



Principles of business ethics.

On our cover:

- ◀ **AL ROGERS**
Lead Hand, First Line Response
ENMAX Power

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Message from the Chairman and the President.

At ENMAX, nothing is more important than our commitment to integrity – no financial objective, no marketing target, no effort to out-do the competition. Our commitment to integrity must always come first.

For more than a century the Calgary Electric System, and now ENMAX, has been committed to the highest ethical standard in business. Now and every day, we must continue to work together in a manner that is consistent with our long standing values. The way we treat each other and how we conduct our business is a responsibility we all share. Our integrity is at the heart of our reputation and a strong reputation is integral to attracting people, business partners and capital that are necessary for us to create long-term value.

At ENMAX, we are committed to the principle that how we earn profits is equally as important as the level of profits we earn. We are accountable to our shareholder and the citizens of Calgary for ensuring prudence in our management of the organization and for demonstrating this through the highest standard of shareholder engagement, oversight and transparency.



› **GREG MELCHIN**
Chair, ENMAX Board of Directors



› **GIANNA MANES**
President and Chief Executive Officer

To reinforce our commitment to integrity, we have prepared these "Principles of Business Ethics". They reaffirm and also strengthen the basic requirements for our business and the behaviour expected of each of us. We have developed the Principles of Business Ethics to ensure that we act with integrity and respect the trust placed in us by each other, our customers, shareholder, regulatory agencies, supply chain partners and communities where we live and work. Please read these Principles carefully and embrace them as the way we do business at ENMAX.

Sincerely,

A handwritten signature in black ink, reading "Greg Melchin". The signature is fluid and cursive, with the first name "Greg" written in a more stylized, looped manner.

GREG MELCHIN
Chair, ENMAX Board of Directors
ENMAX Corporation

A handwritten signature in black ink, reading "Gianna Manes". The signature is written in a cursive, flowing style.

GIANNA MANES
President and Chief Executive Officer
ENMAX Corporation

**Our
commitment
to integrity.**



Our principles.

Trust, responsibility, ethics and respect are central to ENMAX's core values and leadership attributes. By being genuinely ethical in all we do, ENMAX will attract and keep the best employees and be the choice of customers and investors, every day. Operating in an ethical manner is essential to our success. The City of Calgary, our customers, regulators and other stakeholders all rely on us to be transparent, prudent, accountable and fair. We must behave ethically in communities where we operate in order to maintain the confidence of our customers and other stakeholders and ultimately to keep their business. We can instill this trust and confidence with every business action and decision we make.

Core values. Our core values define what's important to us and are the foundation for our principles. Each of us embodies these values in all that we do so that it's clear to everyone we deal with that we are a worthy and responsible organization.

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- 1 **Trust** – We build trust by always acting with integrity, and maintaining a high standard of ethical, honest, safe and transparent business practice.

 - 2 **Excellence** – Each of us has responsibility to ensure that we deliver prudent and superior results that align with our strategy and the needs of our shareholder.

 - 3 **Responsibility** – We value clean and sustainable energy and the safety of our employees and the public. We will sustain these through socially responsible operations and innovative leadership in our industry.

 - 4 **Customer focus** – We listen to our customers and deliver a high level of value and service.

 - 5 **Safety** – Our first priority is ensuring the safety of ourselves, our co-workers, our community and the environment.

 - 6 **Accountability** – We are all accountable for the impact of our actions, behaviours and decisions on fellow employees, customers, ENMAX's overall success, our shareholder and the communities in which we operate.

 - 7 **Focus on people** – Our people are our strength and the knowledge, commitment and talent of our diverse population of employees is what drives our success and enables us to be an industry leader.
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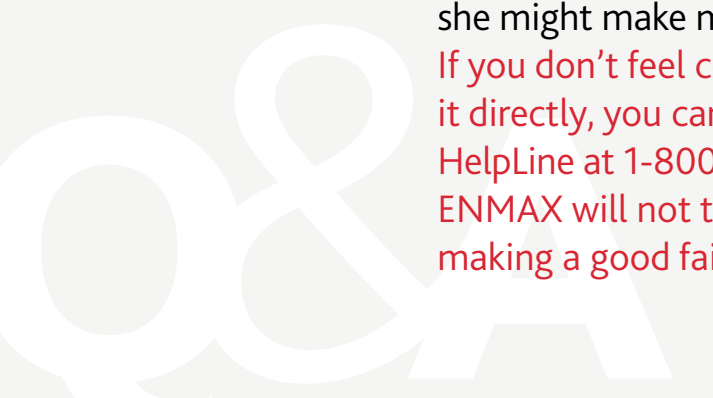
Tone at the top. Transparency, prudence, accountability and corporate responsibility are very important. The example set at ENMAX's Board and Executive level is carefully observed by our employees, customers, business partners, and the citizens of Calgary and other stakeholders. Their trust and confidence that the right tone at the top has been established is extremely important for ENMAX to be able to successfully execute its strategic plan. ENMAX's Board and Executive are committed to the principle that how we earn profits is equally as important as the level of profits we earn.

The relationship between ENMAX and our shareholder is different from a typical company/shareholder relationship. We at ENMAX recognize:

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- › Calgarians deserve to feel immensely proud of their ENMAX
 - › The ENMAX Board and management are accountable to City Council who itself is accountable to the citizens of Calgary for ensuring ENMAX is operated in a prudent and transparent manner
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Leadership attributes. Our leadership attributes are an expression of the behaviours we are all expected to master and practice.

ATTRIBUTE	DEFINITION
Shares knowledge effectively	We speak and write clearly and succinctly in a variety of settings and styles. We secure information, listen effectively and convey messages with transparency.
Contributes to the vision	Everyone's contribution is important to the success of their team, the company and the shareholder. We are personally responsible to ensure we understand ENMAX's strategy and how we contribute.
Is an ethical practitioner	We understand that sustained shareholder value can only be delivered by people of strong character. We will act with integrity, take accountability for our actions, and honour the spirit and intent of our commitments and promises.
Masters the art of being respectful	We promote an environment that is respectful, inclusive, celebrates our diversity and minimizes perceived and real barriers.
Is an ambitious problem solver	We seek out and embrace new technologies and processes and respond effectively to changing conditions. We continuously act with prudence, drive operational excellence and learn from past experiences.
Has ownership of company success	The opportunity to be the utility that everyone follows is in our hands. It means ensuring personal and team execution excellence and pride in our accomplishments and in the reputation of the company and shareholder.



