelines for ethical behavior and describes the governance and corporate culture we want to develop and preserve. The Board reviews and approves the Business Ethics Policy within every three years and works closely with the Executive to promote a strong governance culture that influences ENMAX at every level. All employees sign an acknowledgment that they have read, understand and will comply with the Business Ethics Policy.

ENMAX has a confidential ethics hotline where employees can anonymously express concerns about inappropriate business conduct through a confidential third party. Every report made is reported to ENMAX’s Governance Committee. In accordance with the Business Ethics Policy, the Directors and officers of ENMAX are also required to disclose conflicts of interest and declare outside business interests on an annual basis. This assists in ensuring Directors exercise independent judgment when considering transactions and agreements. The Board ensures that a Director does not participate in discussions or vote on matters when he or she is conflicted.

Members of the public can obtain a written copy of our Business Ethics Policy by contacting the Corporate Secretary at governance@enmax.com or can view a copy on our [website](#).

Our Board of Directors



2018 Meeting Attendance:

Meetings Attended: 20

Meetings Held: 20

Attendance Record: 100%

Board Chair, Greg Melchin, FCPA, FCA

Calgary, AB
Age 65 | Director since 2008

Independent

Financially Literate

Ex-Officio Member:

Audit Committee
Governance Committee
Safety & Human Resources Committee

Areas of Expertise:

- Community Building and Leadership
- Corporate Governance/Legal
- Energy Sector
- Financial
- Political and/or Government
- Risk Management

Public Board Memberships:

Baytex Energy Corporation
Total Energy Services Inc.

Greg Melchin joined the ENMAX Board in 2008 and assumed the role of Board Chair in 2011. He is a director of two publicly traded companies, Baytex Energy Corporation and Total Energy Services Inc. Greg previously served as Chair of PPP Canada, a federal Crown corporation and as a director on the board of STARS.

Greg was a Member of the Legislative Assembly (“MLA”) of Alberta (Calgary-North West Constituency) from 1997 to 2008. Among his many positions within the Government of Alberta, Greg was Minister of Energy, Minister of Seniors and Community Supports and Minister of Revenue. Prior to his position as MLA, he served in various management positions for 20 years in the Calgary business community, including Chief Financial Officer and Vice President of Finance.

Greg holds a Bachelor of Science (Accounting), a Fellow Chartered Accountant designation from the Institute of Chartered Accountants of Alberta and an ICD.D designation from the Institute of Corporate Directors.

**2018 Meeting Attendance:**

Meetings Attended: 20

Meetings Held: 20

Attendance Record: 100%

President & CEO, Gianna Manes

Calgary, AB
Age 54 | Director since 2012

Not Independent**Financially Literate****Committee Memberships:**

Gianna is not a member of any ENMAX Committees

Areas of Expertise:

- Commodities/Wholesale Electricity Trading
- Community Building and Leadership
- Corporate Governance/Legal
- Electricity Utility Sector
- Energy Sector
- Environmental
- Human Resources
- Political and/or Government
- Project Management, Engineering or Construction
- Retail Industry
- Risk Management
- Technology

Public Board Memberships:

Keyera Corp.

Gianna Manes has held the position of President and CEO of ENMAX since 2012. She is a director of a publicly traded company, Keyera Corp. and a director of the Canadian Electricity Association. Gianna previously served as the Co-Chair of the Calgary United Way campaign and was a director of the Calgary United Way from 2015 to 2018.

Gianna has 30 years of experience in the energy sector in Canada, the United States and Europe. Before joining ENMAX, she served as the Senior Vice President and Chief Customer Officer of Duke Energy from 2008 to 2012, a large North American power company based in Charlotte, North Carolina.

Gianna has been recognized for her leadership and accomplishments throughout her career: as Electricity Human Resources Canada's CEO of the Year in 2013, one of Alberta Venture's Top 50 Most Influential People in 2015 and twice-recognized as one of Canada's Most Powerful Women by the Women's Executive Network.

Gianna holds a Bachelor of Science (Industrial Engineering), a Master of Business Administration and has completed the Harvard Business School Advanced Management Program. Gianna also holds an ICD.D designation from the Institute of Corporate Directors.

**2018 Meeting Attendance:**

Meetings Attended: 11

Meetings Held: 16

Attendance Record: 69%

Neil Camarta

Calgary, AB
Age 65 | Director since 2011

Independent**Financially Literate****Committee Memberships:**

Audit Committee
Safety & Human Resources Committee

Areas of Expertise:

- Corporate Governance/Legal
- Environmental
- Human Resources
- Political and/or Government
- Project Management, Engineering or Construction
- Risk Management

Public Board Memberships:

None

Neil Camarta joined the ENMAX Board in November 2011. He is a co-founder and director on the boards of Western Hydrogen, Field Upgrading, the FSHD Canada Foundation and Facio-Therapies. Neil was previously a director on the boards of STARS and Mindfuel.

Neil has over 20 years of experience in the energy sector. Previously, he held positions as: Executive Vice President – Natural Gas at Suncor Energy Inc., leader of the Athabasca Oil Sands Project at Shell Canada Limited, and Senior Vice President of Petro-Canada's oil sands business.

Neil holds a Bachelor of Science (Chemical Engineering).



2018 Meeting Attendance:

Meetings Attended: 16

Meetings Held: 16

Attendance Record: 100%

Laura Formusa

Toronto, ON
Age 64 | Director since 2017

Independent

Financially Literate

Committee Memberships:

Audit Committee
Safety & Human Resources Committee
(Chair)

Areas of Expertise:

- Community Building and Leadership
- Corporate Governance/Legal
- Electricity Utility Sector
- Energy Sector
- Environmental
- Financial
- Human Resources
- Political and/or Government
- Project Management, Engineering or Construction
- Retail Industry
- Risk Management
- Technology

Public Board Memberships:

None

Laura Formusa joined the ENMAX Board in 2017 and is the Chair of the Safety & Human Resources Committee. She is a director of the following companies: 407 International Inc., Equitable Life Insurance Company of Canada, the Institute for Clinical Evaluative Sciences and Tantalus Systems Corp. Laura served on the Board of Governors of York University. She was previously a director of DHX Media Ltd., the Canadian Electricity Association and the Banting Research Foundation.

Laura has over 30 years of experience in the utilities industry. She served as Vice President, General Counsel and Corporate Secretary of Hydro One Inc. (formerly Ontario Hydro) and later, President and Chief Executive Officer from 2007 until her retirement at the end of 2012.

Laura was named to the Women's Executive Network's Canada's Most Powerful Women Top 100 and is inducted into Canada's Most Powerful Women Hall of Fame. She is also a founding member of the Women of Energy group, which seeks to advance women's issues and to create critical networking opportunities for high potential women in the energy sector.

Laura holds a Bachelor of Laws and an ICD.D designation from the Institute of Corporate Directors.



2018 Meeting Attendance:

Meetings Attended: 15

Meetings Held: 15

Attendance Record: 100%

Eric Markell

Bellevue, WA
Age 67 | Director since 2016

Independent

Financially Literate

Committee Memberships:

Audit Committee
Governance Committee

Areas of Expertise:

- Commodities/Wholesale Electricity Trading
- Community Building and Leadership
- Corporate Governance/Legal
- Electricity Utility Sector
- Energy Sector
- Environmental
- Financial
- Political and/or Governmental
- Project Management, Engineering or Construction
- Risk Management

Public Board Memberships:

None

Eric Markell joined the ENMAX Board in 2016. Eric is a director of The Hudson Renewable Energy Institute in New York and a member of the Board of Governors of the United States Eventing Association.

Eric has over 35 years of experience in the utility and power industry which includes experience in corporate finance, accounting, regulatory relations and rate-making, asset acquisition, generation operation and construction, project finance and project development.

Before joining ENMAX, Eric held various senior executive positions, including Chief Financial Officer, Chief Resource Officer and Chief Strategy Officer of Puget Energy Inc. and Puget Sound Energy. In addition, Eric served as Vice President and Chief Financial Officer of United American Energy Corp. Eric is also a past Treasurer and Controller of Central Hudson Gas & Electric Corporation and the past Vice President and Treasurer of the New York State Energy Research & Development Authority.

Eric holds a Bachelor of Economics and a Master of Public Administration.



2018 Meeting Attendance:

Meetings Attended: 14
Meetings Held: 15
Attendance Record: 93%

Elise Rees, FCPA, FCA

Vancouver, BC
Age 60 | Director since 2016

Independent

Financially Literate

Committee Memberships:

Audit Committee
Governance Committee

Areas of Expertise:

- Community Building and Leadership
- Corporate Governance/Legal
- Energy Sector
- Financial
- Human Resources
- Retail Industry
- Risk Management

Public Board Memberships:

Great Panther Silver Ltd.

Elise Rees joined the ENMAX Board in 2016. She is a director of a publicly traded company, Great Panther Mining Limited. In addition, Elise sits as a director of Westland Insurance Group Limited and the Greater Vancouver Board of Trade, as well as several not-for-profit organizations. Elise is also a member of the executive of the BC Chapter of the Institute of Corporate Directors.

Elise has over 35 years of experience in public accounting. She spent 18 years as a partner with Ernst & Young, LLP and 14 years focused on acquisitions, mergers and corporate restructuring. Elise has also been the global client-coordinating partner for services to the BC Credit Union Industry.

Elise has been recognized for her leadership and accomplishments over her career. She was awarded the Influential Woman in Business Award in 2007 and the Ernst & Young Rosemarie Meschi Award for Advancing Gender Diversity in 2007. In addition, Elise has been recognized for her leadership with the designation of Fellow Chartered Professional Accountant and Fellow Chartered Accountant in 2010 and she received the Community Builder Award from Association of Women in Finance in 2012. She was also recognized as a Top 100 Most Powerful Women in Canada by the Women's Executive Network in 2015.

Elise holds a Bachelor of Arts (Hons) and an ICD.D designation from the Institute of Corporate Directors.



