



2021 Environmental, Social and Governance Report



Table of contents

INTRODUCTION		
CEO letter	3	
Progressing towards our ESG targets	4	
Developing a net-zero pathway	6	
About ENMAX	9	
About this report	13	
Our approach to ESG	14	
ENVIRONMENT	15	
GHG emissions	16	
Grid reliability and resiliency	21	
Emergency preparedness and crisis management	26	
Water use and quality	27	
Air quality	28	
Land and biodiversity	29	
SOCIAL	31	
Employee safety	32	
Contractor safety	35	
Public safety	36	
Diversity, inclusion and belonging	37	
Employee engagement and development	41	
Unions	43	
Energy affordability	44	
Community investment and economic impact	48	
Community and stakeholder relations	50	
GOVERNANCE	52	
Corporate governance	53	
Ethics	54	
Governance for ESG matters	55	
Customer satisfaction	57	
Cybersecurity and data privacy	59	
Responsible procurement	61	
Public policy	61	
TCFD	62	
Governance of climate-related risks and opportunities	63	
Risk management	64	
Climate-related physical risks	65	
Transition-related risks and opportunities	66	
Climate-related scenarios	69	
Metrics and targets	70	
APPENDICES	71	
Performance table	72	
SASB index	77	
GRI Index	79	
Forward-looking information advisory	81	

Letter from our CEO

I have long held a personal belief that ENMAX has a critical role to play in the communities it serves. Not only must we provide our customers with access to safe, reliable and affordable energy, but we must do so responsibly. Our environmental, social and governance (ESG) framework helps us define what this responsibility entails.

In 2021 ENMAX took the next step in our longstanding commitment to ESG. After over a decade of reporting on our sustainability efforts, we presented our first formal ESG report with targets against which we could measure our progress on our ESG journey. This year, we begin sharing our performance and progress towards achieving those targets. I'm proud of our team members across Alberta and Maine who have worked hard to drive our progress towards these important objectives.

Throughout 2021, the health and safety of our team members and customers remained our highest priority and we continued to advance a strong safety culture as we adapted to the global COVID-19 pandemic. As a team, we understand that being diverse and inclusive fosters unique perspectives that enhance our culture, as well as inspire creativity and innovation. We worked towards more inclusive leadership, enabling a culture of belonging.

The overall theme for 2021 has been one of progress. In the pages of this report, you will learn how ENMAX is progressing towards a cleaner energy future. We support Canada's ambition to become net zero by 2050 and want to be part of the solution. We continue to work towards our own goal of becoming net zero by 2050 by evaluating and leveraging advancements in technology. We have reduced our GHG emissions by 66 per cent from 2015 to 2021, significant progress towards our interim reduction target of 70 per cent by 2030.

In addition to doing our part to address our impact on climate change, we want to help our customers meet their sustainability goals. Our customers want solutions that will decrease their environmental footprint: actionable insights into their energy consumption, residential solar systems and electric vehicle opportunities. We are investing in the electric grid to ensure our reliable and resilient infrastructure will meet future demand.

Energy affordability must go hand in hand with reliability. In 2021, we contributed \$3.25 million to Alberta and Maine community organizations. To support customers in need, 30 per cent of our community investment budget was spent on energy affordability initiatives, including energy education and energy saving kits that will go to 1,000 homes by the end of 2022. We are committed to continue working to address the energy affordability challenge through collaboration with our community partners, and an overarching focus on affordable electricity for all of our customers.



As I look back on 2021, I would like to thank the members of the ENMAX team for their hard work to ensure the lights stayed on for our valued customers. As I look to 2022 and beyond, I'm excited about the progress we will make towards achieving our ESG objectives.

Finally, I would like to thank our customers, who are the focus of everything we do. They trust us to safely and reliably provide an essential service that we all count on each and every day. We take that responsibility seriously, today and into the future.

A handwritten signature in black ink that reads "Charles Ruigrok".

Charles Ruigrok
President and CEO

Progressing towards our ESG targets

As an essential service organization, we have a responsibility to our customers and communities. Our business success is fundamentally linked to how well we manage the environmental impacts of our operations, create an engaging and inclusive workplace, meaningfully contribute to our communities, and uphold strong standards of governance and transparency.

At ENMAX, we are proud of our strong history of achievements in environmental, social and governance practices and performance. In 2021, the publication of our ESG targets represented the next stage of our evolution as a responsible corporate citizen and future-oriented energy provider.

To facilitate additional transparency around our ESG performance and activities, we have developed a scorecard that aggregates our targets and progress against them (see next page for details).

Details about our initiatives and performance can be found in the rest of this report.



2021 SCORECARD

How we performed against our ESG targets

Met target

On track

Did not meet

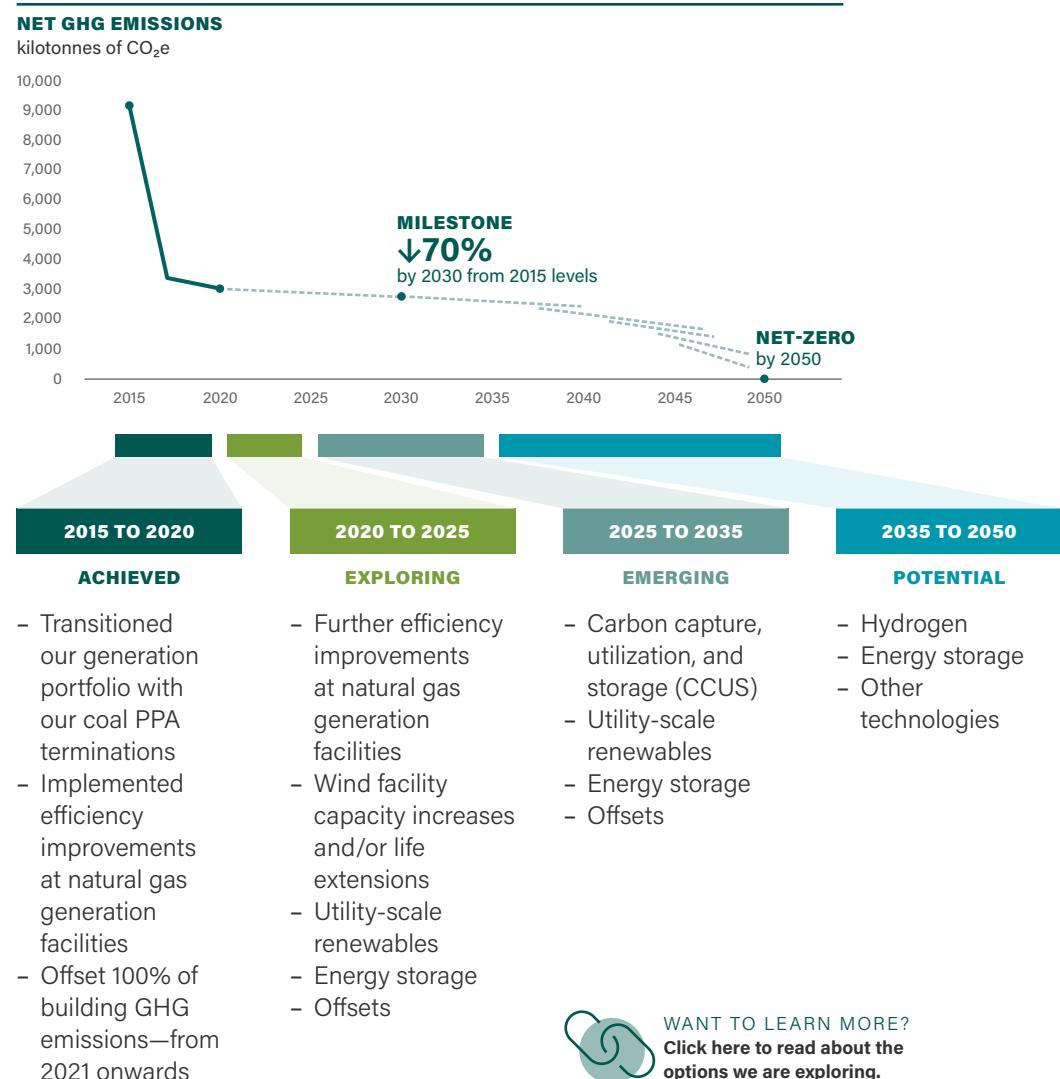
Our current ESG targets cover only our assets and operations in Alberta. In the next few years, we will work with Versant Power to fully incorporate our operations in Maine into our targets. The date stated in our targets indicates by year end of the stated year.

	TARGET	STATUS	PROGRESS
Greenhouse gas emissions and the energy transition	Reduce or offset greenhouse gas (GHG) emissions associated with our power generation portfolio by continuing to invest in efficiency improvements and new technologies.		Commissioned battery storage system at Crossfield Energy Centre avoiding more than 31,000 tonnes CO ₂ e to date. Completed turbine upgrade at Shepard Energy Centre adding 11 megawatts of generation averaged over the year. This further increased the efficiency of Shepard.
	Offset 100% of our building GHG emissions (scope 1 and scope 2) from 2021 onwards.		Completed offsets purchases for 2020. 2021 offsets purchases will be completed in Q3 2022.
	Electrify 35% of our mobile fleet by 2025 towards our aspirational goal of electrifying 100% of our mobile fleet by 2030.		Developed a three-year mobile fleet electrification plan and progressed our medium-duty electric vehicle pilot.
Diversity, inclusion and belonging	Complete a third-party assessment of our HR policies to identify additional opportunities to remove bias and promote equal access to opportunities in 2021.		We received the results from the HR policy assessment in December 2021 and will work to implement any changes needed in 2022.
	100% of senior leaders (director and above) to complete inclusive leadership competency training in 2021 and all other leaders to complete the training in 2022.		100% of senior leaders completed inclusive leadership competency training. In 2022, we are offering the program to all other people leaders across ENMAX.
	Complete an assessment of our customer and vendor practices by 2023 to identify further opportunities to advance inclusive customer experiences and vendor management processes.		Assessment of vendor and customer practices work has been initiated and will be completed by the end of 2023.
Reliability and innovation	ENMAX Power plans to invest \$60 million by 2030 to enable a more resilient grid while maintaining its reliability levels.		Invested \$4.5 million in 2021 to enable a more resilient grid. Advanced our electric vehicle (EV) smart charging pilot to understand how Calgarians use EVs and the potential impact on our electricity system.
Energy affordability	Spend at least 30% of our community investment budget each year on activities and organizations that support customers at the various stages of the energy affordability lifecycle. (By 2025, increase the proportion of spending in this area to 40%)		30% of our 2021 community investment budget was directed towards energy affordability. We increased our funding to three of our long-standing community partners that support basic needs.
	Deliver 1,000 energy saving kits to Albertans by 2022.		Energy saving kits program was initiated and distribution of the kits to vulnerable customers began in 2021.
	By 2025, conduct four pilot projects to test programs or solutions that work towards removing barriers to energy access and affordability.		In 2021, we established an Energy Affordability Working Group and initiated one pilot program.

Developing a net-zero pathway

In 2021, we shared our ambition to achieve net-zero scope 1 and scope 2 GHG emissions by 2050. As with any longer-term target, success would not be possible without realistic near-term milestones and thoughtful planning. Milestones provide ambitious, yet achievable, guideposts on our journey and we are working towards a 70 per cent reduction of scope 1 and scope 2 GHG emissions by 2030 from 2015 levels.

The illustration on the right represents a progression we envision to achieve net zero by 2050. While the specifics continue to be developed, the categories we are exploring are based on our current understanding of existing, emerging and potential future technologies. As technologies advance and become commercially available, and as the energy transition uncovers new possibilities, our pathway will become more defined. We plan to update our understanding of these opportunities as they change over time and will provide additional detail on our progress in our next report.



GHG Action Plans

During 2022, our focus is to develop GHG Action Plans for all GHG-emitting facilities and business units across ENMAX. The GHG Action Plans identify benchmark (2015) and projected GHG emissions that are aligned with our budget and long-range plan.

The plans identify potential mitigation actions with estimated emission reductions and costs. The plans connect to the Enterprise Risk Management (ERM) program to verify that mitigation actions are focused on climate-related risks for each business unit. As we complete additional work in our journey to net zero, we intend to establish and publish additional milestone targets to keep us on track. These plans will be updated annually as we continue to adapt to a changing business environment.

Principles guiding our planning

We use the following principles to guide us in our exploration of future opportunities.

WE ARE OPEN TO NEW TECHNOLOGIES

We believe a combination of technologies and solutions will be required (renewables, fuel and energy efficiencies, energy storage and CCUS) to achieve Canadian and global decarbonization goals. ENMAX will continue to invest in exploring and implementing new technologies.

WE KEEP OUR CUSTOMERS FRONT AND CENTRE

As a customer-facing utility, we consider the impacts our decisions have on our customers and on overall energy affordability. We also consider our customers' desire for clean electricity products and a decarbonized grid.

WE COLLABORATE WITH GOVERNMENTS, REGULATORS, AND OTHER STAKEHOLDERS

Our pathway assumes a supportive regulatory environment and the availability and commercial viability of technologies, such as energy storage and CCUS. We continue to engage in conversations with a variety of stakeholders to work towards common goals.

WE SEEK BROADER BENEFITS

Although most projects have a clear environmental benefit, we also consider the social benefits of projects, for example considering community or Indigenous participation in energy projects.



Options we are examining

We are committed to enhancing our ESG performance through the exploration and adoption of technologies that can help reduce the emissions associated with our business. While this is not an exhaustive list, some options we are exploring include:



EFFICIENCIES AT NATURAL GAS GENERATION FACILITIES

Our commitment to operational excellence means we regularly seek out process efficiencies and incorporate updated equipment as new technologies emerge. Although there is a limit to the emissions reductions that can be achieved through efficiency, we continue to invest in our natural gas-fuelled generation facilities. We do this because these facilities enable the integration of intermittent renewable assets into the Alberta grid by providing a backstop to the variability of wind and solar generation.



RENEWABLES

We own and operate two wind facilities—Taber and Kettles Hill—and hold a 50 per cent ownership stake in McBride Lake wind farm. We are actively exploring potential capacity increases and/or life extensions of our wind facilities. The benefits of life extension include long-term waste reduction (i.e., waste associated with decommissioning) and an increased return on capital invested. To inform decision making, we are currently completing end-of-life studies on each wind facility. We are also evaluating the addition of larger utility-scale solar projects into our generation portfolio to offer options to our commercial and industrial customers to purchase renewable electricity to help achieve their ESG goals.



CARBON CAPTURE, UTILIZATION, AND STORAGE (CCUS)

CCUS is not a new technology, but it is experiencing a surge of global interest. According to the International Energy Agency ([IEA](#)), there are currently more than 20 large-scale CCUS commercial facilities around the globe, and [Alberta has committed to fund CCUS projects](#). All our power generation facilities are located near advantageous geological formations for storing carbon. While CCUS requires large capital investment, large volumes of CO₂ can be captured and stored.



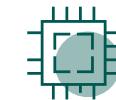
ENERGY STORAGE

Energy storage using utility scale batteries increases grid flexibility and reliability. When combined with renewable power generation, batteries can store and release power when needed, which helps balance the electrical grid during periods of low renewable electricity production. When combined with natural gas generation (such as at our Crossfield Energy Centre) energy storage can also provide standby power without having to burn natural gas. We will continue to stay informed on relevant technology advancements and pursue opportunities that align with our business and net-zero target.



HYDROGEN

While already widely used in some industries, large-scale hydrogen combustion technology continues to advance within the power generation sector. Already the largest hydrogen producer in Canada, Alberta released its [Hydrogen Roadmap](#) in November 2021. Hydrogen produces no direct GHG emissions and can be blended with natural gas (often with only relatively minor retrofits to natural gas turbines) to generate lower-carbon power. We are evaluating the feasibility of using hydrogen at our natural gas power generation facilities.



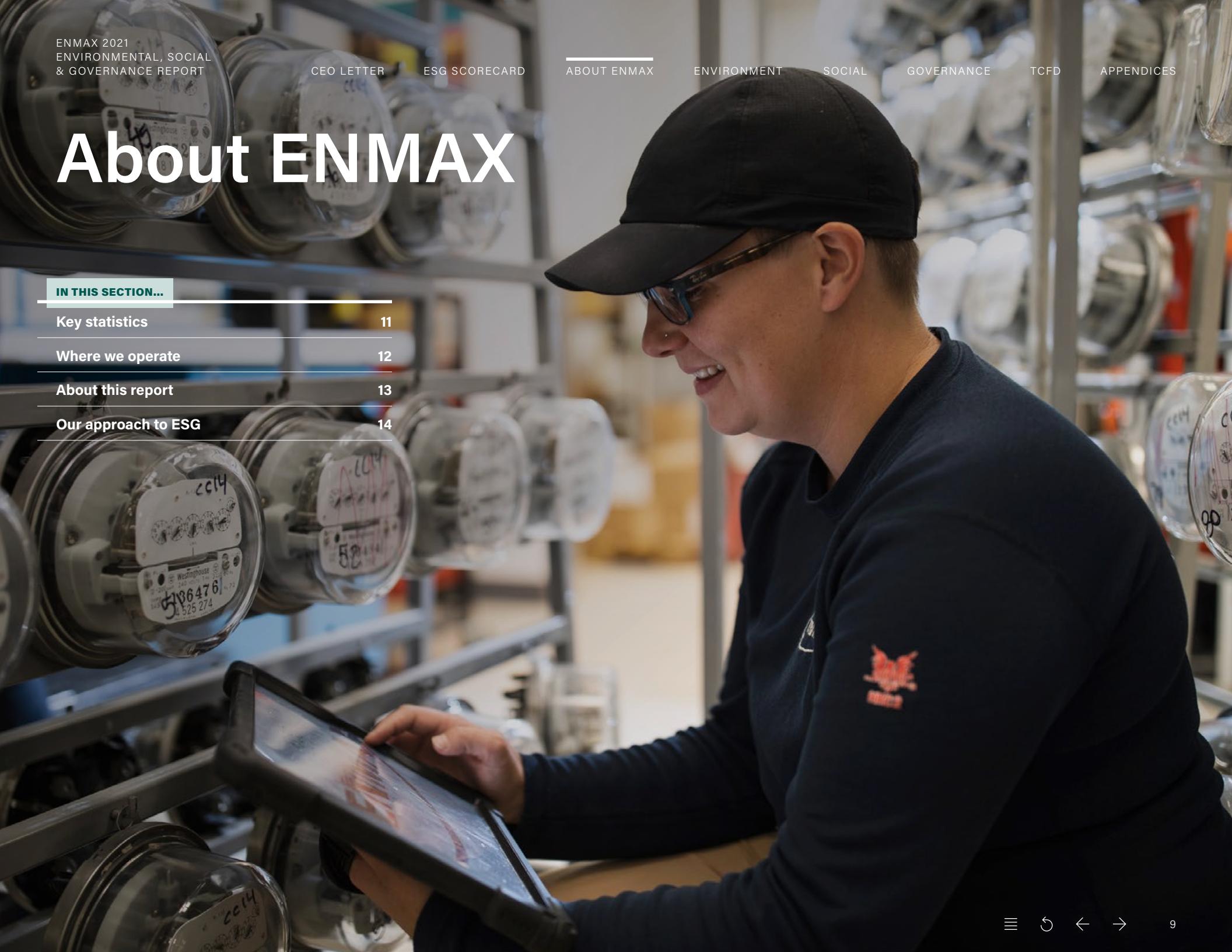
OTHER TECHNOLOGIES

In the longer term, as-yet-discovered technologies will emerge and may offer new emissions reduction solutions. Our Shepard Energy Centre is home to the Alberta Carbon Conversion Technology Centre ([ACCTC](#)), which uses exhaust gas from the facility to enable research and innovation focused on finding ways to reduce and repurpose emissions. Existing and new clients continue to use the ACCTC to develop, validate and pilot technologies that target carbon capture and utilization. The ACCTC also continues to contribute to economic growth in Alberta as it attracts entrepreneurs and industry conducting research and development. This research is leading to commercially viable projects and is attracting new business from Alberta and beyond.

About ENMAX

IN THIS SECTION...

Key statistics	11
Where we operate	12
About this report	13
Our approach to ESG	14



About ENMAX

The ENMAX group of companies is a leading provider of electricity services, products and solutions. We are headquartered in Calgary, Alberta, with operations across Alberta and Maine. Through our subsidiaries, ENMAX Power Corporation and Versant Power, we own and operate transmission and distribution utilities that safely and reliably deliver electricity to customers in Calgary and northern and eastern Maine. Through ENMAX Energy Corporation, ENMAX owns and operates power generation facilities and offers a range of innovative electricity and natural gas products and services to residential, commercial and industrial customers across Alberta.

Shareholder Value Proposition

Environmental, social and governance considerations are at the core of our business and are reflected in ENMAX's value proposition to:

- Deliver a stable, predictable and growing dividend
- Enhance long-term value of the company
- Provide industry leadership and corporate citizenship
- Provide safe, reliable products, goods and services
- Provide high standards of efficiency and customer service
- Provide alignment with City of Calgary economic, environmental and social goals

Our Mission

We 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.

Our Values



SAFETY

Nobody gets hurt



INTEGRITY

Do what's right with courage and conviction



ACCOUNTABILITY

Own it



SERVICE

Act with others in mind



TEAMWORK

Together, we are better and stronger



AGILITY

Adapt and act



INNOVATION

Aim high and create possibilities

Key statistics

(as of December 31, 2021)

WE OPERATE ACROSS THE ELECTRICITY VALUE CHAIN

\$609
million in adjusted
EBITDA* in 2021

\$8.6
billion in total
assets in 2021

\$62
million dividend
declared to The City
of Calgary in 2022

ENMAX ENERGY		ENMAX POWER	VERSANT POWER
POWER GENERATION	ENERGY RETAIL SERVICES	TRANSMISSION & DISTRIBUTION	TRANSMISSION & DISTRIBUTION
1,512 MW** generation capacity, equity based	~700,000 residential, commercial, and industrial customers	1,089 km² service territory in and around Calgary	26,900 km² service territory in northern and eastern Maine
86% natural gas	>40 municipalities	335 km of transmission lines	2,044 km of transmission lines
14% wind	Provides: - Electricity - Natural gas - Solar power	8,629 km of distribution lines	9,977 km of distribution lines
ALBERTA		CALGARY	MAINE

* Adjusted earnings before interest, taxes, depreciation and amortization; Non-IFRS financial measure. Refer to ENMAX's full [2021 Financial Report](#).

** Represents 2021 maximum capacity which includes increased generation at Shepard Energy Centre and the sale of District Energy Centre.

Where we operate

ENMAX ENERGY

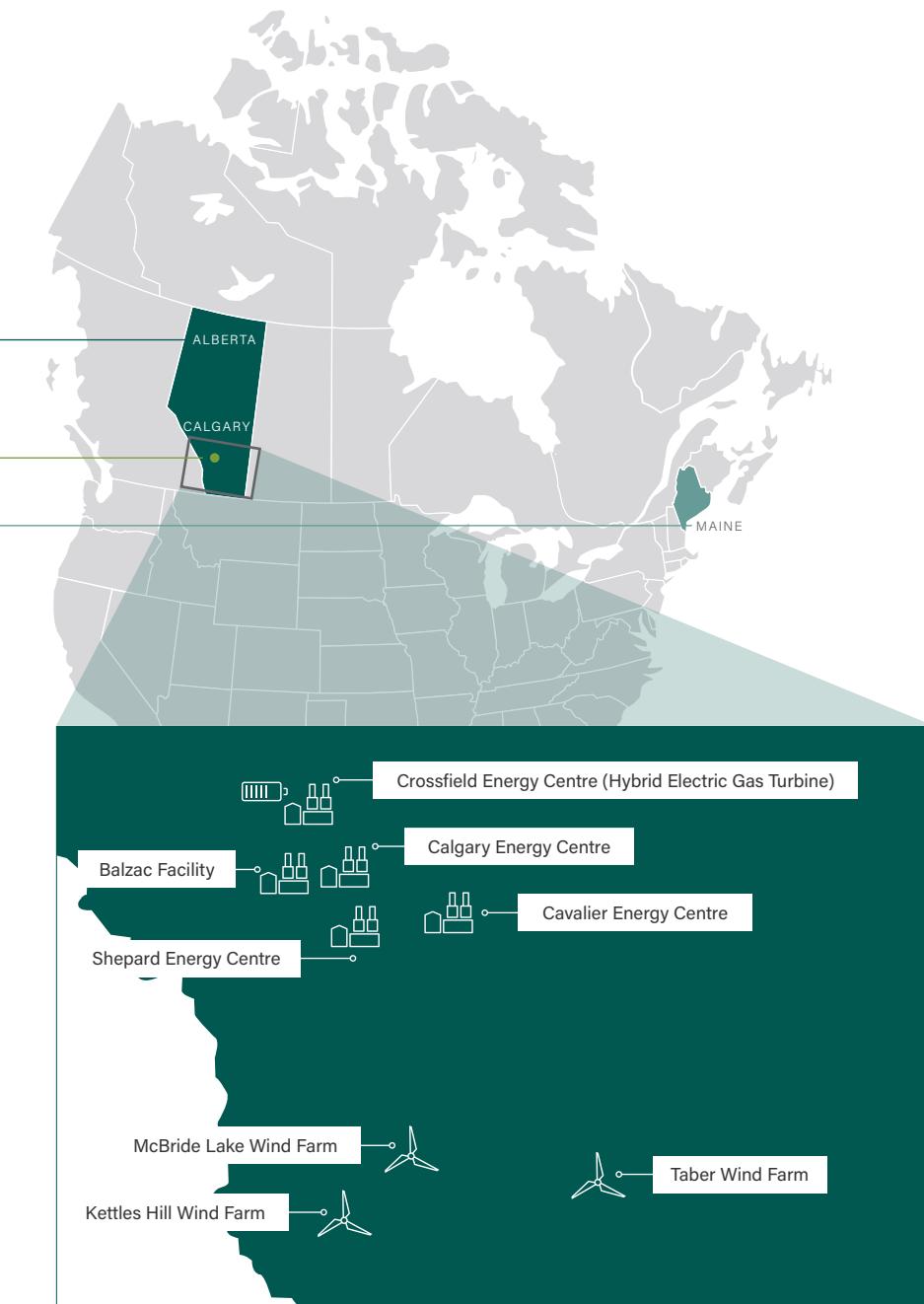
Competitive power generation and energy retail business, providing electricity, natural gas and customer care services in Alberta.

ENMAX POWER

Regulated wires business that owns, operates and maintains the transmission and distribution system in and around Calgary.

VERSANT POWER

Regulated wires business that owns, operates and maintains transmission and distribution, and also provides customer care services to residential, commercial and industrial customers in Maine.



About this report

This report communicates the ESG initiatives and key metrics that demonstrate ENMAX's progress to date and our commitment to continual advancement.