I think my supervisor is doing something that the Principles of Business Ethics say is wrong. I am afraid to report her because she might make my job more difficult for me. What should I do?

If you don't feel comfortable talking to your supervisor about it directly, you can try calling the ENMAX Safety and Ethics HelpLine at 1-800-661-9675 (or go online at enmax-eweb.com). ENMAX will not tolerate retaliation against you in any form for making a good faith report.

This handbook.

ENMAX's commitment to integrity and ethics is the foundation of our Principles of Business Ethics and for the Corporate Policies that reinforce them. They are the standards for ethical behaviour we use when dealing with our Board of Directors, shareholder, employees, customers, suppliers, contractors, government authorities and the public.

The Principles apply to members of the Board of Directors and employees of ENMAX Corporation and its direct and indirect subsidiaries (collectively "ENMAX" or the "Company"). We expect everyone to whom these apply to conduct himself or herself in accordance with these Principles and will hold them accountable for their conduct. If anyone does not comply with the Principles, they may be subject to disciplinary measures up to and including termination of employment or directorship, in the case of our Board of Directors. The same expectations of ethical conduct and consequences apply to our agents and contractors. Therefore, it is important that you read these Principles and ensure that you understand them. This handbook is available online on both our internal and external websites and in print form from the Vice President, Corporate Responsibility upon request.

As a starting point, it is critical that everyone who represents ENMAX use good judgment and common sense. This is the best way to ensure that our company continues to meet high standards of business conduct. Since we cannot anticipate every situation that may arise, you may need to seek guidance. When in doubt, always endeavour to ask first, act later. Please speak to your supervisor or the Vice President, Corporate Responsibility if you have:

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- › Doubts about the ethics of a particular situation;
 - › Questions or concerns about a business practice;
 - › Questions about potential conflicts of interest; or
 - › Concerns about potential or suspected illegal or unethical behaviour.
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Where to get help. You might be guided in your assessment of a potentially unethical situation by asking yourself these questions:

- › Is this legal?
 - › Is this fair?
 - › Would I want other people to know I did it?
 - › How would I feel if I read about this in the newspaper?
 - › How will I feel about myself if I do it?
 - › What would I tell my child or close friend to do in a similar situation?
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You may report suspected illegal or unethical behaviour without fear of retaliation. ENMAX does not condone retaliation of any kind against anyone who makes a report in good faith of suspected illegal or unethical behaviour. Confidentiality will be maintained to the extent consistent with the best interests of the employees involved, and ENMAX's obligations under the law.

If you are uncomfortable bringing your suspicions to your supervisor, you may use the ENMAX Safety and Ethics HelpLine to make your good faith report anonymously. Directors should raise their concerns with the Board Chairman or the Chair of the Corporate Governance Committee.

How does the ENMAX Safety and Ethics HelpLine work?

An independent outside party has been tasked to provide a round-the-clock, confidential service for the collection of employee and contractor reports to the ENMAX Safety and Ethics HelpLine over the phone and the web.

Each report is reviewed by the Vice President, Corporate Responsibility who assigns it to the Director, Employee Relations (for HR-related issues), the Director, OH&S (for safety-related issues), the Director, Internal Audit (for fraud- or theft-related issues) or keeps it (for ethical issues and questions) for appropriate investigation and follow-up. When a report is substantiated, it can result in changes in process or disciplinary action. Every effort is made to provide as much information as possible to the person making the report about the investigation and resolution of the matter while always respecting the privacy of other individuals and the confidentiality of ENMAX information.

Anonymity is guaranteed.

What happens when I make the call?

When you phone the ENMAX Safety and Ethics HelpLine at 1-800-661-9675, your call is answered by a professionally-trained Call Assistant from an external company (As it is an external company, they will answer the phone as "ConfidenceLine"). You will not be asked to give your name, but you may if you choose to. You will be given a personal Caller Information Number (CIN), the only identification you will require when making subsequent calls to the HelpLine.

The Call Assistant will listen to your report and ask you questions to clarify all the facts. The more specific the information you are able to provide, the faster and more effectively ENMAX can respond to the issue. If you would like to follow up on the status of your report, you can call back, quoting your CIN, and a Call Assistant will provide you with any updated information. ENMAX will not tolerate retaliation against you in any form for making a good faith report.

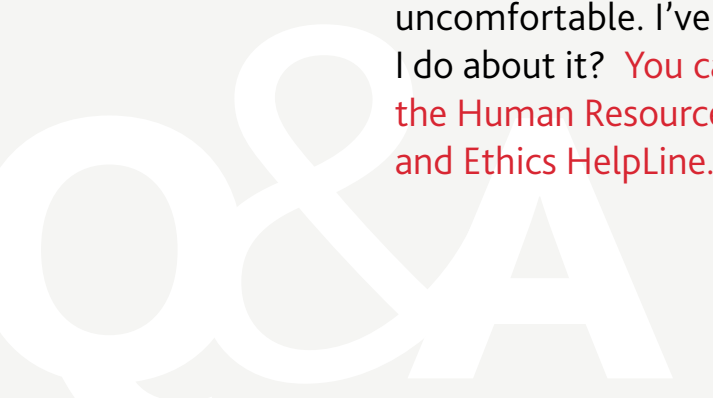
What happens when I submit a Web report?

When you visit the ENMAX Safety and Ethics HelpLine web page at www.enmax-eweb.com, it will display the ConfidenceLine branding of the external company who provides the service to us. The page provides you with a secure and unique User Name and Password when you first log in. You are then taken through an automated process to make an anonymous report. Your User Name and Password may be used to log back in at a later date to view messaging from the Director or Vice President responsible for resolving your report that may include further questions or an update of the resolution of the issue you reported.