2018 Meeting Attendance:

Meetings Attended: 16

Meetings Held: 16

Attendance Record: 100%

Charles Ruigrok

Calgary, AB
Age 62 | Director since 2010

Independent

Financially Literate

Committee Memberships:

Audit Committee (Chair)
Safety & Human Resources Committee

Areas of Expertise:

- Community Building and Leadership
- Corporate Governance/Legal
- Electricity Utility Sector
- Energy Sector
- Environmental
- Financial
- Human Resources
- Political and/or Government
- Project Management, Engineering or Construction
- Risk Management

Public Board Memberships:

None

Charles Ruigrok joined the ENMAX Board in 2010 and he is currently the Chair of the Audit Committee. He served as Interim President and CEO from February 2011 to April 2012. He is currently a director of Soane Energy LLC.

Charles has over 35 years of experience in the energy industry. Charles previously held the position CEO of Syncrude Canada Ltd. He also spent 26 years at Imperial Oil where he held various senior executive positions, including Vice President of Oil Sands Development and Research.

Charles is a past director of Syncrude Canada Ltd, Rainbow Pipeline Company, Progas Limited, the Alberta Chamber of Resources, and Petroleum Technology Alliance Canada. He also served as a member of the Board of Governors of the Canadian Association of Petroleum Producers.

Charles holds a Bachelor of Science (Civil Engineering), a Master of Engineering (Civil Engineering) and an ICD.D designation from the Institute of Corporate Directors. He is also a member of Professional Engineers Ontario.



2018 Meeting Attendance:

Meetings Attended: 16

Meetings Held: 16

Attendance Record: 100%

Kathleen Sendall

Calgary, AB
Age 66 | Director since 2011

Independent

Financially Literate

Committee Memberships:

Governance Committee
Safety & Human Resources Committee

Areas of Expertise:

- Community Building and Leadership
- Corporate Governance/Legal
- Energy Sector
- Environmental
- Human Resources
- Political and/or Government
- Project Management, Engineering or Construction
- Retail Industry
- Risk Management

Public Board Memberships:

None

Kathleen Sendall joined the ENMAX Board in 2011. In addition, she is currently a member of the Sustainable Development Technology Canada Member Council.

Kathleen has over 30 years of experience in engineering and the energy sector. Previously, Kathleen led Petro-Canada's Natural Gas Business Unit and she was a director of CGG, a public company based in Paris. She was the President and a former director of the Canadian Academy of Engineering as well as a former Governor and Board Chair of the Canadian Association of Petroleum Producers.

Kathleen has been recognized for her leadership and accomplishments throughout her career: the YWCA Women of Distinction Award, an honorary Bachelor of Applied Industrial Ecology degree, twice named one of Alberta's 50 Most Influential People by Alberta Venture, four times named as one of Canada's Top 100 Most Powerful Women in the Corporate Executive category and inducted into Canada's Most Powerful Women Hall of Fame. She was awarded the 50 Key Women in Energy Global Award, the Women Who Make a Difference Award from the International Women's Forum and the Queen's Jubilee Medal. Kathleen is appointed to the Order of Canada and is an Honorary Lieutenant Colonel of the Department of National Defense. She is the recipient of an Honorary Doctor of Laws from the University of Calgary and named a Jarislawsky Fellow at the Haskayne School of Business.

Kathleen holds a Bachelor of Science (Mechanical Engineering) and attended the Ivey Executive Program at the Ivey School of Business.

**2018 Meeting Attendance:**

Meetings Attended: 15

Meetings Held: 15

Attendance Record: 100%

Richard Shaw

Calgary, AB
Age 73 | Director since 2011

Independent**Financially Literate****Committee Memberships:**

Audit Committee

Governance Committee (Chair)

Areas of Expertise:

- Community Building and Leadership
- Corporate Governance/Legal
- Electricity Utility Sector
- Energy Sector
- Financial
- Human Resources

Public Board Memberships:

Inter Pipeline Ltd.

Richard Shaw joined the ENMAX Board in 2011 and is currently the Chair of the Governance Committee. He is also Board Chair of a publicly listed company, Inter Pipeline Ltd.

Richard was a senior partner of the Business Law Group of McCarthy Tétrault LLP in Calgary for more than 35 years. He continues a legal advisory practice through his professional corporation pertaining to corporate governance, boards of directors, independent and special committees, director and officer liabilities, indemnification and insurance and executive compensation. Richard has extensive experience with respect to corporate governance practices in Canada, having served as a director on the national board of the Institute of Corporate Directors and the chair of its Calgary Chapter. He is a former lecturer in the Director Education and Executive MBA Programs at the Haskayne School of Business at the University of Calgary and past Chair of the Board of Governors of Mount Royal University.

Richard recently completed his term on the Alberta Securities Commission where he served as lead independent member and Chair of the Governance Committee. In addition, Richard was awarded Queen's Counsel in 1992.

Richard holds a Bachelor of Science, a Bachelor of Laws and an ICD.D designation from the Institute of Corporate Directors.

Governance Structure

The Board consists of nine directors and includes ENMAX’s President & CEO. Directors are elected by the Shareholder at an annual shareholder meeting. The Board is chaired by Greg Melchin, an independent Director, and he assigns responsibility to ENMAX’s three Committees: the Audit Committee, the Governance Committee and the Safety & Human Resources Committee (“SHRC”), to maintain an effective balance of duties and use of resources.

The mandates of the Board, each Committee, individual Directors and those in Board leadership roles can be found on our website under [Corporate Governance - ENMAX Corporation Board, Committee, and Policy Information](#).

Director Independence

Independent Directors bring a fundamental benefit to a corporation – objectivity. Having a majority of independent Directors helps provide assurance that decisions are made in the best interests of ENMAX. The Governance Committee and the Board review the independence status of the Directors annually to ensure that the Board is composed of a majority of Directors who can provide independent, varied and experienced perspectives. The independence of potential Board nominees is also reviewed when considering nominations.

Directors’ independence is determined in accordance with National Instrument 52-110 – *Audit Committees*. A Director is considered independent only when she or he has no direct or indirect material relationship with ENMAX. Board members must provide information about their business and other relationships with ENMAX or our employees. They must also advise the Board if there are any material changes to their circumstances or relationships that could affect the assessment of independence.

The only non-independent Director on the Board is Gianna Manes, President & CEO of ENMAX.

Audit Committee

ENMAX’s Audit Committee consists of seven Directors and is chaired by Charles Ruigrok, who is an independent Director.

The Board ensures that financial expertise resides in the Audit Committee. Members must be financially literate or become financially literate within a reasonable period after appointment. Financial literacy is determined in accordance with National Instrument 52-110 – *Audit Committees*. Members of the Audit Committee must have the ability to read and understand a set of financial statements that present a breadth and level of complexity of accounting issues that are generally comparable to the breadth and complexity of issues that can reasonably be expected to be raised by ENMAX’s financial statements. In addition, the Audit Committee Mandate requires that at least one member of the Audit Committee have accounting or related financial management expertise.

Currently, all Audit Committee members are financially literate. Audit Committee members demonstrate financial literacy through previous senior executive and leadership experience, work in the financial sector and/or through extensive directorship experience.

Audit Committee

Charles Ruigrok (Chair)
Neil Camarta
Laura Formusa
Eric Markell
Elise Rees
Richard Shaw
Greg Melchin (Ex-Officio)

Governance Committee

Richard Shaw (Chair)
Eric Markell
Elise Rees
Kathleen Sendall
Greg Melchin (Ex-Officio)

Safety & Human Resources Committee

Laura Formusa (Chair)
Neil Camarta
Charles Ruigrok
Kathleen Sendall
Greg Melchin (Ex-Officio)

Governance Committee

ENMAX's Governance Committee consists of five Directors and is chaired by Richard Shaw, who is an independent Director. The Board ensures that governance expertise resides in the Governance Committee. Such expertise is gained through previous senior executive and leadership experience and/or extensive legal or directorship experience.

Safety & Human Resources Committee

ENMAX's SHRC consists of five Directors and is chaired by Laura Formusa, who is an independent Director. The Board ensures that human resources and compensation expertise resides in the SHRC. Such expertise is gained through previous senior executive and leadership experience and/or through extensive directorship experience.

Directors' Attendance

The Directors strive to attend all Board meetings and meetings of Committees of which they are members. In 2018, an overall attendance rate of 96% was achieved for scheduled meetings by our current Directors. The Board values the practice of Board members attending Committee meetings of which they are not members and issues a standing invitation to all members to attend all Committee meetings. As a result, Board members can both contribute to and gain comfort with the level of knowledge, engagement and participation of those on other Committees.

CURRENT DIRECTORS' ATTENDANCE DURING 2018 (BOARD & COMMITTEE MEETINGS)			
Director	Meetings Attendance	Meetings Held	Attendance Record
Neil Camarta	11	16	69%
Laura Formusa	16	16	100%
Gianna Manes	20	20	100%
Eric Markell	15	15	100%
Greg Melchin	20	20	100%
Elise Rees	14	15	93%
Charles Ruigrok	16	16	100%
Kathleen Sendall	16	16	100%
Richard Shaw	15	15	100%
Total	143	149	96%

As a matter of good governance, each Board and Committee meeting agenda includes dedicated time for in-camera sessions with and without the President & CEO present. In the instance of the Audit Committee, in-camera sessions are also held separately at each meeting with the external and internal auditors.

Outside of formally scheduled meetings, the Board and Committee chairs attend planning meetings with the Executive and periodic informal briefings with the Shareholder.

Director Education, Evaluation & Succession Planning

Director Orientation

The Board fosters a culture that encourages incoming Directors to fully participate in Board activities as soon as possible. All new Directors undergo a comprehensive orientation which addresses ENMAX's governance structure, the Board's mandate and the nature and scope of our operations.

The orientation is to ensure incoming Directors assume responsibilities quickly, maximizing their contribution and the capacity of the Board. Our orientation program includes one-on-one meetings with members of the Board, Executives, and others such as our internal and external auditors. New Board members are invited to attend all Committee meetings, and site visits are also arranged to enable direct knowledge of our operations.

