Fortis Sustainability

2026 REPORT

FORTIS

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Note to users: This report includes information on Fortis' sustainability-related objectives, practices and performance and includes statements about the environmental or climate-related impacts of our business activities. Fortis assesses and confirms the accuracy of these statements in accordance with any applicable laws as well as current industry and international best practice in sustainability reporting. Where indicated, our GHG emissions and environmental indicators are presented in accordance with internationally recognized methodologies, including the GHG Protocol Corporate Accounting and Reporting Standards. Other KPIs and statements are in accordance with internationally recognized reporting methodologies and best practices and are supported by our internal controls and processes. Scope 1 emissions have received third-party limited assurance.

This report includes forward-looking information. Please refer to the forward-looking caution on page 42.

Message from David Hutchens

President & CEO

At Fortis, we are working to deliver energy that goes further. Going further means providing safe, reliable, affordable, and cleaner energy to customers and communities.

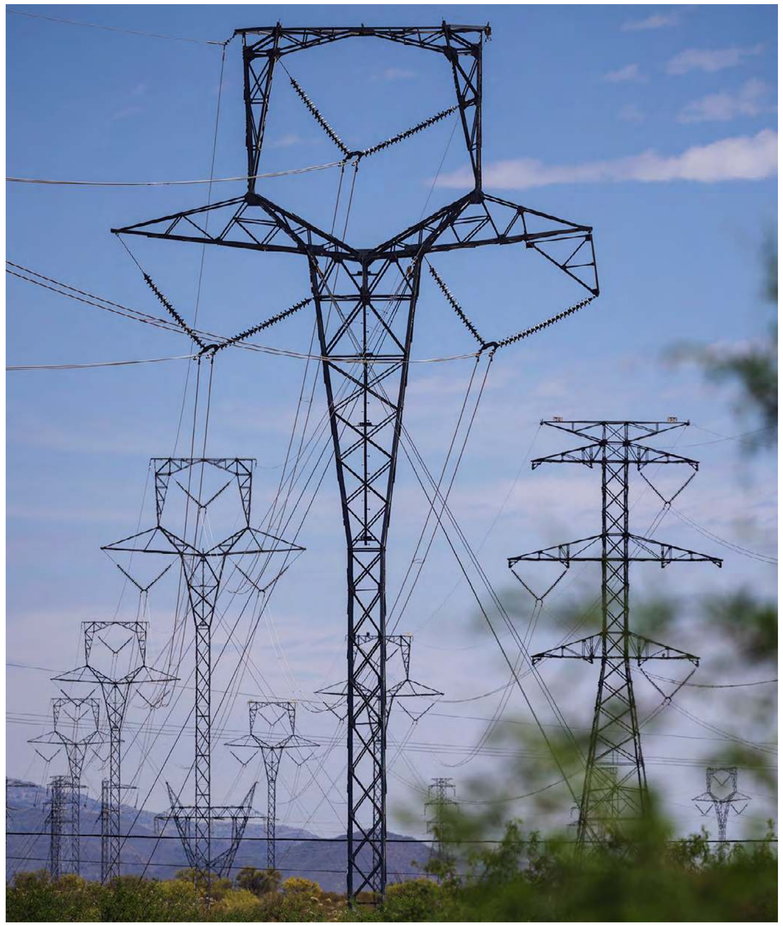
Sustainability, to us, is about protecting the environment for future generations and strengthening utility assets to withstand climate conditions. It also means focusing on affordability, investing in the well-being of our communities, adhering to the strongest governance standards, and attracting, developing, and retaining a highly skilled workforce. And above all else, safety remains our top priority.

Our poles, wires, and gas lines have an outsized role. They underpin economic growth. By investing in a more reliable, resilient, and innovative grid, we are meeting rising demand and creating lasting value for our customers and local economies.

Looking at the opportunities ahead, Fortis is strong, focused, and well-positioned for future growth.