It can be arranged for you to hold an anonymous "chatline" real-time conversation with the Director or Vice President responsible for resolving your report by pre-arranging a date and time when you both can be logged in at the same time. Web reporting provides an alternative to employees when they prefer to disclose their information directly to ENMAX and not through a third party. ENMAX will not tolerate retaliation against you in any form for making a good faith report.

How is anonymity guaranteed?

When you call the ENMAX Safety and Ethics HelpLine, you will be speaking to a Call Assistant who works for an external company. That person will not ask you for your name or recognize your voice and does not have call display. When you file a Web report, you determine the information that will be provided to ENMAX. IP addresses are not tracked. The Director or Vice President responsible for resolving your report may only communicate with you by placing information on the electronic file for the Call Assistant to read to you if you choose to call back for an update or that you can read on the Web if you log back in after submitting a Web report. Occasionally, the anonymity of the person making the report may be an obstacle to the investigation and resolution of a matter, because there is no independent evidence available to substantiate the report. Whenever this is the case, the responsible Director or Vice President may ask if you are willing to reveal your identity to aid in the investigation. You are not required to do so.



I am a female employee. A male co-worker frequently makes personal comments about my appearance that make me uncomfortable. I've asked him to stop but he won't. What can I do about it? **You can – and should – contact your supervisor, the Human Resources Department, or call the ENMAX Safety and Ethics Helpline.**

Ethical conduct in the workplace.

We cannot have a positive and productive workplace unless we treat each other with respect and trust. ENMAX strives to be an employer of choice by offering a work environment that is healthy, secure and respectful.

Diversity. As a company, we recognize that the imagination, energy, capability and commitment of our employees and Directors are critical to our business success. We value highly the backgrounds, experience, viewpoints and talents of our fellow employees and Directors. We do not discriminate in hiring and employment practices on the basis of race, gender, culture of origin, age, religion, marital and family status, physical disabilities or sexual orientation.

Harassment. We treat customers, stakeholders and colleagues with dignity and respect. We work together to create a respectful and respectable workplace. We do not tolerate behaviour that harasses, demeans, threatens or humiliates a person or group of people. We do not tolerate any behaviour that may promote physical violence in the workplace. We do not tolerate sexual or racial harassment. If we encounter harassment or violence or any conduct that ridicules or disparages a group of employees, even if not directed at a particular employee, we report it to the Vice President, Human Resources or we report it using the ENMAX Safety and Ethics Helpline.

- › **The official ENMAX Principles of Business Ethics is located on Intramax. Printed copies may not include the most current information.**

Health and safety. Healthy employees working safely are essential to our success. ENMAX strives to provide a safe and healthy work environment for all employees. Our commitment to health and safety involves the co-operation and support of everyone in the Company. We have a responsibility to help ensure ENMAX is complying with health, safety and environmental laws and regulations by reporting accidents, potential hazards and other concerns immediately to our supervisor.

We respect that ENMAX provides a smoke-free workplace and we refrain from smoking anywhere on ENMAX property or in ENMAX vehicles. We participate in ENMAX's health and safety programs and maintain our awareness of applicable safety legislation and industry standards.

Work performance. Our employees create our success. In order to attract and retain the best and brightest employees, we invest in the development of our human resources and reward superior performance. As employees, we are accountable for our performance at ENMAX and accept full responsibility for what we do. We know our work is evaluated on the basis of quality and quantity, and for being performed safely, on time and on budget. We are never expected to achieve business performance at the expense of these Principles or our ethical standards. We are committed to giving our best effort to everything we do. Employees are hired and promoted on the basis of ability and potential to develop and rewarded on the basis of performance.

We expect the Company to maintain an environment where high performance is encouraged. We expect our management to be clear about their expectations and provide the kind of support that stimulates high achievement. We expect supervisors to encourage the professional development of their staff.



We need to contract a firm to provide cleaning services and are spending a lot of time looking for the right one. Couldn't we save ENMAX a lot of time and effort by hiring my brother's cleaning firm because I know that they can be trusted to do the job right? **No, simply hiring a firm because you trust your brother is not a sound business practice and it contravenes our employee spending policy. Further, this creates a conflict of interest between your desire to help your brother and your objectivity in selecting the most competitive supplier. However, if you make a proper disclosure to your supervisor and remove yourself from the selection process, and no one who reports to you is involved, your brother's company can compete for the work with other qualified vendors.**

Ethical conduct in external business relationships.

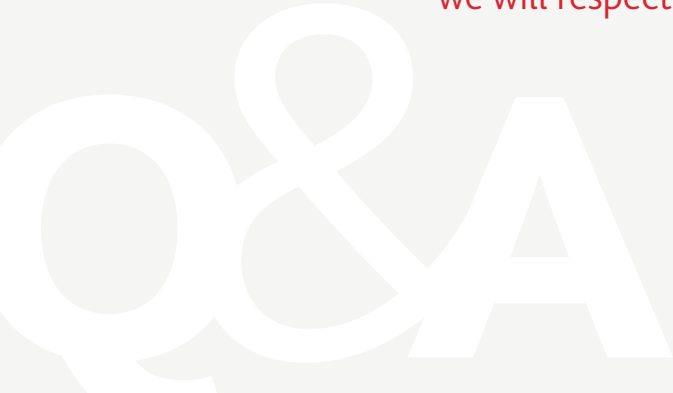
Our business depends on sound relationships with customers, the community, other business organizations and our stakeholders. Maintaining these relationships means taking extra care when giving or receiving gifts, when selecting suppliers and when sharing information with others.

Purchasing and suppliers. ENMAX is committed to fair competition in all its dealings with suppliers. Any purchases we make on ENMAX's behalf are made honestly and objectively. Our main criteria in making wise use of Company funds are competitive pricing, quality, quantity, delivery and service.