All Board materials, which includes key governance, financial and policy information, are available for Directors at all times via our confidential board portal.

Director Education

Our ongoing education program provides Directors with the opportunity to continuously enhance their knowledge of governance practices, ENMAX's operations and the electricity industry.

The program has various components including attendance at conferences and seminars, internal and external speakers during meetings, visiting ENMAX facilities, and accessing different parts of our operations. Each Director is entitled to be reimbursed by ENMAX up to a set value annually for attending continuing education courses and conferences that are of benefit to them as a Director.

Director Evaluation & Board Performance Assessment

On an annual basis, the Board undertakes an evaluation process to assess its performance and overall effectiveness as well as that of the Board Chair, its Committees and individual Directors.

The Governance Committee uses the results to identify actions for improvement and to determine education opportunities to ensure Director expertise is used to the fullest extent. This process also helps the Board to build and maintain the collective set of skills, abilities and experiences needed to effectively oversee ENMAX's long-term performance and strategy execution.

Skills & Expertise

The Board believes a strategic, diverse mix of skills and expertise is critical to ensuring effective oversight of ENMAX's complex operations. The Board has developed a matrix of essential skills required for effective Board operations ("**Director Skills Matrix**"). The Director Skills Matrix is kept current to reflect ENMAX's strategy and to support Board efforts to ensure an optimal balance of skill in the event of Director retirement or succession requirements.

Each year, the Governance Committee and the Board review the Director Skills Matrix and individual Directors input is gathered to populate it. The Director Skills Matrix is found on **page 16** of this Report and lists the 13 categories of skills and experience essential to the performance of ENMAX's Board overall.

Director Succession Planning

When reviewing the Director Skills Matrix, the Governance Committee assesses the needs of the Board to ensure the range of skills is reflective of the industry and markets in which ENMAX operates. If the Governance Committee determines the Board would benefit from changes or adjustments to its composition, or in the event of Director retirements, the recruitment process may be initiated as follows:

1. The Governance Committee retains an external, independent recruitment advisor to identify individuals with required skills and experience;
2. The Governance Committee reviews the advisor's list of potential appointees taking into account, among other things, skills and experience of each individual and their ability to fit with the existing Board;
3. The Governance Committee determines a shortlist for an interview process;
4. After the interview process, the Governance Committee determines the potential appointees that are best suited to become members of the Board;
5. The Governance Committee requests approval of the above-noted potential appointees by the Board; and
6. ENMAX puts the Board approved potential appointees forward for election by the Shareholder.

In preparation for anticipated Director retirements in forthcoming years, the Board initiated a formal Director search process in 2018 and external, independent recruitment advisors were engaged to identify a pool of qualified candidates. The Governance Committee and the Board intend to continue the formal Director search into the second half of 2019.

Diversity

ENMAX recognizes diverse perspectives in governance are critical for overall Board effectiveness and better decision-making. A diverse board makes strategic use of different perspectives through balancing skills, knowledge, experience, background, gender, ethnicity, and other qualities.

During succession planning and recruitment processes, ENMAX considers the diversity of its Board membership and balances this with the knowledge and experience required to complement the existing skills of the Board as a whole. Regarding the representation of women on the Board and as members of the Executive, four of the nine (44%) Directors are women and four of the six (67%) members of the Executive are women.

Furthermore, the [Governance Committee Mandate](#) requires that the Committee identify future Director candidates having in mind the Directors Skills Matrix and giving consideration to all forms of diversity.

ENMAX Director Skill Matrix

KEY SKILLS	Neil Camarta	Laura Formusa	Gianna Manes	Eric Markell	Gregory Melchin	Elise Rees	Charles Ruigrok	Kathy Sendall	Richard Shaw
Commodities / Wholesale Electricity Trading			✓	✓					
Community Building and Leadership		✓	✓	✓	✓	✓	✓	✓	✓
Corporate Governance / Legal	✓	✓	✓	✓	✓	✓	✓	✓	✓
Electricity Utility Sector		✓	✓	✓			✓		✓
Energy Sector		✓	✓	✓	✓	✓	✓	✓	✓
Environmental	✓	✓	✓	✓			✓	✓	
Financial		✓		✓	✓	✓	✓		✓
Human Resources	✓	✓	✓			✓	✓	✓	✓
Political and/or Government	✓	✓	✓	✓	✓		✓	✓	
Project Management, Engineering or Construction	✓	✓	✓	✓			✓	✓	
Retail Industry		✓	✓			✓		✓	
Risk Management	✓	✓	✓	✓	✓	✓	✓	✓	
Technology		✓	✓						

SKILL AREA	SKILL DESCRIPTOR	SKILL AREA	SKILL DESCRIPTOR
Commodities / Wholesale Electricity Trading	Senior executive or consulting experience in commodity or whole electricity trade operations.	Financial	Senior executive experience or consulting in financial accounting and reporting and corporate finance, especially with respect to debt and equity markets. Comprehensive knowledge of internal financial controls and reporting standards. Expertise in auditing, evaluating or analyzing financial statements. May have formal education in this regard.
Community Building and Leadership	Significant experience and demonstrated leadership in the areas of community building and relations. Experience and capacity to engage and build relationships with a diverse set of stakeholders. May include experience with non-profits and the public sector.	Human Resources	Senior executive experience or relevant board committee participation with an understanding of compensation, benefit and pension programs, human capital planning, legislation and agreements. Exec compensation expertise incl. base pay, incentives, equity and perquisites, and an understanding of retention, succession, training and recruitment.
Corporate Governance / Legal	Senior executive, board member or consulting experience in corporate governance and legal matters applicable to business. (Note: Legal skill area represents a variety of legal areas and is not limited to a lawyer).	Political and/or Government	Experience in or with senior levels of municipal, provincial or federal government, and/or senior management experience in political and public consultation.
Electricity Utility Sector	Senior executive experience in electric utility (e.g. regulated rate) involving retail transmission, distribution and/or generation. (Note: Energy Sector Skill area captures competitive electricity.)	Project Management, Engineering or Construction	Senior executive experience in large-scale infrastructure projects or capital investment programs. May include formal education in this regard.
Energy Sector	Senior executive or consulting experience in the competitive energy, electricity or natural gas markets, combined with a strong knowledge of ENMAX's strategy, markets, competitors, financials, operational issues, regulatory concerns and technology. May have technical training and formal education in this regard (e.g. engineering degree).	Retail Industry	Senior executive or consulting experience in retail operations.
Environmental	Thorough understanding of environmental and sustainability frameworks (legal, regulatory and policy) applicable to business and broader energy industry.	Risk Management	Senior executive experience in analyzing exposure to risk and successfully determining appropriate mitigants to best handle such exposure.
		Technology	Senior executive or consulting experience with technology applicable to electricity system. May also include Information Technology.

Board Operations

When making decisions, the Board acts with the best interests of ENMAX in mind. To ensure balanced business decisions are reached, the Board also carefully weighs the interests of the Shareholder, customers, employees, suppliers, and communities in which we operate, including the environment, governments, regulators and the general public.

Board Oversight of CEO

The Board is responsible for selecting and retaining ENMAX's President & CEO, and when hiring a CEO, designates a Committee to actively manage the selection process. Once appointed by the Board, the President & CEO is responsible for managing ENMAX's affairs. Key responsibilities involve articulating the vision for ENMAX, developing and implementing a strategic plan consistent with ENMAX's vision, mission and values, all the while creating value for the Shareholder. The SHRC reviews the President & CEO's annual objectives before recommending them to the Board for approval.

The President & CEO is accountable to the Board and the SHRC and the Board conducts a formal review of performance once a year. The Board has also established a job description for the President & CEO and places limits on contracting and spending authority under ENMAX's delegation of authority policy.

Board Oversight of the Executive & Employees

The SHRC and Board formally review the performance of the overall organization, President & CEO, and the Executive on an annual basis. In addition, the Board receives assurance that the Executive and appropriate levels of management conduct performance appraisals for employees and reviews and approves ENMAX's compensation and benefit programs. The Board considers compensation and benefits in alignment with similar companies and market practices to ensure the attraction and retention of the talent required to achieve the organization's business objectives.

Variable compensation can be a useful tool and the Board periodically evaluates ENMAX's variable compensation programs to ensure they are appropriately balanced and provide recognition for individual and team effort and corporate performance. The Board actively oversees the development and operation of variable compensation policies, systems, and related control processes, and has access to external expertise in compensation practices appropriate for the nature, scope, and complexity of ENMAX's activities.

Talent management and succession planning are critical for business success. The SHRC conducts quarterly reviews on human resource development matters, and the Board sets aside dedicated time each year to review and consider succession and workforce development strategies.

Strategic Planning

The President & CEO and the Executive are responsible for developing ENMAX's strategic plan and presenting it to the Board for approval. The Board holds a special annual meeting to review and test the plan and consider the strategic opportunities and risks facing ENMAX's business.

The Executive also develops and presents a multi-year operating plan and annual budget to the Board for approval.

Managing & Assessing Risk

The Board has overall responsibility for the oversight of risk at ENMAX. Risk takes different forms for ENMAX given the complexity and breadth of our operations and can include operational, financial, governance, health and safety, environmental, compensation, strategic and reputational risk.

ENMAX uses a formalized enterprise risk management system to effectively manage and assess risk, which includes an Enterprise Risk Management Policy that was adopted by the Board in 2016. The Board receives regular updates on emerging areas of risk or changes to ENMAX's risk profile. The enterprise risk management system involves a systematic approach to identifying, assessing, reporting and managing significant risks. Defined principles are approved by the Board to help identify and mitigate uncertainties that can negatively affect ENMAX's ability to achieve corporate and business objectives. In addition, the Governance Committee has specific risk management responsibilities including a semi-annual review of the enterprise risk management programs and processes.