- The terms ENMAX, our, we, us, and the organization, refer to the ENMAX group of companies unless otherwise noted.
- The data included in tables and charts in this report reflects the performance of our companies in Alberta (ENMAX Corporation, ENMAX Power, ENMAX Energy) and, unless otherwise noted, excludes Versant Power. When data is available for Versant Power, it is provided separately and noted accordingly.
- Qualitative information about the operations and achievements of Versant Power is provided throughout the report and noted explicitly with "Versant Power" or "in Maine".
- Unless otherwise indicated, this report covers data and qualitative information for the year ended December 31, 2021. When available, historical data is provided for four years.
- For all of our targets, the date stated indicates by year end of the stated year. For example, completing an activity by 2022, means completion by the end of 2022.
- For our companies in Alberta, we report environmental and social performance for all assets over which we have operational control, which means we report 100 per cent of data related to environment, human resources, safety and business practices for assets we operate. The only exception to this principle is in accounting for greenhouse gas (GHG) emissions which we report based on financial ownership (see next point).

- We report GHG emissions using guidance from the [Greenhouse Gas Protocol](#), developed by the World Resources Institute and the World Business Council for Sustainable Development, and account for our GHG emissions based on financial ownership (equity share approach). Note that in previous sustainability reports, we had reported 100 per cent of the GHG emissions from facilities which we operated. Reporting under the equity approach means that we include ENMAX's proportional share of the emissions from our Shepard Energy Centre, 50 per cent from our Balzac facility, and GHG emissions associated with structured power agreements such as Energy Service Agreements where ENMAX is responsible for carbon compliance obligations. Following this principle, our 2015 baseline for our net-zero target includes GHG emissions related to our Power Purchase Arrangements (PPAs). GHG emissions for prior years have been restated under the equity share approach.
- Unless noted, data does not cover third-party service providers.
- Unless noted, financial data is in Canadian dollars and environmental data is in metric units.
- The accuracy of this report is of significant importance to our company. Senior management, our internal auditors and relevant staff have reviewed key information and believe it is an accurate representation of our performance. In some instances, estimates are made based on best-available information and records at the time of writing.
- See Forward-looking Information Advisory (on [page 81](#)) for information regarding estimates and other forward-looking statements contained in this report.

ALIGNING WITH ESG REPORTING STANDARDS

We cross-reference our disclosures in this report to the following recognized standards:

SASB	page 77
TCFD	page 62
GRI	page 79

Read our caution regarding forward-looking statements on [page 81](#).

Our approach to ESG

We are committed to the highest level of accountability to our Shareholder (The City of Calgary), customers, employees and all Calgarians. As part of that commitment, we have publicly disclosed our ESG performance in alignment with Global Reporting Initiative (GRI) Standards for 15 years, publishing an extensive range of environment, safety, social and governance indicators each year.

To continually evolve the robustness of our sustainability commitments and communications, we enhanced our ESG reporting last year, reviewed our ESG practices, engaged with key stakeholders and identified a series of forward-focused ESG targets.

Determining what to report: materiality assessment

The list (shown on the right) is the result of an extensive materiality assessment we conducted in 2020. This assessment included input from subject matter experts across the organization, the executive team and our Board of Directors, as well as external stakeholder engagement with key customers, our Shareholder (The City of Calgary) and providers of capital. The assessment considered topics suggested by the Sustainability Accounting Standards Board (SASB), the Task Force on Climate-related Financial Disclosures (TCFD) and best practices in reporting within our industry.

It is important to note that materiality in this context is not a judgment on the importance of the topic to our company or to society. We use these materiality results to inform the level of our reporting, not our strategic actions.

ESG MATERIAL TOPICS

- GHG emissions and energy transition
- Grid resiliency and reliability
- Diversity and inclusion
- Energy affordability
- Employee/contractor safety
- Public safety
- Corporate governance

LEVELS OF REPORTING

These are our ESG priority topics. We provide metrics, description of programs and extensive qualitative information for these topics since they are crucial to our business success and of high interest to our stakeholders. Although all these topics are critical, we have set objectives and targets for topics on which we believe we can make the most meaningful progress.

- Employee development
- Economic impact
- Cybersecurity/data privacy

We provide a comprehensive and balanced discussion of these topics that combine metrics and qualitative discussion.

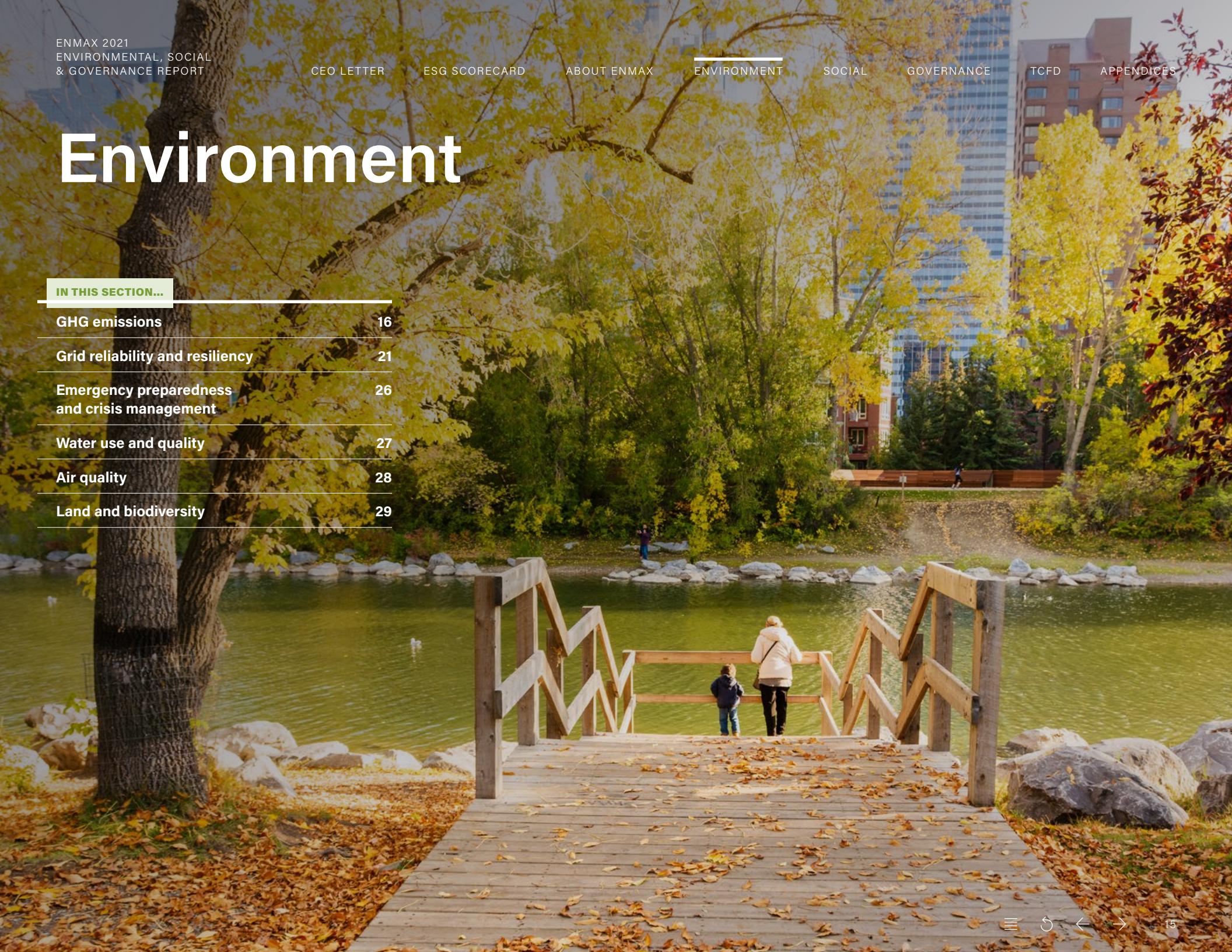
- Physical impacts of climate
- Air quality
- Water
- Responsible procurement
- Occupational health
- Unions
- Customer satisfaction
- Public policy
- Spills/releases

We include these topics in the report with limited qualitative discussion and data, if readily available.

Environment

IN THIS SECTION...

GHG emissions	16
Grid reliability and resiliency	21
Emergency preparedness and crisis management	26
Water use and quality	27
Air quality	28
Land and biodiversity	29



GHG emissions

WHY IT MATTERS TO ENMAX

As a future-oriented essential electricity service provider, we are committed to advancing a cleaner energy future for the benefit of our customers, the communities we operate in and our Shareholder, The City of Calgary. For many years, the reduction of greenhouse gas (GHG) emissions has been a key component of our environmental protection and stewardship practices.

OUR APPROACH

ENMAX has committed to achieving net-zero scope 1 and scope 2 GHG emissions by 2050. As a milestone towards achieving our net-zero vision, we plan to reduce or offset 70 per cent of our scope 1 and scope 2 GHG emissions by 2030 from a 2015 baseline. To reach these targets, we are identifying efficiencies at our natural gas power generation facilities, offsetting and managing emissions from our corporate and operational buildings, and advancing the electrification of our mobile fleet.

OUR 2021 HIGHLIGHTS

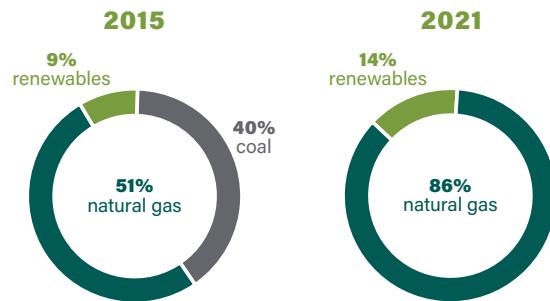
Completed a turbine upgrade and maintenance event at Shepard Energy Centre that added 11 new megawatts (MW) of generation.

Met our target to offset 100% of our building GHG emissions (scope 1 and scope 2) for 2021.

EVOLVING OUR GENERATION PORTFOLIO

Evolving our generation portfolio

We have already achieved significant emissions reductions over the past decade due to the transition of our power generation portfolio. When compared to our 2015 baseline, we have reduced the GHG emissions by 66 per cent. Today, we hold no coal-fired generation in our portfolio, and our power generation facilities are a combination of modern natural gas-fuelled power generation facilities and wind facilities.



GHG EMISSIONS ACROSS OUR BUSINESS

Today, the vast majority of our GHG emissions come from our natural gas power generation facilities. Our primary source of GHG emissions is natural gas combustion at these plants, followed by a smaller proportion originating from natural gas and electricity consumption at our corporate and operational buildings, together with fuel combustion within our mobile fleet (see table at right).

2021 HIGHLIGHTS

- Completed a turbine upgrade and maintenance event at Shepard Energy Centre that added 11 new megawatts (MW) of generation.
- Met our target to offset 100% of our building GHG emissions (scope 1 and scope 2) for 2021.

OUR PERFORMANCE

GHG EMISSIONS (SCOPE 1 AND SCOPE 2) CONTRIBUTIONS BY EACH BUSINESS

2021

	2021
Power generation	99%
Operational and corporate buildings	0.9%
Mobile fleet	0.1%



Our largest power generation facility, Shepard Energy Centre, is the most efficient natural gas-fuelled combined-cycle generation facility operating in Canada today, as measured by tonnes of CO₂ per megawatt hour (MWh).

PROGRESS IN 2021

We are taking the following steps toward achieving our GHG emissions reduction target:

Efficiency improvements at our natural gas power generation facilities

While natural gas is one of the lowest carbon emitting fossil fuel options available for power generation, we are proactively working to find efficiencies and incremental improvements that further reduce our GHG emissions intensity.

HYBRID ELECTRIC GAS TURBINE COMMISSIONED

In May 2021, we commissioned Canada's first hybrid electric gas turbine at our Crossfield Energy Centre. By combining a new battery energy storage system with our existing natural gas-fuelled turbine, the hybrid asset allows us to provide standby power (spinning reserve) without producing emissions from natural gas generation. When a grid operator requests the standby power, the battery provides the initial supply while the turbine ramps up to meet the longer duration demand. Since the unit went into use, it has avoided the generation of more than 31,000 tonnes carbon dioxide equivalent (CO₂e) that would have been emitted if those power dispatches had been provided by the non-hybridized natural gas turbine. ENMAX is leading the way in adopting and implementing this technology for the first time in Canada.



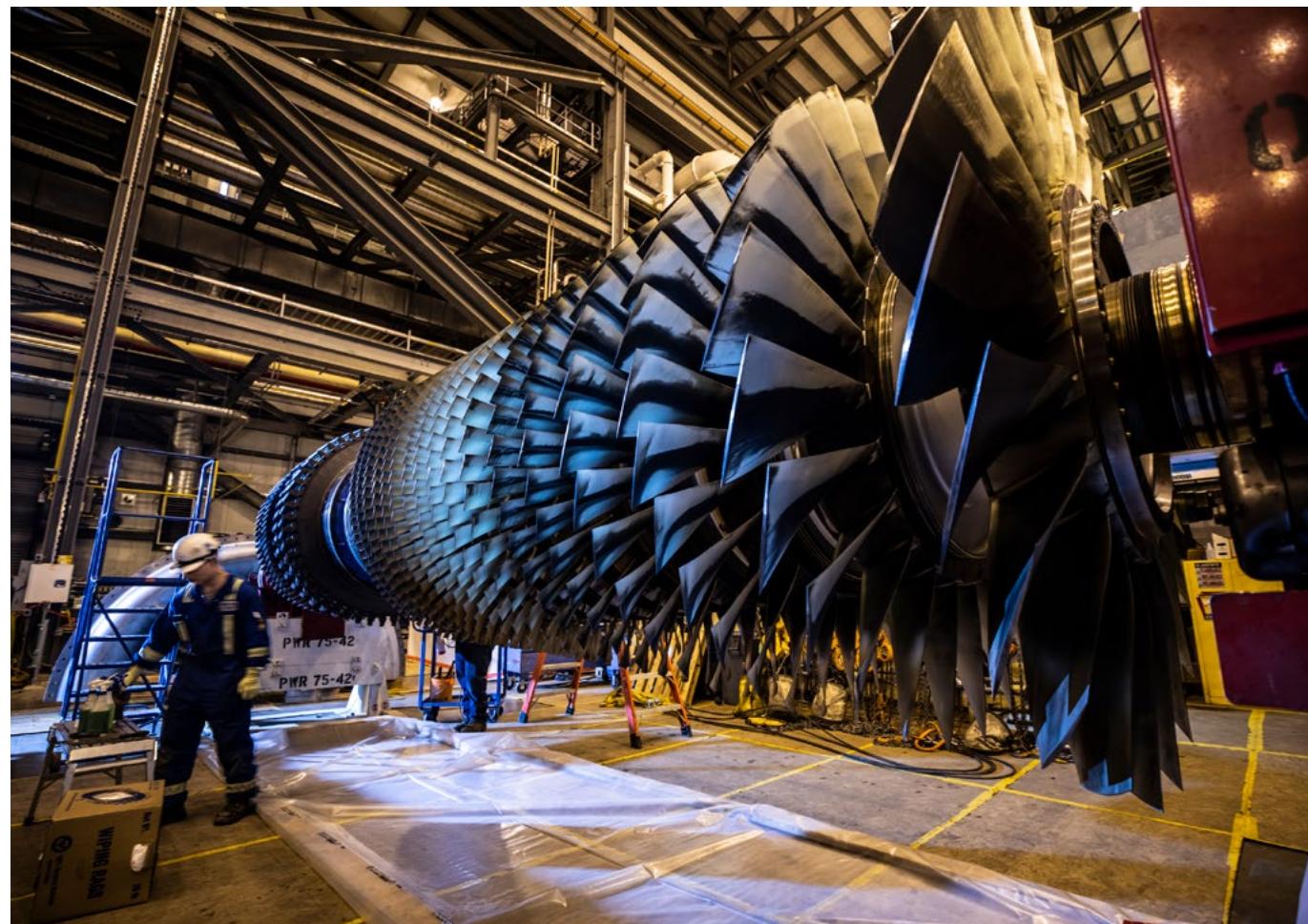
In 2021, our Generation Fleet Efficiency Program was recognized in Electricity Canada's (formerly known as the Canadian Electricity Association) Centre of Excellence.

TURBINE UPGRADES

As part of our ongoing efforts to improve operational efficiencies, we completed a turbine upgrade and maintenance event in 2021 at Shepard Energy Centre that added 11 new megawatts (MW) of generation capacity while recovering an additional 6 MW. This further increased the efficiency at Shepard—already one of Canada's most efficient combined-cycle facilities. A similar upgrade and maintenance event is planned for our Calgary Energy Centre in 2022.

STEAM TEMPERATURE EFFICIENCY

At our Calgary Energy Centre, we completed a project to increase steam cycle temperatures. This collaboration between a number of vendors and our multidisciplinary team optimized this operational process. The project resulted in additional facility output and an overall efficiency improvement. Efficiency improvements translate directly into less natural gas burn required and reduced GHG emissions.



Offsetting and managing emissions from our buildings

ENMAX currently owns or leases six office and operational buildings in Alberta and 157 substations across Alberta and Maine. As part of our commitment to reducing our emissions from buildings, we continue to invest in:

OFFSETTING OUR BUILDING EMISSIONS

ENMAX has been purchasing ECOLOGO® certified renewable energy certificates for the past 10 years to offset 100 per cent of ENMAX Place (head office) scope 2 GHG emissions. In 2020, we set a target to offset 100 per cent of our building GHG emissions (scope 1 and scope 2) from 2021 onwards. In alignment with our target ENMAX purchased ECOLOGO® certified renewable energy certificates and voluntary carbon offsets for our 2020 building emissions inventory to support this commitment. Offset purchases for 2021 will be finalized in Q3 2022.

SUBSTATIONS MONITORING

Sulfur hexafluoride (SF_6) is a gas used as an electrical insulator in high-voltage switchgear found in substations. Since SF_6 is a powerful GHG, ENMAX Power closely monitors and reports all SF_6 releases and has stringent SF_6 management practices in place. Since 79 per cent of ENMAX Power substations have SF_6 gas insulated breakers, this gas is monitored by automated alarms and investigated by crews immediately. Any gas loss is documented as part of our regular inspection and reporting process. Additionally, we proactively replace seals to lower the probability of SF_6 leaks from equipment and closely follow industry research to explore alternatives to SF_6 gas. Versant Power assets include 117 substations. Only 35 per cent of those substations have breakers with SF_6 . Versant Power maintains strict control measures to closely manage SF_6 gas releases from its substations and replaces breakers when possible.

Electrifying our mobile fleet

We have a mobile fleet of 348 vehicles in Alberta that are primarily used to allow our crews to inspect, maintain and repair our transmission and distribution lines, several substations and control centres. Some of these vehicles are also used by our meter readers, community investment team members and for other corporate services. Of this mobile fleet, approximately 39 per cent of vehicles are light duty, 39 per cent medium duty and 23 per cent heavy duty. Last year, we announced our aspirational goal to electrify 100 per cent of our mobile fleet by 2030. As a milestone, we set an interim target to electrify 35 per cent of our mobile fleet by 2025. Despite some challenges related to market availability of electric vehicles (EVs) (arising from pandemic-related global supply chain and labour shortages, among other issues) and components (chip shortages), we advanced toward these targets by:

MOBILE FLEET ELECTRIFICATION PLAN

We developed a three-year mobile fleet electrification plan that includes our investment in both asset replacement and charging infrastructure. The document outlines our phased approach and intended annual progress toward achieving our 2025 electrification target. The plan will be reviewed annually and updated as technology and market conditions change.

TESTING NEW TECHNOLOGY

For our medium-duty mobile fleet, we field-tested an Electric Power Takeoff (e-PTO). An e-PTO combines a battery pack, electric motor and hydraulic pump that can raise and lower the boom on a work truck without using diesel. Using e-PTOs would reduce mobile fleet emissions (as well as noise on the job site) since they run on battery power rather than idling the truck's diesel engine.

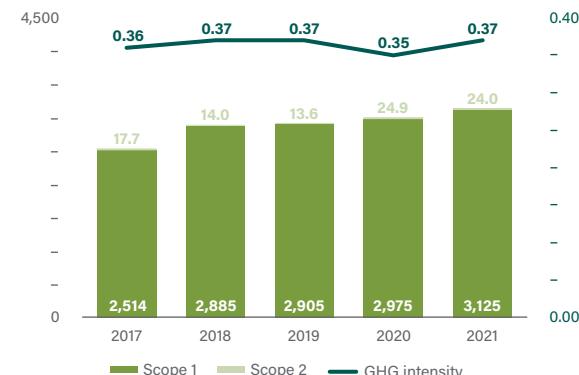
ADVANCING OUR MOBILE FLEET ELECTRIFICATION PILOT

We entered the second year of our demonstration project to test EV technology on two medium-duty trucks within our mobile fleet. Read more on the [next page](#).

OUR PERFORMANCE

GHG EMISSIONS (EQUITY)

kilotonnes of CO₂e | tonnes CO₂/MWh



While our emissions intensity remains unchanged over the past four years, our absolute emissions have increased by 24 per cent since 2017. Absolute GHG emissions are directly correlated with the degree of utilization of our assets and our natural gas facilities have very high utilization rates.

Notes:

In 2020, we changed the method of consolidation of our GHG emissions. Before this, we reported 100 per cent of the GHG emissions from the facilities we operated, regardless of financial ownership (operational control approach under the GHG Protocol). We have now switched to the equity approach to better reflect financial risks and rewards. Our target baseline (2015) and all data in this chart has been restated using the equity approach.

Our GHG emissions are composed predominantly of CO₂. While we include SF₆ in our GHG emissions, it represents less than one per cent of our scope 1 emissions.

Emissions from our substations include all SF₆ releases but only a portion of electricity and natural gas combustion, since not all substations are directly metered.

This data excludes Versant Power. The primary source of Versant Power's GHG emissions is gas and diesel combustion from its mobile fleet. The company's mobile fleet includes 140 smaller-class vehicles and approximately 120 medium- and heavy-duty vehicles.

SPOTLIGHT

Medium-duty pilot advances mobile fleet electrification

Recognized as an important part of global decarbonization, vehicle electrification is rapidly gaining momentum as electric vehicle (EV) technology continues to advance and build future market demand. At ENMAX, we are working towards the full electrification of our mobile fleet by 2030. Adopting EVs into our mobile fleet not only reduces GHG emissions—it also demonstrates the viability of EVs in industrial applications and Calgary's weather conditions and allows us to better understand the impact of transportation electrification on our electricity system.

A key way we are progressing toward our target is by advancing our medium-duty mobile fleet electrification pilot. Initiated in 2019 with funding from Emissions Reductions Alberta, the demonstration project—the first of its kind in Canada—is testing two medium-duty (under 10,000 pounds) fully-electric work trucks within our mobile fleet. The project could see mobile fleet fuel consumption reduced by an estimated 4,300 litres of diesel per vehicle annually.

Pilot moves to phase two

In the initial phase of the pilot, the truck chassis and body were built and delivered in spring 2022. In early fall 2021, we also installed and put into service two charging stations at our South Service Centre to help us track the performance and usage of the battery and charging infrastructure.

In the second phase of the pilot (now underway) the trucks were fully assembled, delivered to ENMAX, and put directly into operational duty in April 2022. As the trucks are being used, we are analyzing their capacity and performance in various conditions. This includes driving the vehicles in extreme temperatures to determine the effects on range, testing how long the battery lasts with tools in use, and taking trips on less than a full charge.

As the pilot progresses, we will continue to actively engage with suppliers, other utilities and vehicle manufacturers to support the development of the specialized EVs needed to meet our goals.



Our plan for mobile fleet electrification, which includes our medium-duty pilot, was recognized in Electricity Canada's Centre of Excellence in 2021.



One of the two medium-duty fully-electric work trucks we are testing within our mobile fleet.

Customer emissions

As part of our essential role in the energy transition, we are committed to first reducing our own impacts and working to help reduce our customers' emissions and costs related to energy consumption over time. In our interactions with customers, we will continue to help them better understand and manage their energy usage and support renewable energy solutions that meet their needs, aspirations and expectations.

ENERGY USE

We offer My Energy IQ™, a free tool that provides information and reports that enable customers to make informed decisions and better manage their energy use. All residential and small business ENMAX Energy customers have convenient access to the My Energy IQ™ tools, reports and insights as part of their ENMAX Energy online account. My Energy IQ™ enables customers to see how their home compares to similar homes nearby, build a customized savings plan, receive tips tailored to their home, see bill comparisons and historical use charts, learn what consumes the most energy in their home and how weather impacts consumption.

ELECTRICITY OR NATURAL GAS GREEN ADD-ON

ENMAX Energy offers "green add-on" selections for customers to pay an additional variable fee (the amount is chosen by the customer). For electricity consumption, this fee goes towards the purchase of certified Renewable Energy Certificates that support renewable energy generation, and for natural gas consumption this fee goes towards the purchase of carbon offsets.

LOWER CARBON EMISSIONS HEATING

Versant Power encourages customers to switch from using fossil fuels for home heating to using electric heat pumps. Since Maine's grid sources about 79 per cent of its electricity from renewable sources such as wind, solar, hydroelectric and biomass, switching to heat pumps results in lower emissions.

In our interactions with customers, we will continue to help them better understand and manage their energy usage and support renewable energy solutions that meet their needs, aspirations and expectations.

SOLAR INSTALLATIONS

As renewable generation continues to expand in Alberta, solar remains the largest source of total installed micro-generation capacity [under five megawatts (MW) in size] at 112 MW as at the end of 2021¹ and ENMAX Energy continues to maintain our position as one of Alberta's leading micro-generation solar installers and retailers with more than 37 MW installed to date. To continue to offer valuable and requested services for our customers, and in response to market drivers, ENMAX Energy will be relaunching our residential and small commercial solar program in 2022. The rooftop solar program will offer competitive pricing and end-to-end customer service through ENMAX Energy. To meet the increasing demand from our larger customers to help meet their ESG goals, we are also exploring renewable electricity sale agreements from utility-scale solar projects.

On a larger scale, customers in municipalities across Alberta have partnered with ENMAX for their solar needs, including 18 MW of installed solar at 58 locations such as Calgary's Shepard Solar Park, Bearspaw Water Treatment Plant and Southland Leisure Centre, to name just a few. In 2021, ENMAX completed and energized the City of Leduc Protective Services' 88.8 kilowatt (kW) rooftop array and the Town of Calmar Arena's 185 kW rooftop array. Toward the end of 2021, ENMAX initiated the Community Solar Fund, providing selected Calgary community associations with rooftop solar installations at their facilities.

There are currently 11 projects in progress (totalling approximately 950 kW), with an additional 15 community associations scheduled in 2022 and an additional expected ~2,200 kW of solar to be installed across Calgary.

INTEGRATING DISTRIBUTED GENERATION INTO THE GRID

Across the state of Maine, Versant Power is currently supporting more than 200 distributed generation projects through their development stages—from application, engineering studies, design and construction to establishing detailed billing. This involves integrating these renewable projects safely and efficiently within Maine's existing grid and is an important part of advancing ENMAX and Versant Power's shared vision of a cleaner energy future.

¹ <https://www.aeso.ca/market/market-and-system-reporting/micro-and-small-distributed-generation-reporting/>

Grid reliability and resiliency

WHY IT MATTERS TO ENMAX

Nearly every aspect of modern life relies on electricity. As an operator of transmission and distribution electricity systems, ENMAX Power is advancing technology solutions that will meet customer electricity needs today and into the future. Our electricity grid must continue to deliver power reliably, while enabling the transition to diverse energy sources, withstanding increasingly severe weather events and adapting to changing customer expectations.