If we are associated in any way with agreements between the Company and suppliers or any organization in which we or someone we are close to, such as a family member or friend, or a business enterprise in which we or they have an interest, financial or otherwise, has an interest or which might result in personal gain, we must disclose this association immediately to our supervisor.

Where appropriate, ENMAX informs suppliers of the Principles of Business Ethics and we require similar high standards to govern their conduct in their dealings with ENMAX. Where we have reason to suspect unethical conduct by a supplier, an appropriate ENMAX manager should be asked for guidance. A relationship with a supplier will be ended where unethical conduct is confirmed, subject to any contractual obligations.

I want to give one of our best customers a special gift to say thanks. I have access to some hockey tournament tickets that I know she would appreciate, but I think it is against her company's policy for her to accept them. If she doesn't care about the policy, can I give her the tickets? **No. If you know that giving a gift will violate the policy of the recipient company, you may not give the gift. Just as we want others to respect our standards, we will respect theirs.**



Gifts and entertainment. ENMAX employees and Directors will not under any circumstances offer, give, solicit or receive any form of bribe or kickback. We make every reasonable effort to ensure anyone acting on ENMAX's behalf is also not offering or receiving bribes or kickbacks.

We recognize that the exchange of business gifts and hosting is a commonly accepted business practice that is used from time to time to strengthen business connections and goodwill. However, offering or accepting gifts, entertainment or other benefits can be mistaken for improper payments. ENMAX employees and Directors do not allow such gifts or exchanges to compromise, or even appear to compromise, our business decisions. If this occurred, we could be involved in a conflict of interest situation. We use good judgment in limiting such exchanges to modest amounts that could not possibly constitute personal enrichment, impose an obligation on the recipient or reflect unfavourably on ENMAX.

Gifts are more likely to be misconstrued than entertainment, so where a gift is offered with a value greater than \$100, we discuss it first with our supervisor and get his or her written approval before accepting it. We do not accept gifts of travel; when a third party offers us travel for business purposes and it would not be practical or reasonable for ENMAX to pay for it directly, we discuss it first with our supervisor and get his or her written approval, including reasons, before accepting it. If it is not practical to speak to our supervisor in advance, we disclose our acceptance of the travel to our supervisor to determine whether reimbursement is appropriate. The Board Chairman and Chair of the Corporate Governance Committee act as "supervisor" to Directors for the purposes of this paragraph. We do not accept travel from vendors during supply negotiations. In no circumstances do we give or receive cash or cash equivalents.

Entertainment is different from a gift as it involves the attendance at an event or meal in which we accompany the host as a guest. No specific value limit has been set for entertainment but we are expected to be thoughtful and exercise sound judgment relative to our role and position in the organization. Because of the potential impact to our reputation of a poor decision, if there is any doubt about any gift or entertainment, we consult our supervisor. Directors will consult with the Board Chairman and Chair of the Corporate Governance Committee for this purpose.

Social activities that could reasonably be associated with ENMAX are conducted with propriety and with appropriate regard for alcohol and drug laws.

As a normal marketing practice, ENMAX may engage in promotional activities that involve prizes or give-aways. Their purpose is to promote ENMAX's products and services and they are an accepted industry practice. They are conducted in compliance with laws governing prizes and give-aways.

Relationships with customers. ENMAX works hard to build strong and mutually beneficial relationships with customers. We understand that every employee and Director is an ambassador of ENMAX with a duty to treat our customers with courtesy and respect. We demonstrate that ENMAX is a customer-focused company, every day, delivering reliable products and services. We respect our customers' views on issues affecting them. Customers must be able to voice their concerns easily and we must deal with complaints and disputes fairly and quickly. We protect their privacy. We give customers the truthful information they need to make informed choices about the products and services ENMAX offers. All ENMAX Directors and employees must be careful not to mislead customers or other stakeholders about the financial status, products or services of ENMAX or its competitors. We must never make promises the Company cannot keep. No Director or employee of the Company should take unfair advantage of anyone, including customers. Taking unfair advantage includes manipulation, concealment, abuse of privileged information, misrepresentation of material facts, or any other unfair-dealing practice.

› The ENMAX Safety and Ethics HelpLine is available to you to make your good faith report anonymously if you suspect illegal or unethical behaviour and are uncomfortable bringing your suspicions to your supervisor. Call 1-800-661-9675 or go online at www.enmax-eweb.com



Fair competition. ENMAX seeks to outperform its competitors fairly and honestly. We gain competitive advantage through superior performance, never through unethical or illegal business practices. We are knowledgeable of and compliant with the laws governing competition. We do not conspire with anyone to lessen fair competition or engage in anti-competitive practices such as price-fixing or bid-rigging.

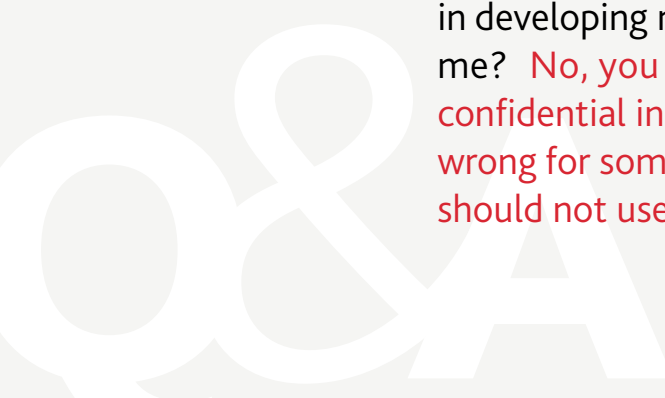
We acquire information about competitors in a lawful manner. We do not, either directly or through a third party, misrepresent ourselves or offer inducements to solicit proprietary information about competitors. Where an ENMAX employee or Director has previously worked for a competitor, we do not attempt to obtain the competitor's proprietary information from that individual.

We protect information about customers of our regulated products and services from disclosure to affiliated and unaffiliated retailers where doing so would create an unfair marketing advantage for any retailer or would violate our duty to comply fully with the Alberta *Electric Utilities Act's Code of Conduct Regulation*.