Internal Controls

The Board and its Committees are responsible for monitoring the integrity of ENMAX's internal controls and management information systems. The Audit Committee is responsible for overseeing the internal controls, including controls over accounting and financial reporting systems.

ENMAX's Executive is responsible for establishing and maintaining an adequate system of internal control over financial reporting to provide reasonable assurance that public reporting of financial information is reliable and accurate, that ENMAX's transactions are appropriately accounted for and that ENMAX's assets are adequately safeguarded. The internal auditor reports directly to the chair of the Audit Committee and provides quarterly reports to the Audit Committee.

External Auditors

Deloitte LLP are ENMAX's external auditors and are appointed by the Shareholder annually. The Audit Committee is responsible for reviewing the auditor's performance, fees, qualifications, independence and the audit of ENMAX's financial statements. To ensure independence, the Audit Committee pre-approves all services the external auditors provide. On an annual basis, the Committee recommends the appointment of the external auditor to the Board, who then recommends approval to the Shareholder for the ensuing year.

The following summarizes fees paid to the external auditors for the years ending December 31, 2018 and 2017.

EXTERNAL AUDITOR FEES	2018	2017
Audit Fees	\$678,100	\$735,345
Non-Audit Fees	\$116,768	\$17,850
Total Fees	\$803,868	\$753,195

Board Compensation Practices

ENMAX provides its independent Board members with a compensation package of cash retainers and meeting fees. The package provides competitive remuneration for the increasing responsibilities, time commitments and accountability of Board members. The non-independent Director does not receive compensation for her role on the Board.

The Board maintains a list of industry peers (our “Peer Group”) by which to benchmark appropriate Director compensation levels. As agreed with ENMAX’s Shareholder, compensation is targeted at the 50th percentile of this Peer Group.

ENMAX’s Peer Group includes the following and remains unchanged from prior years:

COMPANY	PROVINCE	INDUSTRY CLASSIFICATION	OWNERSHIP STRUCTURE
AltaLink LP	Alberta	Electric Utilities	Limited Partnership
ARC Resources Ltd.	Alberta	Oil and Gas Exploration and Production	Autonomous/Publicly Traded
ATCO Ltd.	Alberta	Multi-Utilities	Autonomous/Publicly Traded
BC Hydro	British Columbia	Electric Utilities	Government
Bruce Power LP	Ontario	Independent Power Producer & Energy Traders	Limited Partnership
Capital Power Corporation	Alberta	Independent Power Producers & Energy Traders	Autonomous/Publicly Traded
Chevron Canada Resources	Alberta	Multi-Sector Holdings	Subsidiary
Devon Canada Corporation	Alberta	Oil and Gas Exploration and Production	Subsidiary
Emera Inc.	Nova Scotia	Electric Utilities	Autonomous/Publicly Traded
Enbridge Gas Distribution	Ontario	Gas Utilities	Subsidiary
EPCOR Utilities Inc.	Alberta	Electric Utilities	Government
FortisAlberta Inc.	Alberta	Electric Utilities	Subsidiary
FortisBC Energy Inc.	British Columbia	Electric Utilities	Subsidiary
Fortis Inc.	Newfoundland	Electric Utilities	Autonomous/Publicly Traded
Hydro One Inc.	Ontario	Electric Utilities	Government/Publicly Traded
Inter Pipeline Ltd.	Alberta	Oil and Gas Storage and Transportation	Autonomous/Publicly Traded
Manitoba Hydro-Electric Board	Manitoba	Electric Utilities	Government
Ontario Power Generation Inc.	Ontario	Electric Utilities	Government
Pengrowth Energy Corporation	Alberta	Oil and Gas Exploration and Production	Autonomous/Publicly Traded
Saskatchewan Power Corp.	Saskatchewan	Electric Utilities	Government
Saskenergy Inc.	Saskatchewan	Gas Utilities	Government
TransAlta Corporation	Alberta	Independent Power Producer and Energy Trader	Autonomous/Publicly Traded

Compensation Framework

In 2018, the Governance Committee retained an independent consultant, Hugessen Consulting (“Hugessen”), to assess the competitiveness of the independent Directors’ compensation and to provide advice regarding market positioning. Hugessen advised that Director compensation at ENMAX had fallen below the median of its Peer Group. Following a comprehensive review of the advice provided by Hugessen, the recommendation of the Governance Committee, and as per the authority granted by the Shareholder, the Board approved adjustments to the annual retainers for the independent Directors. As part of the approval process, the Board considered a number of factors, including the increased responsibility and time commitment of the current Directors as a result of the reduced Board size. In addition, the Board acknowledged that compensation for independent Directors had not been adjusted since 2014. As a result, the adjustment brings ENMAX’s independent Board members closer to, but still below, the median of its Peer Group. Meeting fees have remained unchanged.

The Board compensation framework is as follows:

TYPE	REMUNERATION
Board Chair Annual Retainer	\$177,200 Paid as \$44,300 per quarter
Committee Chair Annual Retainer	\$90,600 Paid as \$22,650 per quarter
Individual Director Annual Retainer	\$78,300 Paid as \$19,575 per quarter
Board, Committee, or Shareholder Meeting Fee	\$1,500 Paid per meeting attended

Director Expenses

ENMAX reimburses Directors for costs associated with attending meetings or functions including travel, hotel accommodation and meals. Directors keep records of expenses, including receipts. The Board Chair approves all Director expenses and the Audit Committee chair approves Board Chair expenses.

2018 Total Compensation

The table on **page 21** details the total amount ENMAX paid to each independent Director in 2017 and 2018. Of note:

- ENMAX’s President and CEO, Gianna Manes, serves on the Board but she does not serve on any Committees or receive Director compensation. For details on her compensation, please see **page 37**.
- As a result of an update to ENMAX’s governance framework, and as agreed between ENMAX and our Shareholder, City of Calgary Councillors no longer sit on the Board of ENMAX. The City of Calgary Councillors that previously served on the Board did not receive Director compensation.
- “Other meetings” include transaction preparation meetings, director search firm interviews and site tours.
- “Committee meetings” include compensation for guest attendance at meetings where Directors are not a member.

Director Total Compensation¹

ENMAX DIRECTORS	ANNUAL RETAINER		BOARD MEETING FEES		COMMITTEE MEETING FEES		SHAREHOLDER MEETING FEES		OTHER MEETING FEES		TRAVEL		TOTAL	
	2018	2017	2018	2017	2018	2017	2018	2017	2018	2017	2018	2017	2018	2017
Neil Camarta	78,300	58,300	9,000	6,000	12,000	13,500	1,500	1,500	3,000	3,000	0	0	103,800	82,300
Laura Formusa ²	88,525	43,725	12,000	7,500	15,000	10,500	3,000	1,500	3,000	6,000	9,000	6,000	130,525	75,225
Eric Markell	78,300	58,300	12,000	9,000	13,500	12,000	1,500	1,500	3,000	4,500	9,000	7,500	117,300	92,800
Greg Melchin	177,200	167,200	12,000	9,000	19,500	19,500	3,000	3,000	13,500	7,500	0	0	225,200	206,200
S. Morgan-Silvester ³	33,300	66,600	4,500	9,000	9,000	13,500	0	1,500	3,000	4,500	6,000	7,500	55,800	102,600
Robert Page ³	29,150	58,300	4,500	6,000	7,500	13,500	0	1,500	0	4,500	0	0	41,150	83,800
Elise Rees	78,300	58,300	12,000	9,000	15,000	13,500	1,500	1,500	3,000	3,000	9,000	6,000	118,800	91,300
Charles Ruigrok	90,600	66,600	12,000	9,000	16,500	13,500	3,000	3,000	4,500	4,500	0	0	126,600	96,600
Kathleen Sendall	78,300	58,300	12,000	7,500	13,500	13,500	3,000	3,000	3,000	4,500	0	0	109,800	86,800
Richard Shaw	90,600	66,600	12,000	9,000	13,500	12,000	3,000	3,000	16,500	6,000	0	0	135,600	96,600
Total													1,164,575	1,080,450

1 All fees noted above are paid in Canadian dollars.

2 Laura Formusa's 2018 retainer reflects her appointment as Chair of the Safety and Human Resources Committee.

3 ENMAX paid \$55,800 and \$44,150 to Sarah Morgan-Silvester and Robert Page, respectively, for their service up to May 2018. Both Directors retired from the Board at that time.

Our Approach to Executive Compensation

Compensation Principles

At ENMAX, we compensate, reward, and recognize employees at every level of the organization based on their contributions toward our business outcomes. We strive to attract, motivate, and retain a high-performance workforce. To accomplish this, our compensation programs are designed to meet the following objectives:

- Attract and retain key talent by providing compensation that is competitive with our Peer Group;
- Encourage behaviours that generate outcomes aligned with our business strategy and risk profile;
- Align employee interests with our business objectives by supporting a pay-for-performance culture that rewards strong performance and reduces variable compensation paid in the event of certain business goals not being met;
- Promote responsible and transparent compensation policies and processes; and
- Provide flexibility to respond to continuously evolving market and governance practices.

Our approach to the disclosure of executive compensation is informed by National Instrument 51-102 – *Continuous Disclosure Obligations*, specifically Form F6 – *Statement of Executive Compensation*.

Pay Positioning

In order to support our compensation objectives, ENMAX's compensation structure is designed to provide target total direct compensation at the median (50th percentile) of our established Peer Group (as defined on **page 19**) for performance that meets expectations. Compensation for an individual may vary from the median based on a variety of factors, including:

- Scope of the role within ENMAX;
- Key skills and contributions of the individual;
- Tenure and experience in the role; and
- Other considerations related to attraction and retention.

Peer Group

We benchmark our compensation structure and its competitiveness annually relative to our Peer Group. This comparison reflects the market within which ENMAX competes for executive talent with companies that have similar business operations. ENMAX's Peer Group has a significant presence in Alberta, reflecting local pay practices and competitive pressures. As a result, our compensation program must be competitive to ensure we can attract and retain the executive talent required to achieve our business objectives.