OUR APPROACH

To provide customers with the critical and dependable energy they need, we manage a complex system of infrastructure, equipment and software. We have advanced our ability to predict, detect and respond to outages and are planning and integrating a series of innovative technology solutions to ensure our grid is prepared for the future.

We are advancing technology solutions that will meet customer electricity needs today and into the future.

INNOVATION

Advancing data analytics



2021 HIGHLIGHTS

- Invested \$4.5 million in 2021 to enable a more resilient grid.
- Advanced our EV smart charging pilot to understand how Calgarians use EVs and the potential impact on our electricity system.

Leveraging data analytics

We also use predictive programs and processes to strengthen the reliability of our system, including:

PLANNING FOR LOAD CAPACITY

To support reliable service to customers, we use load capacity planning to identify the existing constraints and upcoming demands on Calgary's electricity system (loads) and to verify that redundancies are in place. Our interactive [Load Capacity Map](#) uses an ENMAX-developed load forecasting model to help communicate the estimated available capacity throughout our distribution system. Using the map, customers can search for an address to quickly identify the system's available capacity.

SIMPLIFYING ACCESS TO COMPLEX DATA

In 2021, ENMAX Power developed a System Load Analyzer, an automated approach to identify the customer load at risk under a single unplanned outage using software. Similar to other distribution load flow software, all the different parts of the system (fuses, voltage step-down transformers, switches, overhead and underground conductors) are modeled as sections. Nodes are used to connect sections together and to represent electrical information such as voltage and current. Incorporating a programming language, Python, enabled us to connect the various data sources and display the information in Microsoft Power BI, a tool already in ENMAX's IT environment and accessible to all business units. The resulting platform—called the Digital Twin—is now used by many groups across ENMAX Power to view data and gain insights more efficiently.



SPOTLIGHT

Delivering power reliably

Q DRONES

In Maine, drones are increasingly being used to provide top-down inspections of transmission lines in right-of-ways. Versant Power has 1,270 miles of transmission lines, 900 of which are in a right-of-way. The drones can provide an extremely detailed 360-degree look at the assets, identifying micro-cracks in porcelain insulators, and collecting valuable data.



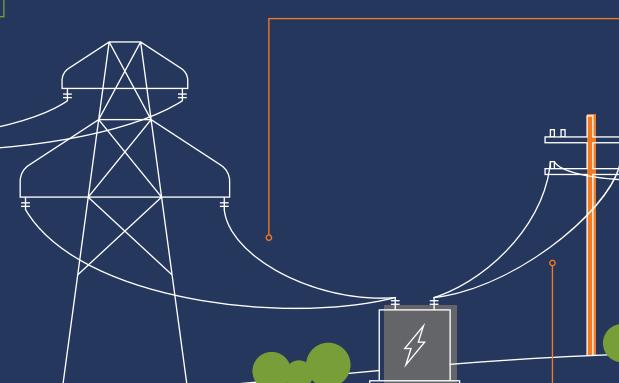
Q VISUAL INSPECTIONS

We regularly conduct ground line visual inspections to provide a bottom-up look at our assets in Alberta and Maine. Typically, one to two inspectors complete these vehicle or foot patrol assessments from the road with binoculars and often use infrared or corona scanning to look for any signs of degradation. These inspections also include wood pole condition assessments in which we make a small drill hole to determine pole strength and whether there is any rot.

Strong reliability is linked to building sufficient capacity across the system, but also to our ability to prevent, withstand and recover rapidly from system disruptions. We are strengthening the reliability of our system through:

Q TREE AND VEGETATION MANAGEMENT

We use a combination of methods—depending on the voltage of the line—to provide the most effective long-term vegetation control, including manual tree control, brush mowing, tree trimming within the right-of-way and herbicide application. The aim is to remove danger trees that can impact our wires before storms take them down. Part of this work is to reclaim the full width of the right-of-way if it has become narrowed over time.



Q COVERED CONDUCTOR PROGRAM

Each year in Maine, Versant Power analyzes line sections (one to two miles) with low reliability metrics and installs covered conductors. If a tree falls on a bare wire, it can result in an outage. With covered conductors, the insulation protects the wire so there is no short.

Q THERMAL AND ACOUSTIC

As electrical connections loosen there is a resistance to current that can cause an increase in temperature. In Maine, we use thermal imaging cameras to look for these hot spots which can cause components to fail. We also complete acoustic assessments on our transmission lines, which 'listen' for devices that are slowly breaking down and thereby giving off radio frequency.



Q REPLACING AGING ASSETS

Each year, certain assets undergo major maintenance or replacement as part of ENMAX Power and Versant Power's Capital Asset Replacement Program. This program helps our assets run optimally and minimizes the occurrence of outages. Assets are prioritized based on condition and other risks.



INSPECTIONS



MAINTENANCE & REPAIRS

Measuring our reliability

ENMAX Power is committed to delivering power safely and reliably. In Alberta, we operate under [Alberta Reliability Standards](#)—the requirements followed by the Alberta Electric System Operator and all electricity market participants in the province to maintain high reliability within the Alberta Interconnected Electric System. We deliver reliability levels that are top quartile in Canada (see data from [Electricity Canada \(EC\)](#) in the sidebar).

In Maine, Versant Power has improved across all reliability metrics over the last few years (see table below). To meet increased customer expectations for power reliability, Versant Power currently invests more than \$70 million USD annually (approximately \$87 million CAD) to maintain and improve its distribution system.

Managing and communicating outages

ENMAX Power's Outage Management System estimates the origin of an outage in order to efficiently dispatch a service person to the location for restoration. The system also automatically identifies and posts outage information for customers via Twitter and on an integrated website map (the [Calgary Outage Portal Map](#)), which shows unplanned outages occurring real-time and within the last 24 hours.

Minimizing the impact of outages

Despite our best efforts, some of our customers experience power outages. To minimize the impact on our customers, we invest in:

AUTOMATED OUTAGE RESTORATION

To substantially reduce the duration of outages and the number of customers affected, approximately 48 per cent of Calgary's non-downtown distribution system uses a technology called Distribution Automation. This system has saved an estimated 30 million minutes of outage time over the past 10 years. Distribution Automation is self-healing and uses SCADA (supervisory control and data acquisition) systems to detect a fault, automatically isolate it and rapidly restore the system.

INTELLIGENT DEVICES

Similar to Distribution Automation in Alberta, Versant Power has installed 65 intelligent devices in Maine since 2019. They require no operator, and they automatically detect a fault, isolate it, and rapidly restore the system.

RELIABILITY STATISTICS – VERSANT POWER	UNIT	2018	2019	2020	2021	CHANGE
System Average Interruption Duration Index (SAIDI ¹)	hours	6.62	5.04	5.03	3.63	-45%
System Average Interruption Frequency Index (SAIFI ²)	# interruptions per customer	2.52	1.96	2.27	1.97	-22%
Customer Average Interruption Duration Index (CAIDI ³), inclusive of major event days	hours	2.63	2.58	2.21	1.84	-30%

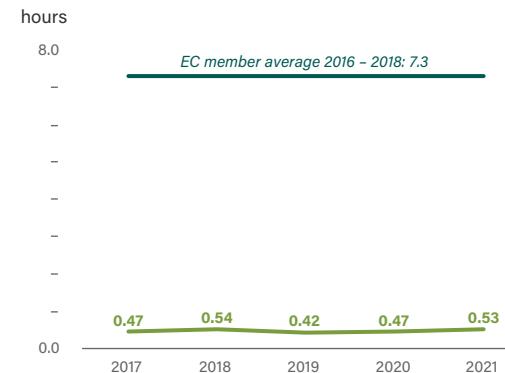
¹ SAIDI represents the total duration of a sustained interruption per average customer during a predefined period of time. A sustained interruption has a duration greater than or equal to five minutes.

² SAIFI represents how often the average customer experiences a sustained interruption over a predefined period of time. A sustained interruption has a duration greater than or equal to five minutes.

³ CAIDI represents the average hours of service interruption for customers who experience a service interruption. The Institute of Electrical Electronics Engineers defines a 'sustained' outage as one that is five minutes or longer. This is a known distinction from Canadian utilities.

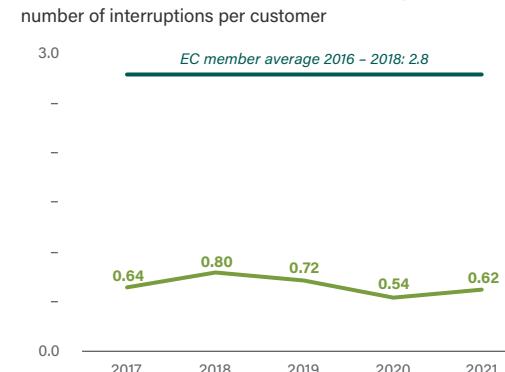
RELIABILITY STATISTICS – ENMAX POWER

SYSTEM AVERAGE INTERRUPTION DURATION INDEX (SAIDI)



SAIDI reflects the cumulative duration (in hours) of sustained repair outages experienced by the average customer in a year. On average, our customers experience less than 30 minutes of power interruption during one year, while customers of EC member companies experience, on average, seven hours of outages per year.

SYSTEM AVERAGE INTERRUPTION FREQUENCY INDEX (SAIFI)



SAIFI reflects the number of power outages lasting longer than five minutes experienced by the average customer in a year. On average, our customers experience fewer than one outage per year.



PROGRESS IN 2021

Adapting to the pace of change in our industry while maintaining a reliable and resilient grid requires innovative thinking and concerted investment. Last year, we set a target to invest \$60 million by 2030 to enable a more resilient grid while maintaining our reliability levels. We remain dedicated to this goal and have allocated \$4.5 million in the first year.

Acting today to enable the grid of tomorrow

We invest in innovation to make the grid more flexible, support lower carbon power generation and adapt to changing customer needs.

TESTING SMART METER TECHNOLOGY

ENMAX Power is running a pilot project to test smart meters (known as Advanced Metering Infrastructure, or AMI) in a few Calgary communities to improve our metering capability and provide customers with actionable insights on their energy consumption. Read more on [page 58](#).

PILOTING RESIDENTIAL BATTERY STORAGE

ENMAX Power is working with a small number of customers in targeted areas of Calgary where there is potential for congestion on the grid. We are looking at ways to work with customers that have solar photovoltaic (PV) installations, possibly combined with electric vehicle charging, to install residential batteries so they can store that power and then either use it in their home or export it back to the grid.

SUPPORTING SOLAR MICRO-GENERATION

In 2022, we are relaunching our residential and small commercial solar program to support customers' demand for renewable power. Read more in the [Customer Emissions](#) section of this report.

PREPARING FOR ELECTRIC VEHICLE ADOPTION

Electric vehicle (EV) adoption is increasing rapidly and EV charging (mostly done at home or work) will increase electricity demand for utilities like ours. Since 2019, we have been progressing our understanding of EV charging behaviours. Read more in the sidebar about our Charge Up pilot.

STORY

CHARGE UP PILOT: SUPPORTING TRANSPORTATION ELECTRIFICATION

EVs are no longer a distant conversation—the Canadian federal government has set a mandatory target for new light-duty cars and trucks to be zero-emission EVs by 2035. Adjusting the grid to this rapid shift requires investing in innovation like Charge Up, our EV charging pilot, which is helping us understand how Calgarians use EVs and the impact on our electricity system.

Phase one of the pilot was focused on charger installations and baseline charging behaviour. We provided customer rebates for the installation of 35 residential chargers and customers agreed to share their charging data with ENMAX for five years. In this phase, we observed that EV charge times generally coincide with evening peak electricity demand and that short duration charging is common.

Building on these findings, we launched the second phase to understand the factors that influence charging behaviour (i.e., education and/or incentives) and to test smart charging, the concept of using an intelligent approach to decide when and where people charge their vehicles. We developed a randomized trial to test the effectiveness of smart charging using two different incentive structures against a control group. The trial is Alberta's first smart charging program that will reward customers for choosing to charge at times that benefit the grid. We hope to use these findings to develop future programs that incentivize EV charging behaviour that optimizes the use of our distribution system.



WANT TO LEARN MORE?
[Click here to watch a video about our Charge Up pilot program.](#)

SPOTLIGHT

Enabling customers to export renewable power to the grid

Dedicated to meeting our customers' changing needs, ENMAX is working to solve a problem impacting electricity grids across North America—enabling customers on secondary networks to export excess electricity back to the grid.

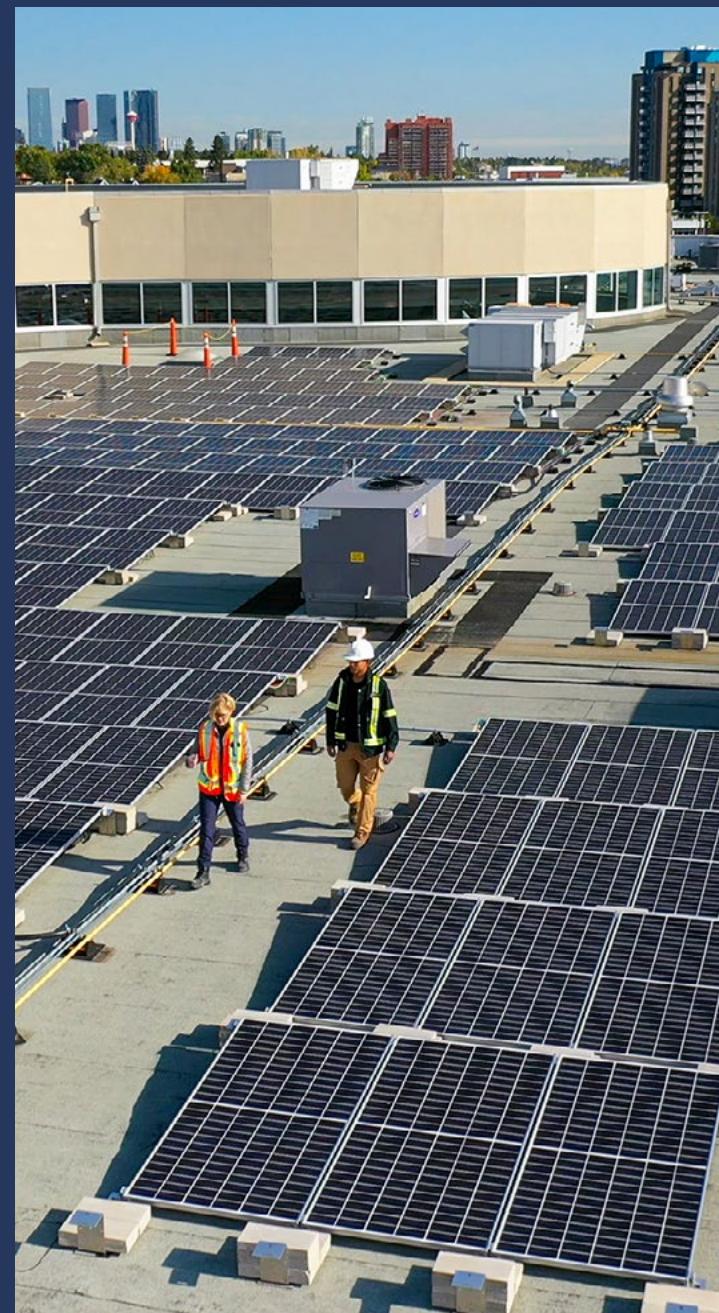
A secondary network is a complex power grid with a web of multiple parallel sources of power to each customer. These specialized networks are used to supply electricity to high-density communities requiring high reliability. Within Calgary, ENMAX Power has four secondary networks (CF Chinook Centre, North Hill Centre, Westbrook Mall and the downtown core). Customers connected to a secondary network rarely experience interruptions in power, but the existing design of these systems does not allow customers who own electricity generation to export excess power back to the grid. Although this is done for safety and reliability reasons, it creates a technical barrier to adopting distributed generation in these areas.

ENMAX Power is the first utility in Canada to develop and demonstrate a solution to this complex technical challenge through a multi-year project funded in part by Natural Resources Canada and Alberta Innovates. In collaboration with Cadillac Fairview (CF), the project will test the connection of a solar installation at CF Chinook Centre, the largest shopping complex in Calgary, onto ENMAX Power's specialized secondary network to enable two-way power flow of renewable forms of energy.

In April 2021, the project took an important step forward when we began construction of the 800 kW DC onsite solar installation on the CF Chinook Centre rooftop. Construction of the systems that allow for electricity export was completed in the first quarter of 2022, after which we began the final phase of testing and monitoring of the two-way power flow. The technology, if proven successful, will help remove technical and financial barriers to distributed generation, giving residential and commercial customers in urban settings more choice in how they generate and use electricity, while building the resiliency of the grid.

PROJECT TIMELINE

-  2018 – Project planning
-  2019 – Modelling and design
-  2020 – Procurement and testing
-  2021 – Procurement and construction
-  2022 – Monitoring and testing



Emergency preparedness and crisis management

WHY IT MATTERS TO ENMAX

Reliable power generation and delivery depends on both maintaining our assets and on restoring power when outages or emergencies occur. The last two years have intensified our resolve to enhance our resiliency and ensure business continuity and power delivery through a variety of crises.

OUR APPROACH

We use the internationally recognized [Incident Command System \(ICS\)](#) to manage our emergency response. ICS is a standardized command and control system used to manage emergency incidents. We maintain a regularly reviewed Incident Management Plan, which contains all emergency response plans and protocols. Our emergency preparedness is tailored by our power generation and transmission and distribution teams:

Power generation

Emergency preparedness at ENMAX Energy means ensuring our generation facility control centre, field and power plant employees are equipped to respond safely, while maintaining compliance to all legislative requirements of the Alberta Interconnected Electrical System. Our employees receive emergency response training as part of their operational training and during regular emergency exercises. Each year we conduct a combination of full-scale/virtual tabletop exercises, and pandemic-type exercises are now part of our scenarios.

Transmission and distribution

ENMAX Power is a partner member of the Calgary Emergency Management Agency (CEMA), which plans and coordinates emergency services and resources during major emergencies and disasters in Calgary. We participate in all their drills, exercises and preparedness planning, along with our neighbouring utilities. This collaboration supports public and staff safety, minimizes damage to electrical infrastructure, and allows for faster recovery and return to normal operations, resulting in less disruption to our customers. As a key CEMA member, we have seats at their Emergency Operations Centre, which opens during disasters or major emergencies and acts as The City of Calgary's coordination centre. To test the real-time effectiveness of our response, we also complete one full-scale exercise per year with one of our closest mutual assistance partners, EPCOR. These exercises are multi-agency, multi-jurisdictional activities involving the mobilization of emergency personnel, equipment and resources, as if a real incident had occurred. Our aim is to complete one emergency response exercise per quarter.



We completed 25 emergency exercises in 2021 and advanced our preparedness for extreme weather events such as floods and snowstorms.

PROGRESS IN 2021

In 2021, we completed 25 emergency exercises across ENMAX. The exercises included a combination of full-scale and/or virtual tabletop exercises at Shepard Energy Centre, Calgary Energy Centre and Cavalier Energy Centre. At Versant Power, 12 emergency response exercises were completed in 2021.

Preparing for extreme weather events

In 2021, Calgary saw both record low and record high temperatures and Western Canada experienced a wide range of extreme events including forest fires, extreme winds and severe floods. Although our assets were not significantly impacted, we dedicated time and focus to prepare for these types of events. During the year, ENMAX Power held three weather-related tabletop exercises, two related to flood and one simulating a large snowstorm. Tabletop emergency exercises are sessions in which team members discuss their roles during an emergency and their responses to a particular situation, with a facilitator guiding participants through the scenario. Our exercises involved representatives from field services, senior leadership, communications and system operations. Some of the learnings from these exercises included improvements to our ICS organizational structure to enable more effective two-way communication and providing better support to our system operators and trouble dispatchers to assign jobs to crews for secondary outages that can occur during storms.

Water use and quality

WHY IT MATTERS TO ENMAX

We recognize water is a precious resource that must be used responsibly. We carefully manage our water withdrawals and monitor our wastewater disposal.

OUR APPROACH

The majority of our water use is for essential power generation processes—intake water is used for cooling purposes in cooling towers and the remainder is purified onsite to create steam in our combined-cycle power plants. Combined-cycle facilities extract waste heat from the gas turbine exhaust and use it to create high pressure steam which produces additional electricity when allowed to depressurize. Our water reduction initiatives have been focused on reducing facility water intensity by:

Reducing potable water use

We strive to minimize potable water use by using as much reclaimed water in our operations as practically possible. Reclaimed water is wastewater that has been processed for reuse for an additional purpose before passing back into the water cycle. By design, our largest generating facility, Shepard Energy Centre, uses 100 per cent reclaimed water from The City of Calgary's Bonnybrook Wastewater Treatment Plant for all its power generation needs. Each year, this saves the plant from having to draw nearly six million cubic meters (m^3) of freshwater from the Bow River.

Optimizing our water use

We seek to optimize water use at our operated facilities in the following ways:

SHEPARD ENERGY CENTRE

While this facility already uses reclaimed water, we have sought to further optimize its water use. The water used in a power plant declines in quality each time it runs through the facility, where every pass through the cooling towers increases the concentration of dissolved substances. After three years of research, observation and innovative lab testing, we found the optimal operating efficiency of the cooling towers. This work, which was [recognized by Electricity Canada](#), has increased the reuse cycles from 3.5 to 5, while still maintaining all cooling water chemistry within required concentration limits. This initiative has reduced the plant's annual wastewater volume by 24 to 28 per cent (compared to 2017 values) and reduces wastewater discharged by 450,000 m^3 each year.

CALGARY ENERGY CENTRE

We examined our water use at this facility and determined that the plant is already optimizing its water use to the extent possible with existing technology.

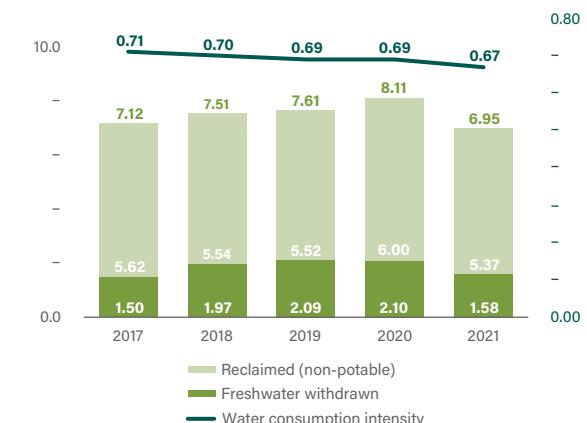
CAVALIER ENERGY CENTRE

This facility is located just east of Strathmore and gets its water from an irrigation canal connected to the Bow River. While using water from this source presents challenges due to source water quality, Cavalier uses a complex process to recycle and treat water at a very high rate of efficiency, leaving very little that cannot be recycled.

OUR PERFORMANCE

WATER USE

million m^3 | m^3/MWh



Most of the water we use is non-potable and for power generation cooling processes.

WATER WITHDRAWAL

~70% of our water withdrawn is reclaimed (non-potable) water

WATER CONSUMPTION AND DISCHARGE

~80% of water evaporates through the cooling process

~20% of the total volume is returned to the municipal sewer system after use

~0.2% is water that can no longer be reused and is disposed of through deep well injection

Water quality

We comply with all City of Calgary bylaw requirements for wastewater disposal in Calgary, which applies to Shepard Energy Centre and Calgary Energy Centre. This includes requirements for handling, treatment and disposal. At Cavalier, wastewater is reused to a point where it can no longer be treated and is disposed of using deep well injection in accordance with provincial regulations. More than 99 per cent of ENMAX's wastewater is treated at The City of Calgary's wastewater treatment plants.

Air quality

WHY IT MATTERS TO ENMAX

ENMAX Energy operates power generation facilities in Calgary and the surrounding urban area and takes its role seriously in helping to protect local air quality. In addition to GHG emissions, our operations generate other air emissions that can impact air quality.

OUR APPROACH

We diligently track and report air emissions from our power generation facilities. We are working to reduce these emissions by incorporating emissions reduction technologies, adhering to best practices and maintaining our commitment to continuous improvement.

Nitrogen oxides

We operate our facilities well below our allowable nitrogen oxide (NOx) levels, which are facility-based NOx limits granted by Alberta Environment and Parks (AEP) and provincial regulations. To maintain these emissions levels, we utilize a combination of pre and post combustion NOx reduction technologies at our natural gas-fuelled power generation facilities. Two of our power generation facilities use post-combustion exhaust gas treatment (ammonia injection) to reduce NOx emissions. Crossfield Energy Centre has installed low-NOx combustors and Cavalier Energy Centre uses water injection into the turbine to control NOx.

Sulfur oxides

Sulfur oxides (SOx) are no longer a significant source of our overall emissions since the termination of our coal-fired Power Purchase Arrangements. Our SOx emissions levels vary in relation to the volume of our power generation output (see data in the sidebar).

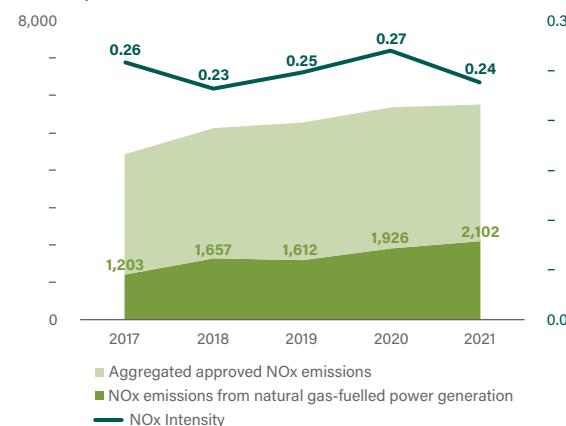
Partnerships to protect air quality

We participate as an industry member of the Clean Air Strategic Alliance (CASA) and Calgary Region Airshed Zone (CRAZ) to represent our power generation assets. CASA is a multi-stakeholder partnership created to help manage air quality in Alberta. The board has representatives from industry, government and non-government organizations. CRAZ monitors, analyzes, and provides information on air quality and develops strategies to manage air quality issues within the Calgary Region Airshed Zone.

OUR PERFORMANCE

NOx EMISSIONS

tonnes | kg/MWh



We maintain NOx emissions levels from our power generation facilities well below our allowable NOx levels. However, to reduce excessive wear on equipment, we have had to reduce ammonia injection (one of our NOx reduction methods) and, therefore, have seen an increase in absolute NOx emissions levels when compared to previous years.

We generate other air emissions in smaller quantities and while there are no operational approval limits attached to these emissions, ENMAX tracks these quantities annually.

OTHER AIR EMISSIONS (TONNES)

	2017	2017	2019	2020	2021
SOx	13	16	16	17	13
Particulate matter (PM ₁₀)	25	14	15	15	12

Note: Air emissions data includes only our power generation assets over which we have operational control.

Land and biodiversity

WHY IT MATTERS TO ENMAX

Environmental protection and stewardship are integral components of our strategy embedded across all aspects of our business. We endeavour to provide environmentally responsible energy solutions to the communities we serve.