Relationships with non-profit and professional organizations. When we contribute to our communities and professional organizations, we do so in a way that does not interfere with our duties to ENMAX. Where it may be appropriate for an employee to perform services for an outside organization during business hours, we obtain prior approval from our supervisor. If an employee or Director acts as a spokesperson for an organization or speaks publicly in a non-business capacity, it must be clear to the audience that he or she is not acting as a representative or expressing the views of ENMAX.

As private citizens, we might choose to take part in the political process, a right that is respected and supported by ENMAX. Employees may, however, engage in these activities only on their own time, and participation in the political process by employees or Directors must be kept separate from their duties or association with ENMAX.

Conducting international business. We apply ENMAX's Principles of Business Ethics in all our activities on behalf of the Company, international as well as domestic. When conducting business outside Canada, we adhere to the local laws and standards to the extent they are permitted under Canadian law. We promote all trade practices that conform to international norms and standards and all applicable laws.



I have just been hired from another company. I have a box of materials from my former employer that would be very helpful in developing marketing plans for ENMAX. May I bring this with me? **No, you should not bring materials that may contain confidential information from a prior job. Just as it would be wrong for someone to take our confidential information, we should not use the confidential information of others.**

Ethical use of Company property and information.

Confidential and private information. Information is one of the Company's most vital assets. ENMAX takes care to protect confidential competitive information, customer information and personal information.

Any information belonging to ENMAX that is not made generally available to the public is considered to be confidential competitive information. Confidential competitive information includes all non-public information that might be of use to competitors or harmful to the Company or our customers and other stakeholders if disclosed. This may include proprietary and technical information, marketing strategies, financial data, trade secrets, intellectual property, joint venture information, and personal information about customers, employees and Directors. It is important that you understand how sensitive this information is, and how significant it is for competitiveness and individual privacy.

Customer information is any information that could tend to identify a customer, that is uniquely associated with a customer, or that has been provided by a customer to ENMAX. Personal information is any information about an identifiable individual (customer, employee or Director) that is recorded in any form. Examples are a person's marital status, home address, medical history or employment file. Business contact information is not considered personal information.

- › To learn more about how our business values are put into practice, review the online ethics training modules on the LMS.

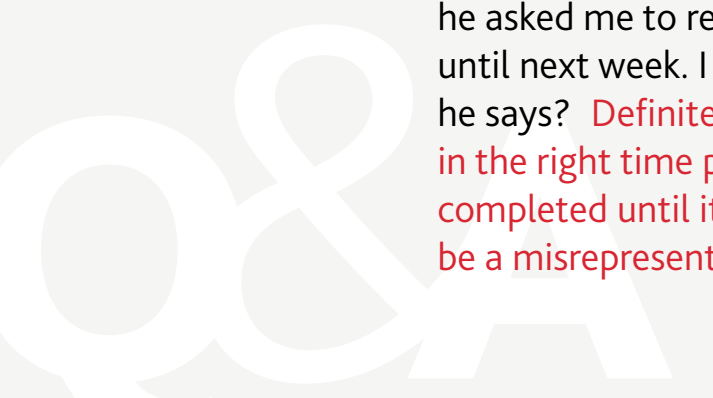
We are responsible for knowing what information must remain in confidence and for seeking clarification from our supervisor if in doubt. In addition, we do not disclose confidential competitive information about ENMAX to anyone outside the Company, including family and friends, even after we have left ENMAX's employ. An exception is made where disclosure is required by law or by a regulatory authority. Within ENMAX, we do not disclose confidential information to colleagues other than that which is required for the performance of their assigned work. Further, we are knowledgeable about the provisions of the *Code of Conduct Regulation*, and do not disclose customer information between affiliate ENMAX companies, except as permitted by that Regulation.

We collect, use and disclose personal information about employees, Directors and customers only in ways that are fully compliant with all legislation protecting personal privacy. Personal information must be kept confidential by using security safeguards that are appropriate for the degree of sensitivity of the information.

We protect all confidential information against theft, fraudulent use, loss, unauthorized access and misuse. We recognize that any unauthorized disclosure of confidential information exposes ENMAX to legal, financial, commercial and liability risks.

Use of the Company's assets. We all share responsibility for protecting the Company's assets, which include physical property, data, intellectual property, credit cards, information networks and commodities. We use them carefully, safely and only for their intended purpose. We keep our workplace at ENMAX safe and clean.

We protect ENMAX's assets from theft, misuse, damage, loss and neglect. Whenever ENMAX property is entrusted to our use we accept full accountability for it and maintain it in good condition. We dispose of Company property only in an ethical and approved manner. Company time, property and services, including assets such as stationery, computers and mail services, may normally not be used for a personal or non-business reason. However, because ENMAX recognizes that the work we do for the Company may take us away from the personal or family aspects of our life, limited personal or non-business use of these resources may be acceptable where the purpose of such use is lawful and not contrary to ENMAX's interests or these Principles. Limited personal use of Company cellular phones is permitted where no other method of communication is reasonably accessible, or when traveling on ENMAX business.

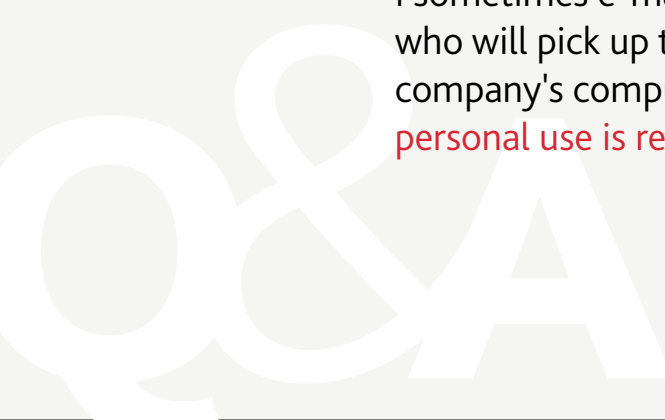


It is the last week in the financial reporting period. My supervisor wants to make sure we meet our numbers for the quarter, so he asked me to record a contract now that won't be finalized until next week. I guess this won't hurt anyone. Should I do what he says? **Definitely not. Costs and revenues must be recorded in the right time periods. The contract has not officially been completed until it has been duly executed. Until then, it would be a misrepresentation to include it in an earlier period.**

Accounting and financial reporting. ENMAX conducts its financial affairs lawfully. All financial transactions are undertaken in compliance with approved delegations of authority and are reported in accordance with generally accepted accounting principles. No undisclosed funds or accounts may be established. All cash and bank accounts and other business transactions are handled in a transparent manner that avoids any suspicion of bribery, kickback or illegal or improper payments.