We periodically review our Peer Group selection criteria and the companies included within our Peer Group for continued relevance and appropriateness. On an annual basis, the SHRC reviews the positioning of each Executive within the context of ENMAX's compensation structure, competitive pay levels, and internal relativity; if appropriate, adjustments are made. The last comprehensive Peer Group review was conducted in 2014. Annual reviews continue to be conducted to ensure the continued suitability of the Peer Group and to take into account changes such as mergers or major changes in business direction.

The following criteria have been used to develop our current Peer Group:

CRITERIA	FOCUS	RATIONALE
Industry	Power Generation Energy Utilities Energy Services Oil & Gas Exploration & Production Independent Power Producers & Energy Traders Oil & Gas Storage & Transportation	Industries in which relevant skills and experience at the executive level are typically found, as well as similarity in business focus. Also reflects that organizations in some of these industries operate under a similar regulatory framework as ENMAX and have similar lines of business.
Ownership Structure	Government organizations Autonomous, publicly-traded companies Subsidiary organizations Non-Autonomous Organizations	Reflects the ownership structure of ENMAX, with responsibilities to taxpayers, and considers that executive talent can be sourced from a variety of organizations.
Size	Similar in size to ENMAX (i.e., approximately 0.5x to 2x ENMAX's revenue)	Reflects the scope and complexity of operations, and level of infrastructure required to operate in this industry.
Geography	Based in Canada Representation of Alberta-based organizations	Reflects the pay practices and competitive environment within which ENMAX competes for executive talent in Alberta and, more broadly, Canada.

Our executive roles are assessed relative to the most directly comparable positions in the Peer Group, considering such factors as position responsibilities, span of control, management level, reporting relationships, and strategic focus.

Our Peer Group for executive compensation purposes is comprised of the same entities as those used for Director compensation. See our current Peer Group on **page 19**.

Compensation Components

Our executive compensation program is comprised of the following elements:

COMPENSATION ELEMENT	LINK TO COMPENSATION OBJECTIVES	LINK TO BUSINESS OBJECTIVES
FIXED COMPENSATION		
Salary	<ul style="list-style-type: none"> • Competitiveness • Income Security • Recognize skills and leadership, and reflect degree of accountability 	Competitive pay ensures high quality talent in order to achieve business objectives.
Pension	<ul style="list-style-type: none"> • Competitiveness • Income Security • Retention 	Competitive pension ensures high quality talent in order to achieve business objectives.
Benefits	<ul style="list-style-type: none"> • Competitiveness • Health and Wellbeing 	Competitive benefits and our commitment to employee wellness ensures quality talent in order to achieve business objectives.
Perquisites	<ul style="list-style-type: none"> • Competitiveness 	Competitive perquisites ensure high quality talent in order to achieve business objectives.
VARIABLE (OR “AT RISK” COMPENSATION)		
Annual Variable Pay Program (“AVPP”)	<ul style="list-style-type: none"> • Competitiveness • Pay-for-performance • Retention 	<p>Rewards the achievement of short-term objectives measured at the Corporate, Business Unit, and Individual level during the year.</p> <p>Competitive pay ensures high quality talent in order to achieve business objectives.</p>
Long-term Incentive Plan (“LTIP”)	<ul style="list-style-type: none"> • Competitiveness • Pay-for-performance • Retention 	<p>Rewards the achievement of longer-term business and strategic objectives measured over a 3 year period.</p> <p>Competitive pay ensures high quality talent in order to achieve business objectives.</p>

Our AVPP and LTIP are designed to:

1. Provide a greater pay-for-performance focus aligned with the achievement of our strategic goals;
2. Strengthen the alignment of participants’ interests with our Shareholder; and
3. Better align the full range of compensation opportunities with market levels.

Pay Mix

Our total direct compensation is comprised of salary and variable pay, and excludes pension, benefits and perquisites. A targeted pay mix is determined for each Executive in consideration of competitive practices, internal relativity, and the role's scope of responsibility. The targeted mix between the compensation elements varies depending on the Executive's ability to impact short-term and long-term business results, and to reflect competitive practices.

The actual pay mix may vary from target based on an assessment of multiple factors (discussed in Pay Positioning on page 22) and is reviewed annually by the Executive and the SHRC to ensure that ENMAX's compensation objectives are being achieved. The actual pay mix varies from year to year based on performance and other factors.

Our compensation structure has been developed in order to provide the majority of compensation in the form of variable, or "at-risk" pay to ensure alignment with performance and our Shareholder's interests.

Compensation Governance at ENMAX

Mandate of the Safety & Human Resources Committee

The SHRC is responsible for the oversight of ENMAX's compensation programs for Executives. Specific compensation accountabilities of the SHRC include:

- Oversee key compensation and human resources policies and programs;
- Review the compensation philosophy and programs to ensure alignment with business objectives;
- Review the CEO's performance and the CEO's assessment of the performance of her direct reports;
- Review and recommend to the Board for approval the compensation of the CEO and other executives;
- Oversee the pension plans; and
- Assess certain human resources-related risks, including pension risk, and workforce development and retention risks.

Compensation Approval Process

The SHRC meets quarterly with special meetings convened as required over the course of the year. The CEO provides recommendations to the SHRC on compensation-related issues based on information and analysis prepared by the Executive with input from external compensation consultants and experts.

The SHRC considers a variety of information in reviewing the CEO's recommendations and makes a recommendation to the Board for their approval. The Board reviews the recommendation and has ultimate authority to approve it.

Compensation Approval Process for President & CEO

ANALYSIS	RECOMMENDATIONS	APPROVAL
Board Chair and SHRC Chair are informed by performance results and compensation consultants.	SHRC following review of recommendations of Board Chair and SHRC Chair.	Board of Directors

Compensation Approval Process for President & CEO's Direct Reports

INPUTS	ANALYSIS	RECOMMENDATIONS	APPROVAL
<ul style="list-style-type: none"> Corporate Business Unit and Individual Business Results Market data analysis and competitive practices provided by Willis Towers Watson Information from compensation consultants 	Analysis of data collected from inputs conducted by the President & CEO	SHRC following review of President & CEO's recommendations	Board of Directors

Compensation Risk Mitigation

As noted, the SHRC regularly reviews the compensation programs for continued appropriateness and, from time to time, makes modifications to align with evolving market and good governance practices.

Highlights of practices that mitigate compensation-related risks are as follows:

RISK MITIGATING PROCESS	DESCRIPTION
Oversight Responsibility	All executive compensation-related decisions are reviewed and approved by the SHRC and the Board. The Board has ultimate oversight and accountability for executive compensation at ENMAX. In preparing its recommendations, the SHRC has access to its own independent advisor to provide input from an external perspective.
Competitive Positioning	Our compensation philosophy targets compensation to be delivered near the 50th percentile, with the ability to pay at, above, or below the targeted level based on performance and other relevant factors. The overall pay levels and pay mix are established by referencing market levels and do not value any one compensation element.
Pay Mix	A significant portion of executive compensation is delivered in variable pay, through the AVPP and LTIP. Performance is assessed over multiple time horizons (1 year through the AVPP, and 3 year through the LTIP), with a greater emphasis on long-term performance for executives. Multiple, overlapping performance periods ensure that there is an ongoing focus on long-term sustainability of performance.
Measuring Performance	Performance is assessed in our AVPP and LTIP using a variety of measures at the Corporate, Business Unit, and Individual levels. The measures have been selected to provide a balanced focus on various financial and operating results that ultimately support our business strategy. Multiple measures reduce the emphasis on one metric and provide a more holistic view of performance. Specific performance goals, such as the threshold, target, and maximum for each measure, are reviewed annually by the SHRC for continued appropriateness and relevance; the performance range is adjusted for upcoming performance periods as appropriate.
Incentive Program Caps	Incentive program payouts are capped in order to ensure that excessive payments do not occur in years of extraordinary performance. AVPP payouts are capped at 150% of target, and LTIP payouts are capped at 200% of the opportunity size.
Incentive Claw-backs	A claw-back policy is in place which seeks recoupment of variable compensation (or adjustment of future payments) in the event of material restatement of financials and intentional fraud or misconduct that caused or partially caused the need for restatement.

Compensation “Claw-Backs”

A compensation “claw-back” provision applies for our variable pay programs and applies to the President & CEO, Executive Vice Presidents, and Vice Presidents.

The determination of payments under ENMAX’s variable pay programs is based on assumptions and representations provided by the Executive. The Board reserves the right to seek repayment of past payments made and/or amend any future payments in situations where:

- The amount of variable pay received by the Executive or former Executive was calculated based upon, or contingent on, the achievement of certain financial results that were subsequently the subject of, or affected by, a material restatement of all or a portion of ENMAX’s financial statements;
- The Executive or former Executive engaged in intentional misconduct or fraud that caused or partially caused the need for the restatement; and
- The amount of variable pay received would have been lower had the financial results been properly reported.

Compensation Advisors

ENMAX engages compensation advisors as follows:

- ENMAX participates in various compensation surveys administered by Willis Towers Watson and Mercer;
- Willis Towers Watson is ENMAX’s actuary and, as such, provides actuarial services for defined benefit pension administration and associated accounting/financial services related to ENMAX’s pension plan;
- Mercer provides investment consulting services for the defined contribution (“DC”) component of ENMAX’s pension plan;
- Willis Towers Watson has acted as a management consultant since 2007. In 2017, Willis Towers Watson provided consulting services to ENMAX in the redesign of its benefits plan to ensure market competitiveness; and
- Consulting services from Meridian Compensation Partners, LLC is provided to the SHRC.

Fees paid by ENMAX to external compensation advisors are outlined below. This reflects when fees were paid and may not align with when work commenced or ended.

COMPANY	SERVICES	2017 FEES	2018 FEES
Willis Towers Watson (Retained by management)	Executive Pension Disclosure	\$24,000	\$10,000
Willis Towers Watson (Retained by management)	All Other Fees ¹	\$303,769	\$262,968
Mercer (Retained by management) ²	DC Pension Investment Consulting	\$33,595	\$32,500
Meridian Compensation Partners, LLC (Retained by SHRC)	Executive Compensation Consulting	\$38,540	\$108,736

¹ Other Fees include: Consulting Services for pension and actuarial services, group health benefits, regulatory filing support, financial reporting, and Executive employment agreements.

