

2024 Annual Report

Fighting against forced labour
and child labour in supply chains
act, s.c. 2023, c.9

Report Summary

KEY STEPS TAKEN IN 2024 TO PREVENT AND REDUCE RISKS OF FORCED LABOUR AND CHILD LABOUR IN ENMAX'S SUPPLY CHAIN:

- Implemented a Supplier Code of Conduct.
- Developed a sustainable procurement RFP questionnaire that incorporates ethical and modern slavery risk assessment questions for suppliers.
- Mandatory modern slavery awareness training completed by all new Supply Chain employees.
- Enhanced our supplier risk mapping methodology to screen for suppliers with elevated risks of forced or child labour in their supply chains.
- Kicked off a cross functional modern slavery committee with internal stakeholders, including Legal, Environmental, Social and Governance (ESG) and Supply Chain.
- Engaged with expert third-party consultants to support the development and implementation of our supplier risk management program.

ENMAX structure, activities and supply chain

Structure

REPORTING ENTITY DETAILS

Reporting entity's legal name: **ENMAX Corporation**

Financial reporting year: **January 1 to December 31, 2024**

Joint report for: **ENMAX Corporation, ENMAX Power Corporation and ENMAX Energy Corporation**

Sector/industry: **Utilities**

Location: **Headquarters in Calgary, Alberta**

ENMAX Corporation is a corporation that has a place of business and assets in Canada, imports goods into Canada and controls entities (ENMAX Power Corporation and ENMAX Energy Corporation) that import goods into Canada.

Hereinafter ENMAX Corporation, ENMAX Power Corporation and ENMAX Energy Corporation will collectively be referred as "ENMAX".

OUR SHAREHOLDER RELATIONSHIP

ENMAX Corporation 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.

OUR WORKFORCE

As of 2024, ENMAX's Canadian workforce comprises 1,679 employees. We value the contributions of organized labour and uphold our employees' right to association. Over 62 percent of our

workforce is represented by union members from the International Brotherhood of Electrical Workers (IBEW) Local 254 and the Canadian Union of Public Employees (CUPE) Local 38.

Activities

COMPANY OVERVIEW

The ENMAX group of companies is a 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 to safely and reliably deliver electricity to customers in Calgary and northern and eastern Maine. Through ENMAX Energy Corporation, we own and operate power generation facilities and offer a range of electricity and natural gas products and services to residential, commercial and industrial customers across Alberta.