All ENMAX financial reports, accounting records, invoices, research and sales reports, expense accounts, time sheets and other financial documents must accurately and clearly represent the relevant facts and true nature of each transaction, and must be retained in accordance with ENMAX's records retention policies and applicable law. Making false, fictitious or inappropriate entries with respect to any transaction of the Company or the disposition of any of the Company's assets is prohibited, and no Director or employee may engage in any transaction that requires or contemplates the making of such false entries. We are responsible for the accuracy and completeness of any reports or records we create or maintain. If we become aware of questionable or suspicious financial transactions or entries we must disclose it to our supervisor, or by using the ENMAX Safety and Ethics HelpLine. Directors will raise their concerns with the Board.

Managing risk. Risk is loosely defined as any possible event that might adversely affect the Company. We identify the risks to ENMAX as they arise and control them within the limits of our accountabilities and resources. This does not mean attempting to eliminate all risks completely. It means finding the acceptable balance between potential reward and intolerable risks. It means reducing the risks to what the Company considers to be acceptable levels. It also means making sure our own activities do not ignore obvious risks or unintentionally create new risks or liabilities for ENMAX. If there are situations where, in our opinion, risks are not being properly controlled, either by other ENMAX employees or Directors, or by contractors, we discuss the situation with our supervisor and if not resolved, we consult with the EVP, Finance and Chief Financial Officer for direction.



I sometimes e-mail my spouse to make personal plans, such as who will pick up the kids after work. Am I allowed to use the company's computer for this kind of thing? **Yes, as long as personal use is reasonable and kept to a minimum.**

Using e-mail and the Internet. E-mail and the Internet are made available to promote effective work-related research and enhance internal and external communication. The Internet is an “open” environment that is accessible to the public so we take reasonable care to protect the Company’s reputation and information when we communicate using this medium, particularly when information is of a commercially sensitive or confidential nature.

When using e-mail or the Internet we will not download any software or any data that is unreasonably large in size, except with explicit prior approval from the Information Services department. We do not use ENMAX computers to participate in non-work-related chat lines, access sites carrying socially or politically offensive material, send chain letters, send slanderous, threatening or harassing messages or send, view or obtain material of a sexual nature.

ENMAX recognizes that our work commitments may require us to conduct personal business over the Internet during work hours. Limited personal use of ENMAX’s computer resources for purposes which are lawful, ethical and not inconsistent with the spirit and intent of ENMAX policies dealing with a respectful workplace or business conduct is permitted, so long as such usage does not interfere with our proper performance of the obligations we owe to ENMAX. While ENMAX allows reasonable personal use of its information technology, we do not use the Internet to play games, gamble, conduct personal outside business or financial ventures, or post or send messages under disguised identification.

ENMAX’s electronic mail and voicemail systems (including data on these systems), Internet access and computers are ENMAX’s property. We cannot expect any personal privacy for communications that we send, receive or store on these systems.



A tool for trust.

The ENMAX Safety and Ethics HelpLine is a confidential 24/7 service provided by an independent outside party through a service called ConfidenceLine and is available for employee and contractor use online as well as over the phone to support our commitment to the ENMAX Principles of Business Ethics.

The purpose of this service is to help you make a good faith report anonymously if you suspect illegal or unethical behaviour and are uncomfortable bringing your suspicions to a supervisor.

Since its inception in 2004, the HelpLine has fielded confidential reports falling into the following general categories:

- › Discrimination
- › Ethical conduct
- › Harassment
- › Policy breach
- › Question
- › Safety violation
- › Substance abuse

Our independent service provider advises us that the average company using their service will receive a report from approximately 1% to 3% of their employee population annually. For ENMAX, that would be somewhere between 15 and 30 reports each year. We're tracking about half a percent below that range, but have confirmed through a survey conducted in 2008, that the slightly lower than average usage of the HelpLine is due to the fact that employees are comfortable with having direct conversations with their supervisors when they have ethical concerns and do not often feel the need for anonymity.

The Safety and Ethics HelpLine has proved itself to be a beneficial tool for employees to ask questions or get resolution on issues that concern them when they are not comfortable with speaking directly to a supervisor. This has allowed ENMAX to discover issues that it might not otherwise hear about and then be able to address them.

Corporate responsibility.

We will comply with all environmental laws and regulations. We will seek to increase our competitiveness and maximize value to our shareholder while understanding and embracing responsibility for the impact of ENMAX activities on the environment, consumers, employees, communities, the citizens of Calgary, and all other stakeholders to the extent that is reasonably achievable.

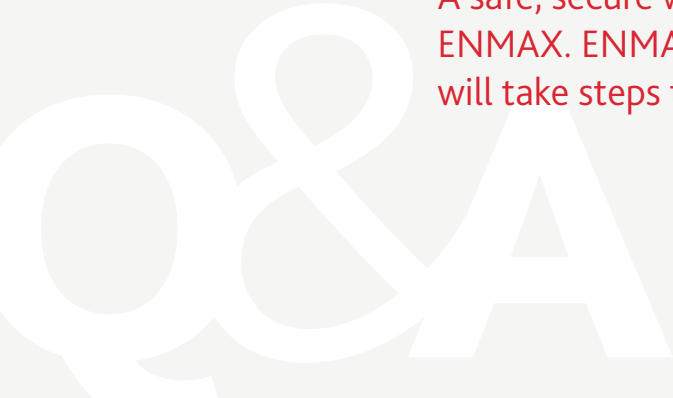
Ethical conduct as individual employees.