Thank you to our 9,900 employees. Every day, you move critical energy projects forward for the customers and communities we serve. Together, we are going further, building a more sustainable and resilient energy future.

David G. Hutchens
President and CEO
Fortis Inc.



Reporting Framework

How we measure, report and disclose.

Fortis reports sustainability key performance indicators annually and publishes a comprehensive sustainability report every two years.

Our sustainability reporting aligns to established reporting frameworks:

- We report in accordance with industry-specific Sustainability Accounting Standards Board (SASB) guidelines and align with applicable Global Reporting Initiative (GRI) standards.
- Climate-related information is reported in accordance with the recommendations of the Task Force on Climate-Related Financial Disclosures (TCFD) and the International Sustainability Standards Board (ISSB).
- Greenhouse gas (GHG) emissions are reported in accordance with the GHG Protocol Corporate Accounting and Reporting Standards.

[1] For additional information on the limited level assurance, see the third-party assurance report on our website.

Additional Information

- Key performance indicators (KPIs) in the appendix are reported on an enterprise-wide basis and include data from all Fortis utilities, unless otherwise noted.
- Certain KPIs are impacted by the 2025 dispositions of FortisTCI and Fortis Belize, and have been adjusted where appropriate.
- Scope 1 emissions were assured at a limited level[1] by a third party. KPIs marked by √ throughout the appendix have been assured to a limited level.
- Unless otherwise specified, all information is as of December 31, 2025 and financial information is referenced in Canadian dollars and based on applicable U.S. dollar-to-Canadian dollar foreign exchange rates for 2025.

This report was published on July 31, 2026.

RELATED FORTIS DOCUMENTS

2025 Annual Results
2025 Annual Information Form
2026 Management Information Circular

Additional Reporting

The sustainability reporting page on our website includes prior sustainability and climate reports, as well as:

- SASB Standards Cross Reference
- GRI Cross Reference
- TCFD Cross Reference
- 2025 Annual S-211 Report
- Edison Electric Institute Sustainability Template

2026 Climate Resiliency Report

In February 2026, Fortis released its third climate report, which includes climate scenario analysis using high- and moderate-emissions pathways and multiple time horizons. The report aligns with the TCFD recommendations and ISSB climate reporting standards.

- Utilities completed enhanced, location-specific climate risk and vulnerability assessments grounded in climate scenario analysis and external expertise.
- Climate hazards are now mapped by geography and asset category, identifying areas of higher and lower exposure and risk level across Fortis utilities.

This work informs climate strategy across Fortis and its utilities. Climate scenario analysis is an input to capital planning, helping utilities identify and prepare for potential future risk areas. Findings from our climate reports are integrated into the enterprise risk management process and support governance and sustainability committee (GSC) oversight of climate strategy.

VIEW REPORT

About Fortis

Energy that goes further:

A premium North American utility delivering a cleaner energy future.[1]

9
regulated utilities in Canada, the U.S. and the Cayman Islands

3.5M
electricity and gas customers

$28.8B
2026-2030 capital plan, largest in Fortis history

100%
regulated utility assets

~95%
transmission and distribution assets

~5%
generation assets

9,900
dedicated employees

$79B
total assets[2]

52
consecutive years of increases in dividends paid

[1] Refer to glossary on page 42.
[2] As of June 30, 2026.

Report Highlights

Energy with impact.

~38%
reduction in scope 1 GHG emissions since 2019

Five-Year
avoided emissions equivalent to taking more than **500,000 vehicles off the road for one year**

GHG intensity of energy delivered has declined each year since 2019, reaching a **record low in 2025**

Committed to a coal-free
generation mix by 2032

Strengthened our communities by contributing $14 million to support community causes

Safest year on record and 50% better reliability performance compared to recent industry averages

Supported affordability by investing $320 million in energy efficiency programs, saving enough energy to power approximately 65,000 homes for a year

$40M
invested in developing our people through employee training

In 2026, Fortis launched the **Innovation Showcase**, an enterprise-wide initiative to recognize and accelerate innovation by sharing and scaling ideas across our utilities. The four projects selected for the showcase are featured throughout this report.