OUR APPROACH

At ENMAX, we conduct our business with respect for living species and the land around our operations. We have an established environmental management system, clear data collection and reporting processes, and strong internal procedures to manage our environmental risks. Our environmental management system is modeled after [ISO 14001:2015](#), an international standard for environmental management.

Land stewardship

ENMAX Power operates over 38,000 distribution pad mounted transformers, 113 high voltage substation power transformers and 43 substations. While we continually work to prevent spills in our daily operations, we do experience some releases. In 2021, we had three significant¹ transformer spills. Two distribution transformer spills, one caused by third-party damage and one as a result of a faulty drain valve. The third spill involved a substation transformer release due to a radiator fin failure. Some of the ways we are working to reduce spills and improve our land stewardship practices include:

PROACTIVE SPILL PREVENTION AND RESPONSE

We have established routine inspection programs to assess the health and condition of our generation, distribution and transmission equipment. As part of the inspection program, the assessment of oil-filled equipment is critical as leaks can lead to equipment failure, electrical outages, and costly site clean-up and/or remediation. When minor leaks are identified, we increase inspection frequency to allow for ongoing monitoring and assessment of the equipment's leak severity. In instances where a leak condition progresses or a major leak or equipment damage is identified, we schedule the repair or replacement of the equipment, including any site clean-up or remediation required. We also have spill response and reporting procedures in place to address spills due to equipment failure, including damage and releases caused by third parties.

HYDROVAC SLURRY MANAGEMENT

We use hydro vacuum excavation, or hydrovac, to safely excavate around buried cables that need repairs. Hydrovac uses high-pressure water to loosen the soil and dig a hole. The muddy excavated material, or slurry, is then suctioned into a tank mounted on a specialized truck and taken to a designated facility. Although a common industry practice, new regulatory guidance has highlighted additional required environmental considerations. In 2021, ENMAX completed significant refining of our processes around pre-characterizing soils prior to hydrovac excavation. By clearly identifying contaminants in soil, we can determine the best means of disposal or potential for reuse.

STORY



GOATS PROVIDE NATURAL WEED CONTROL

In June 2021, our Cavalier Energy Centre hosted 270 goats to graze on weeds as a means of environmentally friendly weed control. Goats can safely eat noxious weeds and help regenerate the soil by aerating, mulching, and fertilizing.

The herd from Goats for Weeds returned to Cavalier for a second go-round later in the summer. After repeat visits at our facility, the weed management program with the herd will shift from initial clearing to basic maintenance, saving time, money, and reducing environmental impact compared to traditional herbicide treatments.

¹ A significant spill is defined as more than 500 litres, in alignment with industry standards (including Electricity Canada).

Protecting biodiversity

Birds often use power poles or substation equipment for perching, roosting and nesting. Birds may also nest in areas where project or maintenance work will be carried out. Across our operations, ENMAX works to protect birds while helping to ensure the reliability of our services by identifying high-risk areas, conducting nest sweeps prior to work, and delaying work to accommodate nesting periods.

PREVENTING DISTURBANCE TO NESTING BIRDS

To avoid disturbing avian nesting and breeding habitat we regularly perform nest sweeps prior to project work. Nest sweeps involve a search of the immediate area by trained biologists to look for breeding birds and nests. After completing a sweep, if nesting birds are discovered, we identify locations where we can complete our work without disruption to the birds and we relocate our crews to these areas. In 2021, we completed several sweeps as part of our work on the Calgary Ring Road project. Many different nesting sites were identified and we were able to accommodate the nesting period without any incidents.



Across our operations, we work to protect birds while helping to ensure the reliability of our services.

NESTING PLATFORMS

In Maine, around coastal areas, ospreys tend to build nests at the top of utility poles, which presents a danger to the birds and raises the risk of disruptions to electric service. After a 2020 incident when an osprey built a nest on a utility pole in Lamoine, Versant Power crews wanted to prevent a future safety risk to the birds as well as the public. As a result, Versant employees designed and built an alternate osprey nesting platform close by. The platform was built with osprey preferences in mind and required Versant's environmental team as well as the expertise of outside environmental groups, including the Maine Department of Inland Fisheries and Wildlife. Because ospreys like to be at the tallest point above the water, Versant crews replaced an existing utility pole with a taller one. Crews installed a square platform with no coverings, as the birds prefer to look down and hunt for fish below without any obstructions overhead. The osprey camera (powered by [EarthCam](#)) is powered entirely by solar energy and is situated on a newly built osprey platform overlooking the Mud Creek.

As Calgary has several fish-bearing waterbodies, osprey are common and ENMAX maintains and monitors 17 nesting platforms to provide safe places for osprey to nest.



Social

IN THIS SECTION...

Employee safety	32
Contractor safety	35
Public safety	36
Diversity, inclusion and belonging	37
Employee engagement and development	41
Unions	43
Energy affordability	44
Community investment and economic impact	48
Community and stakeholder relations	50



Employee safety

WHY IT MATTERS TO ENMAX

Safety is a core value that underpins our company culture. A solid safety record is also a key factor in attracting and retaining talent and maintaining a positive reputation.

OUR APPROACH

Our robust safety policies, procedures and systems guide our work so everyone can go home safe at the end of the day. Our Occupational Health and Safety Handbook sets out our fundamental rules, called the Rules to Live By (commonly referred to in other industries as lifesaving rules). The rules are simple, succinct reminders of the most critical safety hazards that have caused serious injury or worker loss of life in our industry.

Focusing on high-risk activities and common injuries

We have customized safety programs that target:

DRIVING

ENMAX mitigates driving risks through the use of: 1) Geotab devices in mobile fleet vehicles that track driver behaviour data to help reduce unsafe driving, 2) extra safety measures for our heavy mobile fleet (greater than 11,749 kilograms) such as licence class audits and specialized driver safety training courses, 3) a driving simulator that teaches about distractions and 4) supplementary training following any driving incidents.



2021 HIGHLIGHTS

- Developed a suite of proactive safety metrics to transition our focus from lagging to leading indicators.
- Enhanced our safety culture through improved safety communications and stronger safety governance.

Given Versant Power's large service territory, employees must drive long distances for work (5.8 million kilometres in 2021). To reduce the risk of vehicle accidents, Versant Power is diligent about auditing qualifications for specific driver class licences, reinforcing driver skills in its apprenticeship program, and assisting workers with driver training.

ELECTRICAL CONTACT

While only about half our employees complete work that has associated electrical hazards, it is a high-risk activity. We follow strict lockout/tagout requirements to safely shut down, isolate or disconnect equipment to protect workers from unexpected releases of energy. ENMAX Power's apprentice training program provides new workers with proper supervision and support and, as part of our journeyman refresher program, our Alberta powerline technicians go through annual reviews and assessments of key high-risk activities. Versant Power has an in-house four-and-a-half-year apprenticeship program for line workers. In 2021, seven apprentices completed the program and received their First-Class Line Worker status, and 32 are currently in various stages of progression. In addition to apprenticeship training, in 2021, 160 field employees received additional training on topics such as testing, troubleshooting and grounding procedures for underground residential distribution systems.

SLIPS, TRIPS, AND FALLS

A common cause of injuries in Alberta and Maine, slips, trips and falls are compounded by winter weather. At our facilities, we invest in housekeeping efforts such as ploughing and salting. We provide frequent up-front messaging prior to known hazards, such as windstorms or heavy snowfall. We send bulletins to leaders to speak at safety meetings and provide reminders about common hazards. ENMAX and Versant Power each have employee-based safety committees that provide opportunities to discuss these bulletins and lessons learned from past incidents. We also encourage the use of traction aids, such as proper footwear (like ice cleats) and the use of salt de-icers to place onto snow and ice in high-traffic areas.



32 individuals are currently enrolled in our in-house four-and-a-half-year apprenticeship program for line workers in Maine. [Read more about our safety programs.](#)

PROGRESS IN 2021

To advance our vision of being a leader in proactive safety, in 2021 we increased our focus on leading indicators, strengthened our safety culture and improved our safety processes.

Moving towards a more proactive approach to safety

Using leading indicators effectively requires a perspective shift—from the traditional approach of *minimizing negative* safety behaviours to *increasing positive* safety behaviours. Key ways we are shifting our approach and metrics tracking include:

INCENTING HAZARD AND NEAR MISS REPORTING

Our newly developed Good Catch program incentivizes workers for noticing and reporting worksite hazards or near misses by reporting the issue in our system and to their supervisor. The “good catches” are then shared across ENMAX via the intranet so everyone can learn from them.

LEARNING FROM NEAR MISSES

We take all our near misses seriously and consider them an opportunity to learn and improve before somebody gets hurt. In 2021, we experienced 11 near misses that were considered serious. To address them, we performed several corrective actions focused on the root causes, including: 1) reinforcing the importance of our Employee in Charge practice which emphasizes the role of the qualified person responsible for completing a task and the safety of assigned workers (the person in charge of the worksite), 2) working to improve site communication and coordination between crews when there are multiple crews on a worksite and 3) reinforcing the importance of completing thorough field level hazard assessments.

CONSOLIDATING PROACTIVE METRICS INTO A SINGLE INDICATOR

In 2021, we worked to develop a company-wide proactive incident rate (PAIR) calculation that combines several leading indicators (see graphic below) and measures them as a frequency rate. In developing this metric, we collaborated and leveraged lessons learned from Versant Power, who have measured and linked their PAIR metric to performance for all team members since 2016. Our objective for 2022 is to track this metric consistently across our organization.

PAIR: PROACTIVE INCIDENT RATE



1,319 HAZARDOUS CONDITIONS

Environmental or task-related conditions identified and corrected before starting a job.



63 SAFETY JOB OBSERVATIONS

Supervisors monitor job execution by employees or contractors.



2,790 NEAR MISS REPORTS

At work and at home situations that could have turned into an incident.



677 SAFETY DISCUSSIONS

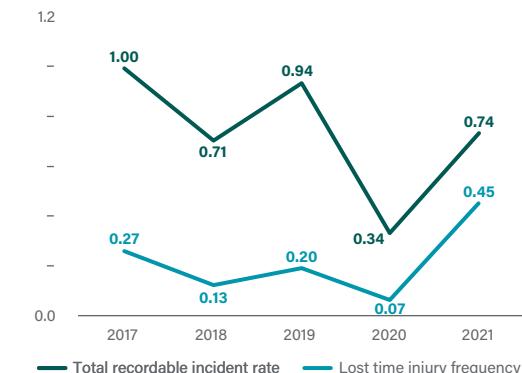
Conversations by executive team members related to safety.

All data is as reported by our employees in 2021.

OUR PERFORMANCE

SAFETY STATISTICS

injuries per 200,000 hours worked



In the last five years, we have reduced our total recordable incident rate (TRIR) by 26 per cent. During that same time period, our lost time injury frequency has increased but we continue to work on enhancing our safety culture and improving our safety processes. Note these statistics exclude Versant Power.

	2020	2021
Proactive Incident Report (PAIR) rate (Proactive measures per 200,000 hours worked)	867	1,020
Total recordable incident rate (Injuries per 200,000 hours worked)	0.94	0.67
Lost time injury frequency (Injuries per 200,000 hours worked)	0.00	0.00



ENMAX won the [Electricity Canada President's Award of Excellence for Employee Safety](#) in the Transmission and the Distribution categories for our 2020 performance.

Enhancing our safety culture

We encourage a proactive safety culture where every individual takes responsibility and ownership for safety, regardless of their position or work environment. Our efforts in 2021 have been focused on building and improving our safety culture by enhancing our safety communications, broadening our safety awareness and strengthening our safety governance. We also started collecting employee sentiment on safety which enables us to establish a baseline for comparison in future years. In 2021, we enhanced our safety culture by:

NORMALIZING HUMAN ERROR TO INCREASE VIGILANCE

We use consistent messaging in our safety meetings to grow awareness that because human error is normal, we must build processes and procedures that are error tolerant and allow our workers to fail safely when incidents happen. We distributed several company-wide safety bulletins on topics such as mental health and managing distractions. We have also increased our communications following incidents and are sharing corrective actions across the organization.

STRENGTHENING SAFETY GOVERNANCE

Across ENMAX, we have several Joint Worksite Committees (JWCs) that include a mix of leaders who meet regularly to discuss worksite safety, past incidents and lessons learned. We increased the meeting frequency to monthly and have evolved the groups to become more cross-representative. In 2021, we also formed a new Safety Leadership Committee that includes operational vice presidents from across the ENMAX group of companies, including Versant Power. The committee serves as an escalation point for safety topics that cannot be resolved locally at the JWC level or for broader safety issues impacting the entire organization.

Improving our safety processes

Hazard identification and assessment is how we determine and evaluate both the existing and potential hazards in our work. We have made improvements to several related safety processes in 2021, including:

REIMAGINING HAZARD IDENTIFICATION

In 2021, ENMAX Energy redeveloped and expanded its hazard identification program to cover activities across all its business units. Now known as Assess and Share Knowledge (ASK), the program provides a formal process for workers to proactively discuss how they will perform a job, share knowledge and insights, document the conversation, and report findings to the observer and their supervisor.

UNIFYING OUR TAILBOARD PROCESS

Different than hazard identification described above, which focuses on task-related hazards, workers must also complete a field-level hazard assessment to proactively identify and control hazards in their work areas and environment. In ENMAX Power, these are called tailboards and are completed by our field teams in real-time on electronic devices. In 2021, we integrated ENMAX Energy's similar process called work permits into a single electronic tailboard process. Standardizing and consolidating this process will enable improved tracking of trends in hazards and create better alignment across ENMAX.

RANKING OUR HAZARDS

To better classify all identified hazards, we added hazard ranking into our system in 2021. Hazards can now be ranked based on their probability, severity and frequency. The rankings enable us to prioritize and maintain better quality data around the hazards observed in the field. In addition, we can now prioritize all corrective actions and monitor them into completion.



Contractor safety

WHY IT MATTERS TO ENMAX

Our contractors are a valued and essential part of our workforce. Taking care to select contractors with best-in-class safety records and effectively managing contractor safety leads to improved engagement, alignment, stronger working relationships and improved safety for all.

OUR APPROACH

We work alongside contractors who work as an extension of the ENMAX team. In some of our business units, we also work with contracted companies, which are third parties that do work on our behalf.

Contractor safety

In our ENMAX Energy-operated generation facilities, the majority of our workforce is made up of individual contractors. The site management teams perform regular site observations and undertake the ASK process to verify that safety protocols and procedures are being followed and the work is safe. At our Alberta corporate office locations, contractors may include, for example, security guards, cleaners or crews completing facility upgrades to ENMAX Place or our South Service Centre. We oversee contractors working at our office locations to verify they are performing daily field-level hazard assessments and they have the proper hazard reporting protocols in place.



Working with safe companies

At ENMAX Power and Versant Power, we work with contracted companies that provide construction, maintenance and other services. We hold all contracted companies we work with to high standards of safety.

CHOOSING SAFE CONTRACTORS

As part of ENMAX's contractor selection process, each contractor across our business units must be registered with [ISNetworld](#), an online contractor and supplier management platform used to prequalify and monitor contractors. Each contracted company must fully demonstrate technical capabilities, adequate safety practices and have appropriate insurance in place. We meet with selected companies to audit these items and review that they have adequate safety and environmental management systems in place. In 2021, we incorporated additional questions regarding safety practices including their exposure hours, incidents, serious near misses and hazard reporting practices. In some contracts we ask them to provide us with their improvement initiatives over a three-year period. An internal dashboard allows us to monitor this data and informs decisions. In Maine, Versant Power began implementing ISNetworld with the support of ENMAX.



CONTRACTOR MANAGEMENT

To promote a consistent approach from the third parties that do work on our behalf:

- Our field inspectors are onsite daily to verify that contractors use the procedures approved under the Master Service Agreement.
- We hold monthly meetings with contracted companies, including a quarterly scorecard review between the contracted company's management and our safety team, supply chain management and management to review incidents, hazard reporting and the status of any corrective actions.
- We monitor all contracted companies to confirm that any incidents are followed up with an investigation, corrective actions and preventative measures. While our contractor management processes are currently handled separately, at the end of 2021 we developed a plan to bring all areas of the business under one unified Contractor Management Program at ENMAX Power. We expect to implement this program in 2022.

Public safety

WHY IT MATTERS TO ENMAX

Public safety around electricity is extremely important. We are active in promoting the safe use of electricity in the community.

OUR APPROACH

We are committed to keeping the public safe while conducting our business. In our operations, one of the most significant risks to public safety is electrical contact with underground or overhead distribution lines or transformers. We strive to do our part to protect, educate and inform the public about electrical safety risks through the following:

Timely communication about outages

As power outages can impact public safety (for example, if traffic lights go out), we maintain the [ENMAX Power Trouble Response Hotline](#) for reporting outages and offer our [Calgary Outage Portal Map](#) to publicly communicate outage location, cause and estimated time of restoration. Versant Power also maintains a [live outage map](#) with outage information and estimated restoration times.

Protecting the public and our assets

Many types of digging or excavations can pose hazards to the public, workers and the environment. In Alberta, before excavating, we encourage individuals to use [Alberta One-Call](#), a free service that notifies an ENMAX team of the activity. Additionally, our [ground disturbance guidelines](#) document provides requirements that companies and individuals must comply with when exposing buried ENMAX cables or equipment. In Maine, Versant Power is a member of the Dig Safe® system, a communication network similar to Alberta One-Call, that notifies Versant Power prior to any intended ground disturbance by the public.

Providing power safety education

We continue to broadly share our [Hazardous Electrical Awareness Tutorial \(HEAT\)](#), a free safety presentation available to the public and first responders that demonstrates how to work safely near electrical infrastructure in Calgary and what to do if there is a failure in the system. To further promote power safety awareness, ENMAX's safety team has long provided the same important messages in a 90-minute presentation to contractors and first responders such as firefighters and police officers. In 2021, ENMAX offered this session more than 34 times (with an attendance of 544 workers). Versant Power has a public safety team composed of volunteer employees who provide safety training for fire and police departments (including the Maine State Police Academy), Emergency Medical Technicians and other civic organizations.

STORY



PROMOTING ELECTRICITY SAFETY

Although many events were cancelled in 2021 due to the pandemic, we typically participate in several annual public events to bring awareness to electricity safety, such as the [Safety Expo](#) (an event teaching school-aged children about safety around electrical lines and equipment), [Disaster Alley](#) (a free public emergency preparedness event) and the [ENMAX Rodeo and Safety Expo](#) (an event which helps the public understand how powerline technicians work safely with powerlines and electricity).

As a member of the Calgary community, we are attuned to public safety needs. In 2021, we produced a video to promote safety behaviours during trick-or-treating.



WANT TO LEARN MORE?
[Click here to watch our video on safe trick-or-treating behaviours.](#)

Diversity, inclusion and belonging

WHY IT MATTERS TO ENMAX

We believe that diverse views improve decision-making outcomes and contribute to improved financial and operational performance. A diverse and inclusive workforce fosters unique perspectives that enhance our culture, spark creativity, foster innovation and create value.

OUR APPROACH

Across our organization, we work to foster a culture of inclusion that embraces diversity and allows everyone to feel respected, valued and like they belong. We do not tolerate any form of harassment at ENMAX. Our Safe and Respectful Workplace Standard guides our efforts around fostering a healthy and respectful workplace. Team members complete training to understand this standard when they join the organization and undertake annual refresher training.



We work to foster a culture of inclusion that embraces diversity and allows everyone to feel respected.

2021 HIGHLIGHTS



2021 HIGHLIGHTS

→ 100% of our senior leaders have completed inclusive leadership competency training. In 2022, we are offering the program to all other leaders across ENMAX.

SUPPORTING EQUAL ACCESS TO OPPORTUNITIES

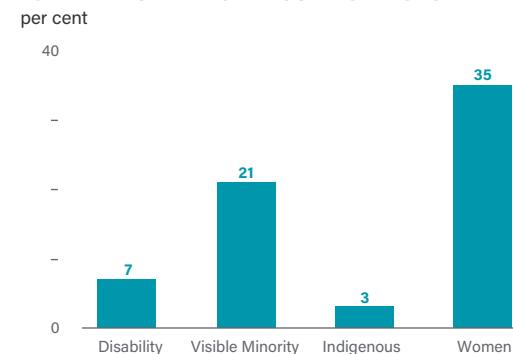
We are committed to the principles and practices of equal employment opportunity. In Maine, our commitments are formalized in Versant Power's Diversity and Inclusion Policy. As a federal contractor, in Alberta and Maine, we are required to employ and promote the advancement of qualified persons with disabilities, minorities, women, Indigenous individuals (Canada) and veterans (United States). To meet the applicable requirements, Versant Power maintains an objective external third-party audit and completes an annual filing of its Equal Employment Opportunity and Veterans' Employment and Training Service reports. Versant Power also developed an Affirmative Action Plan that sets specific targets to increase its underrepresented populations through outreach efforts and training programs.

ONGOING SUPPORT FOR MENTAL WELLNESS

We believe strong mental health is foundational for developing a culture of inclusion and that the skills we gain from having difficult conversations related to mental health make our culture more welcoming. Throughout the COVID-19 pandemic we have continued to invest in our team's mental and physical wellbeing. To create a space where we promote psychological safety and wellbeing, we have continued to offer access to [headversity](#) for our employees and their families. The [headversity](#) app provides video and audio lessons, articles and practice tools to help employees build key resiliency skills and mental health awareness. Read more about our new 2021 activities related to mental wellness on [page 39](#).

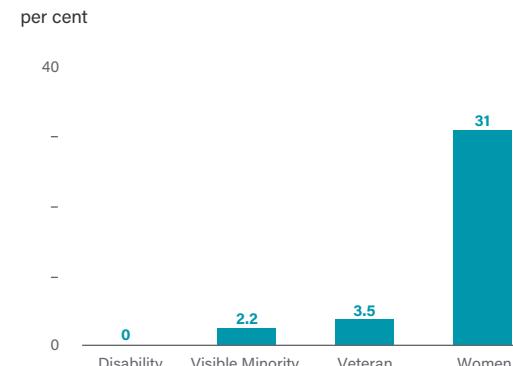
OUR PERFORMANCE

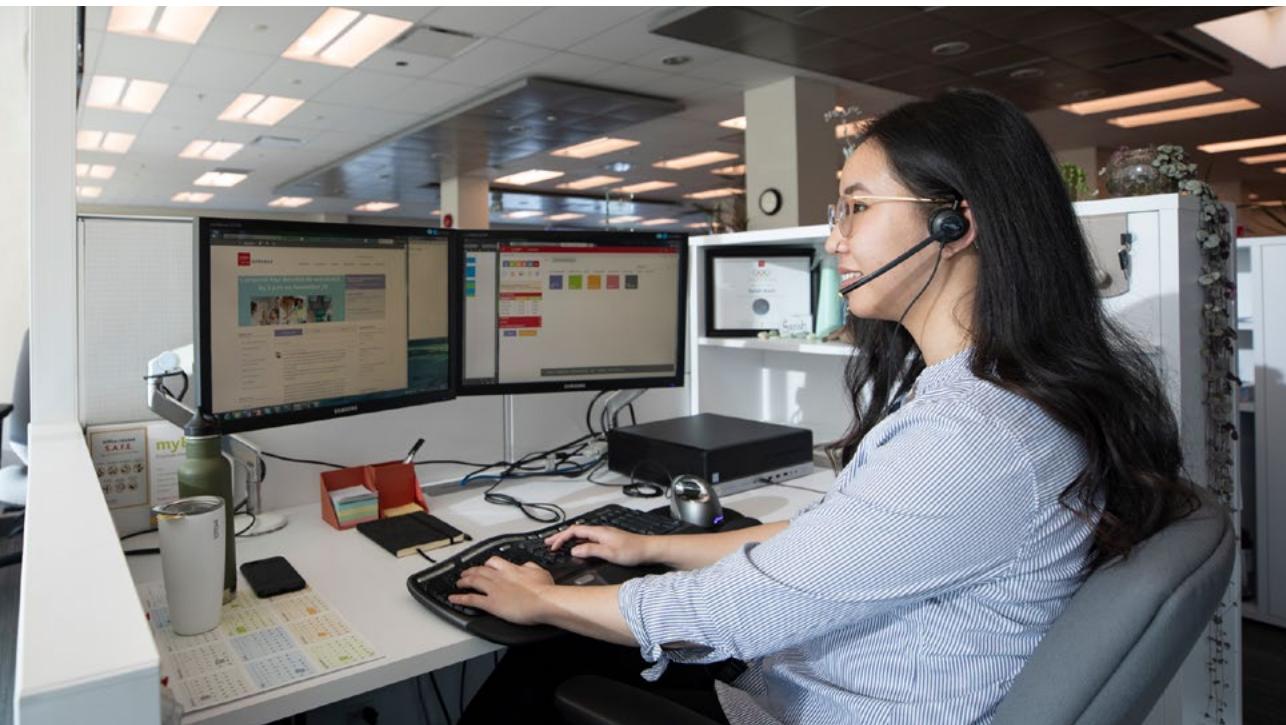
2021 REPRESENTATION IN OUR WORKFORCE – ALBERTA



We seek to employ and promote the advancement of women, qualified persons with disabilities, visible minorities, Indigenous individuals and veterans. Workforce demographics outside of gender are based on self-disclosed data from 77% of our workforce. Categories are reported in alignment with the Federal Contracting Program for Employee Equity and are not inclusive of all diversity groups.

2021 REPRESENTATION IN OUR WORKFORCE – MAINE





PROGRESS IN 2021

Over the past year, we have worked towards more inclusive leadership and have encouraged dialogue and awareness around inclusion. The following efforts work towards our vision of building a workforce that is reflective of our communities and where everyone has a sense of belonging.

Improving our policies and systems

Our policies establish appropriate and expected behaviour and form the foundation to building a more inclusive culture.

DIVERSITY AND INCLUSION ROADMAP

In 2021, our Diversity, Inclusion and Belonging Executive Steering Committee undertook actions to inform the development of a three-year roadmap and strategy.

Activities included hosting educational awareness sessions and small group discussions which provided employees and leaders with an opportunity to share their personal experiences. In addition, all of our senior leaders completed inclusive leadership competency training in 2021. To be rolled out in 2022, the three-year roadmap outlines our aspirations to achieve cultural transformation and plans out our approach to improve diversity and inclusion.

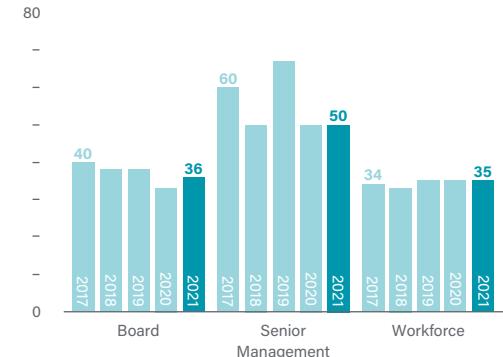
ASSESSING OUR POLICIES

In 2021, we engaged a third party to complete an assessment of our human resources policies. We received the results from the assessment and are working through a prioritization plan to identify the changes that will be executed as part of our three-year roadmap. We will be assessing our customer practices with expected completion in 2023.