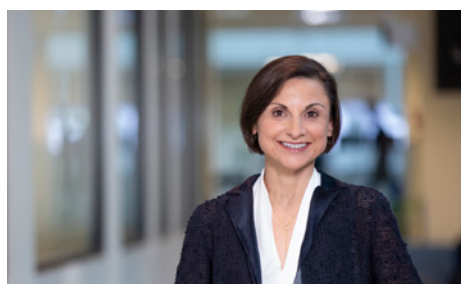
² Mercer commenced as DC consultant in July 2015.

Our Named Executive Officers

ENMAX's named executive officers ("NEOs") for 2018, were as follows:

- President & CEO – Gianna Manes;
- Executive Vice President, Finance, IT & Chief Financial Officer – Helen Wesley;
- Executive Vice President, Power Supply & Delivery & Chief Operating Officer – Dale McMaster;
- Executive Vice President, Energy Services – James McKee; and
- Executive Vice President, Regulatory & Chief Legal Officer – Erica Young

The biographies for each NEO are as follows:



President & CEO

Gianna Manes

Gianna Manes has held the position of President & CEO of ENMAX since 2012. She is a director of a publicly traded company, Keyera Corp. and a director of the Canadian Electricity Association. Gianna previously served as the Co-Chair of the Calgary United Way campaign and was a director of the Calgary United Way from 2015 to 2018.

Gianna has 30 years of experience in the energy sector in Canada, the United States and Europe. Before joining ENMAX, she served as the Senior Vice President and Chief Customer Officer of Duke Energy from 2008 to 2012, a large North American power company based in Charlotte, North Carolina.

Gianna has been recognized for her leadership and accomplishments throughout her career: as Electricity Human Resources Canada's CEO of the Year in 2013, one of Alberta Venture's Top 50 Most Influential People in 2015 and twice-recognized as one of Canada's Most Powerful Women by the Women's Executive Network.

Gianna holds a Bachelor of Science (Industrial Engineering), a Master of Business Administration and has completed the Harvard Business School Advanced Management Program. Gianna also holds an ICD.D designation from the Institute of Corporate Directors.



**Executive Vice President,
Finance, Information Technology & Chief Financial Officer**

Helen Wesley

Helen Wesley is accountable for ENMAX's strategic planning, corporate development, financial management, enterprise risk management, treasury, internal controls, auditing and taxation matters. Additionally, Helen is responsible for ENMAX's information technology function.

Helen has more than 20 years of financial and senior leadership experience within the international oil & gas, chemical and electricity industries. Prior to joining ENMAX, Helen served as EVP, Corporate Services for Talisman Energy and VP and Treasurer for Suncor Energy following its merger with Petro-Canada. Additionally, she worked briefly with Spencer Stuart, providing executive search consulting services specializing in global energy, financial officer and board practices.

Helen obtained a Bachelor of Commerce from the University of Calgary, a Master of Business Administration from Bentley College in Boston MA and a designation as a chartered financial analyst. Helen also holds an ICD.D designation from the Institute of Corporate Directors. Helen currently serves on the board of Enerflex Ltd., a publicly traded energy services company, and Hospice Calgary.



**Executive Vice President,
Power Supply & Delivery & Chief Operating Officer**

Dale McMaster

Dale McMaster is accountable for strategic direction and oversight of ENMAX's regulated transmission and distribution (wires) businesses, power generation and wholesale markets, regulated market services, safety and environment and security.

Dale has acquired more than 40 years of system operations, transmission maintenance, generation planning and market experience, working both internationally and in Canada. Prior to joining ENMAX, he served as Chief Executive Officer at the Alberta Electric System Operator, President of the Transmission Administrator of Alberta and Chief Operations Officer for the Power Pool of Alberta. Additionally, Dale gained valuable utility experience during his time at SaskPower and while consulting with SNC and Acres International.

Dale graduated from the University of Saskatchewan with a Bachelor of Engineering (Electrical Engineering).



**Executive Vice President,
Energy Services**

James McKee

James McKee is our Executive Vice President, Energy Services responsible for strategy and execution of ENMAX's energy services business with an emphasis on safety and exceptional customer experience.

Since joining ENMAX in 2002, James has gained extensive leadership experience in both development and operations across ENMAX's regulated utility and competitive businesses. Key areas of achievement include customer experience, sales, marketing, business development, safety, environment and security, engineering, supply chain, project management and construction for both regulated and non-regulated businesses.

Prior to joining ENMAX, James served with Honeywell International for over a decade in various sales, projects and business development roles across Western Canada. James holds a Bachelor of Science in Mechanical Engineering and is a Registered Professional Engineer with APEGA.



**Executive Vice President,
Regulatory & Chief Legal Officer**

Erica Young

Erica Young is accountable for ENMAX's legal, regulatory, compliance, government relations, public policy and corporate secretarial matters. Erica has almost 20 years of legal and regulatory experience in private practice and in-house roles, primarily focused in the energy industry. Prior to joining ENMAX in 2016, Erica served as SVP, General Counsel at NaturEner Energy Canada, where she was responsible for the company's participation in business transactions, regulatory, litigation and stakeholder advocacy processes connected to the Alberta electricity industry and to cross-border transmission rights.

Erica also served as General Counsel of Total Energy Services, a TSX-listed oil and gas services company. She began her career in the Toronto office of Blake, Cassels & Graydon LLP, where she had a diverse corporate, securities and governance practice.

Erica holds a Bachelor of Arts and Education from Lakehead University, a Bachelor of Laws from Osgoode Hall Law School and an Advanced Certificate in U.S. Energy Law from the UC Berkeley School of Law. In addition to her role at ENMAX, she serves on the board of the Kids Cancer Care Foundation of Alberta.

2018 Executive Compensation

Setting Each Compensation Component

Our compensation programs are designed to support ENMAX's business objectives, allowing us to successfully execute our human resources strategy and support a high-performing culture by aligning pay with performance. In determining our Executives' compensation in a given year, the SHRC considers a comprehensive set of factors, which includes:

- External market data for comparable positions within our Peer Group;
- Assessment of ENMAX's performance;
- Assessment of performance of the CEO and the CEO's direct reports;
- Each Executive's potential to contribute to our strategic direction and long-term value creation for our Shareholder; and
- Compensation decisions from the prior year.

Salaries

Salaries are established at a level that is competitive in the market for similar roles and reflects the nature and level of the position, the level of skill, knowledge, and experience each individual brings to their role, and each individual's level of performance.

The following table provides 2018 base salaries for each of the NEOs:

NAME / POSITION	2017 SALARY	2018 SALARY	% CHANGE
Gianna Manes, President & CEO	\$720,000	\$738,000	2.5%
Helen Wesley, EVP Finance, IT & CFO	\$430,000	\$500,000 ¹	16.3%
Dale McMaster, EVP Power Supply & Delivery & COO	\$485,000	\$485,000	0.0%
James McKee, EVP Energy Services	\$346,000	\$400,000 ¹	15.6%
Erica Young, EVP Regulatory & CLO	\$320,000	\$330,000	3.1%

¹ In 2018, a comprehensive review of executive compensation was completed. As a result, an off-cycle increase was provided to Helen Wesley and James McKee in August 2018 to align their base salaries with market.

Annual Variable Pay Program

Program Design

ENMAX's AVPP provides for competitive compensation that reflects ENMAX's overall financial performance, achievement of key performance indicators ("KPIs") related to each business unit or functional area over which an Executive has oversight, and individual performance. The AVPP is designed to:

- Provide clear and quantifiable performance expectations by establishing threshold, target, and maximum performance levels, with payouts that are reflective of the level of performance achieved;
- Improve line-of-sight by ensuring an appropriate weighting on corporate, business unit, and individual performance;
- Focus business unit KPIs on key success objectives of cost control, project delivery, and performance;
- Ensure that each KPI is thoughtfully developed by considering participants' ability to impact performance;
- Allow for increased differentiation of payouts based on individual contributions and performance; and
- Ensure a competitive payout opportunity at various levels of performance.

The range of payouts (expressed as a percentage of salary) based on 2018 performance of the NEOs is as follows:

POSITION	BELOW THRESHOLD PERFORMANCE (% OF SALARY)	THRESHOLD PERFORMANCE (% OF SALARY)	TARGET PERFORMANCE (% OF SALARY)	MAXIMUM PERFORMANCE (% OF SALARY)
President & CEO	0%	37.5%	75.0%	112.5%
COO	0%	27.5%	55.0%	82.5%
Other NEOs	0%	25.0%	50.0%	75.0%

The weighting of each component of performance varies by organization level, as shown below for the NEOs. Performance scores for each component can range from 0% of target for performance below threshold, 50% of target for threshold performance, to 150% of target for maximum performance. AVPP payouts are capped at 150% of target.

CORPORATE PERFORMANCE	BUSINESS UNIT PERFORMANCE	INDIVIDUAL PERFORMANCE
<ul style="list-style-type: none"> • Safety (total recordable injury frequency) • Profitability as measured by EBITDA • Cost Management as measured by OM&A (Operations, Maintenance & Administration cost control) 	<ul style="list-style-type: none"> • Select KPIs that drive success at a Business Unit level in the areas of cost control, project delivery and performance 	<ul style="list-style-type: none"> • Measures success on personal performance goals
President & CEO: 80% weight	N/A	20% weight
COO & Other NEOs: 50% weight	30% weight	20% weight

The Board retains overall discretion for all AVPP payouts.

2018 Payouts

The SHRC considers a range of key factors in determining recommended compensation levels for all NEOs and such recommendations are then submitted to the Board for approval. In any given year, actual AVPP payouts for the NEOs may be more or less than target levels. The specific payouts associated with the AVPP are outlined below and in the Summary Compensation Table on **page 37**.

