

Compensation Disclosure

Ontario's energy sector is undergoing a profound and rapid transformation. Hydro One plays a critical role in operating, maintaining and growing the electricity system and meeting the changing needs of our customers. We continue to drive efficiencies, improve customer service and achieve strong financial performance for the benefit of customers, employees, shareholders and Ontarians. In setting compensation for executives who are leading this transformation, we use third-party experts and balance the needs of our customers and stakeholders with our desire to attract and retain top talent.

In accordance with the Hydro One Accountability Act, the following is a breakdown of 2023 compensation for Hydro One executives. As a publicly traded company, Hydro One discloses total compensation for the CEO, CFO and next three highest-earning executive positions annually in the Management Information Circular (MIC). In accordance with the Hydro One Accountability Act we will also disclose total compensation for all executives from Vice President to President & CEO who worked for Hydro One during the reporting year. The different disclosure requirements result in different compensation amounts. The primary differences between the Total Compensation Earned in the table below and the Total Compensation outlined in the summary compensation table of the MIC are:

(1) Value of awards vested (b) includes the value of deferred share unit awards granted that relate to the Short-term Incentive Plan (STIP) payment earned during the reporting year. This value is not included in the share- or option-based awards columns in the Summary Compensation Table in the MIC.

(2) Pension and other compensation in the table below provides more information than required by the MIC disclosure rules which only includes benefits that are not generally available to all employees and are, in aggregate, worth more than \$50,000 or 10% or more of total salary. It also includes cash Long-term Incentive Plan (LTIP) payments made in 2023.

Annual Hydro One Compensation Disclosure March 2024

Position	Executive number	Cash compensation (\$)	Value of awards vested (\$)	Pension and other compensation ¹ (\$)	Total compensation earned (\$)	Value of long term incentives granted (\$)	Fraction of the year as an executive ²
		(a)	(b)	(c)	(a+b+c)	(d)	
Chief Executive Officer	1	\$1,129,719	\$129,753	\$715,995	\$1,975,467	\$1,200,000	1.0
	2	\$66,000	\$66,000	\$0	\$132,000	\$0	0.1
Executive vice-presidents (EVP) ³	1	\$436,667	\$30,845	\$62,912	\$530,424	\$325,000	1.0
	2	\$846,000	\$0	\$414,737	\$1,260,737	\$675,000	1.0
	3	\$884,491	\$0	\$696,648	\$1,581,139	\$705,974	1.0
	4	\$621,562	\$0	\$476,435	\$1,097,997	\$401,122	1.0
	5	\$476,566	\$33,085	\$351,657	\$861,308	\$350,000	1.0
Senior vice-presidents (SVP) ⁴	1	\$432,008	\$0	\$238,962	\$670,970	\$196,663	1.0
	2	\$460,925	\$0	\$361,548	\$822,473	\$319,013	1.0
	3	\$415,253	\$0	\$234,032	\$649,285	\$207,841	1.0
	4	\$357,745	\$0	\$125,723	\$483,468	\$135,290	0.7
	5	\$233,921	\$0	\$2,000,977	\$2,234,898	\$0	0.5
	6	\$136,075	\$0	\$1,082,937	\$1,219,012	\$0	0.3
Vice-presidents (VP) ⁵	1	\$350,422	\$35,259	\$36,757	\$422,438	\$228,600	1.0
	2	\$354,804	\$0	\$181,536	\$536,340	\$161,518	1.0
	3	\$374,697	\$0	\$203,635	\$578,332	\$207,060	1.0
	4	\$330,352	\$59,049	\$123,113	\$512,514	\$154,005	1.0
	5	\$377,808	\$0	\$238,857	\$616,665	\$208,810	1.0
	6	\$384,636	\$0	\$237,829	\$622,465	\$200,562	1.0
	7	\$410,396	\$0	\$36,190	\$446,586	\$260,473	1.0
	8	\$401,542	\$32,503	\$230,992	\$665,037	\$458,194	1.0
	9	\$379,764	\$0	\$31,710	\$411,474	\$228,600	1.0
	10	\$435,874	\$0	\$305,066	\$740,940	\$259,518	1.0
	11	\$281,529	\$45,034	\$146,870	\$473,433	\$168,936	1.0
	12	\$365,831	\$61,897	\$306,970	\$734,698	\$299,865	1.0
	13	\$42,110	\$0	\$19,406	\$61,516	\$0	0.1
	14	\$152,878	\$0	\$153,727	\$306,605	\$151,417	0.7
	15	\$21,800	\$0	\$6,250	\$28,050	\$0	0.1
	16	\$324,098	\$0	\$104,482	\$428,580	\$133,980	1.0
	17	\$282,838	\$0	\$79,451	\$362,289	\$120,000	1.0
	18	\$322,529	\$0	\$181,976	\$504,505	\$138,291	1.0
	19	\$432,277	\$158,418	\$251,226	\$841,921	\$411,623	1.0
	20	\$268,456	\$0	\$76,577	\$345,033	\$109,239	1.0
	21	\$335,034	\$0	\$96,223	\$431,257	\$92,000	1.0
	22	\$389,049	\$0	\$200,960	\$590,009	\$167,322	1.0
	23	\$397,273	\$11,149	\$285,654	\$694,076	\$255,112	1.0
	24	\$398,682	\$0	\$48,516	\$447,198	\$165,420	1.0
	25	\$285,022	\$100,751	\$45,217	\$430,990	\$223,161	1.0
	26	\$434,092	\$0	\$42,838	\$476,930	\$216,957	1.0
	27	\$277,223	\$0	\$84,335	\$361,558	\$48,209	0.3
	28	\$272,651	\$0	\$32,239	\$304,890	\$63,701	0.3
	29	\$304,184	\$0	\$115,948	\$420,132	\$72,287	0.4
	30	\$287,705	\$0	\$103,155	\$390,860	\$64,975	0.4
	31	\$269,836	\$0	\$44,399	\$314,235	\$57,686	0.2
	32	\$323,107	\$0	\$147,801	\$470,908	\$83,302	0.4
	33	\$290,238	\$0	\$82,013	\$372,251	\$49,752	0.3
	34	\$228,096	\$0	\$45,827	\$273,923	\$56,000	0.3
	35	\$34,123	\$0	\$88,163	\$122,286	\$0	0.1
	36	\$269,711	\$0	\$95,829	\$365,540	\$55,946	0.3
	37	\$244,663	\$13,166	\$642,435	\$900,264	\$138,291	0.8
	38	\$106,383	\$0	\$1,043,403	\$1,149,786	\$0	0.4
Total⁶		\$17,938,645	\$776,909	\$12,960,138	\$31,675,692	\$10,226,718	