LAND ACKNOWLEDGEMENT

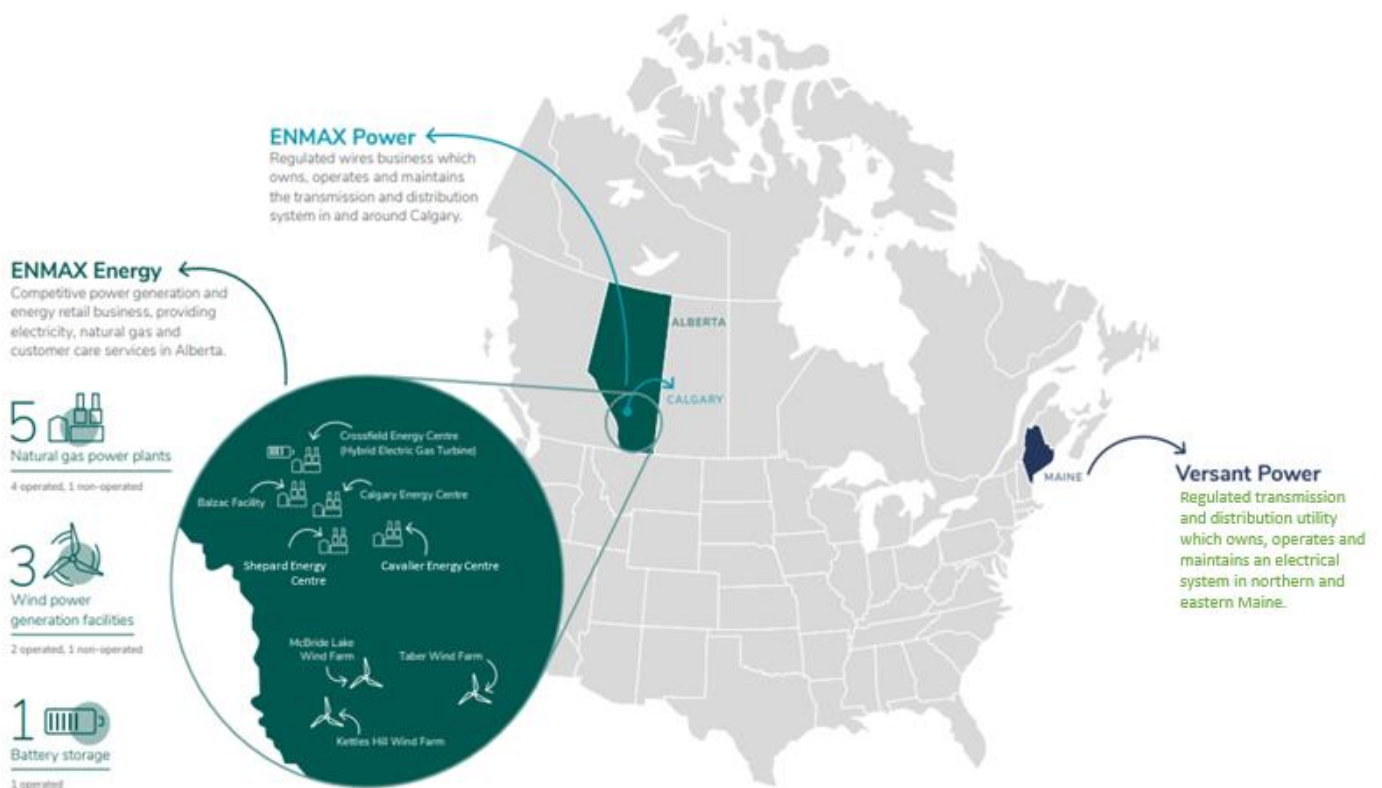
In the spirit of reconciliation, we respectfully acknowledge that our operations take place on the traditional lands of Indigenous Peoples. We recognize that our opportunity to provide energy services, power, and solutions comes from the wind, land, sunlight, and water of these territories. ENMAX headquarters is in Calgary, Alberta, the traditional territory of the Blackfoot Confederacy, comprised of the Siksika, Kainai, Piikani, and Amskapi Piikuni Nations; the Tsuut'ina Nation; and the îyârhe Nakoda Nations of Chiniki, Bearspaw, and Goodstoney. Calgary is also home to the Métis Nation of Alberta, as well as many diverse Indigenous people who have made the city their home. We acknowledge and respect the unique histories, languages and cultures of all Indigenous Peoples whose footsteps have marked these lands since time immemorial, and we are committed to strengthening relationships with Indigenous Nations and peoples in all communities where we operate, through respect and collaboration.

OUR SUBSIDIARIES

ENMAX Power Corporation is our regulated Alberta-based wires business through which we own, operate and maintain the transmission and distribution system in and around Calgary. This system serves approximately 570,000 customers across 1,089 square kilometers. We are investing now and into the future with over \$300 million annually in system growth and maintenance to ensure we can reliably meet our customers' energy needs. Our ENMAX Power business is subject to the oversight of the Alberta Utilities Commission.

ENMAX Energy Corporation is our Alberta-based competitive generation and retail business, providing electricity, natural gas and customer care services to approximately 747,000 customers throughout the province. Our Customer Care Centre, located in Calgary, serves our customers, and works on behalf of The City of Calgary under a service contract to bill for The City's residential water, sanitary and storm sewer, solid waste disposal and recycling services. Our ENMAX Energy business maintains a 1,522 MW generation portfolio, made up of 86 per cent natural gas and 14 per cent wind.

Versant Power is our electric transmission and distribution utility which owns, operates, and maintains an electrical system in northern and eastern Maine. It is fully regulated by the Maine Public Utilities Commission and the Federal Energy Regulatory Commission.



ENMAX’s supply chains, policies and due diligence, supplier risk management and workforce practices apply to all Canadian subsidiaries.