Climate & Environment

Our commitment remains unchanged:

cleaner energy, delivered safely, reliably, and affordably.

GHG Emissions Indicators (ktonnes of CO_2e)	2025	2024	YOY Change
Total scope 1 emissions	7,559	8,069	▼ 510
Total scope 2 emissions – market based	162	141	▲ 21
Scope 3 emissions related to electricity transmitted and delivered under certain regulatory tariffs[1]	78,401	75,247	▲ 3,154
Scope 3 emissions related to natural gas used by customers	9,851	10,236	▼ 385
Combined GHG intensity of energy delivered to customers (ktonnes of CO_2e per PJ)[2]	6.54	7.14	▼ 0.60
Average GHG intensity of electricity generated	0.48	0.46	▲ 0.02

Renewable Energy Indicators (GWh)	2025	2024	YOY Change
Total renewable net electricity generated	2,841	3,094	▼ 253
Renewable energy purchased and resold for customer use	13,690	13,289	▲ 401

Insights

- Scope 1 GHG emissions declined by approximately 38% between 2019 and 2025, reflecting sustained progress in reducing emissions.
- Lower emissions reflect a changing generation mix, with coal generation decreasing by 58% and renewable generation increasing by 24% since 2019.
- Increased electricity deliveries were the primary driver of higher scope 3 emissions in 2025.
- The combined GHG intensity of energy delivered to customers has declined each year since 2019, reaching its lowest reported level in 2025.

Scope 1 emissions have decreased every year since 2019.

[1] Reflects ITC Holdings Corp., FortisAlberta and UNS Energy when they transmit and deliver energy only and do not purchase or sell the energy. For additional information regarding scope 3 emissions, see page 36.
[2] Energy delivered to customers includes electricity and natural gas deliveries.

PROGRESS TOWARD A CLEANER ENERGY FUTURE

We continue to make steady progress toward reducing carbon emissions and delivering cleaner energy[1] to our customers.

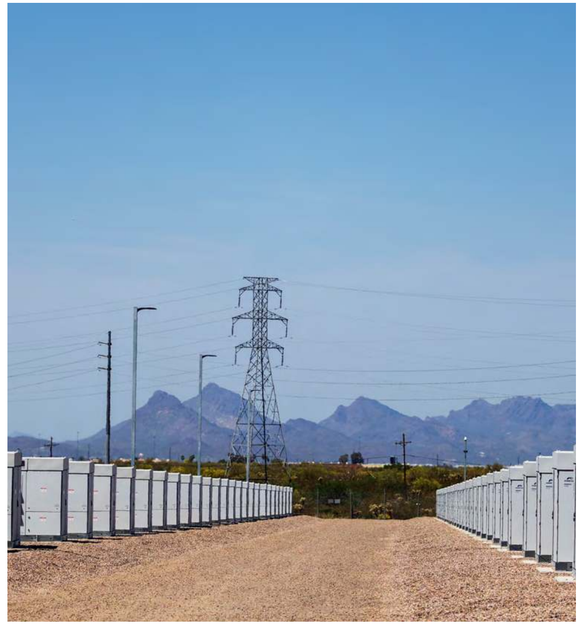
Meeting Growing Energy Demand

With 245,800 kilometres of electricity and natural gas transmission and distribution lines, energy delivery accounts for approximately 95% of Fortis' assets.[2] This focus on energy delivery contributes to a lower environmental impact compared to a typical generation intensive utility.

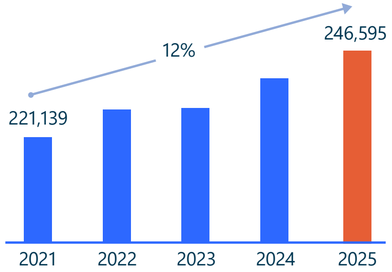
From 2021 to 2025, electricity deliveries increased by 12%, while gas deliveries declined by 13%. The decrease in gas deliveries was largely due to the 2023 disposition of the Aitken Creek gas storage facility.

