

EXECUTIVE SUMMARY RECOMMENDATIONS

Changed from Current

- Subject to review and discussion, the table below presents potential compensation adjustments for select THC executives to more closely align with comparator organizations:

Figures in CAD\$ 000's

THC Position Title	Data Source	Benchmark Position Title	Base Salary		Target Short-term Incentives (% of Base)		Target Total Cash Compensation		
			THC	P50 ¹	Proposed	THC	P50 ¹	THC	% Var. (P50)
President & Chief Executive Officer	Peer Group	Chief Executive Officer	\$549	█	\$575	65%	█	\$906	█
EVP & Chief Financial Officer	Peer Group	Chief Financial Officer	\$375	█	\$400	40%	█	\$525	█
EVP & Chief Engineering and Construction Officer	Peer Group	Top Division Executive	\$338	█	\$360	40%	█	\$474	█
EVP & Chief Electric Operations and Procurement Officer	Peer Group	Top Division Executive	\$298	█	\$320	40%	█	\$418	█
EVP & Chief Human Resources and Safety Officer	2016 CA MBD	Top Human Resources Executive	\$266	█	\$266	40%	█	\$372	█
█	2016 CA MBD	█	█	█	█	█	█	█	█
█	2016 CA MBD		█	█	█	█	█	█	█
█	2016 CA MBD		█	█	█	█	█	█	█

¹ Represents the median of the Public Sector Utility Peers (excluding Hydro One) market refinement

- The proposed compensation levels presented above more closely align THC's Executive cash compensation levels with those observed among peer organizations, by making modest increases where cash compensation is materially below market levels
 - Consistent with THC's current pay practice we have maintained the current compensation structure (e.g. short-term incentive levels unchanged, no long-term incentives)
- The proposed compensation levels are intended to serve as a guideline for potential pay adjustments after consideration of the market data and factors such as internal relativity, tenure, job complexity, and the individual contribution of each incumbent

BENCHMARK RESULTS:

[REDACTED]

[REDACTED]

BENCHMARK RESULTS:

[REDACTED]

[REDACTED]

[REDACTED]

BENCHMARK RESULTS:

[REDACTED]

[REDACTED]