OUR PERFORMANCE

WOMEN AT VARIOUS LEVELS

per cent



We have gender balance in senior management roles (senior vice-president and above), but will continue working on promoting diversity, inclusion and belonging across the entire organization.

REVISED PARENTAL LEAVE POLICY

To make parental leave more accessible for a wider range of employees, we revised our Employee Parental Leave Policy to include six weeks of vacation accrual. Employees who elect to take parental leave (which includes adoption leave) are provided with 75 per cent base salary top-up eligibility for up to six weeks and are able to use vacation or other accrued time banks to top up the remaining 25 per cent.

Fostering inclusive leadership

We want to foster a culture where employees feel a sense of belonging and believe that this starts with inclusive leadership. Inclusive leaders respect the uniqueness of each individual and create an environment where all individuals can unlock their potential, thrive and grow.

INCLUSIVE LEADERSHIP TRAINING

In our 2020 ESG report, we set a target for all ENMAX senior leaders (directors and above) to complete inclusive leadership competency training. In 2021, 100 per cent of our senior leaders completed this training. The inclusive leadership training supports leaders in developing foundational knowledge of their own unconscious bias, helping them understand the business case for diversity, inclusion and belonging, and how to leverage a team's diversity of thought and styles. It also equips leaders with tips to start healthy conversations about diversity and inclusion with their teams. In 2022, we will be offering a second module for senior leaders and will roll out the program to all other people leaders across ENMAX.

CREATING INCLUSIVE TEAMS PANEL

As part of our annual Leadership Summit for all people leaders, we hosted a 90-minute Creating Inclusive Teams panel discussion. The panel featured five individuals who are diversity and inclusion ambassadors within their communities and organizations. The panelists discussed how belonging and inclusion impacts team success and shared tips on how leaders can foster an environment for inclusion.

Supporting holistic wellness

We strive to help our employees maintain balance across different health dimensions including financial, physical and mental wellbeing.

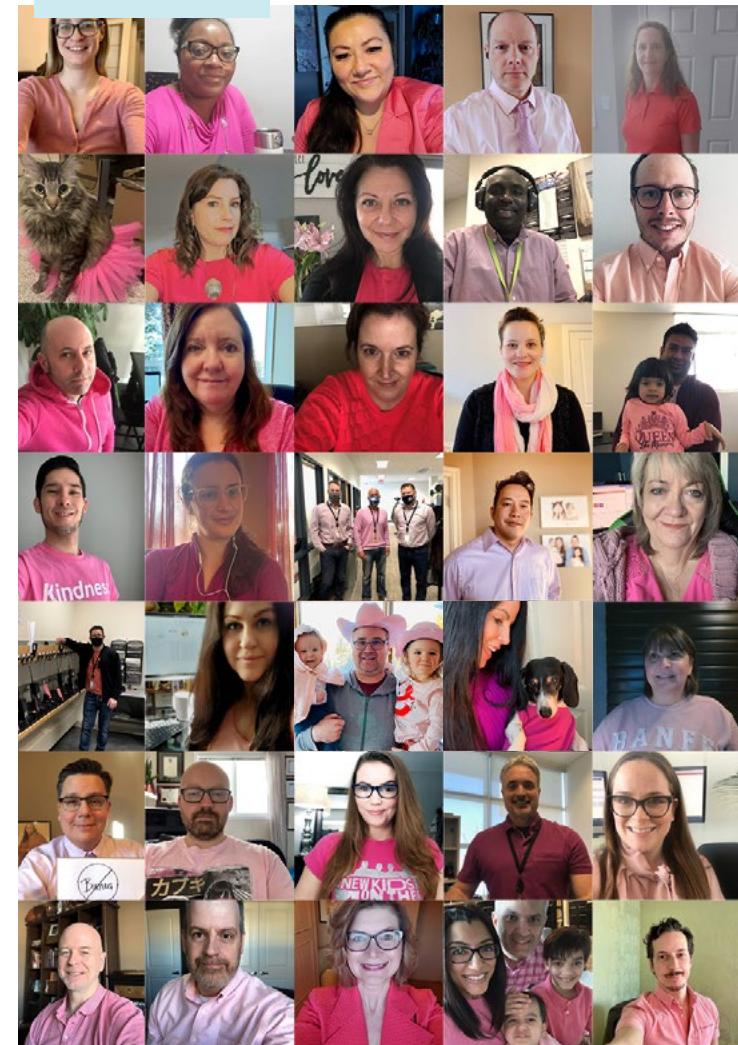
MENTAL WELLNESS

In 2021, we added a new Mental Fitness program to our existing offerings. The program kicked off with a Mental Fitness 101 course attended by 197 employees which helped participants assess and build positive mental fitness. The program encouraged participants to reflect on what charges and drains their mental fitness "batteries". Mental Fitness 101 set the tone for six Microskills sessions attended by 335 participants. Mental Fitness Microskills are short webinars that focus on skill development to positively impact an individual's mental fitness.

WELLNESS

In 2021, Versant Power launched a new wellness initiative that includes mental wellbeing and financial and physical health. Versant Power offered monthly wellness webinars and an app called My Strength, which—like ENMAX's headversity app—offers resilience challenges, breathing exercises, training and more.

OUR PERFORMANCE



For Pink Shirt Day, we encouraged our employees to wear a pink-coloured shirt to stand against bullying.

Developing a culture of inclusion

We believe the skills and awareness we gain from having difficult conversations make our culture more welcoming. In 2021, we created several opportunities for these types of conversations to occur and are seeing a shift in how our organization engages on these topics:

INCREASING AWARENESS OF INDIGENOUS HISTORY AND CULTURE

175 of our employees attended an Indigenous awareness session which covered Indigenous history, cultural differences, working with Indigenous Peoples and communities, and more. Read more on [page 51](#). ENMAX also encouraged employees to complete the online Indigenous Canada course by covering the certification fee. Indigenous Canada is a 12-lesson course from the Faculty of Native Studies at the University of Alberta that explores Indigenous histories and contemporary issues in Canada.

CREATING OPPORTUNITIES FOR EMPLOYEE CONNECTION

We organized several employee connection sessions to destigmatize conversations around diversity and inclusion. The sessions were limited to groups of eight or fewer employees to provide a safe space for employees to share their personal experiences, identify potential barriers that our team members face and discuss actions or ideas for ENMAX to foster a culture of belonging in the workplace.

DIVERSITY TRAINING FOR EMPLOYEES

As part of its corporate mandatory training, Versant Power launched a new training course with an emphasis on diversity and inclusion. The company also added visual aides and read-along capabilities to the courses to enable different learning styles and improve accessibility.

We believe the skills and awareness we gain from engaging in conversations around diversity and inclusion make our culture more welcoming.

PROMOTING ALLYSHIP

Employees were invited to attend Allyship in Action, a virtual session hosted as part of our partnership with Calgary Pride. The session explored the importance of allyship in our communities, the diversity within our human identity (including gender identity, gender expression, sexual orientation and attraction) and provided participants the opportunity to have their questions answered by Calgary Pride hosts. This session was also recorded for employees to view in the future.

STANDING AGAINST BULLYING AND HARASSMENT

We encouraged all team members to wear pink on Pink Shirt Day (February 24, 2021). We also provided information on how to stand against bullying and harassment and where to turn for help. Pink Shirt Day began in 2007 when a student in Nova Scotia was bullied for wearing a pink shirt to school. It has since been recognized annually worldwide as a day to stand against bullying.

STORY



SUPPORTING THE CALGARY PRIDE FESTIVAL

Since 2017, we have supported the people behind the scenes who bring the Calgary Pride Festival to life each year. From transporting artists to moving boxes, volunteers feel a greater connection to the community by volunteering with Calgary Pride. We are proud to support such a strong, resilient community.



WANT TO LEARN MORE?

[Click here to watch our video on supporting our LGBTQ+ community.](#)

Employee engagement and development

WHY IT MATTERS TO ENMAX

Fostering the potential of our people is critical to our success as an organization. Engaged employees have fewer safety incidents, are healthier and more customer-focused, and feel valued, respected and invested in their own success. Strong employee engagement and development improves organizational effectiveness and contributes to a more satisfied workforce, increased retention and a better bottom line for our Shareholder.

OUR APPROACH

We care about how committed, invested and engaged our team members are. We understand that learning and development are critical factors in employee engagement, and therefore target our programs to support employee growth by providing opportunities for career development. We offer competitive wages and benefits, professional development, and human resources programs and practices such as succession planning for key positions.

At ENMAX, we complete annual employee engagement surveys and are working to ingrain employee engagement into daily practices. In Maine, Versant Power's talent acquisition practice is to source talent from the local service territory. The company also completes employee engagement surveys and has a tuition reimbursement policy.



2021 HIGHLIGHTS

- Completed third annual employee engagement survey.
- Launched a senior leader coaching program to support leaders during times of change.

PROGRESS IN 2021

Over the past year, we have continued to measure and improve our employee engagement and have worked to support the learning, development and advancement of our team members in the following ways:

Measuring engagement

We have conducted an annual employee engagement survey through [Gallup](#) since 2019. After each of these surveys, all employees receive access to the survey results and are involved in action planning within their teams. In 2021, our employee participation rate reached an all-time high of 90 per cent (up from 88 per cent the previous year) and exceeded the average participation rate of 82 per cent among utility peers according to Gallup. In all three years distributing the survey, we chose to add several questions surrounding a "culture of inclusion" to understand how confident team members are that company practices are ethical, that their voice is heard, and that they are treated inclusively and with respect. We were encouraged to see increases in all three dimensions of the "culture of inclusion"-related questions, which suggests that employees feel our workplace operates with respect and integrity and that ENMAX is committed to building the strengths of each employee. Since 2019, our results have shown meaningful improvements across Gallup's core engagement questions.



In November 2021, Versant Power launched its first engagement survey through Gallup, which will help provide a consistent and common line of sight on engagement across both ENMAX and Versant Power. To follow up on the survey results, leaders will be developing and implementing action plans in 2022.

Learning and development

Our goal in 2021 was to provide learning opportunities for leaders that developed skills and capabilities in key areas to support our leaders' and teams' success through the constantly changing environment. In addition to skill development, our learning opportunities created a sense of belonging and connection for participants. We advanced our learning and development offerings this year through:

TALENT MOBILITY

We continued to mature our talent programs and develop our leadership pipeline through ongoing focus on development needs, internal mobility, project work and succession planning. Development plans include targeted leadership development opportunities, from offering education to address specific needs, to providing opportunities for leaders to gain exposure and skill development experience. ENMAX's succession program enhances cross-functional awareness of our talent pool, identifies development areas and mitigates the risk of unexpected leadership vacancies. Succession plans for all director-level leaders were completed in June 2021.

INDUSTRY ACUMEN

This program provides industry-related information and technical knowledge for those new to ENMAX or the electricity industry. In 2021, over 40 employees participated in a revamped program that provided new self-paced e-learning content, offered sessions hosted by ENMAX's own senior leaders, and shared industry knowledge from [Western Energy Institute](#) speakers.

MENTORSHIP

We continued our internal mentorship program, which matched 141 mentors and mentees in 2021 and established mentoring relationships over six months.

COMMUNICATION FOR LEADERS

We launched two programs to provide communication tools to leaders across ENMAX. First, more than 31 directors and vice presidents received Communication for Senior Leaders, a four-week training program with one-on-one coaching that helps senior-level leaders craft a compelling vision, clear messaging and cultivate a leadership presence through their communications. Stemming from positive feedback about the first program, we launched Speaking as a Leader. In 2021, 20 mid-level leaders participated in this four-week program and learned how to communicate a powerful message in a concise and clear manner.

SENIOR LEADERSHIP COACHING

To help our leaders navigate times of change, we identified a group of senior leaders who were leading critical transformation within their teams. We partnered with a Calgary-based executive coaching firm to support them for six to eight months, providing each with individualized coaching to help with their leadership and personal development needs.

COACHING 101

In 2021, ENMAX also piloted a three-hour introduction to coaching program for 49 leaders, focusing on building the fundamental coaching skills and providing a framework for effective coaching conversations.

STORY

ENGAGING OUR EMPLOYEES IN INNOVATION

In spring 2021, we hosted an Innovation Challenge across our ENMAX Power and ENMAX Corporation business areas. The goal of the challenge was to engage employees in the generation of ideas that could advance ENMAX Power's vision of meeting the future needs of our customers and communities through advancements in technology, electrification and distributed energy resources.

Team members contributed more than 70 submissions with ideas spanning automation and digitization, through to augmented and virtual reality training and everything in between. Four winning ideas, including one employee choice, along with seven finalists were selected by a senior leadership committee.

ENMAX Power is formalizing the process to allow team members to submit project ideas throughout the year for review. Each project will move through a governed approval process to allow for more expedited decision making and stakeholder input towards implementation.

TYPES OF IDEAS



- 9 -** Automation & Digitalization
- 6 -** Analytics & Machine Learning
- 7 -** Microgrids
- 6 -** Customer Communication
- 5 -** Work Methods
- 4 -** Energy Storage
- 4 -** Augmented and Virtual Reality

Unions

WHY IT MATTERS TO ENMAX

We welcome the contributions of organized labour and respect the right of our employees to associate. More than 60 per cent of our workforce is represented by union members of the International Brotherhood of Electrical Workers (IBEW) Local 254 and the Canadian Union of Public Employees (CUPE) Local 38. Fifty per cent of Versant Power's workforce is represented by the IBEW Local 1837.

OUR APPROACH

We endeavour to be proactive in our communications and transparent as decisions are made. We consult with union representatives in advance of any policies or business initiatives that directly impact union members. Collective bargaining agreements for both unions have a well-defined and documented process for raising grievances.

Collective agreements

In 2021, ENMAX successfully negotiated a collective agreement with CUPE, which was ratified by the majority of the membership. In 2022, ENMAX will be engaging in negotiations with the IBEW in Alberta and Versant Power with the IBEW in Maine.

Valuing our collaborative relationships

We value the positive relationships we have with our bargaining unit representatives. Some of the most common matters we work with our unions on are compensation, job stability and outsourcing. We strive for open two-way dialogue to enable effective issue resolution. To promote collaborative union relationships in Alberta, some of the structures we have in place include:

EMPLOYEE RELATIONS COUNCIL

This council (which is a bargaining item within the IBEW) is a way to work through issues or concerns that need to be resolved outside of active bargaining.

BID COMMITTEE

This committee, which includes representation from IBEW and ENMAX management, meets as required to discuss any changes to job descriptions or qualifications.

JOB EVALUATION COMMITTEE

Any significant changes to job descriptions go to this committee for discussion and agreement. The committee includes representation from CUPE and the ENMAX labour relations and total rewards teams.

STORY



WORKING TOGETHER THROUGH THE PANDEMIC

The global pandemic has heightened the need to maintain collaborative and respectful relationships with our unions as we work together through difficult and changing situations.

Keeping our employees' safety always at the forefront, ENMAX has worked to proactively keep our unions informed of our COVID-19 plans and procedures while navigating these challenging times.

Energy affordability

WHY IT MATTERS TO ENMAX

Electricity is an essential service, and energy affordability is critical to our customers' quality of life. We aim to help eliminate barriers for vulnerable customers that may impact or inhibit access to safe, reliable and affordable electricity.

OUR APPROACH

We focus our energy affordability efforts on supporting customers at each stage of the affordability lifecycle:

- **Crisis management** – relief to customers in energy-need crisis through agency partnerships
- **Prevention** – programming to reduce barriers to affordable-energy access
- **Affordability** – sustainable energy solutions, tools, education and awareness

We have a range of community partnerships and customer programs in place to improve access to energy:

Helping customers understand and optimize energy use

For customers who have chosen a competitive retail plan with ENMAX Energy, we offer My Energy IQ™, a free tool to enable customers to take greater control over how they use energy via monthly reports on their energy use, bill comparisons, energy saving tips and more.



2021 HIGHLIGHTS

- Met our target to spend at least 30 per cent of our community investment budget on energy affordability.
- Increased our funding to three of our long-standing community partners to support basic needs.

To support changing energy needs during seasonal changes, we also publish our Winter Wise and Summer Smart energy savings tips to help customers make energy usage reductions through simple, low-cost ideas tailored to Alberta's climate.

Supporting vulnerable customers

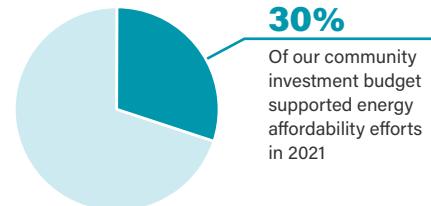
In Alberta, our local customer care team offers payment arrangements or installment plans to assist customers who may be struggling to pay their electricity and/or natural gas bill. To further support vulnerable customers with utility needs, we have long-standing relationships with Trellis Society, Distress Centre Calgary, United Way of Calgary and Area, Bissell Centre, and United Way of Central Alberta. (Read more on [page 46](#).)

In Maine, Versant Power works closely with state and county programs that qualify customers to receive assistance for heating. When customers apply for federally-funded heating assistance, they may also qualify to receive assistance through Versant Power's [Low Income Assistance Program](#), which provides an annual credit on electric bills for income-qualified applicants each year they apply. Low-income residential customers who fall behind on electricity bills may also be eligible for the company's [Arrearage Management Program](#), which applies a forgiveness credit to overdue balances for on-time payments of current bills.

OUR PERFORMANCE

COMMUNITY INVESTMENT SPENDING

per cent



30%

Of our community investment budget supported energy affordability efforts in 2021

STORY

MAKING RENEWABLE POWER MORE AFFORDABLE FOR NEW HOMEOWNERS

We have partnered with Attainable Homes Calgary to install solar panels (a total of 440 kW DC) on affordable housing units as part of their new REACH at Martindale development. Attainable Homes Calgary is a non-profit organization, created and owned by The City of Calgary, which helps moderate-income Calgarians achieve quality home ownership.

REACH at Martindale is a 12-building multi-family development with an arrangement of regular and stacked townhomes and includes 116 residential homes. To lower the cost of power for the new homeowners, each unit is designed to be highly energy efficient and will include standard solar panels.

PROGRESS IN 2021

To manage our energy affordability efforts across Alberta and Maine, last year we established an internal cross-functional Energy Affordability Working Group. The team is tasked with developing and implementing a strategy to promote continued attention and action on energy affordability-related efforts. Our focus in 2022 will be on progressing our pilot projects and providing customers with access to better information on how they use and can optimize their energy.

Targeted community investment

In 2020, we set a target to spend at least 30 per cent of our community investment budget each year on activities and organizations that support customers at the various stages of the energy affordability lifecycle. In 2021, 30 per cent of our investment was directed towards this area, meeting our target. (Read about some of our funding allocations on [page 46](#).)

Energy saving kits pilot

We are making progress towards our target to deliver 1,000 energy saving kits to Albertans by the end of 2022. The energy saving kits are designed to support customers experiencing difficulty paying their bill and who may have higher than average energy use. The kits include clear information on how to save energy and products that create energy savings like LED light bulbs and insulating weatherstripping. In 2021, we trained our Customer Care team to identify customers who could most benefit from the kits. We chose a vendor to supply the kits, worked with them to select appropriate items for the kit and developed the kit's education pieces.

Energy efficiency workshops

Recognizing that education is a key part of energy affordability, we have partnered with Green Calgary in a pilot project to deliver tailored energy efficiency workshops to at least 500 people during 2022. The workshops will provide energy efficiency strategies, tips on understanding your bill and other energy-saving content customized to the unique interests of each group (e.g., newcomers to Calgary or those who live in apartments).

Demand-side management

ENMAX submitted an application to the Alberta Utilities Commission (AUC) to advocate for the development and launch of a demand-side management (DSM) program. DSM programs encourage customers to reduce their electricity use by shifting their usage to avoid periods of high demand on the distribution system and/or through investment in energy efficiency measures. DSM programs are common across many North American jurisdictions. Customers enjoy many benefits of utility-led DSM programs such as reduced electricity costs and reduced environmental impacts. ENMAX requires approval from the AUC in order to proceed with any DSM program.

Understanding your bill

We made updates to our website to help customers better understand their bill. The [ENMAX Energy Understanding Your Bill](#) page provides a bill charges breakdown with an example of what an average ENMAX Energy residential customer's bill could look like. We also shared the video, [A closer look at your bill](#).



We are making progress towards our target to deliver 1,000 energy saving kits by the end of 2022. The energy saving kits are designed to support customers experiencing difficulty paying their bill and who have higher than average energy use.

SPOTLIGHT

Supporting basic needs in our communities – Alberta

As part of our commitment to support energy affordability efforts, we have strengthened our focus on basic needs funding. In 2021, we increased our funding to three of our long-standing community partners, Trellis Society, Distress Centre Calgary and United Way of Calgary and Area. These partnerships support the crisis intervention stage of the energy affordability lifecycle and allow us to direct people to organizations to get the help they need. Increasing our support of these agencies means that more families and individuals will have access to funding for essential needs and services.

TRELLIS SOCIETY

Trellis Society works with children, youth and families, offering programs to improve access to resources, developing family and community supports. Among other services, they provide preschool and after-school educational programming to children, shelter for youth or families in need, and employment and housing support.

DISTRESS CENTRE

Distress Centre Calgary helps provide 24-hour crisis support, professional counselling, youth peer support and referrals through 2-1-1, as well as runs programs at the multi-agency collaborative Safe Communities Opportunity and Resource Centre—all at no cost to those seeking assistance. Although Distress Centre defines crisis broadly, they often support individuals or families experiencing domestic violence and other kinds of abuse, mental health crises and suicidal thoughts, and temporary financial hardship or homelessness. They provide both counselling and housing services.

UNITED WAY

United Way of Calgary and Area's Basic Needs Fund ensures individuals and families have access to basic necessities, allowing them to focus on building their strengths and move towards greater self-sufficiency.

"We are grateful to the ENMAX team for truly listening to the needs in the community and giving intentionally during such a challenging season. This partnership will have a positive impact on ensuring strong supports to those we serve—reducing poverty, strengthening housing stability and offering mental health supports through our continuum of programs and services."

JEFF DYER
CEO, TRELLIS SOCIETY

TRELLIS SOCIETY

Working across Calgary and surrounding communities, Trellis Society is focused on improving access to resources, developing family and community supports, and building people's capacity to deal with life's challenges.

All photos courtesy of Trellis Society.



SPOTLIGHT

Supporting basic needs in our communities – Maine

In Maine, Versant Power also increased its focus on basic needs funding with significant giving being directed toward:

LOW-INCOME HEATING ASSISTANCE

To provide individuals in Versant Power's service territory with emergency assistance during the cold months, we provided funding to Aroostook County Action Program, Penquis Action Program and Downeast Community Partners.

HOUSING SECURITY

The pandemic affected some families' ability to keep up with bills and afford safe shelter for themselves. Many area shelters receive state and federal funding but face restrictions on who qualifies for help. Versant Power provided funding to Bangor Homeless Shelter, H.O.M.E. Inc. in Orland, and Homeless Services of Aroostook to support their efforts in providing reliable short- and long-term housing.

"With the rising heating costs and overall inflation, this donation is timely and will be vital in helping many individuals and families throughout our service area. We appreciate this generous donation and will get it into the hands of our friends and neighbors needing a helping hand this winter."

KARA HAY
CEO, PENQUIS ACTION PROGRAM



01
Children check out the all-electric Chevy Bolt at an outdoor concert series supported by Versant Power in Presque Isle, Maine.

02
Representatives from Versant Power and Eastern Area Agency on Aging celebrated our continuing partnership at EAAA's facility in Brewer, Maine.

03
Versant Power leaders and engineers took a tour of the University of Maine's new Engineering Education & Design Center under construction at the Orono campus. Versant Power has provided support to various UMaine programs over the years, including the engineering program and Power Systems Laboratory.

Community investment and economic impact

WHY IT MATTERS TO ENMAX

Our investments and employee volunteer contributions make a positive impact in the communities where we operate. We continually strive to do our part to build stronger and more resilient communities.

OUR APPROACH

We are committed to supporting our communities in Alberta and Maine through sponsorships, donations, partnerships and employee volunteerism. Both ENMAX and Versant Power have been working to enhance our partnerships and focus our funding to directly target community needs and make an even bigger difference.

We aim to annually invest at least one per cent of our pre-tax profits in our communities and we achieved this goal in 2021. ENMAX engages the London Benchmarking Group Canada (LBG) to review our community investment performance. LBG's assessment includes ENMAX's cash donations, donations in kind and employee volunteer time, resulting in a more holistic view of our overall community contribution.

INVESTMENT IN COMMUNITIES

2021 HIGHLIGHTS



2021 HIGHLIGHTS

- \$3.25 million contributed in cash, in kind and through employee donations to Alberta and Maine's community organizations in 2021.
- Increased focus on maximizing social impact and supporting basic needs.

PROGRESS IN 2021

In 2021 we donated \$3.25 million in total across Alberta and Maine. ENMAX contributed \$2.68 million in cash, in kind and through employee donations to local agencies, and Versant Power contributed \$462,189 USD (approximately \$570,000 CAD).

Over the past year at ENMAX we have:

- Completed an audit of our community investment spending;
- Provided top-up funding to address immediate needs in the community;
- Allocated 30 per cent of our community investment budget on activities and organizations that support customers at the various stages of the energy affordability lifecycle (read more on [page 44](#)); and
- Laid out a strategy for future community investment spending to increase the proportion of basic needs funding to 40 per cent by 2025.

In Maine, Versant Power:

- Spoke with the 10 major partners that it had worked with across its service territory, interviewing them specifically about what their greatest needs were;
- Synthesized the data, breaking it down into three phases: 1) Spring: mental health, 2) Fall: housing security and 3) Winter: energy affordability, and tailored its charitable giving budget to target those areas; and
- Increased its campaign to the United Way in support of serving basic needs.

STORY



SPONSORSHIP AND COMMUNITY INVESTMENT IN INDIGENOUS COMMUNITIES

We look to support the economic and social development of Indigenous communities. As one of our areas of focus, we support education programs that assist Indigenous Peoples in advancing their knowledge and skills, and support the celebration of Indigenous culture. In 2021, we began a partnership with the Aboriginal Friendship Centre of Calgary, which brings Indigenous-based cultural programs and supports the essential needs of the urban Indigenous community in Calgary.

Our increased focus on basic needs funding across Alberta also includes an Indigenous focus. Funding was directed to the Tsuut'ina Food Bank, the United Way of Central Alberta's Lights On Fund (which benefits the Red Deer Native Friendship Society), and to Edmonton's Bissell Centre Community Bridge Program (which supports Bent Arrow working with the Indigenous community).

Creating a positive economic impact

As an electricity provider, access to safe and reliable energy is one of the ways we enable economic development. Reliable energy access is correlated to improved economic trade and growth, increased safety, comfort and security, better employment opportunities, and is critical to supporting overall quality of life. In addition to our mission of providing safe, reliable, affordable energy, our strategy includes returning a stable and growing dividend to The City of Calgary. The dividend we pay to The City helps fund public transit, water supply and treatment services, and parks and recreation amenities. As part of our business, we develop infrastructure projects that create enduring improvements for the province of Alberta and future generations. We also generate value through the jobs we create, the materials we purchase and our community investments. We are transparent about our financial position and results, and share our annual and quarterly financial reports on our website.

