

SHAREHOLDER ESG ENGAGEMENT

Q1 2022



FORWARD-LOOKING INFORMATION

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Forward looking information involves significant risks, uncertainties and assumptions. Certain material factors or assumptions have been applied in drawing the conclusions contained in the forward-looking information, including, without limitation: no material adverse effects from the COVID-19 pandemic; reasonable regulatory decisions and the expectation of regulatory stability; the successful execution of the capital plan; no material capital project or financing cost overrun; no material changes in the assumed U.S. dollar to Canadian dollar exchange rate; sufficient human resources to deliver service and execute the capital plan; and no significant variability in interest rates. Fortis cautions readers that a number of factors could cause actual results, performance or achievements to differ materially from the results discussed or implied in the forward-looking information. These factors should be considered carefully, and undue reliance should not be placed on the forward-looking information. For additional information with respect to certain of these risks or factors, reference should be made to the continuous disclosure materials filed from time to time by the Corporation with Canadian securities regulatory authorities and the Securities and Exchange Commission. All forward-looking information herein is given as of the date of this presentation. Fortis disclaims any intention or obligation to update or revise any forward-looking information, whether as a result of new information, future events or otherwise.

Unless otherwise specified, all financial information is in Canadian dollars.

ESG LEADERSHIP



Industry leader in
SAFETY AND RELIABILITY



Continued focus on
ENERGY DELIVERY



Carbon emissions reduction
target of 75% BY 2035
using a 2019 base year⁽¹⁾



Industry recognition for
STRONG GOVERNANCE grounded in
local leadership & independence



More than \$10 MILLION
of community
investment in 2021



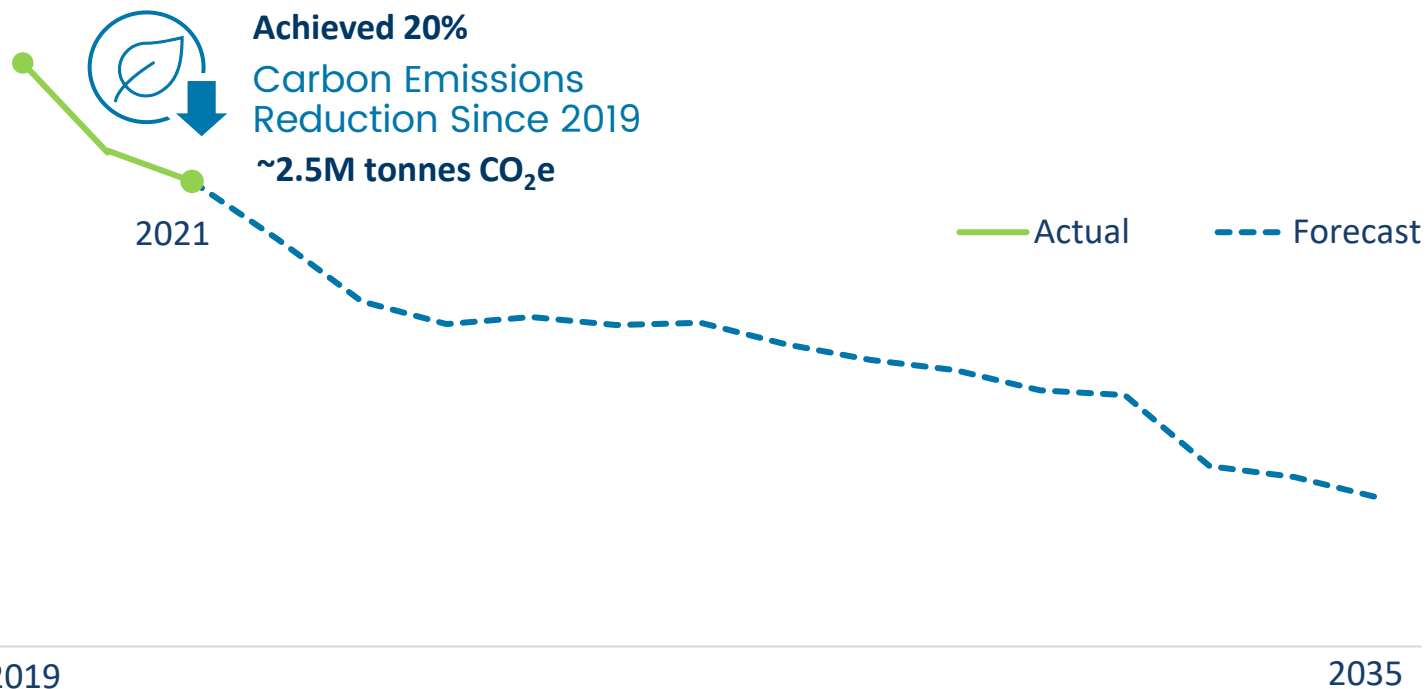
Focused on DIVERSITY,
EQUITY AND INCLUSION