The following provides the targeted performance at the corporate level, and ENMAX's actual results relative to its targeted performance. The resulting payout factors for safety, profitability (EBITDA) and cost management (OM&A) are shown and are calculated based on actual performance relative to pre-established threshold, target, and maximum performance levels for 2018.

Despite a challenging energy market, ENMAX exceeded corporate KPI performance targets for 2018. The overall corporate performance factor for 2018 was 107%.

PERFORMANCE MEASURE	2018 TARGET PERFORMANCE	2018 ACTUAL PERFORMANCE	PAYOUT FACTOR
Safety (25% weight) – TRIF ¹	1.14	0.71	33%
Profitability - EBITDA (55% weight) ²	\$450 Million	\$445 Million	53%
Cost Management – OM&A (20% weight) ³	\$360 Million	\$356 Million	21%
Corporate Performance Payout Factor: 107%⁴			

1 TRIF – Total Recordable Injury Frequency – the lower the result on this measure is desirable.

2 EBITDA – Earnings before Interest, Tax, Depreciation and Amortization – the higher the result on this measure is desirable.

3 OM&A – the lower the result on this measure is desirable.

4 As approved by the SHRC and the Board on March 13, 2019.

In 2018, ENMAX's individual business units drove success by setting KPIs associated with business unit specific project delivery and performance. Projects were assessed relative to scope, schedule, budget, quality and safety. Performance metrics varied between business units and included KPIs such as reliability measures, generation asset availability, customer satisfaction and contracted gross margin. The table below highlights the performance payout factor of each business unit.

BUSINESS UNIT PERFORMANCE PAYOUT FACTOR	PERFORMANCE PAYOUT FACTOR
Power Delivery	133%
Power Supply	127%
Energy Services	124%
Corporate Services	128%
Information Technology	122%
Finance	130%
Human Resources	115%
Regulatory & Legal Services	130%
Communications & Brand	116%

Individual goals aligned to ENMAX's strategy are established at the beginning of the year, specific to each NEO and his or her area of responsibility. Individual performances are then assessed by the Board. For 2018, each of the NEOs, including the CEO, met or exceeded their individual performance objectives.

Based on the corporate, business unit, and individual performance achieved, the overall payout factor, target and actual AVPP payouts for each NEO, based on 2018 performance, is presented below.

Name / Position	Corporate Factor ¹	Business Unit Factor	Overall Payout Factor	AVPP PAYOUT RANGE (% OF SALARY)			PAYOUT FOR 2018 PERFORMANCE	
				Threshold	Target	Maximum	\$ Value	% of Salary
Gianna Manes President & CEO	107%	N/A	116%	37.5%	75.0%	112.5%	\$635,524	86%
Helen Wesley EVP Finance, IT & CFO ²	107%	128%	121%	25.0%	50.0%	75.0%	\$278,872	56%
Dale McMaster EVP Power Supply & Delivery & COO ³	107%	131%	121%	27.5%	55.0%	82.5%	\$322,394	66%
James McKee EVP Energy Services ⁴	107%	126%	114%	25.0%	50.0%	75.0%	\$211,603	53%
Erica Young EVP Regulatory & CLO	107%	130%	123%	25.0%	50.0%	75.0%	\$200,429	61%

1 Corporate Factor subject to March 2019 SHRC & Board approval.

2 Business Unit performance payout factor is a blend between Finance (70% weight) and Information Technology (30% weight).

3 Business Unit performance payout factor is a blend between Power Supply (30% weight) and Power Delivery (70% weight).

4 Business Unit performance payout factor is a blend between Corporate Services (40% weight) and Energy Services (60% weight).

Long-Term Incentive Plan

Program Design

ENMAX's CEO, Executive Vice Presidents, Vice Presidents, Directors and Senior Managers are eligible to participate in the LTIP. ENMAX's LTIP focuses Executives on sustaining high performance, facilitating attraction and retention of critical talent, and aligns Executives' interests with our focus on creating value for our Shareholder over a long-term time horizon.

The LTIP is designed to provide a greater focus on forward-looking performance over a multi-year period. The LTIP:

- Closely aligns with performance objectives that are viewed to be key success factors of the longer-term strategic plan;
- Encourages cross business unit collaboration to achieve shared goals;
- Strengthens the pay-for-performance focus by measuring results over a forward-looking, three-year performance period;
- Strengthens retention by using a vesting schedule that fully vests at the end of a three-year performance period; and
- Provides alignment with common variable pay and good governance practices in the market.

Performance under the 2016-2018 LTIP is measured based on an equal weighting between financial and strategic (non-financial) measures.

FINANCIAL PERFORMANCE (50% weight)	STRATEGIC OBJECTIVES (50% weight)
Three-year average of Return on Capital Employed	<p>2016</p> <ul style="list-style-type: none"> • Shape the Future Safety (total recordable injury frequency) • Drive Effectiveness and Profitability • Advance Culture Through Engagement <p>2017-2018</p> <ul style="list-style-type: none"> • Drive Profitability • Advance Safety Culture • Advance Leadership Culture • Innovation and Technology

Financial and strategic goals as well as threshold, target and maximum levels of performance are set at the outset of each three-year performance period. At the end of a performance period, the SHRC assesses performance against each measure, determines success achieved and makes a recommendation to the Board.

In making its assessment, the SHRC considers external factors beyond the participants’ control for which they should not be rewarded or penalized. Performance scores for each measure can range from 0% of target for performance below threshold, 50% of target for threshold performance, 100% for target performance to 200% of target for maximum performance. All LTIP payouts are capped at 200% of target.

At the outset of the performance period, LTIP compensation opportunity is approved by the Board and communicated to program participants. Participants understand that there is no certainty of payout as it is subject to performance and employment at the end of the performance period. LTIP payments are made in the pay period after the SHRC meeting following the completion of the performance period.

The Board retains overall discretion for all LTIP payouts.

Historical LTIP grants awarded for the period 2016-2018 are reported on **page 38**. The 2018 LTIP grants can be found on **page 37** in the Summary Compensation Table.

Pension Plans

All NEOs participate in the DC provision of ENMAX’s pension plan (“**Registered Plan**”). In addition, the NEOs participate in ENMAX’s corporation supplemental retirement plan (“**Supplemental Plan**”). The Supplemental Plan is an unfunded non-registered pension plan, and it provides benefits under a defined benefit (“**DB**”) provision and a DC provision. With the exception of James McKee, all ENMAX’s NEOs participate in the DC provision of the Supplemental Plan. James McKee participates in the DB provision of the Supplemental Plan. The supplemental benefits payable to the NEOs are calculated consistently with all other members of the Supplemental Plan. As the Supplemental Plan is unfunded, benefits from this plan are paid from ENMAX’s general revenues.

ENMAX Defined Contribution Pension Plan

The Registered Plan provides benefits under a DB provision and a DC provision. ENMAX's NEOs all participate in the DC provision and their benefits are calculated consistently with all other DC members. A summary of the DC provisions is provided below:

- Permanent employees are immediately enrolled upon hire and are immediately vested in the plan and, therefore, entitled to ENMAX's contributions upon termination or retirement;
- ENMAX contributes 4% of employees' base salary to the plan;
- Employees may make optional contributions between 0% to 4% of base salary, which ENMAX will match at a rate between 50% to 150% based on the employee's age and service;
- Total contributions to the DC provision cannot exceed the "Money Purchase Limit" imposed by the Income Tax Act (Canada), which was \$26,500 in 2018; and
- Employees direct their own investments and may invest in various funds covering all major asset classes.

Defined Contribution Supplemental Retirement Plan

Effective March 21, 2006, the DC provision of the Supplemental Plan ("DC SRP") was established for all new employees and existing employees who did not previously qualify for the DB provisions of the Supplemental Plan. The DC SRP is available to employees whose base salary plus actual annual variable pay amounts exceed the annual earnings threshold under the DC provision of the Registered Plan. Other aspects of the DC SRP include:

- Employee contributions are neither permitted nor required; and
- ENMAX makes notional allocations between 6% and 10% (based on age plus service) of pensionable earnings to the employee's notional account balance.

Pensionable earnings are determined as the amount of base salary plus actual annual variable pay in excess of the annual earnings threshold under the DC provision of the Registered Plan.

Defined Benefit Supplemental Retirement Plan

ENMAX closed the DB provision of the Supplemental Plan ("DB SRP") to new entrants effective March 21, 2006. Participants whose earnings would exceed an annual earnings threshold under the DB provisions of the Registered Plan (\$163,992 for 2018) will earn service for that year under the DB SRP. Other aspects of the DB SRP include:

- Employee contributions are neither permitted nor required;
- Formula for each year of DB SRP service is 1.75% of best average pensionable earnings;
- Pensionable earnings are determined as the amount of base salary plus actual annual variable pay in excess of the annual earnings threshold under the DB provision of the Registered Plan;
- Best average pensionable earnings are the average of the pensionable earnings in the five consecutive calendar years in which pensionable earnings are the highest;
- Members are entitled to receive DB SRP benefits after two years of service from date of hire; and
- Normal retirement is the later of age 55 and the attainment of 85 points, but not later than age 65. Early retirement is age 55. The early retirement reduction is 3% for each year that the member retires prior to normal retirement as mentioned above.

Additional Benefits

NEOs participate in ENMAX's flex benefit program which includes: extended health, dental, short-term and long-term disability, life and accidental death and dismemberment insurance, critical illness insurance, executive medicals, and health spending or wellness accounts.

Executives also receive an annual perquisite account which can be allocated annually to one or a combination of the following items: an annual perquisite or a health spending account (in addition to the amount provided under the core benefits plan). The value of the flexible perquisite account is \$20,000 for the President & CEO and \$15,000 a year for the other NEOs.