ENMAX Supply Chain

Our supply chain plays a crucial role in supporting ENMAX’s operations by procuring the necessary goods and services needed to run our businesses. Our centralized Supply Chain department supports operational, capital, and corporate procurement requirements for goods and services to all parts of our Canadian operations including our regulated power business, competitive generation, retail services, and corporate functions.

MAJOR PURCHASE CATEGORIES

Through local, national and international suppliers, we procure goods and services in the following major purchase categories:

- Construction services
- Electrical instrumentation material and equipment
- Field services
- Power generation material and services
- Professional services
- Direct trades

- Vehicle fleet
- Fuels, chemicals and gases
- Information technology

SUPPLIER LANDSCAPE

We are proud to report that in 2024, 85 per cent of our active tier one (direct) suppliers are based in Canada, and 99 per cent of our total active suppliers are located within North America. Our remaining suppliers located outside of North America are based in Australia, Ireland, Singapore, Switzerland, and the United Kingdom.

ENMAX Policies and due diligence processes

Policies

SUPPLIER CODE OF CONDUCT

In 2024 we developed and implemented a Supplier Code of Conduct (SCoC) that establishes clear standards that our suppliers must follow. The SCoC addresses key areas such as forced and child labour, freedom of association, wages and benefits, working hours, health and safety, environmental sustainability, anti-corruption, diversity and inclusion, accessibility, respect and dignity and all applicable law. Our SCoC underscores ENMAX's commitment to fostering responsible practices throughout our supply chain while ensuring compliance with legal and regulatory requirements.

SUPPLY CHAIN MANAGEMENT STANDARD

ENMAX's procurement actions are governed by our Supply Chain Management Standard. This standard ensures that our purchasing processes are completed in a fair, equitable and accountable manner, including environmental, social and corporate governance aspects, and in compliance with all applicable laws and regulations.

PRINCIPLES OF BUSINESS ETHICS POLICY

Our Business Ethics Policy outlines the appropriate behaviour that ENMAX personnel must uphold to maintain our reputation for honesty and integrity. Annually, all employees are required to affirm and acknowledge their responsibility to perform their duties in accordance with our Principles of Business Ethics Policy. The Board reviews and approves this policy at least once every three years, working closely with the ENMAX Executive to foster a strong governance culture that permeates all levels of ENMAX.

SAFETY AND ETHICS HELPLINE

ENMAX maintains a confidential ethics helpline, managed by a third-party service provider. The helpline is open 24 hours a day, 365 days a year and is available to all employees and contractors. This enables individuals to anonymously report concerns or suspicions of unethical or illegal behaviours. Submissions made to the hotline are reviewed by our Corporate Governance Committee. The hotline is also referenced in our Supplier Code of Conduct for suppliers to utilize in the case of any non-compliance with the code.

SAFE AND RESPECTFUL WORKPLACE STANDARD

This ENMAX standard aims to promote safe and respectful workplace behaviours and encompasses several references to the Alberta Human Rights Act. This standard fosters a culture of safety and respect throughout our organization.

ENMAX ESG FRAMEWORK

ENMAX annually discloses ESG performance and goals as part of our commitment to transparency. Our disclosures are aligned with reporting standards including the Sustainability Accounting Standards Board (SASB), the Task Force on Climate-related Financial Disclosures (TCFD) and the Greenhouse Gas Protocol. In 2024, ENMAX advanced progress against our ESG framework, which includes setting targets related to climate change and the energy transition, energy affordability, diversity, inclusion and belonging, and governance.

Due Diligence

In 2024, we focused our due diligence efforts on identifying areas where risks of modern slavery are likely to be most prevalent. We also strengthened our governance framework and engaged with our direct suppliers to understand the steps they are taking to reduce the risks of forced and child labour in their supply chains.