Avoiding conflict of interest. A “conflict of interest” occurs when undisclosed personal interests influence, or even appear to influence, our decisions in the performance of our duties at ENMAX. Conflicting interests may be direct or indirect. For example, the interest may be ours or that of someone we are close to, such as a family member or friend, or a business enterprise in which we or they have an interest, financial or otherwise.

We must all disclose any situation that may create a conflict of interest between our personal interests and those of ENMAX. We never put ourselves in a position where our personal interest benefits in any way, or even appears to benefit, from our business decisions or knowledge acquired at ENMAX without prior disclosure to, and approval of, our senior management or, in the case of a Director, the Board. The business decisions we make at ENMAX are based on merit and made strictly in the best interests of the Company. We understand that we have an obligation to immediately declare any actual, potential or perceived conflict of interest to our supervisor and to the EVP, Regulatory and Legal Services or, in the case of a Director, to the Board.

Travel on Company business. When we travel on Company business, we comply with ENMAX guidelines on acceptable business expenses.

Outside business activities. Certain business activities we might undertake outside ENMAX could create a conflict of interest. We do not serve as directors of any organization that supplies goods or services to ENMAX, or competes with ENMAX, without the approval of our senior management or, in the case of a Director, without prior disclosure to the Board.



I have noticed that my supervisor's breath often smells of alcohol, even early in the morning, and he seems impaired. I am afraid that if I confront him or tell anyone, it may cause a scene or he may try to get me fired. What should I do? **There is enough evidence to believe a problem may exist, so speak right away with another supervisor, a representative from Human Resources, or call the ENMAX Safety and Ethics HelpLine. A safe, secure working environment is absolutely critical to ENMAX. ENMAX will not tolerate retaliation against you and will take steps to protect you from any retaliation.**

We may work for another organization, including one set up by ourselves, as long as it is not a supplier, a commercial or industrial customer or a competitor of ENMAX, and does not affect our work performance at ENMAX. Where it is not clear whether external work interferes with our duty to ENMAX, we understand that we are responsible for disclosing the situation to our supervisor and getting direction.

We do not perform work for the other organization on ENMAX's time, nor do we use ENMAX's equipment, supplies, personnel or intellectual property for the benefit of the other organization. Customers and colleagues from the outside activity may not contact us at ENMAX workplaces. Employees do not promote any non-ENMAX product or service to others during working hours except with the approval of our supervisor.

Investments. To ensure there is no conflict of interest created through our personal investments, ENMAX employees and Directors and their immediate relatives normally may not have an ownership or financial interest in any company that competes with ENMAX or that sells goods and services to ENMAX. An "immediate relative" is the husband, wife, children, parents, brothers, sisters (including foster or step) and parents-in-law, brothers-in-law, sisters-in-law, sons-in-law, and domestic partner or common law spouse of a person.

A supplier sold ENMAX a software system on a trial run basis. I have heard the trial run was a success and we are going to buy this company's system. I bet other companies will follow our lead. My sister-in-law invests in tech stocks and knows a lot about them. Can I tell her about this and let her decide whether she thinks this software company is a good investment?

Absolutely not. The information you have about our plans to use this company's product is confidential inside information. If you convey it to your sister-in-law, you are violating our policy not to divulge proprietary information. If you or your sister-in-law use the information to invest, you may also be violating securities laws.

There are exceptions to this:

- › We may own shares in a publicly traded company that does business with or competes with ENMAX provided our ownership does not exceed five per cent of the shares of the company.
- › We may own any portion of a company that has business relations with ENMAX – through private ownership or publicly traded shares – if the investment is done on our behalf through a blind trust such as a mutual fund.

We understand that we are responsible for reporting to our supervisor and to the EVP, Regulatory and Legal Services, any situation that violates, or may even be perceived as violating, this standard on conflict of interest. This includes situations where the investment is made in the name of ourselves or an immediate (including common-law) family member. Directors will report such situations to the Board.

- › The ENMAX Safety and Ethics HelpLine is available to you to make your good faith report anonymously if you suspect illegal or unethical behaviour and are uncomfortable bringing your suspicions to your supervisor. Call 1-800-661-9675 or go online at www.enmax-eweb.com.



Disclosure of investment information. Persons or companies that receive private information about ENMAX that ought to be released publicly, according to securities legislation, may be in a position to benefit unfairly from that knowledge. This applies to any information that could influence anyone's decisions with regard to investment in ENMAX, including information about the Company's performance and plans and changes to its operations and capital. ENMAX ensures that the disclosure of information about the Company to the public is timely, factual and accurate and broadly disseminated in accordance with all applicable regulatory and legal requirements. We understand that the selective disclosure of such information is illegal and places ENMAX and all persons concerned at great risk. We do not disclose such information to any person or company before it is publicly announced. We also ensure that when information has not been publicly disclosed it remains confidential. We protect such information by sharing it internally only on a need-to-know basis.

Disclosures of material information by ENMAX are to be made by way of press release approved by the President and Chief Executive Officer or his designate, and carried out only by those individuals authorized by the terms of the relevant corporate policies.



Our conduct as employees, supervisors, officers and Directors of ENMAX.

Employees. Employees throughout ENMAX Corporation and its direct and indirect subsidiaries are required to comply with the Principles of Business Ethics. At ENMAX we consider this to be one of the conditions of employment. This means reading the Principles and making sure you fully understand them. If you are aware of any conduct involving yourself or another ENMAX employee or a contractor or agent or other person acting on behalf of the Company that may violate the Principles, you have an obligation to report it to your supervisor without delay. You may also take your concerns about compliance to any Officer of ENMAX. You are assured that you are at no risk of reprisal for any concern expressed in good faith. To the extent possible, ENMAX will endeavour to keep your identity confidential. You may also make an anonymous report by using the Safety and Ethics HelpLine.