Lowering Emissions Associated with Energy Delivery

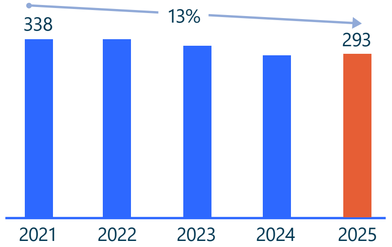
As energy demand has increased, the energy delivered to customers has become cleaner. Since 2021, the combined GHG intensity of energy delivered to customers declined by 25%.



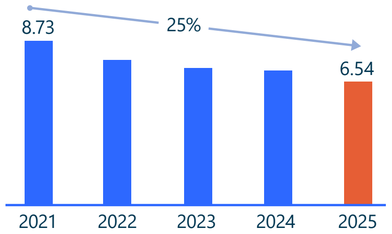
Electricity Deliveries (GWh)



Gas Deliveries (PJ)



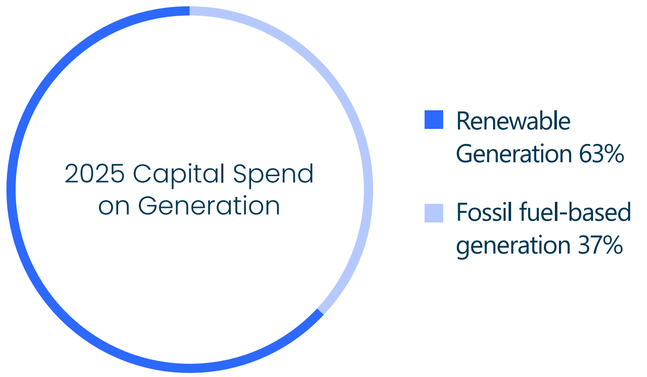
Combined GHG Intensity of Energy Delivered to Customers[3] (ktonnes of CO_2 equivalent per PJ)



[1] Refer to the glossary on page 42.
[2] The remaining assets are generation, the majority of which are located at Tucson Electric Power.
[3] Combined GHG intensity of energy delivered to customers is calculated by dividing total scope 1 and 2 emissions by total electricity and natural gas deliveries.

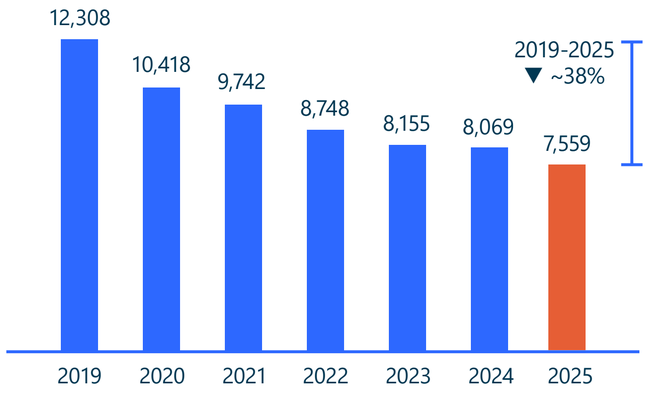
Lowering Emissions Associated with Electricity Generation

- Scope 1 GHG emissions decreased approximately 5,000 ktonnes of CO_2e since 2019.
- Since 2019, renewable generation increased by 24%, while coal generation decreased by 58%.
- Natural gas accounted for just over half of total generation in 2025, providing an efficient and reliable source of electricity as Tucson Electric Power (TEP) continues to transition away from coal.
- Renewable energy projects represented the majority of generation capital investments in 2025, accounting for nearly two thirds of total spending on generation.