Definitions

- (a) Base salary and cash-based short-term incentives paid in respect of the reported year.
 (b) Fair value on the date of vesting of all option-based awards and share-based awards, including short-term incentives taken in the form of a share-based award, that vested in the reported year.
 (c) Pension contributions, cash LTIP payouts, perquisites, flexible benefit allowances, employee share ownership plan contributions, severance and other compensation paid by Hydro One in the reported year.
 (d) Fair value on the date of grant of all long-term incentive grants awarded in the reported year on the date of grant.

Notes

- (1) The pension contributions for executives with a defined benefit plan that were included under the column titled "Pension and other compensation" were based on contributions made by the employer on behalf of a plan member, estimated as a percentage of pensionable earnings on the basis of the last actuarial valuation available to the employer.
 (2) The fraction of the year as an Executive column identifies the portion of the year that the individual held an executive position. This includes those who were promoted part way through the year and those who were with the organization for a portion of the year. For employees promoted to an executive position during the year, the amounts above include compensation for the full year.
 (3) EVP positions: EVP, Capital Portfolio Delivery; EVP, Safety, Operations & Customer Experience; EVP, Strategy, Energy Transition & HR; EVP, Chief Financial & Regulatory Officer; Senior Advisor
 (4) SVP positions: General Counsel; SVP, Finance; SVP, Pensions; SVP, Shared Services; SVP, Strategy & Growth; SVP, Technology & CIO
 (5) VP positions: Chief Ethics Officer; Chief Security Officer; Corporate Secretary; Corporate Secretary & Corporate Ethics; Ombudsman; President & CEO, Acronym; Senior Advisor, CFO's Office; VP & Executive Lead, Enterprise Strategy & Energy Transition; VP & Executive Lead, System Planning & Grid Modernization; VP & Treasurer, Treasury & Risk; VP, Business Solutions; VP, Communications & Marketing; VP, Communications, Marketing, & Investor Relations; VP, Corporate Controller; VP, Corporate Tax; VP, Customer Experience & Billing Operations; VP, Distribution; VP, Employee & Labour Relations; VP, Engineering & Construction Services; VP, Facilities & Real Estate; VP, Forestry & Integration Services; VP, Growth; VP, Health & Safety; VP, Human Resources; VP, Indigenous Relations, Sustainability & Remotes; VP, Internal Audit; VP, Planning; VP, Portfolio Management; VP, Regulatory Affairs; VP, Stakeholder Relations; VP, Strategic Projects & Partnerships; VP, Strategy & Innovation; VP, Supply Chain; VP, System Operations & Stations Services; VP, Total Rewards; VP, Transmission System Planning & Large Customer
 (6) The Compensation Disclosure identifies 50 unique positions; as of the end of the reporting year, 44 VPs and above were actively employed by Hydro One.