SUPPLIER MAPPING

To better understand where the risks of modern slavery are most likely to occur in our supply chain, we enhanced our internal supplier risk mapping methodology. Our methodology for evaluating supplier risks of modern slavery draws upon the Walk Free Global Slavery Index, the Responsible Minerals Initiative, and data from the U.S. Department of Labor on goods produced by child or forced labour. Our approach uses a combination of risk factors including the supplier's geographic location, risks associated with different product/service categories, and criticality to our operations to screen for suppliers that may be at a higher risk of encountering modern slavery in their supply chains. The intent is not to penalize suppliers with higher risks of modern slavery, but rather to engage with our suppliers and conduct additional due diligence to ensure adequate risk mitigation plans and safeguards are in place.

SUPPLIER ASSESSMENT

In 2024, we evaluated responses to the modern slavery questionnaire sent to approximately 70 of our tier one suppliers identified as having higher potential of modern slavery risks. The questionnaire covered five main areas: general information, risk exposure, policies, reporting and training and reported incidents. From this assessment, ENMAX did not identify any instances of forced or child labour in our supply chain. Additionally, it was observed that among our high-risk suppliers, there are varying levels of development in their modern slavery governance structures. This presents an opportunity to support our suppliers, where applicable, in enhancing their risk management programs and due diligence efforts towards reducing the risks of forced or child labour in their supply chains.

SUSTAINABLE PROCUREMENT QUESTIONNAIRE

We created and implemented a sustainable procurement RFP questionnaire that includes ethical sourcing and modern slavery risk assessment questions for suppliers. This voluntary questionnaire helps us understand what risk management policies our suppliers have in place and the steps they are taking to address the risks of modern slavery within their supply chains.

Forced labour and child labour risks

RISK PROFILE

We consider our primary risks of forced and child labour to lie further down the supply chain; beyond our direct tier one supplier relationships which is consistent with the United Nations Guiding Principles on Business and Human Rights. The Walk Free Global Slavery Index evaluates modern slavery risks in each country using factors such as prevalence, vulnerability and the effectiveness of governmental actions. According to the index, our tier one (direct) suppliers are located in regions identified as having lower risks of modern slavery. Most of the materials and services we procure require skilled labour, reducing the likelihood of forced or child labour in our supply chain. As a result, we consider the overall risk of forced and child labour within our operations to be low. However, we recognize that modern slavery risks are dynamic and may evolve as our operational requirements and supplier base change over time.

Remediation

ENMAX did not discover any instances of forced or child labour within our supply chain. As such, no remediation measures were taken during this reporting period.

Training

MODERN SLAVERY TRAINING

All new Supply Chain department employees hired in 2024 completed mandatory modern slavery awareness training. This third-party online training covered the foundational elements of modern slavery, common signs that it might be present and regions and industries where it is most prevalent.

This training provided to new personnel builds on the extensive training that was completed by Supply Chain department staff in 2023, which included team leads, managers, the Director and the Vice President.

Assessing effectiveness

PROGRAM EFFECTIVENESS

In 2024, we began identifying key performance indicators to measure our program's effectiveness. These indicators will enable us to monitor the progress of both our risk management program and the preventative measures implemented by our suppliers.

We also recognize that risk management is an ongoing process and initiated a cross-functional modern slavery committee comprised of representatives from our Legal, ESG, and Supply Chain

departments to review, develop and implement various elements of our supply chain risk management program.

EXPERT CONSULTATION

To support the development of an effective risk management program, ENMAX engaged the services of expert third-party consultants to acquire insights into industry best practices and to support the development and implementation of our supply chain risk management program.

We are also committed to proactively engaging with industry partners and other key stakeholders to identify and implement best practices. This collaborative approach enables us to remain informed and strengthens our efforts to mitigate the risks of modern slavery within our supply chains.

Approval and attestation

In accordance with the requirements of the *Fighting Against Forced Labour and Child Labour in Supply Chains Act* (Act) and in particular section 11 thereof, I, in the capacity of Chairman of the Board of Directors, attest that I have reviewed the information contained in the report on behalf of the governing body of the entities listed above. Based on my knowledge and having exercised reasonable diligence, I attest that the information in the report is true, accurate and complete in all material respects for the purposes of the Act, for the reporting year listed within this report.

Full name: Charles Ruigrok

Title: Chairman of the Board of Directors

Date: March 6, 2025

I have the authority to bind ENMAX Corporation

Signature: 