Our employees found creative ways to volunteer and participated in a variety of virtual, skills-based volunteering opportunities throughout 2021.

Finding creative ways to give back

Due to the ongoing restrictions on in-person gatherings, our employees continued to participate in a variety of virtual, skills-based volunteering opportunities throughout 2021. Our employees found creative ways to volunteer that included being mentors with Big Brothers Big Sisters, joining seniors in virtual trivia sessions with Silvera for Seniors, donating blood through Canadian Blood Services, being pen pals for isolated students and setting up holiday lights at Alberta Children's Hospital, Stollery Children's Hospital and 11 Silvera for Seniors facilities.

Our Fall Give campaign is our annual employee giving program that provides our employees the chance to give back and engage with their community in ways that matter to them. ENMAX supports this giving by matching employee donations. In 2021, to further support energy affordability, if employees chose to donate to organizations that help enable affordable access to energy, ENMAX doubled our match of each employee donation. More than 110 organizations received support, with five organizations receiving the double match.

Through its Good Neighbor Employee Volunteer Program and United Way campaign, Versant Power matches employee giving in Maine. While the pandemic impacted the company's ability to volunteer and use its Good Neighbor funds for programming important to employees, they honored employees' wishes to provide gifts to children for the holidays and to spread holiday cheer by donating the funds to seven organizations.

01

Our employees found ways to support causes they care about such as a dog walk to support Calgary Humane Society.

02

Our employees set up holiday lights for a Silvera senior facility.



Community and stakeholder relations

WHY IT MATTERS TO ENMAX

Our relationships with our communities and stakeholders are an important part of our success. We are committed to understanding the needs and interests of all stakeholders and work to maintain positive relationships through open communication and respect.

OUR APPROACH

We supply safe and reliable power to all our customer groups, which include residential, commercial, industrial, institutional, developers, builders and Indigenous communities. Through the course of our daily operations, we also work with many municipal elected officials, government agencies, advocacy groups and industry consultants.

ENMAX Power's electrical distribution [service area](#) spans more than 1,000 square kilometres (km²) in and around Calgary, and our stakeholders include any individuals or organizations that have distribution lines coming to their home or building, whether or not ENMAX Energy is the chosen energy provider.

Our broader stakeholders include anyone who could be impacted by our operations or who has an interest in our company, including Indigenous communities, regulators, municipalities, rural landowners, developers, new businesses, elected officials, the media and the general public.

Ongoing stakeholder engagement

We promote communication with our stakeholders in the following ways:

- We offer a variety of contact avenues on our [contact page](#) in the areas of residential customer care, business customer care, and power and meter services.
- Our Customer Care Centre elicits feedback from customers through our Voice of the Customer surveys, which started in September 2019.
- We also learn what our stakeholders want through monthly engagement activities with various advocacy groups (who represent, for example, developers, builders or electrical contractors).
- When we submit a proposal to the regulator to explain a rate increase, we make those submissions available to our customers and the public on our website.
- We disclose direct contact information on our website, including access to our Board of Directors.
- We provide advance notification of any planned outages, offer an outage map and heavily engage on social media to alert customers about outages.
- Our customer relations team handles inquiries and complaints promptly. In response to common concerns about outage locations, causes and estimated restoration timeframes, we installed a robust customer-facing interactive voice response system in 2019 to improve outage communications (see [page 23](#) to read about our Outage Management System).
- We are open to receiving questions and concerns and encourage stakeholders to call us or get in touch with us through our [Live Chat](#).

STORY



WORKING WITH INDIGENOUS COMMUNITIES

Our fundamental guiding principles—communication and trust—are instrumental in developing open and honest relationships with Indigenous communities. An example of this is our relationship with the Tsuut'ina Nation and our operation of the electrical distribution system on the east side of their reserve lands.

In 2021, we began working with Tsuut'ina Nation on an initiative to connect several new-build homes on the reserve. Working closely with the Nation and three Nation-owned builders, we are adding new electrical infrastructure including distribution lines, poles and transformers. In working with the Nation members, we demonstrate respect by providing a single and consistent point of contact, promptness in our responses and a commitment to regular, face-to-face meetings. Connecting these new homes will allow us to continue providing Tsuut'ina Nation families with safe and reliable power.



In 2021, we began working with Tsuut'ina Nation on an initiative to connect several new-build homes on the reserve to the grid.

Engaging during project development in Alberta

Development or alteration to transmission lines, substations or generation facilities can impact a variety of groups. We ensure compliance with the AUC Rule 007 stakeholder consultation guidelines for all our projects. Depending on the project, the rules may require notification or consultation with certain stakeholders. This may involve sending a project information package to impacted customers, door knocking to directly engage customers or even hosting an open house. Stakeholders with comments or questions are encouraged to contact us through our dedicated stakeholder relations phone line and email. Our stakeholder relations team consists of three full-time ENMAX employees who work closely with our regulatory and project teams to ensure we meet or exceed AUC Rule 007 stakeholder consultation requirements.

Engaging with stakeholders and communities in Maine

Versant Power aims to maintain positive relationships with its stakeholders, which include property owners, municipalities, lawmakers, elected officials, regulators, advocacy groups interested in energy policy and affordability, and business and development organizations. Nearly all of Versant Power's transmission right-of-way areas are easements (i.e., Versant Power does not own the land, but the easements provide Versant Power with access to the property). Versant Power believes in being good stewards of the land and being respectful, open and collaborative with all landowners. Any time field workers require special access through woodlands, temporary licenses or leases are obtained prior to any work being done. It is the company's practice to record before and after video inventory and to complete any mitigations or inspections with the property owner.

STORY

ORANGE SHIRT DAY

On September 30, 2021, in recognition of the National Day for Truth and Reconciliation, we participated in Orange Shirt Day across ENMAX. This is a day to recognize the history of residential schools in Canada and to honour the survivors and their communities.

ENMAX also encourages employees to complete the online Indigenous Canada course by covering the certification fee. Indigenous Canada is a 12-lesson course from the Faculty of Native Studies at the University of Alberta that explores Indigenous histories and contemporary issues in Canada.

GROWING OUR INDIGENOUS AWARENESS

We also observed National Indigenous History Month in June and National Indigenous Peoples Day on June 21, 2021. More than 150 ENMAX team members attended or watched an Indigenous Awareness Training session to grow their understanding and awareness of Indigenous history and culture. The session was presented by Holly Fortier. Holly is a Cree/Dene woman from Fort McKay First Nation, Alberta. Holly was born in Treaty 7 Territory and was fortunate to be raised by cultural leaders, academics and activists. She specializes in the development and delivery of Indigenous Awareness Trainings. Holly created the training program based on the wisdom and teachings passed on to her by her family, elders, coworkers, community members and friends. Session takeaways included a brief history of Indigenous Peoples, cultural differences, list of do's and don'ts, working with Indigenous Peoples and communities, and examining what reconciliation looks like.

Governance

IN THIS SECTION...

Corporate governance	53
Ethics	54
Governance for ESG matters	55
Customer satisfaction	57
Cybersecurity and data privacy	59
Responsible procurement	61
Public policy	61

Corporate governance

WHY IT MATTERS TO ENMAX

We believe sound corporate governance contributes to shareholder and public value, trust and confidence in our organization.

OUR APPROACH

Although ENMAX is not required to publicly file an annual information circular, we have released an annual disclosure document regarding our governance and executive compensation practices for over 10 years. Our [Annual Report on Governance and Compensation](#) is informed by the requirements applicable to Canadian public companies.

Shareholder relationship

ENMAX is a private corporation, incorporated under the Alberta *Business Corporations Act*, and our sole shareholder is The City of Calgary. Calgary's City Council acts in the capacity of the Shareholder on behalf of Calgarians. Ongoing communication and engagement with The City of Calgary is an integral part of our philosophy of good governance. Our Board of Directors and executive team meet with Calgary's City Council quarterly, including convening a public shareholder meeting annually and a meeting with City Council to review ENMAX's business plans each fall. We also meet annually with The City of Calgary's Audit Committee to review our financial, risk management and governance practices in detail.

Board independence

We recognize that having a majority of independent, highly qualified Directors from diverse backgrounds is essential to effective decision making. For the year ended December 31, 2021, 10 out of 11 of our directors were considered "independent" for the purposes of applicable Canadian securities law policies.

Board diversity

A diverse Board enhances ENMAX's decision-making abilities. Our [Board Diversity Policy](#) states that when selecting director candidates, consideration will be given to the following diversity criteria: gender, age, residency, race, culture, ethnicity, people with disabilities (including invisible and episodic disabilities), members of the LGBTQ+ community, and other factors that may enhance ENMAX's ability to deliver value to our Shareholder. The Board Diversity Policy also includes the following aspirational diversity targets: 1) an aspirational goal whereby at least 30 per cent of our directors are women; and 2) an aspirational goal whereby at least one member of the Board is from an underrepresented group, relative to the communities served by ENMAX. As of December 31, 2021, 36 per cent of the members of the Board of Directors are women and nine per cent of the members of the Board of Directors self-identify as a member of an underrepresented group.

OUR PERFORMANCE

GOVERNANCE INFORMATION

ETHICS

Code of Conduct for directors, officers and employees	Yes
-------------------------------------------------------	-----

BOARD COMPOSITION AND INDEPENDENCE

Size of Board	11
Number of independent directors	10
Separate Chair and CEO	Yes
Independent Chair	Yes
Comprehensive Board assessment process	Yes
Directors that are financially literate	91%
Board meetings held in 2021*	27
Average meeting attendance	100%

BOARD RENEWAL AND DIVERSITY

Annual election of directors	Yes
Average age of directors	64
Mandatory retirement age	No
Average director tenure	5 years
Women Board members	36%
Board members that identified as members of underrepresented groups	9%
Board Diversity Policy	Yes

All chart information as of December 31, 2021.

* Total number of regularly scheduled Board meetings during 2021, which includes Committee meetings, Shareholder meetings and Director education sessions.

Board evaluation and assessment

The Board undertakes an annual 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, as well as to ensure director expertise is fully leveraged.

Ethics

WHY IT MATTERS TO ENMAX

We are guided by strong principles of accountability, transparency and ethics in our decision making and behaviour. It is expected that all directors, officers and employees of ENMAX act with honesty, integrity and impartiality. This allows us to earn and maintain the trust of our Shareholder, employees, stakeholders, customers and the communities in which we operate.

OUR APPROACH

Policies

PRINCIPLES OF BUSINESS ETHICS POLICY

This policy establishes the appropriate and expected behaviour for maintaining ENMAX's reputation for honesty and integrity. Our Board reviews and approves the policy at least once every three years and works closely with our executive team to promote a strong governance culture that influences ENMAX at every level. All employees acknowledge their responsibility to perform their duties at ENMAX in accordance with the [Principles of Business Ethics Policy](#).

CODE OF CONDUCT REGULATION

This regulation must be followed by all owners of electricity distribution systems, their affiliated retailers and their regulated rate providers in Alberta. ENMAX Power is a distribution system owner, while ENMAX Energy is both an affiliated retailer and the regulated rate provider for ENMAX Power and others. Our compliance plan outlines how we will abide by the [Code of Conduct Regulation](#).

Training

All employees, including our contractors as assigned, are required to complete annual training on the Principles of Business Ethics Policy, Safe and Respectful Workplace and Code of Conduct. In 2021, 1,653 individuals completed this suite of training.

Reporting concerns and conflicts of interest

ENMAX has a confidential ethics hotline where employees can anonymously express concerns about inappropriate business conduct through a confidential third-party service. Submissions to the ethics hotline are reported to ENMAX's Governance Committee. All reports are investigated with oversight of legal counsel. In accordance with our Principles of 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 helps ensure directors exercise independent judgment when considering transactions and agreements. The Board ensures our directors do not participate in discussions or vote on matters when they are conflicted.

We are guided by strong principles of accountability, transparency and ethics in our decision making and behaviour.



Governance for ESG matters

WHY IT MATTERS TO ENMAX

We are dedicated to conducting our business responsibly and overseeing and managing our risks in a diligent manner.

OUR APPROACH

ENMAX's Board of Directors and the executive team are committed to setting the "tone from the top" to create a culture of high ethical standards and good corporate governance through our organization and business operations, which includes our ESG practices. Additionally, we have strong management systems that formalize the management of environmental and safety topics.

Board oversight of ESG matters

The Board of Directors has the highest level of oversight for ESG matters. The Board's role is to oversee ENMAX's strategy, the development of its ESG targets, and to ensure alignment between ESG efforts and business strategy. The Board is also responsible for the company's risk profile.

Our Board of Directors has three standing committees. In addition to their mandates, each of the committees oversees and provides guidance on different ESG-related topics:

BOARD / BOARD COMMITTEE	ESG TOPICS
Board of Directors	<ul style="list-style-type: none"> - Corporate strategy - ESG targets - Enterprise risk management - COVID-19 pandemic - Shareholder relations - Compliance - Disclosure
Governance Committee	<ul style="list-style-type: none"> - Business ethics and integrity - Board diversity - IT / cybersecurity - Board education
Safety and HR Committee	<ul style="list-style-type: none"> - Safety and health - Environment - Talent and culture - Diversity and inclusion - ESG compensation link
Audit Committee	<ul style="list-style-type: none"> - Financial reporting - Internal controls and procedures - Tax strategy

In 2021, the Board approved the involvement of the Governance Committee in ESG-related matters as an enhancement to our ESG framework. The Governance Committee supports the Board in fulfilling its role by approving the publication of our annual ESG report, reviewing our progress and performance against our ESG targets, and reviewing periodic reports related to developments, trends, best practices, risks and issues related to our ESG targets and reporting.

ESG GOVERNANCE





Management's role

To support the implementation of our plans and the achievement of our targets, our executive team and subject matter experts are involved in the management of ESG issues in the following ways:

EXECUTIVE TEAM'S ROLE

ENMAX's executive team is responsible for the management of our ESG commitments. The executive team regularly reports to both the Governance Committee and Board on ESG and climate-related matters. Read more in the Task Force on Climate-related Financial Disclosures (TCFD) section of this report. For 2022, we have embedded several performance measures related to our ESG targets into our Long-Term Incentive Plan (LTIP), a three-year plan for ENMAX's senior leaders. We have integrated key ESG factors into our executive compensation strategies as success in these areas is critical to ENMAX's long-term success and sustainability.

ESG WORKING GROUP

In 2020, we formed an ESG Working Group with people from across the organization. The role of the group is to advance and communicate progress towards our ESG targets. It is chaired by ENMAX's Director of ESG Performance and Reporting and discusses and drives organizational progress on our ESG targets.

For 2022, we have embedded several performance measures related to our ESG targets into our Long-Term Incentive Plan for leaders (directors and above).

Safety and environmental management systems

In order to support the execution of our policies and practices, we have mature management systems, clear data collection and reporting, and strong internal structures to effectively manage our safety and environmental risks, including that:

- We follow the Alberta [Safety Codes Act](#), which governs public safety, and we also report any instances of employee, contractor or public electrical contacts.
- All work carried out in Alberta is in accordance with Alberta's [Occupational Health and Safety Act](#), Regulation and Code, and our fleet safety program is in compliance with [Alberta Transportation](#) rules and regulations.
- We continue to align our safety management system to [ISO 45001](#). We also maintain an Alberta Certificate of Recognition (CoR) to meet provincial safety standards. To maintain our CoR, we must subject our safety management system to a third-party audit that includes employee interviews at all levels, a review of documentation and observations of workplace conditions and practices every three years.
- Our environmental management system is modeled after the requirements of Electricity Canada's Sustainable Electricity™ program and aligned with [ISO 14001:2015](#), an international standard for environmental management systems.
- Versant Power has its own robust safety management system aligned with ISO 45001. Each year Versant Power develops and receives executive approval for its Safety Management System Action Plan, which contains more than 35 separate actions and metrics within the 10 management system elements. The action plan includes all aspects of Versant Power's safety program and has strong accountabilities built into it. Versant Power is committed to completing a minimum of 90 per cent of those actions, and the results are verified by an ENMAX auditor.

Customer satisfaction

WHY IT MATTERS TO ENMAX

As a provider of essential energy products and services, ENMAX Energy serves approximately 700,000 residential, commercial and industrial customers in Alberta, and Versant Power serves approximately 160,000 customers in Maine.

OUR APPROACH

We take the customer experience seriously and approach customer satisfaction with the philosophy that "every moment matters." We aim to treat every customer with respect, kindness and empathy.

Customer satisfaction in Alberta

To continue improving customer satisfaction, we have a dedicated, locally based team of 250 employees who work in our customer care centre in Alberta. Our customer care agents receive more than 665,000 calls per year. Additionally, we receive approximately 44,000 responses to our Voice of the Customer survey (a 12 per cent response rate) each year. We analyze the data trends and look for opportunities to improve our processes and coach or reward our agents. Our High Five Program recognizes agents who receive five out of five in customer ratings.

Customer satisfaction in Maine

Versant Power has a customer contact centre staffed with local customer service representatives in two locations in Maine: Presque Isle and Bangor. To foster high-quality customer service, Versant Power provides a 10-week training program to onboard new representatives and offers continuing coaching and training for tenured representatives. The company also has an online user portal to view and pay bills, report and see status on outages and to view daily and hourly usage information. Customers who use online services also receive weekly usage reports by email and can sign up for high usage alerts by email or text.

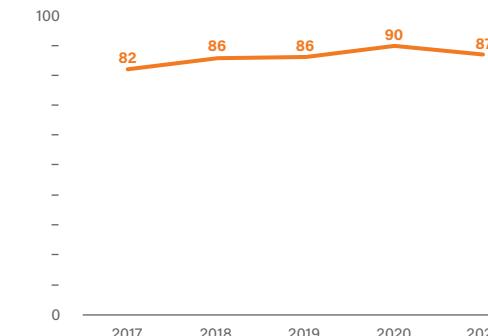


As a retailer of electricity and energy services, we serve more than 850,000 residential, commercial and industrial customers in Alberta and Maine.

OUR PERFORMANCE

CUSTOMER SATISFACTION IN ALBERTA

per cent



While customer satisfaction was slightly lower in 2021 compared to 2020, overall, customer satisfaction has increased by six per cent over the past five years. We continue to invest time and resources in understanding our customers' needs.

Note: Chart data excludes Versant Power.

CUSTOMER SATISFACTION IN MAINE (VERSANT POWER)

METRIC	TARGET*	2021 PERFORMANCE
Responsiveness to customer calls (calls answered in 30 seconds)	80%	76.5%
Call abandonment rate	7%	7%
Bill error rate	<0.40%	0.31%

We met our targets for bill error and call abandonment rates but fell short of our target to answer 80% of calls in 30 seconds. We continue to work to improve our responsiveness to customer calls.

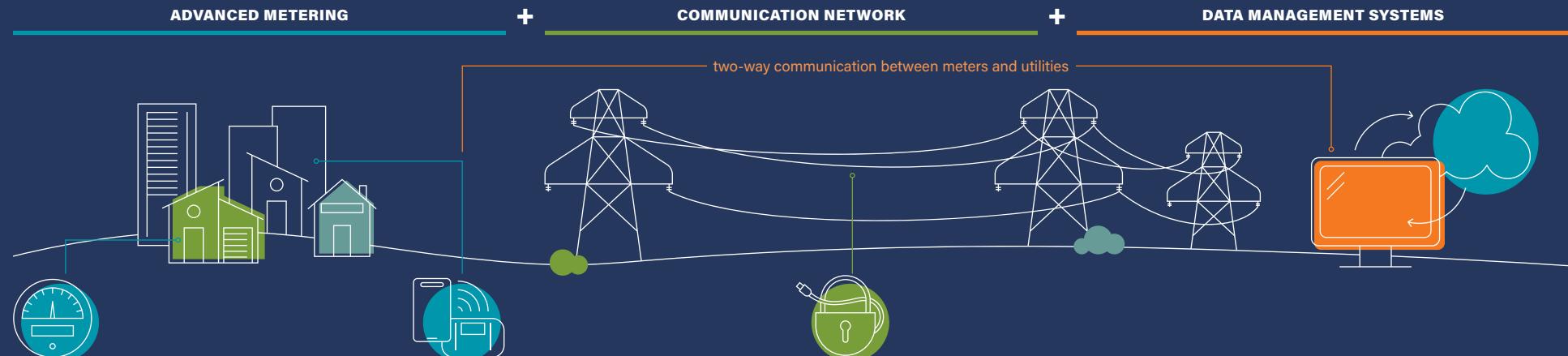
* These targets are established by the Maine Public Utilities Commission.

SPOTLIGHT

The next step in modernizing the grid

ENMAX Power is running a pilot project to test Advanced Metering Infrastructure (AMI) in a few Calgary communities to improve metering capability and provide customers with actionable insights on their energy consumption. AMI is an integrated system made up of advanced electricity meters, a wireless communications network, and the data management systems necessary to enable remote two-way communication between utilities and meters.

The ENMAX Power pilot is currently testing AMI technology on a small scale as we believe this is the next step in servicing a modernized grid. The area included in the pilot was chosen for its good mix of residential, small, medium and large commercial customers, its sites with distributed energy resources, and its already high saturation of existing AMI-capable meters.



11

home energy monitors
tested in 2021

Home energy monitors are in-home devices that provide customers with better information on their electricity use.

Using load disaggregation technology, the devices split a customer's load profile information into possible consumption categories (e.g., lighting, heating, appliances, etc.).

Breaking the consumption number into something more tangible provides customers with useful and actionable insights on their areas of highest energy use so they can make changes accordingly.

10,300

AMI-capable meters installed
by our meter technicians in this
pilot area in 2021

An AMI-capable meter offers two-way communication between users and the utility. It is ENMAX Power's practice to install AMI-capable meters on new homes built after 2018 or sites that require meter replacements, but we have not yet harnessed their advanced metering capabilities.

Through this pilot we are testing two-way communication in select neighbourhoods. Out of 530,000 meters in our service area, there are 190,000 homes and businesses that have AMI-capable meters already installed for future opportunities.

5

gatekeepers installed in 2021

Gatekeepers are the centre point that collects the data from AMI-capable meters and sends it to the ENMAX Power system through a secure wireless connection—very similar to how a mobile device reports to a cell tower.

5,531

meters successfully sent
data to test in our billing system
through the gatekeepers

Testing on the functionality of the infrastructure began in 2021—including getting reads, testing alarms, testing remote functions and overall two-way communication capabilities, etc.

While testing on AMI technology is occurring behind the scenes, customers will not see any change to their service or bills.

Cybersecurity and data privacy

WHY IT MATTERS TO ENMAX

Resilience to cyber threats is exceptionally important for organizations like ours that own and operate critical electricity infrastructure. We place high attention on maintaining the cybersecurity of our operational technology systems as they directly impact physical systems and the delivery of power to our customers. Further, the trust placed in ENMAX by customers and stakeholders requires that we uphold the personal information standards set out in Alberta's *Personal Information Protection Act* in connection with the proper collection, use, disclosure and storage of personal information.

OUR APPROACH

We align to the following frameworks that guide our cybersecurity practices:

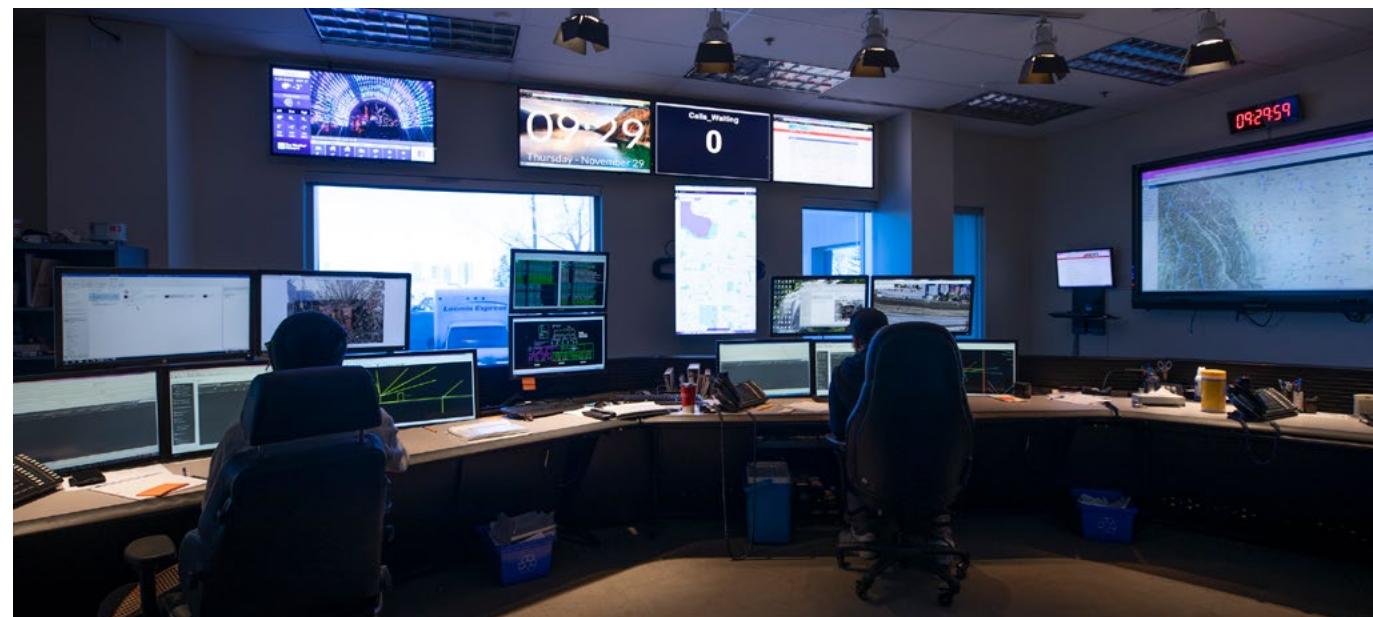
NIST CYBERSECURITY FRAMEWORK

The [National Institute of Standards and Technology \(NIST\)](#) framework is considered a best practice in cybersecurity for utilities. ENMAX regularly completes NIST cybersecurity maturity assessments to continually advance the maturity of our alignment with the framework.



2021 HIGHLIGHTS

- Advanced our incident response planning and tabletop exercises.
- Enhanced our privacy training to be rolled out in 2022.



CRITICAL INFRASTRUCTURE PROTECTION RULES

We comply with the Alberta Reliability Standards, which requires following Critical Infrastructure Protection on the Bulk Electric System.

CENTER FOR INTERNET SECURITY CONTROLS

We implement security controls in line with the [Center for Internet Security \(CIS\)](#) security controls standard and maintain an advanced suite of software for threat detection, log processing and monitoring. We conduct regular testing and retain external cybersecurity experts to provide audits.

PRIVACY COMPLIANCE

ENMAX regularly reviews and updates policies and procedures governing the proper collection, use and disclosure of personal information of our customers, employees and other individuals whose information is in our custody or control. Our employees receive annual training in this regard as well as regular privacy updates and communications to keep this important risk area top of mind.