Women represent 50% of the Fortis Board;
60% of Fortis utilities have either a female CEO
or Board Chair; DEI Advisory Council established

(1) Achieved a 20% carbon emissions reduction since 2019

CARBON EMISSIONS REDUCTION TARGET ON TRACK

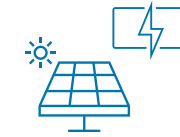
75% REDUCTION IN SCOPE 1 EMISSIONS BY 2035
COMPARED TO 2019 LEVELS



2021 CLEAN GENERATION ADDITIONS IN ARIZONA



250 MW ✓
Oso Grande



100 MW ✓
Wilmot Solar ⁽¹⁾⁽²⁾



99 MW ✓
Borderlands⁽¹⁾

PLANNED COAL RETIREMENTS



2022
170 MW
San Juan



2027
387 MW
Springerville
Unit #1



2031
110 MW
Four Corners



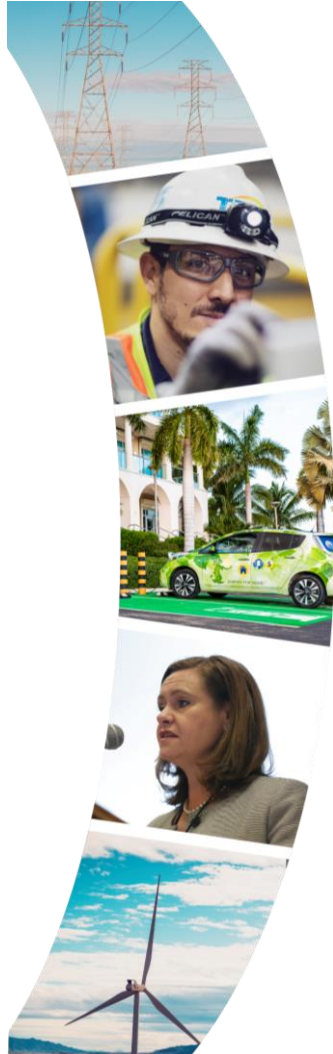
2032
406 MW
Springerville
Unit #2

TRANSITION TO 2035

- Exiting coal-fired generation by 2032
- Installing ~2,400 MW⁽³⁾ of new wind and solar and 1,400 MW of battery storage
- 99% of assets expected to be energy delivery or carbon-free generation

(1) Power purchase agreement
(2) Wilmot also has 30 MW of battery storage
(3) Includes ~450 MW placed in-service in 2021

2021 ESG ADVANCEMENTS



ENHANCED DISCLOSURES

- Achieved a 20% carbon emissions reduction since 2019
- Issued 2021 Sustainability Report in July 2021
 - 50+ new key performance indicators; 14 aligned with Sustainability Accounting Standards Board (SASB)
- \$3.8B of cleaner energy investments identified in five-year outlook

DIVERSITY, EQUITY & INCLUSION

- Gender parity reached on the Board in 2021
- Fortis-wide Diversity, Equity and Inclusion Advisory Council established

TCFD ALIGNMENT

- Became an official Task Force on Climate-Related Financial Disclosures (TCFD) Supporter in July 2021
- Committed to fully implement the TCFD recommendations
- Commenced climate scenario analysis

STRENGTHENED SUSTAINABILITY COMMITMENT

- Board's Governance and Sustainability Committee renamed to better reflect its role in oversight of sustainability matters
- Introduced a new measure in executive compensation to link incentive compensation to carbon reduction and climate change priorities

2022 ESG PRIORITIES

ENHANCED DISCLOSURES

- Full sustainability report to be released mid-2022 with further SASB alignment

DIVERSITY, EQUITY & INCLUSION

- Board and Executive Diversity policy modified
 - Board gender target increasing from 33% to 40%
 - Board target of two directors identifying as visible minority or indigenous by 2023 shareholder meeting

TCFD ALIGNMENT

- TCFD report, including climate scenario progress update, to be released in early 2022

STRENGTHENED SUSTAINABILITY COMMITMENT

- Focused on expanding linkage of short and long-term compensation to sustainability goals
- Expect board-shareholder engagement sessions in late 2022
- Enhanced reporting of workforce representation data planned for 2022