Supervisors and managers. Supervisors and managers, in addition to their responsibilities as employees, are responsible for enabling their subordinates to understand and comply with the Principles. As the first point of contact for employees who have questions regarding the Principles and ethical issues, supervisors and managers need to be a knowledgeable and reliable source of advice.

Supervisors and managers should make it possible for their staff to comfortably express their concerns about possible violations of the Principles. This means advising the employee when it becomes necessary to disclose the employee's concern to senior management.

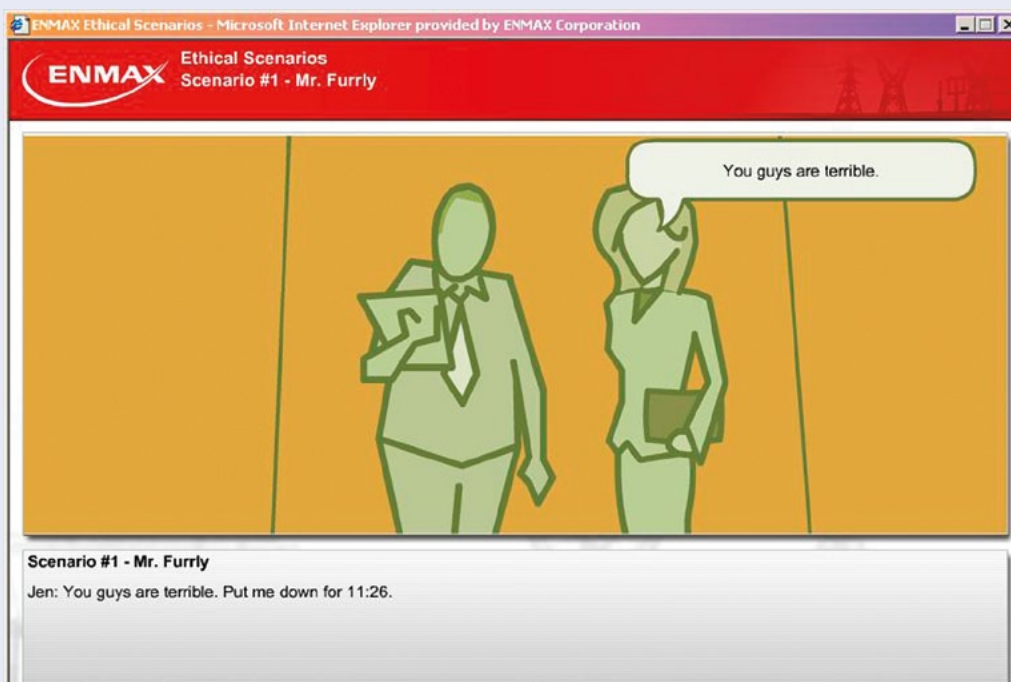
Officers. Company Officers, in addition to their responsibilities as employees and supervisors, are accountable for ensuring all employees are educated and knowledgeable concerning the Principles and their individual responsibilities. Within their respective business unit, subsidiary Presidents and Executive Vice-Presidents must monitor compliance with the Principles, address actual and suspected violations, and report on compliance to the Chief Executive Officer and the Board of Directors.

The President and Chief Executive Officer will submit the Principles of Business Ethics for approval by the Board of Directors of ENMAX Corporation and is accountable for developing and implementing any policies and procedures required for putting the Principles into practice. The President and Chief Executive Officer is ultimately responsible for ENMAX's compliance with the Principles.

Directors. Members of the Board of Directors must understand their legal duties as Directors and act in accordance with those duties, including the duty to act honestly and in good faith with a view to the best interests of ENMAX. Members of the Board of Directors should address any real or possible conflicts of interest with the Board. Individual Directors may also retain outside advisors, at the Company's expense, to provide advice on any matter before the Board or a Board Committee with the prior approval of the Corporate Governance Committee.

It is the responsibility of every member of the Board of Directors to acknowledge and sign the Directors' Code of Conduct upon becoming a Director of ENMAX and to keep relevant information up to date by filing a Declaration of Interest form. This form should be filed with the Corporate Secretary.

› The official ENMAX Principles of Business Ethics is located on Intramax. Printed copies may not include the most current information.



The Ethical Scenarios training available on the LMS is a helpful tool for teams to put the Principles of Business Ethics into practice together.

Putting principles into practice.

We all know that mastering any skill takes practice. That goes for recognizing and properly dealing with ethical issues. Every ENMAX employee has taken basic online training about the Principles of Business Ethics, either in 2006 when the training was first developed or subsequently for new hires. If you ever want a refresher, you can review the training again through the LMS (search for "Principles of Business Ethics" in the course catalogue).

More recently, we've provided another way you can develop your skills as an "ethical practitioner" through our advanced Ethical Scenarios online training module.

This online training depicts a series of animated situations in which an ethical lapse has occurred or where an ethical decision has to be made. Here's a sample of one situation you'll see:

An employee is hospitalized, and a rumor spreads that she fell ill from a leaky pipe in the workplace. Employees demand to know the circumstances of her illness. The employee has asked the supervisor to keep the terms of her sickness confidential. What should the supervisor do?

The training is intended to be taken in a work group setting so that team members can discuss the situations and explore each other's points of view. No "answers" are given in the training; the goal is to generate a discussion of ethical standards and appropriate behaviour, and to open lines of communications for ethical concerns. After all, there are no answers given in real life.

Your work group can include one or two scenarios as part of your team's regular weekly or monthly meeting schedule, or set up a special session to explore all of the situations at one sitting. If a computer and projector are not available in the team's meeting room so that members can view the training together, work group members can be assigned particular scenarios to review online in advance of the meeting.

The ethics training can be accessed through LMS from the "Quick Hits" menu on Intramax. Just search for "Ethical Scenarios" in the course catalogue.

Please participate fully in the discussions with your work group. Give your colleagues the benefit of your experience and listen to the views that they have. You will find that the experience will be more interesting and challenging if everyone trusts each other enough to engage in an open, unfettered dialogue. Then, when real ethical issues arise, you will have a familiar process in place to deal with them.

Notes

Notes

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