Cybersecurity awareness

Training our employees on cybersecurity empowers them to recognize potential threats and helps to prevent cyber-related incidents. As employees join the company, our mandatory corporate training includes a module on cybersecurity and data protection. We offer regular cybersecurity awareness courses and hold an in-depth Cybersecurity Awareness Month in October during which we circulate relevant articles, share tips of the day, and host virtual events with guest speakers such as the Calgary Police Service's Cyber Crime Unit. We also have a comprehensive phishing performance management process, monthly phishing tests and supplemental training for employees.

PROGRESS IN 2021

We have been refining and maturing our response to cybersecurity-related events through improved incident response planning and tabletop exercises. As an organization, we use the Incident Command System (ICS) to manage our incident response. In 2021, we improved the integration of our cyber incident response plan with our existing ICS incident response process, allowing for a more rapid and coordinated resolution to incidents. We also completed several cybersecurity assessments including security evaluations of our most critical business services and conducted exercises where we simulated attacks and monitored how our controls responded to them to assess and strengthen our cybersecurity posture.

STORY



CUSTOMER DATA PRIVACY

As an essential services organization, our business requires the collection and management of customer data. We collect only the data we require to provide service to our customers, such as billing details. Additionally, we restrict data accessibility and all instances of access to customer data is logged and auditable. Every customer service agent in our customer care team receives data privacy and protection training when hired. We also provide regular training updates and recognize Cyber Security Awareness Month with speakers and hosted activities to communicate additional messaging about data protection.

Each year, we diligently educate employees on the importance of data protection and promote awareness of potentially fraudulent activity by third parties as and when we become aware of such attempts by individuals or organizations misrepresenting themselves as ENMAX.

Responsible procurement

WHY IT MATTERS TO ENMAX

We are committed to fair competition in all dealings with suppliers and to making our purchases honestly and objectively. We also want to make sure that our suppliers and contractors respect and uphold our ethical, safety and environmental practices.

OUR APPROACH

Our contractor screening process is designed to verify that any contracted companies we work with have similar safety practices and systems to ENMAX. We are currently using [ISNetworld](#), an online data-driven contractor and supplier management platform. Through the platform, we can verify contracted companies have insurance and appropriate safety performance and practices. Read more about contractor safety on [page 35](#). In 2021:

- Versant Power began implementing ISNetworld with support from ENMAX in early 2021. For the first phase of implementation, Versant Power concentrated on high-risk vendors and completed onboarding of more than 90 vendors by December 2021. In 2022, the company plans to develop an action plan to further leverage the ISNetworld platform and to expand capabilities.



2021 HIGHLIGHTS

- Reinstated our Environmental Responsibilities Document with contractors.
- Improved the hydrovac slurry management requirements for our contractors.

- ENMAX reinstated our Environmental Responsibilities Document (ERD) with our contractors to reflect new hydrovac slurry management and soil disposal requirements, as well as providing a refresh to the document. To have a Master Service Agreement (MSA) or other working agreement, contractors must first sign the document and return it to ENMAX to acknowledge their responsibilities. The document now contains a link to the Contractor Access Portal where all relevant ENMAX environmental procedures are stored, so contractors can ensure they meet or exceed our practices.

Supply chain resiliency

In 2021, the COVID-19 pandemic continued to affect global supply chains with delays to materials and products, increases in lead time and costs, and skilled labour shortages. We have worked proactively to navigate the ongoing situation by strengthening our supplier relationship management, placing orders ahead of time, monitoring changes in the market, and working with our own business units to advance materials planning.

Public policy

WHY IT MATTERS TO ENMAX

We aim to act honestly and with integrity in all business relationships, including in our interactions with government officials. Our public policy interactions include direct interactions with government officials and administrators.

OUR APPROACH

We comply with all provincial, state and federal lobbying legislation in Canada and the United States, as applicable. We have an internal lobbying policy and provide training for any executives and directors that interact with government officials. We track and report lobbying activities to the Office of the Ethics Commissioner of Alberta and to the Federal Office of the Commissioner of Lobbying to comply with the lobbying requirements that are directly focused on policies, programs and regulations. To support industry positions and to stay informed of policy development, we are also members of industry associations such as Electricity Canada, Independent Power Producers Society of Alberta, the Edison Electric Institute, and the Alberta Energy Retailers and Service Providers Association.

TCFD

TASK FORCE ON CLIMATE-RELATED
FINANCIAL DISCLOSURES

IN THIS SECTION...

Governance of climate-related risks and opportunities	63
Risk management	64
Climate-related physical risks	65
Transition-related risks and opportunities	66
Climate-related scenarios	69
Metrics and targets	70

Governance of climate-related risks and opportunities

We have risk oversight and management at the Board, executive and management levels.

Board oversight

At ENMAX, the Board of Directors has the highest level of oversight for climate-related risks and opportunities. The Board's role is to oversee ENMAX's strategy and the development of its ESG targets, ensure alignment between ESG efforts and business strategy, and hold responsibility for the organization's risk profile. In 2021, the Board approved the involvement of the Governance Committee in ESG-related matters as an enhancement to our ESG framework.

The Governance Committee supports the Board in fulfilling its role by:

- Reviewing quarterly reports on ENMAX's risk, risk rating and risk tolerance. Our risks include environmental and social risks, climate-related risks and opportunities such as extreme weather events, carbon regulations and transition-related electricity demand changes;
- Discussing and reviewing ESG and climate-related matters at Board meetings;
- Approving the publication of our annual ESG report;
- Making recommendations regarding the development and ongoing refinement of our ESG targets;
- Reviewing our progress and performance against our ESG targets; and
- Reviewing periodic reports related to developments, trends, best practices, risks and issues related to our ESG targets and reporting.

Management's role

To better understand and manage the full spectrum of climate-related risks and opportunities, we have three teams that support our Executive Team. Two teams are focused on risk management and the other on finding opportunities.

The Risk Management Committee (RMC) is an executive-level committee whose role is to oversee our Enterprise Risk Management program. The committee supports business units in identifying and assessing risks, and then consolidates information to be presented to the Governance Committee of the Board. Once risks have been identified, each area of the business where the risks reside is responsible for implementing risk management plans.

The Commodity Risk Management Committee (CRMC) is similar to the RMC but focuses exclusively on identifying and managing our exposure to natural gas and electricity market risks. This committee oversees our commodity hedging program and manages risks for our offset and Renewable Energy Certificate commercial activities.

The Renewables Business Development Group is evaluating opportunities for commercial and utility-scale renewable energy generation options backed with long-term contracts to help our customers meet their ESG goals.

STORY

TCFD RECOMMENDATIONS

The Task Force on Climate-related Financial Disclosures (TCFD) provides recommendations for effective climate-related disclosures that can promote more informed investment, credit and insurance underwriting decisions. The following pages outline our responses to these recommendations. We recognize that climate change is an important and complex issue that impacts businesses and communities. ENMAX is committed to playing an active role in the energy transition and in addressing climate change.



Risk management

Effective risk management empowers us to actively identify, assess and manage risks to our business. We work to develop, monitor and progress our risk management strategies to ensure they are both representative of key impact areas of our business and address changing environmental and social matters.

ENMAX uses an established Enterprise Risk Management (ERM) program to identify, analyze, evaluate, treat and communicate our risk exposures in a manner consistent with our business objectives and risk tolerance. Our ERM program helps us monitor and evaluate financial, reputational, regulatory, environmental and social risks.

Risk identification

As part of our ERM program, we identify and group risks into 10 categories that include operational, financial, regulatory, customer- and cybersecurity-related risks. Although the categories remain relatively unchanged, the specific risks within each category are reviewed quarterly. To support a broad understanding of risk across the company, we also identify and evaluate emerging risks, which include ESG- and transition-related risks, as well as technology disrupters and innovators. Even if some of those risks do not meet our criteria for top risks, we discuss them with the Executive Team and the Board of Directors quarterly. In 2019, we incorporated climate-related risks into the most impacted risk categories within our existing ERM program. The most relevant physical and transition-related risks are summarized on [page 65](#).

Risk assessment

For each of our identified risks categories, we evaluate the level of residual risks (after mitigation is in place). We also use specific signposts (e.g., results of a local or federal election, publication of a regulation) to ensure consistency of risk evaluation and provide guidelines for risk assessment. Our risk group meets quarterly and updates the Board of Directors on changes to risks assessment and/or new risks each quarter.

Risk integration

We incorporate climate-related risks into different aspects of our business by:

- Providing a quarterly ERM update to our Executive Team and Board of Directors with any new observations or issues related to our key risk areas and an overall assessment of our corporate-wide risk level;
- Considering the impact that new investments have on our greenhouse gas (GHG) emissions profile;
- Incorporating extreme weather events into emergency preparedness ([read more on page 26](#));
- Commodity risk forecasting and management; and
- Severe weather planning at Versant Power to ensure resources are available for potential infrastructure impacts.



Climate-related physical risks

The ENMAX group of companies operates in two distinct geographical regions with different types and levels of climate-related physical risks. While both regions are exposed to winter storms and other severe weather events, Calgary has a more targeted flood preparedness program and Maine a robust tree and vegetation management program, based on their specific regional needs. In the next two years, we plan to develop a more robust climate mitigation plan for both areas.

Our key climate-related physical risks in Alberta include:

FLOOD

After the 2013 Calgary flood, we revised our internal mapping to include flood inundation zones and evacuation zones (provided annually by The City of Calgary). Our flood maps indicate our circuitry, meters, the number of customers affected per zone and in what order. This allows us to search and determine the equipment that would be first impacted by any overland flooding and adjust our response plans accordingly. ENMAX continues to engage closely with Calgary Emergency Management Agency (CEMA) partners to maintain alignment and coordinate responses with these valuable partners. We also review our flood action plan annually.

DROUGHT

Since access to water is essential for several key power generation processes, prolonged drought events could impact our ability to effectively operate our facilities. Although our areas of operation are characterized as low-to-medium baseline water stress¹, our continued aim is to reduce our freshwater use and optimize water use at our operated facilities. We minimize our freshwater use through water recycling and treatment processes and by using 100 per cent reclaimed water at our Shepard Energy Centre. Read more on [page 27](#).

EXTREME WEATHER EVENTS

Our operations control centre proactively monitors and prepares for a variety of weather events that Environment Canada identifies as a "Watch" or "Warning" such as strong winds, heavy rain, severe hail, tornadoes and heavy snowfalls. We categorize any event using the Incident Command System's incident level definitions (1, 2 and 3) and escalate our communications and response accordingly.

The ENMAX group of companies operates in two distinct geographical regions with different types and levels of climate-related physical risks.

STORY

PREPARING FOR EXTREME WEATHER EVENTS

To prepare for emergencies, we hold seven to eight emergency response exercises each year, with several focused on weather-related incidents. We also join CEMA to participate in exercises they host.

In 2021, we held three tabletop exercises—two floods and one large snowstorm—involving representatives from field services, senior leadership, communications and system operations. Read more on [page 26](#).

Our key climate-related physical risks in Maine include:

TREE AND VEGETATION MANAGEMENT

On average at Versant Power, two out of three power outages are caused by trees. The trees in Maine can typically grow 25 to 30 metres tall, while the average power pole reaches 10 to 14 metres, meaning trees can easily fall on powerlines. This is why each year Versant Power covers more than 3,000 kilometres trimming trees and working with landowners to remove trees identified as threats to the reliability of the system. To proactively address the issue, about 10 per cent of the operational budget is spent on vegetation management.

EXTREME WEATHER EVENTS

With storms becoming more frequent and severe, extreme weather events pose a key physical risk to the system. These weather events can include heavy winds, rain, ice and heavy snowfalls, and can make the risks of tree falls even greater. Our reliability program includes replacing aging assets, covering conductors and completing a wide range of inspections to inform our maintenance plans. Read more on [page 22](#).

¹ Using the World Resources Institute's Aqueduct™ Water Risk Atlas, <https://www.wri.org/aqueduct>.

Transition-related risks and opportunities

The electricity sector, as a key player in a lower-carbon future, is experiencing rapid transformation as it responds to the opportunity of electrification, enables growth in distributed forms of renewable energy, and embraces lower carbon sources of energy as part of the energy transition. Advancements in transportation electrification, energy storage and energy efficiency are accelerating this transition, and organizations like ENMAX have a critical role to play in supporting customers and enabling opportunity throughout this transition.

Transition-related risks and opportunities include regulatory, market and technological changes that result from the energy transition and might impact our company. Some of these changes present both a risk and opportunity for our organization.

A component that makes ENMAX more resilient to these changes is that our power generation portfolio is composed entirely of wind power and natural gas fuelled generation. There is still uncertainty about the pace and detailed implementation of some of the regulatory and policy changes we are mentioning.

At ENMAX, we support a measured approach to the energy transition that maintains continued system reliability and takes into account affordability for customers. We believe that federal and/or provincial funding can support environmental goals while keeping customers' needs in mind.

TREND OR EVENT	WHAT IS THE RISK?	WHAT IS THE OPPORTUNITY?	WHAT IS ENMAX DOING TO MITIGATE THE RISK? OR TO TAKE ADVANTAGE OF THE OPPORTUNITY?
REGULATORY			
Current GHG Regulation We expect GHG regulation to become more restrictive over time. Our power generation facilities could experience higher annual operating costs due to changes in GHG pricing and regulations, such as carbon pricing, and/or other policy changes.	There is some uncertainty in Alberta after 2022, since the current regulation (TIER) is considered equivalent to the federal regulation until 2022. The Federal Direction, outlined in a Healthy Environment and a Healthy Economy is that the carbon tax will reach \$170/tonne of CO ₂ by 2030. This will increase carbon compliance costs and wholesale power prices.	Increases in carbon costs will have consumers seek options for electrification which will result in an increase in electricity demand and the need for more investment in the distribution system.	We have set a target to reach net-zero scope 1 and scope 2 emissions, with an interim target of 70% reduction by 2030 from 2015 levels. Working towards those targets, we are currently evaluating: - Carbon Capture, Utilization, and Storage (CCUS) - Utility-scale renewables - Batteries - Hydrogen - Investing in grid resiliency
Canada's Commitment to Net Zero by 2050 The Canadian Net-Zero Emissions Accountability Act became law in 2021 and is supported by Canada's 2030 Emissions Reduction Plans, published in March 2022.	The main risk is a limit on production of fossil fuels. This can have a secondary impact of reducing industrial electricity demand, which could impact ENMAX.	Any potential reduction in industrial electricity demand is likely to be offset by increases in residential electricity demand as electrification becomes a substitute for fossil fuels in different applications (e.g., passenger vehicles, residential heating).	
Net-Zero Electricity by 2035 As part of Canada's commitment to net-zero emissions, the Federal Government announced its intention for the electricity sector to reach that goal much earlier (by 2035).	This could have a significant impact on ENMAX generation facilities unless CCUS funding is made available that is sufficient to have CCUS installed at our natural gas power generation facilities. This could, in turn, increase rates.	As part of this plan, Canada announced a plan to deploy \$5 billion to advance clean power generation, transmission and storage across Canada. If regulatory support is sufficient, it would support the acceleration of progress towards our target.	

TREND OR EVENT	WHAT IS THE RISK?	WHAT IS THE OPPORTUNITY?	WHAT IS ENMAX DOING TO MITIGATE THE RISK? OR TO TAKE ADVANTAGE OF THE OPPORTUNITY?
REGULATORY CONT'D			
Clean Fuel Regulation The Clean Fuel Regulation requires liquid fossil fuel primary suppliers (i.e., producers and importers) to reduce the carbon intensity of their liquid fossil fuels used in Canada from 2016 levels.	The main risk is a limit on production of fossil fuels. This can have a secondary impact of reducing industrial electricity demand, which could impact ENMAX.	This regulation will increase the costs of gasoline and diesel to Alberta users, which may accelerate the move to electric vehicles. This can result in an increase in electricity demand and the need for more investment in the distribution system.	ENMAX is taking steps to quantify the impacts of EV adoption on the grid (read more about our Charge Up pilot) but we believe we are well positioned to support an increase in electricity demand related to electrification of transportation.
Regulatory Support for Hydrogen In 2020, Canada published a Hydrogen Strategy to position Canada as a world-leading producer, user and exporter of clean hydrogen, and to set the country on a path to meet its climate goals.	If the support is not equally applied, the risk might be an uneven benefit to existing or new generation facilities that can be located closer to hydrogen production facilities, which may pose a disadvantage for ENMAX.	This may create financial incentives to replace natural gas with hydrogen (partially or fully) at some of our generation facilities. Our retail natural gas business would have to adapt to the changing landscape and look for opportunities to supply hydrogen services as a substitute.	We are working with equipment manufacturers to study the feasibility of using hydrogen fuel at one of our facilities. Read more
MARKET			
Natural Gas Pricing Market changes will likely result in highly volatile natural gas prices.	Increases in natural gas prices result in an increase to our electricity generation costs. This can impact our electricity and natural gas customers.	As prices are seen as more volatile, the retail contract offering can appeal to customers. By having more electricity volumes under contract, ENMAX can more effectively manage our generation portfolio, load and GHG compliance obligations.	To reduce the risk, we have a hedging program on the power generation side that allows us to manage commodity risk exposures within levels approved by the Board and the President and CEO. Read more about how we are helping vulnerable customers on page 44.
Increases In Renewables Coming On-Stream Renewable power generation (such as wind and solar) is increasing in the province.	An influx of renewable power generation sources coming on-stream could impact the reliability of the grid due to their intermittent nature and will require more electricity transmission infrastructure, which may add costs to customer bills.	More renewable power generation lowers the emissions intensity of the grid overall and offers ENMAX new investment opportunities in emissions-free generation. More renewables may also increase the availability of offsets to be used as compliance tools in achieving our net-zero target.	We plan to invest \$60 million with the specific goal to enable a more resilient grid by 2030 while maintaining our reliability levels. Read more on page 5 .
Increased Demand For Electricity Beneficial electrification, defined as replacing direct fossil fuel use with electricity in a way that reduces overall emissions, is expected to be a driver for increased electricity demand.	As owners and operators of transmission and distribution assets, risks are related to the investments required to support the transmission and distribution of increased load and generation.	This presents a significant opportunity for our power generation and utility sides of the business.	ENMAX is well positioned to support an increase in electricity demand.
Electric Vehicle Adoption In 2019, sales of electric vehicles (EVs) topped 2.1 million globally, which is a 40 per cent year-on-year increase.	As owners and operators of transmission and distribution assets, risks are related to the investments required to support the transmission and distribution of increased load and generation.	The federal government has announced that more than 50 per cent of all new passenger vehicles sold in Canada will be net-zero vehicles by 2035 . The expected pace of EV adoption and the fact that charging will likely be done at home or work is expected to increase electricity demand for utilities like ours.	We are currently undertaking pilot projects, both in our own mobile fleet and for customers, to better understand the impact of this opportunity on the grid.

TREND OR EVENT	WHAT IS THE RISK?	WHAT IS THE OPPORTUNITY?	WHAT IS ENMAX DOING TO MITIGATE THE RISK? OR TO TAKE ADVANTAGE OF THE OPPORTUNITY?
MARKET CONT'D			
Geopolitical Events Conflict between countries can impact global trade and markets and create supply chain disruptions.	Sourcing materials from countries that are impacted by geopolitical events carries the risk of longer delivery times, increased prices, and lack of availability. Lack of availability from preferred suppliers could result in sourcing less sustainable materials and supplies.	Developing alternate supply plans which may more closely align with sustainable procurement practices.	ENMAX has engaged a third-party consultant to support the development of a Sustainable Procurement Strategy and associated actions. This strategy will be considered when sourcing alternate supply caused by geopolitical risks.
TECHNOLOGY			
Advancement in Battery Technology Energy storage will play a larger role in the future as costs for battery storage technologies decline.	Energy storage technology is still in early stages of development (scale and cost challenges) and therefore does not pose a significant risk to our company.	Energy storage can create an opportunity to supplement our portfolio.	We have installed a battery storage system at Crossfield Energy Centre, which turned the facility's existing natural gas turbine into a hybrid electric gas turbine. Read more
Advancement in Other Technologies (Hydrogen, carbon capture technology, advanced metering)	Technology-related risks are related to the timing of investment. Early investment can lead to increased cost. Delayed investment can lead to missed opportunities.	Advancements in technology present great opportunities for us to meet our net-zero target.	We initiated a feasibility study to use hydrogen at one of our facilities. We are also evaluating CCUS feasibility at one of our sites. We support several technology developments, such as: <ul style="list-style-type: none"> - Two-way power flow - Electric mobile fleet - Advanced metering - Alberta Carbon Conversion Technology Centre Provincial and federal funding can accelerate technology advancements. These advancements reduce technology costs over time and help to maintain energy affordability for customers.
REPUTATION			
Perception Around Fossil Fuel Electricity Generation Increased awareness and societal or investor activism around fossil fuels.	Customer perceptions of fossil fuels are increasing pressure on companies to reduce emissions.	ENMAX has a strong history of continual improvement in emissions reduction and will continue to seek cost-effective ways to reach environmental goals.	We have set a target to reach net-zero scope 1 and scope 2 emissions, with an interim target of 70 per cent reduction from 2015 levels. Read more

Climate-related scenarios

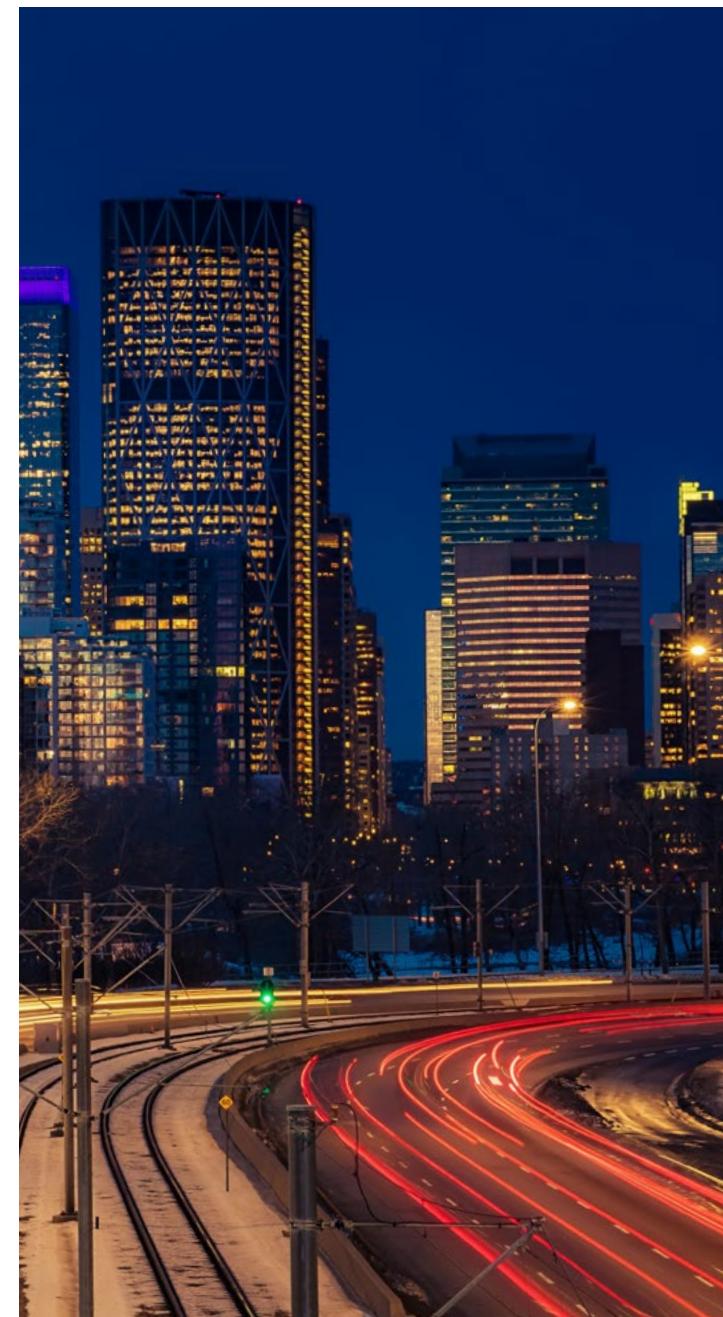
In 2022, we started a preliminary multi-year scenario analysis exercise to examine how the changes described in different transition scenarios could impact our company. As a first step, we looked at transition scenarios since they present the most relevant risks and opportunities to ENMAX in the short- to medium-term.

We began by developing models to assess our resiliency and test our strategy against a range of future possible climate-related policy and market conditions. This work can inform our business planning and enable the incorporation of important climate-related risks into our decision making. The first elements from our scenario analysis to be integrated into our business plan are carbon price, commodity price and policy application. To inform our analysis, we leveraged the energy demand assumptions in the International Energy Agency's (IEA) Stated Policies Scenario (STEPS) and the Net Zero Emissions by 2050 Scenario (NZE). Carbon pricing and future electricity demand were incorporated from scenarios within Canada's Energy Future 2021 (developed by the Canadian Energy Regulator).

We focused some of our discussions on the NZE since it is the most aggressive scenario and provides suggestions for the energy sector to achieve societal goals. It is important to note that the NZE is a normative scenario, which means it answers the question, 'what would need to happen so that the energy sector can achieve net-zero emissions by 2050?' and it does not consider our starting point today. We are encouraged by our learnings from this scenario.

The NZE requires growth in clean energy technology including renewables, electric vehicles (EVs), battery storage, hydrogen-based fuels and energy efficiency. As these technologies advance, development costs will decrease. Fossil fuel use will decrease and remaining natural gas assets used for power generation will be combined with emissions reduction initiatives such as Carbon Capture, Utilization and Storage (CCUS). Energy demand will increase with growth in electrification and population growth but will be partially offset by energy efficiency improvements. The NZE assumes electricity generation will reach net-zero emissions globally by 2040. Sales of new internal combustion engine passenger cars will end by 2035. Carbon pricing or similar policy instruments will be implemented by most countries globally.

Ongoing scenario analysis will enable ENMAX to assess energy transition-related risks and ensure our business strategy evolves to mitigate these risks and take advantage of opportunities. We plan to continue expanding and improving our scenario analysis to better inform how our Enterprise Risk Management (ERM) program addresses climate-related risks, and to support strategic action on climate change.



Metrics and targets

We currently focus on our GHG emissions as our main climate-related risk but continue to incorporate our understanding of other climate-related risks and opportunities into the refinement of our ESG targets.

CLIMATE-RELATED TARGETS

As a milestone towards achieving our net zero by 2050 vision, reduce or offset 70% of our scope 1 and scope 2 GHG emissions by 2030 from a 2015 baseline.

Offset 100% of our building GHG emissions (scope 1 and scope 2) from 2021 onwards.

Electrify 35% of our mobile fleet by 2025 towards our aspirational goal of electrifying 100% of our mobile fleet by 2030.

ENMAX Power plans to invest \$60 million to enable a more resilient grid by 2030 while maintaining our reliability levels.

The table below summarizes our targets that relate to reducing transition risks or physical risks (e.g., water scarcity) and how we are taking advantage of transition-related opportunities.