Detailed Compensation Disclosure

Summary Compensation Table

NAME / POSITION	YEAR	SALARY	OTHER COMPENSATION ¹	VARIABLE PAY		PENSION VALUE ⁴	TOTAL COMPENSATION ⁵
				AVPP ²	LTIP ³		
Gianna Manes President & CEO	2018	\$733,016	\$20,582	\$635,524	\$959,400	\$118,369	\$2,466,891
	2017	\$709,615	\$35,182	\$747,225	\$792,000	\$104,732	\$2,388,754
	2016	\$682,500	\$45,090	\$595,823	\$750,750	\$106,150	\$2,180,313
Helen Wesley ⁶ EVP & CFO	2018	\$461,785	\$15,582	\$278,872	\$406,800	\$60,396	\$1,223,435
	2017	\$430,000	\$15,582	\$292,701	\$344,000	\$54,808	\$1,137,091
	2016	\$430,000	\$90,582	\$253,307	\$344,000	\$33,606	\$1,151,495
Dale McMaster ⁸ EVP Power Supply & Delivery & COO	2018	\$485,000	\$15,582	\$322,394	\$363,750	\$77,901	\$1,264,627
	2017	\$431,068	\$15,582	\$292,911	\$316,800	\$68,912	\$1,125,273
	2016	\$422,400	\$15,582	\$260,199	\$295,680	\$68,028	\$1,061,889
James McKee ^{8,9} EVP Energy Services	2018	\$370,649	\$15,582	\$211,603	\$272,475	\$284,399	\$1,154,708
	2017	\$337,305	\$15,582	\$230,210	\$235,950	\$148,231	\$967,278
	2016	\$314,600	\$15,582	\$190,113	\$204,490	\$44,097	\$768,882
Erica Young ⁷ EVP Regulatory & CLO	2018	\$327,231	\$175,582	\$200,429	\$250,000	\$43,493	\$996,735
	2017	\$320,000	\$15,582	\$217,920	\$240,000	\$31,764	\$825,266

1 All Other Compensation reflects perquisite amounts and premiums for company-paid critical illness insurance coverage. Also includes tax planning for Gianna Manes in the amount of \$24,507 for 2016 and \$14,600 for 2017.

2 AVPP earned in year, and payable in March of subsequent year indicated.

3 Reflects amounts granted in year, payable at end of three-year performance period. Actual amount paid dependent on plan performance.

4 Pension Value reflects the compensatory components of the Registered Plan and Supplemental Plan.

5 Total Compensation includes salary and other compensation amounts reflective of performance for year indicated. May be payable in future years.

6 Helen Wesley commenced employment with ENMAX in January 2016. Amount in Other Compensation reflects a \$75,000 sign on payment in 2016.

7 Erica Young commenced employment with ENMAX in August 2016 and met the definition of NEO in 2017. Amount in Other Compensation reflects a \$160,000 special effort payment in 2018.

8 In 2017, the ENMAX Executive team was reduced by one headcount, resulting in increases to the responsibilities of Dale McMaster, James McKee, and Helen Wesley which is reflected in part by the increase to salary over this period.

9 James McKee's increase in pension value is due to both his participation in the DB SRP and greater than assumed pensionable earnings resulting in an increase to his compensatory changes in accrued obligation.

LTIP GRANTS TABLE

The table below summarizes LTIP grants over the last three years and the payment made for the grant following the completion of the performance period. LTIP grant amounts listed are broken out into their respective performance periods.

Name / Position	Year of Grant	LTIP GRANT (FUTURE PAYMENT)			
		Minimum	Target	Maximum	Payment
Gianna Manes President & CEO	2018 ¹	\$0	\$959,400	\$1,918,800	
	2017 ²	\$0	\$792,000	\$1,584,000	
	2016 ³	\$0	\$750,750	\$1,501,500	\$998,498
Helen Wesley EVP & CFO	2018 ¹	\$0	\$406,800	\$813,600	
	2017 ²	\$0	\$344,000	\$688,000	
	2016 ³	\$0	\$344,000	\$688,000	\$457,520
Dale McMaster EVP Power Supply & Delivery & COO	2018 ¹	\$0	\$363,750	\$727,500	
	2017 ²	\$0	\$316,800	\$633,600	
	2016 ³	\$0	\$295,680	\$591,360	\$393,254
James McKee EVP Energy Services	2018 ¹	\$0	\$272,475	\$544,950	
	2017 ²	\$0	\$235,950	\$471,900	
	2016 ³	\$0	\$204,490	\$408,980	\$271,972
Erica Young EVP Regulatory & CLO	2018 ¹	\$0	\$250,000	\$500,000	
	2017 ²	\$0	\$240,000	\$480,000	
	2016 ³	\$0	\$240,000	\$480,000	\$319,200

1 Grant for 2018-2020 performance period, payable in 2021.

2 Grant for 2017-2019 performance period, payable in 2020.

3 Grant for 2016-2018 performance period, payable in 2019.

Pension Plan Tables

ENMAX Pension Plan – Defined Contribution Plan

The table below presents the benefits accumulated under the DC provision for the 2018 year. The actual benefit payable upon retirement or termination will be the value of the employee's DC account at the time of transfer.

NAME / POSITION	ACCUMULATED VALUE AT START OF YEAR	COMPENSATORY CHANGE ¹	ACCUMULATED VALUE AT END OF YEAR ²
Gianna Manes President & CEO	\$214,953	\$17,616	\$237,445
Helen Wesley EVP & CFO	\$58,440	\$17,704	\$83,542
Dale McMaster EVP Power Supply & Delivery & COO	\$255,153	\$19,039	\$277,921
James McKee³ EVP Energy Services	\$414,730	\$16,399	\$421,004
Erica Young EVP Regulatory & CLO	\$45,240	\$17,548	\$69,883

1 Compensatory change includes contributions made by ENMAX on the NEOs' behalf.

2 Includes employee and employer contributions with investment earnings accumulated to December 31, 2018.

3 James McKee participates in the DB provision of the Supplemental Retirement Plan; as a result, his pensionable earnings under the Registered Plan are lower than for members in the DC provision of the Supplemental plan.

Supplemental Retirement Plan – Defined Contribution

The table below presents the benefits accumulated under the DC SRP for the 2018 year. The actual benefit payable upon retirement or termination will be the value within the employee's notional DC SRP account at the time of termination.

NAME / POSITION	ACCUMULATED VALUE AT START OF YEAR	COMPENSATORY CHANGE ¹	ACCUMULATED VALUE AT END OF YEAR ²
Gianna Manes President & CEO	\$522,780	\$100,753	\$610,330
Helen Wesley EVP & CFO	\$54,755	\$42,692	\$96,006
Dale McMaster EVP Power Supply & Delivery & COO	\$363,674	\$58,863	\$413,372
Erica Young EVP Regulatory & CLO	\$14,396	\$25,945	\$39,953

1 Compensatory changes include allocations by ENMAX to the member's DC SRP in early 2019 in respect of 2018.

2 Includes notional returns on the beginning of year accumulated value and notional allocations made in early 2019 in respect of 2018. Notional returns in 2018 were negative.

Supplemental Retirement Plan – Defined Benefit

The table below presents the projected annual retirement benefits payable from the DB SRP at 2018 year end and upon normal retirement.

Name	Years of Credited Service ¹	ANNUAL BENEFITS PAYABLE		Opening Present Value of Accrued Benefit Obligation	Compensatory Change	Non-Compensatory Change	Closing Present Value of Accrued Benefit Obligation
		At Year End ²	At Age 65 ³				
James McKee EVP Energy Services	16.2526	\$98,000	\$170,000	\$1,311,000	\$268,000	(\$63,000)	\$1,516,000

1 Includes continuous service with ENMAX from date of entry into the Supplementary Plan.

2 Pension earned to December 31, 2018 payable at normal retirement age (i.e. the later of age 55 and 85 points, but not later than age 65) based on Best Average Pensionable Earnings and DB Supplemental Plan Pensionable Service as at December 31, 2018.

3 Amounts payable on retirement at age 65, assuming service continues to age 65 and that the Best Average Pensionable Earnings remain unchanged from December 31, 2018.

Please see **page 35** for more information on ENMAX's pension plans.

Employment Agreements & Termination Provisions

All NEO employment agreements meet or exceed the statutory requirements for termination provisions. Amounts to which the NEOs would be entitled upon various termination scenarios are outlined on the following page, as per program documents or other agreements.

	RETIREMENT	RESIGNATION	TERMINATION WITH CAUSE	TERMINATION WITHOUT CAUSE	TERMINATION FOLLOWING A CHANGE OF CONTROL
Severance (per Employment Agreement or Offer Letter)	N/A	N/A	N/A	18 or 24-months' severance depending on position.	18 or 24 months' severance depending on position.
AVPP (per program Terms and Conditions)	Current target award pro-rated based on service in the year of retirement and multiplied by the average prior three-year performance multiplier. Executive must provide 6 months' notice of intent to retire. Executive must be at least 55 at retirement date and have 5 years' service.	Forfeited	Forfeited	Current target award multiplied by average prior three-year performance multiplier, pro-rated based on service in the year of termination. Plus, current target award multiplied by average prior three-year performance multiplier for the severance period.	Current target award multiplied by average prior three-year performance multiplier, pro-rated based on service in the year of termination. Plus, current target award multiplied by average prior three-year performance multiplier for the severance period.
LTIP (per program Terms and Conditions)	Full payment of all outstanding awards to be paid on normal schedule based on actual performance. Executive must provide 6 months' notice of intent to retire. Executive must be at least 55 at retirement date and have 5 years' service.	Forfeited	Forfeited	Immediate pro-rated vesting of LTIP awards to be paid on termination date based on the number of months employed during each of the LTIP performance periods and based on the prior three-year average performance multiplier.	Full immediate vesting of LTIP awards granted paid out based on the prior three-year average performance multiplier.

IF YOU HAVE ANY QUESTIONS REGARDING OUR ANNUAL REPORT ON GOVERNANCE AND COMPENSATION, PLEASE CONTACT THE CORPORATE SECRETARY AT GOVERNANCE@ENMAX.COM.