BENEFITS

- Reduces carbon regulation exposure.
- Aligns with City of Calgary and Canada commitments.
- Supports our larger net-zero target and aligns with our values.
- Supports renewable energy development.
- Promotes advancements in medium-duty and heavy-duty mobile fleet electrification.
- Enables learnings about mobile fleet electrification.
- Promotes reduced GHG emissions and longer asset lifecycles.
- Reduces overall mobile fleet operating expenses.
- Enhances reliability of the grid to extreme weather events.
- Supports grid flexibility to adapt to changing customer needs.

ENMAX has been publicly disclosing its scope 1 and 2 GHG emissions since 2009. Below is our performance for the last five years. Read more about our GHG reduction initiatives on [page 16](#).

GHG EMISSIONS (kilotonnes CO ₂ e)	2017	2018	2019	2020	2021
EQUITY SHARE					
Scope 1 emissions	2,510	2,880	2,899	2,975	3,125
Scope 2 emissions	18	15	14	25	24
OPERATIONAL CONTROL					
Scope 1 emissions	2,707	3,262	3,362	3,475	3,451
Scope 2 emissions	17	13	13	21	21



Appendices

IN THIS SECTION...

Performance tables	72
SASB index	77
GRI index	79
Forward-looking information advisory	81

Performance table

NA = not applicable
NR = not reported

OPERATIONS	UNIT	2017	2018	2019	2020	2021
ELECTRIC UTILITY						
Number of customers served	number	655,491	667,700	674,800	690,861	711,233
Electricity sold to customers in Alberta	GWh	19,977	19,668	19,250	17,891	15,509
Electricity delivered in Calgary service area	GWh	9,500	9,520	9,332	9,050	9,186
POWER GENERATION						
Generation capacity, equity based	MW	1,614	1,506	1,506	1,509	1,512
Net energy output (electricity generated), equity based	MWh	7,075,048	7,869,096	7,889,814	8,372,680	8,505,430
Natural gas	MWh	6,441,223	7,256,454	7,309,027	7,636,598	7,857,367
Wind	MWh	633,825	604,230	570,769	713,197	640,238
District Energy ¹	MWh	NR	8,412	10,018	22,885	7,825
TRANSMISSION AND DISTRIBUTION						
Total km wire in Calgary	km	9,596	9,751	9,908	9,694	9,891
Number of distribution transformers	number	52,644	53,540	54,258	54,754	58,541
Number of utility poles	number	61,699	61,413	61,408	65,054	65,299
ENVIRONMENT						
GHG EMISSIONS (EQUITY) ²	UNIT	2017	2018	2019	2020	2021
Scope 1 emissions	kilotonnes CO ₂ e	2,510	2,880	2,899	2,975	3,125
Scope 2 emissions	kilotonnes CO ₂ e	18	15	14	25	24
Total GHG emissions	kilotonnes CO ₂ e	2,528	2,895	2,913	3,000	3,134
GHG emissions intensity (scope 1 only)	tCO ₂ e/MWh	0.39	0.39	0.39	0.39	0.37
GHG EMISSIONS (OPERATIONAL CONTROL) ³	UNIT	2017	2018	2019	2020	2021
Scope 1 emissions	kilotonnes CO ₂ e	2,707	3,262	3,362	3,475	3,451
Scope 2 emissions	kilotonnes CO ₂ e	17	13	13	21	21
GHG emissions intensity (scope 1 only)	tCO ₂ e/MWh	0.37	0.38	0.38	0.37	0.37

Notes:

¹ ENMAX completed the sale of its District Energy Centre facility in May 2021.

² We report GHG emissions based on financial ownership (equity) which means we include ENMAX's proportional share of the emissions from our Shepard Energy Centre, 50 per cent from our Balzac facility, and GHG emissions associated with structured power agreements such as Energy Service Agreements in which ENMAX is responsible for carbon compliance obligations. Following this principle, our 2015 baseline includes GHG emissions related to our Power Purchase Agreements (PPAs). Our GHG emissions from 2017-2020 have been restated since the publication of our 2020 ESG report to account for changes in methodology. The changes represent less than 1 per cent of our total GHG emissions.

³ To allow comparability with historical information, we also provide GHG emissions under operational control which means 100 per cent of GHG emissions from facilities which we operate regardless of financial ownership.

ENVIRONMENT CONT'D	UNIT	2017	2018	2019	2020	2021
Scope 1 GHG emissions by source (ENMAX Energy only)						
Natural gas combustion	tonnes CO ₂ e	2,698,771	3,254,004	3,352,027	3,452,622	3,427,566
Fugitive	tonnes CO ₂ e	510	887	1,336	818	590
Fleet ⁴	tonnes CO ₂ e	74	50	153	25	-
SF ₆	tonnes CO ₂ e	0	0	0	0	0
Flaring	tonnes CO ₂ e	NR	NR	NR	NR	NR
Other	tonnes CO ₂ e	0	0	0	0	0
ENERGY TRANSITION						
Scope 1 GHG emissions covered under emissions-limiting regulations ⁵	per cent	NR	NR	NR	100%	100%
Scope 1 GHG emissions covered under emissions-reporting regulations	per cent	NR	NR	NR	100%	100%
GRID RESILIENCY						
Investment in Calgary's Transmission and Distribution (T&D) System and other assets	\$ million	290	228	305	259	253
RELIABILITY AND AVAILABILITY						
System Average Interruption Duration Index (SAIDI)	hours	0.47	0.54	0.42	0.47	0.53
System Average Interruption Frequency Index (SAIFI)	# interruptions per customer	0.64	0.80	0.72	0.54	0.62
Average generation plant availability factor	per cent	95.3	93.4	93.3	98.7	91.9
AIR QUALITY⁶						
NOx intensity	kg/MWh	0.26	0.23	0.25	0.27	0.24
NOx (excluding N ₂ O)	tonnes	1,203	1,657	1,612	1,926	2,102
Particulate matter (PM ₁₀)	tonnes	25	14	15	15	12
SOx	tonnes	13	16	16	17	13
NOx in or near areas of dense population	tonnes	933	1,253	1,231	1,312	1,637
PM ₁₀ in or near areas of dense population	tonnes	11	13	13	14	10
SOx in or near areas of dense population	tonnes	12	15	15	15	10

Notes:

⁴ Beginning in 2021, fleet related emissions (that in previous years were included under ENMAX Energy) are included in corporate scope 1 emissions.

⁵ Emissions-limiting regulations include carbon tax.

⁶ Air quality data is limited to air emissions from power generation facilities.

ENVIRONMENT CONT'D	UNIT	2017	2018	2019	2020	2021
WATER MANAGEMENT						
Water consumption intensity ⁷						
Water consumption intensity ⁷	m³/MWh	0.71	0.70	0.69	0.69	0.67
Water consumption ⁸	million m³	5.24	6.06	6.18	6.57	6.14
Total water withdrawn	million m³	7.12	7.51	7.61	8.11	7.66
Fresh	million m³	1.50	1.97	2.09	2.10	2.28
Non-potable (reclaimed)	million m³	5.62	5.54	5.52	6.00	5.37
Total water discharged	million m³	1.84	1.41	1.40	1.53	1.49
SPILLS⁹						
Significant spills, number	number	0	0	1	2	3
Significant spills, volume	litres	0	0	552	2,516	2,177
SOCIAL						
EMPLOYEE AND CONTRACTOR SAFETY						
Total recordable incident rate (TRIR)	injuries per 200,000 hours worked	1.00	0.71	0.94	0.34	0.74
Lost time injury frequency	injuries per 200,000 hours worked	0.27	0.13	0.20	0.07	0.45
Fatalities	number	0	0	0	0	0
Near misses — serious	number	10	8	6	1	12
PUBLIC SAFETY						
Number of public injuries	number	0	0	0	0	0
Number of public fatalities	number	0	0	0	0	0
EMPLOYEES						
Total number of employees	number	1,801	1,744	1,797	1,692	1,651
Employee turnover rate	per cent	7%	12%	8%	9%	11%
TRAINING AND DEVELOPMENT						
Average hours of training per year per participant (excludes mandatory)	hours	11	19	12	8	11

Notes:

⁷ Our water consumption intensity is calculated using our net output MWh, operational basis.

⁸ Historical numbers (2017-2020) have been restated since our 2020 report.

⁹ All significant spills are spills of more than 500 litres in alignment with industry standards (including EC) for sustainability reporting. At ENMAX all releases to the environment are reported to our Environment personnel, who report to Alberta Environment and Parks (AEP) any release in excess of one gram of Polychlorinated Biphenyl (PCB) concentration from in-service equipment or two parts per million or greater of PCB from stored equipment, any release that has the potential to cause an adverse effect, or any release that has the potential to contravene an AEP facility operating approval.

SOCIAL CONT'D	UNIT	2017	2018	2019	2020	2021
DIVERSITY AND INCLUSION						
Employees who completed respect in the workplace training						
	number	250	1,750	1,859	1,793	1,684
Total number of incidents of discrimination reported ¹⁰	number	1	0	0	0	1
Women at various levels						
Board	per cent	40%	38%	38%	33%	36%
Sr. Mgmt (Senior VP and above)	per cent	60%	50%	67%	50%	50%
Total Workforce	per cent	34%	33%	35%	35%	35%
UNIONS						
Employees covered by a collective bargaining agreement	per cent	63	62	61	62	63
ENERGY AFFORDABILITY						
Number of customer electric disconnections and load limiter installations for nonpayment or vacancies ¹¹	number	22,671	19,841	14,903	6,006	14,018
Customers reconnected ¹²	number	NR	NR	NR	3,869	11,540
COMMUNITY INVESTMENT						
Community investment	million \$	3.6	3.8	3.5	2.8	3.3
GOVERNANCE						
CUSTOMER SATISFACTION						
Customer satisfaction	out of 100%	82%	86%	86%	90%	87%
ANTI-CORRUPTION AND ANTI-COMPETITION						
Number of legal cases regarding corrupt practices	number	0	0	0	0	0
Number of significant legal actions for anti-competitive, anti-trust behaviour	number	0	0	0	0	0
PHYSICAL AND CYBERSECURITY						
Number of phishing tests conducted	number	NR	4	8	14	11
Employees who received cybersecurity training	number	1,451	1,747	1,856	1,792	1,832

Notes:

¹⁰ One incident was reported in 2021, however, during the information gathering stage, the complaint was withdrawn.

¹¹ Disconnection data includes both disconnections and load limiter installations.

2020 disconnections are lower than previous years due to ENMAX halting disconnection activities for most of the year due to the deferral program related to the COVID-19 pandemic.

The 2020 number has been restated since the publication of our 2020 report.

The number of customer electric disconnects for nonpayment or vacancies includes residential and small business customers.

¹² Total reconnections, not necessarily within 30 days.

Reconnections may not happen due to extended vacancies or customer changes in provider.

Performance table – Versant Power

NA = not applicable
NR = not reported

COMPANY CONTEXT	UNIT	2020	2021
ELECTRIC UTILITY			
Number of customers served	number	166,236	162,000
Electricity sold to customers	GWh	1,938	1,975
Electricity delivered	GWh	2,103	2,165
TRANSMISSION AND DISTRIBUTION			
Total km wires	km	12,021	12,022
Number of distribution transformers	number	68,000	68,000
ENVIRONMENT			
GHG EMISSIONS			
Scope 1 emissions	tonnes CO ₂ e	NA	NA
Scope 2 emissions	tonnes CO ₂ e	NA	NA
SPILLS			
Significant spills, number	number	0	0
Significant spills, volume	litres	0	0
RELIABILITY			
System Average Interruption Duration Index (SAIDI)	hours	5.03	3.63
System Average Interruption Frequency Index (SAIFI)	number of interruptions per customer	2.27	1.97
Customer Average Interruption Duration Index (CAIDI), inclusive of major event days	hours	2.21	1.84

SOCIAL	UNIT	2020	2021
ENERGY AFFORDABILITY			
Number of residential customer electric disconnections for nonpayment	number	65	1,292
Number of residential customer electric disconnections reconnected	number	6	962
EMPLOYEES			
Total number of employees	number	433	454
Number of employees covered by collective bargaining agreements	number	55%	51%
EMPLOYEE AND CONTRACTOR SAFETY			
Proactive Incident Report (PAIR) Rate	proactive measures per 200,000 hours worked	867	1,020
Total recordable incident rate (TRIR)	injuries per 200,000 hours worked	0.94	0.67
Lost time injury frequency rate	injuries per 200,000 hours worked	0.00	0.00
Fatalities	number	0	0
High potential near misses	number	0	3
DIVERSITY AND INCLUSION			
Women in the workforce	per cent	NR	31
COMMUNITIES			
Community investment	USD \$	NR	462,189
Volunteered hours	hours	600	298

SASB index

Below are the metrics and references to qualitative descriptions in this report that align with the Sustainability Accounting Standards Board standard for electric utilities and power generators. The Sustainability Accounting Standards Board is a non-profit organization with the goal of enabling businesses around the world to identify, manage and communicate financially-material sustainability information to their shareholders and providers of capital. This excludes Versant Power.

SASB INDEX	SASB SUGGESTED DISCLOSURES	2021 DATA
GHG GAS EMISSIONS & ENERGY RESOURCE PLANNING ELECTRIC UTILITY		
IF-EU-110a.1	Gross global scope 1 emissions (operational control) [tonnes CO ₂ e]	3,450,567
IF-EU-110a.1	Gross global scope 1 emissions (equity) [tonnes CO ₂ e]	3,125,467
IF-EU-110a.1	Percentage of scope 1 emissions covered under emissions-limiting regulations	100%
IF-EU-110a.1	Percentage of scope 1 emissions covered under emissions-reporting regulations	100%
IF-EU-110a.2	Greenhouse gas (GHG) emissions associated with power deliveries	not reported
IF-EU-110a.3	Discussion of long-term and short-term strategy or plan to manage scope 1 emissions, emissions reduction targets, and performance against targets	pages 5-6, 16-20, 66, 70
IF-EU-110a.4	(1) Number of customers served in markets subject to renewable portfolio standards (RPS) and (2) percentage fulfillment of RPS target by market	not applicable
AIR QUALITY		
IF-EU-120a.1	NOx (excluding N ₂ O) [tonnes]	2,102
IF-EU-120a.1	SOx [tonnes]	13
IF-EU-120a.1	Particulate matter (PM ₁₀) [tonnes]	12
IF-EU-120a.1	Lead (Pb)	not applicable
IF-EU-120a.1	Mercury (Hg)	not applicable
IF-EU-120a.1	Per cent of NOx in or near areas of dense population	78%
IF-EU-120a.1	Per cent of SOx in or near areas of dense population	77%
IF-EU-120a.1	Particulate matter (PM ₁₀) in or near areas of dense population	83%

SASB INDEX	SASB SUGGESTED DISCLOSURES	2021 DATA
WATER MANAGEMENT		
F-EU-140a.1 Total water withdrawn (fresh and non-fresh) [million m ³]		
F-EU-140a.1	Total water withdrawn (fresh and non-fresh) [million m ³]	7,66
F-EU-140a.1	Percentage of water withdrawn that is fresh	30%
F-EU-140a.1	Total water consumed [million m ³]	6,14
F-EU-140a.1	Percentage of water withdrawn and consumer in regions with High or Extremely High Baseline Water Stress	not reported
IF-EU-140a.2	Number of incidents of non-compliance associated with water quantity and/or quality permits, standards, and regulations	not reported
IF-EU-140a.3	Description of water management risks and discussion of strategies and practices to mitigate those risks	page 27
COAL ASH MANAGEMENT		
IF-EU-150a.1	Amount of coal combustion residuals (CCR) generated, percentage recycled	not applicable
IF-EU-150a.2	Total number of coal combustion residual (CCR) impoundments, broken down by hazard potential classification and structural integrity assessment	not applicable
ENERGY AFFORDABILITY		
IF-EU-240a.1	Average retail electric rate for (1) residential, (2) commercial, and (3) industrial customers	not reported
IF-EU-240a.2	Discussion of engagement processes to manage risks and opportunities associated with community interests	pages 50-51
IF-EU-240a.3	Number of residential customer electric disconnections for nonpayment	14,018¹¹
IF-EU-240a.3	Percentage of customers reconnected (not necessarily within 30 days)	82%
IF-EU-240a.4	Discussion of impact of external factors on customer affordability of electricity, including the economic conditions of the service territory	pages 11, 44-49

SASB INDEX	SASB SUGGESTED DISCLOSURES	2021 DATA
WORKFORCE HEALTH & SAFETY		
IF-EU-320a.1 Total recordable incident rate (TRIR)		
IF-EU-320a.1	Total recordable incident rate (TRIR)	0.74
IF-EU-320a.1	Fatalities	0
IF-EU-320a.1	Near misses (serious)	12
END-USE EFFICIENCY & DEMAND		
IF-EU-420a.1	Percentage of electric utility revenues from rate structures that (1) are decoupled and (2) contain a lost revenue adjustment mechanism (LRAM)	not applicable
IF-EU-420a.2	Percentage of electric load served by smart grid technology	not reported
IF-EU-420a.3	Customer electricity savings from efficiency measures, by market	not reported
NUCLEAR SAFETY & ENERGY MANAGEMENT		
IF-EU-540a.1	Total number of nuclear power units, broken down by U.S. Nuclear Regulatory Commission (NRC) Action Matrix Column	not applicable
IF-EU-540a.2	Description of efforts to manage nuclear safety and emergency preparedness	not applicable
GRID RESILIENCY		
IF-EU-550a.1	Number of incidents of non-compliance with physical standards or regulations	not reported
IF-EU-550a.1	Number of incidents of non-compliance with cybersecurity standards or regulations	not reported
IF-EU-550a.2	System Average Interruption Duration Index (SAIDI) [hours]	0.53
IF-EU-550a.2	System Average Interruption Frequency Index (SAIFI) [number of interruptions per customer]	0.62
IF-EU-550a.2	Customer Average Interruption Duration Index (CAIDI), inclusive of major event days	not reported

GRI index

This report references the GRI Standards but has not fulfilled all the requirements to be "in accordance". The index below lists key performance indicators and qualitative disclosures as suggested by the GRI Standards. We provide information related to our management approach for each of our material topics in the body of this report.

Notes:

¹ Although ENMAX has not formally adopted the precautionary principle, our consistent implementation of safety and environmental standards demonstrates a commitment to proactively identify and prevent or mitigate negative impacts.

² When noted, data excludes Versant Power or is provided separately.

GENERAL DISCLOSURES	PAGE
102-1 Company name	<u>10</u>
102-2 Primary brands, products, and services	<u>10-11</u>
102-3 Headquarters	<u>10</u>
102-4 Locations	<u>12</u>
102-5 Legal form	<u>53</u>
102-6 Markets served	<u>11-12</u>
102-7 Scale of the company	<u>11-12</u>
102-8 Employee numbers	<u>76</u>
102-10 Changes to company or supply chain	<u>Annual Report</u>
102-11 Precautionary principle or approach	<u>Note 1</u>
102-14 CEO message	<u>3</u>
102-16 Values, principles, and norms of behaviours	<u>10, 54</u>
102-18 Governance structure, board committees	<u>55</u>
102-40 List of stakeholder groups	<u>50</u>
102-41 Collective bargaining agreements	<u>43</u>
102-43 Approach to stakeholder engagement	<u>50-51</u>
102-45 Does this report reflect the same entities included in financial statements?	<u>Note 2</u>
102-46 Process to determine report content	<u>14</u>
102-47 Material topics and their boundaries	<u>14</u>
102-48 Restatement of information from previous reports	<u>72</u>
102-49 Changes in reporting	<u>13</u>
102-50 Reporting period	<u>13</u>
102-51 Most recent sustainability/ESG report	<u>2020 ESG report</u>

GENERAL DISCLOSURES CONT'D

		PAGE
102-52	Reporting cycle	Annual
102-54	Claims of reporting according to GRI	In reference, <u>79</u>
102-55	GRI content index	<u>79</u>
102-56	External assurance	No external assurance, <u>13</u>

TOPIC-SPECIFIC DISCLOSURES

		PAGE
GOVERNANCE		
103	Ethics and compliance, management approach	<u>54</u>
205-2	Communication and training about ethics/anti-corruption policies and procedures	<u>54</u>
ENVIRONMENT		
103	GHG emissions, management approach	<u>16-20</u>
103	Air emissions, management approach	<u>28</u>
103	Water, management approach	<u>27</u>
303-2	Management of water discharge-related impacts	<u>27</u>
303-3	Water withdrawal, by source	<u>27, 74</u>
303-5	Water consumption	<u>27, 74</u>
305-1	Direct (scope 1) GHG emissions	<u>72-73</u>
305-2	Energy indirect (scope 2) GHG emissions	<u>72</u>
305-4	GHG emissions intensity	<u>72</u>
305-7	Nitrogen oxides (NOx), sulfur oxides (SOx), and other significant air emissions	<u>28, 73</u>
306-3	Significant spills	<u>74</u>

TOPIC-SPECIFIC DISCLOSURES CONT'D

		PAGE
SOCIAL		
103	Occupational safety, management approach	<u>32-35</u>
401-1	New employee hires and employee turnover	<u>74</u>
403-1	Occupational health and safety management system	<u>32-35</u>
403-9	Work-related injury rates and fatalities	<u>33, 74</u>
403-6	Promotion of worker health	<u>39</u>
404-2	Programs for upgrading employee skills/transition assistance	<u>41-42</u>
415-1	Diversity of governance bodies and employees	<u>37-40, 53</u>

Forward-looking information advisory

This report contains certain forward-looking statements and forward-looking information (collectively referred to as "forward-looking information") about our current intentions, expectations, estimates and projections about the future, as well as targets that we have set for future business conditions, in each case based on certain assumptions made by us in light of our experience and perception of historical trends. Forward-looking information in this report is identified by words such as "aim", "ambition", "anticipate", "believe", "can", "committed", "confident", "continue", "develop", "enhance", "ensure", "estimate", "expect", "focus", "goal", "improve", "increase", "integrating", "invest", "maintain", "plan", "potential", "priority", "reduce", "remain", "strategy", "strive", "target", "vision" and "will", or similar words or expressions and includes suggestions of future outcomes. Although ENMAX believes that the expectations represented by such forward-looking information are reasonable, there is no assurance that events will occur in accordance with such expectations. Readers are cautioned not to place undue reliance on forward-looking information as actual results may differ materially from those expressed or implied.

Forward-looking information in this report includes, but is not limited to, statements about: our vision for reducing GHG emissions to net zero scope 1 and scope 2 GHG emissions by 2050 and our targets in implementing this vision; our plans to reduce or offset GHG emissions by 2030 from a 2015 baseline and our strategies to achieve that, including electrifying a portion of our mobile fleet by 2030; our plans to develop an action plan for GHG-emitting facilities; options that we are considering to enhance ESG performance through new technologies; our vision for improving reliability and innovation and our target in implementing this vision; our plans for employees to complete inclusiveness training in 2022; our plans regarding assessing customer practices in 2022; our goal to deliver 1,000 energy saving kits to Albertans by the end of 2022; our goal to conduct four pilot projects for energy access and affordability by 2025; plans to perform an upgrade and maintenance event at the Calgary Energy Centre; plans to implement a medium-duty mobile fleet electrification pilot project, including the anticipated phases leading to completion; plans for the installation of solar generating facilities and the use of two-way power flow on our secondary systems; our plans to invest \$60 million in innovation by 2030; the expected impacts of the energy transition arising from current energy trends; expectations regarding future federal, state and provincial government regulatory programs, including changes in carbon pricing and GHG regulations; our efforts to improve our culture of safety; our plans to track safety metrics across the organization in 2022; our plans to bring all areas of the business under one unified contractor management program in 2022;

our plans to complete a vendor assessment of our human resources policies by 2023; Versant Power's plans to develop and implement an action plan to address results of its engagement survey; Versant Power's plans to start the implementation of ISNetworld with the support of ENMAX; our plans to integrate Versant Power's data with ENMAX's; and expectations regarding information to be included in future ESG reports.

This forward-looking information is based on certain assumptions, including: that ENMAX will have the financial, human and other resources available to carry out its plans and meet its targets; that laws and regulations will not change in a material way in a manner that requires significant changes to our plans or required changes in our targets; that general economic conditions will not change materially; that technological changes will not occur in a material way that affects our abilities to carry out our plans and meet our targets; that our relationship with our shareholder, our employees and applicable unions, our communities and other stakeholders do not vary significantly in the future in a manner that requires significant changes to our plans or targets or the ability to meet our GHG reduction and other ESG targets; that unexpected external events will not occur that affects the business generally and our plans and strategies; and other assumptions as to the businesses of ENMAX generally, and of Versant Power, not changing materially in the foreseeable future.

There are risk factors and uncertainties that could cause our actual results to differ materially from those set forth in the forward-looking information contained herein. These include risks to ENMAX meeting our 2030 and 2050 climate and GHG emissions reductions targets and further ambitions, including: ENMAX's ability to develop, access or implement some or all of the technology necessary to efficiently and effectively operate assets and achieve expected future results; the commercial viability of emissions reduction strategies and related technology and products; uncertainty regarding the status of offsets, including due to renewable energy generation, recognition under future government policies and by ESG rating organizations and the measurability of offsets to count as emissions reductions. There are also general risks in respect of ENMAX meeting its ESG targets, commitments, ambitions, strategies in the manner expected, including: restrictions on access to resources need to meet our plans and targets; increased operating, capital and compliance costs; increasing stakeholder consideration of ESG factors and risks, including among credit rating agencies, lenders and investors, which may impact ENMAX's ability to access capital required to finance growth and sustaining capital expenditures;

our ability to receive necessary regulatory and operating approvals in a timely manner; maintenance of key relationships with government and other regulatory bodies; risks associated with technology and its application to ENMAX's business; risks associated with reputation of companies that generate electricity from fossil fuels and litigation related thereto; changes in general economic, market and business conditions; the effectiveness of ENMAX's risk management program; ENMAX's ability to develop, access or implement some or all of the technology necessary to efficiently and effectively achieve expected future results; the occurrence of unexpected events such as fires, severe weather, equipment failures, transportation incidents and other accidents or similar events; unexpected cost increases or technical difficulties in building or maintaining our facilities; availability of, and our ability to attract and retain qualified human resources in a timely and cost-efficient manner; risks associated with climate change and our assumptions relating thereto; changes in the regulatory framework in any of the locations in which we operate, including changes to regulatory approval processes and tax, environmental, greenhouse gas, carbon, climate change and other laws or regulations; potential changes to market expectations and practices related to human resources, diversity and governance practices; and the occurrence of unexpected events such as pandemics, terrorist threats and the instability resulting therefrom.

In addition, there are risks that the effect of actions taken by us in implementing targets, commitments and ambitions for ESG focus areas may have a negative impact on our existing business, plans and future results from operations.

It is not possible to predict precisely how the future will unfold and as such, each scenario is inherently uncertain. Our assumptions may prove to be incorrect or inadequate. Events or factors currently unknown to us could materialize and materially affect the outcome of a particular scenario or lead to a scenario not considered, which scenario may adversely affect our operations and financial condition.

All estimates and targets contained in this report are made as of the date of the report based on currently available information. ENMAX undertakes no obligation to update or revise any forward-looking information except as required by law.