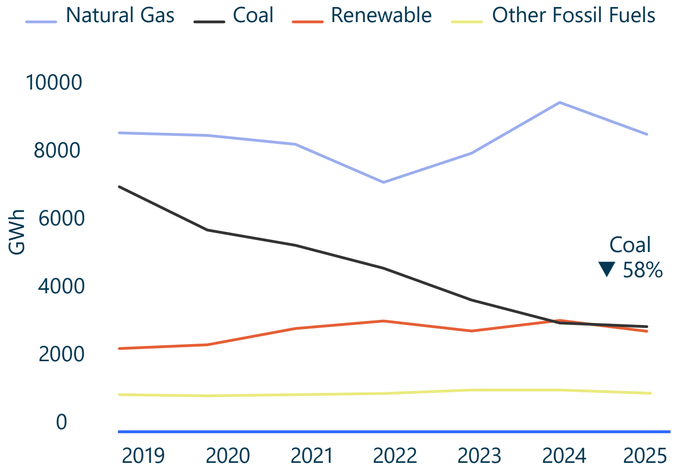


Historical Decarbonization Progress

Scope 1 emissions (ktonnes of CO_2e)



2019-2025 Generation Mix

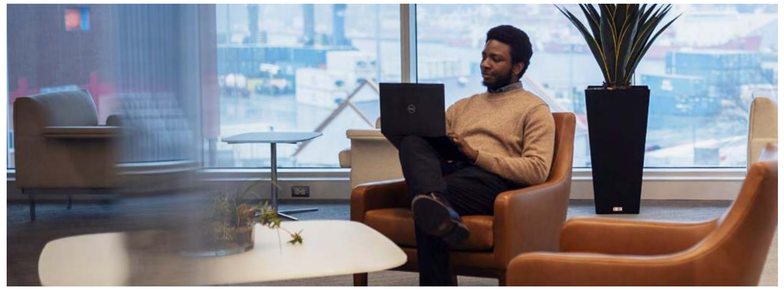


Looking Forward: Decarbonizing Our Energy Mix

Each Fortis utility's path to reducing emissions will be unique, reflecting its local operating and regulatory environment, as well as customer demand.

A key decarbonization milestone is achieving a coal-free generation mix by 2032. TEP, which owns the majority of Fortis' total generation assets, is the only Fortis utility that uses coal for generation. TEP plans to convert nearly 800 Megawatts (MW) of coal-fired generation at the Springerville Generating Station to natural gas. The utility is expected to file its next Integrated Resource Plan later in 2026. The plan will cover a 15-year planning horizon, outlining how the utility expects to meet growing energy needs over the next decade and beyond.

Our ability to reduce GHG emissions is expected to be impacted by a range of factors. These include significant load growth, customer affordability, the pace of development of clean energy technology, regulatory and legislative requirements, and federal, state and provincial energy policies.[1] As a result, we anticipate progress may not be linear. Looking ahead, we see opportunities to advance cleaner energy while balancing reliability, resiliency, and affordability. We remain focused on delivering a cleaner energy future and advancing toward net-zero emissions by 2050.



[1] Refer to the glossary on page 42.

LEARN MORE ABOUT HOW OUR UTILITIES ARE DELIVERING CLEANER ENERGY

While each utility has a distinct asset mix and decarbonization pathway, every Fortis company is focused on advancing emissions reductions.

Cleaner Energy, Lower Emissions at TEP

In Arizona, TEP continues to expand its renewable and energy storage portfolio while phasing out coal generation.

In 2025, TEP brought one of Arizona's largest battery storage facilities into service. The 200-MW Roadrunner Reserve 1 system can power 42,000 homes for up to four hours. It stores excess solar energy for use during peak demand, strengthening reliability and supporting cleaner energy. Its value was demonstrated during record-breaking heat in August 2025, when the system helped maintain grid stability and kept homes cool. A second 200-MW unit was completed in 2026, doubling TEP's battery storage capacity.

TEP continues to expand its solar portfolio. In 2026, the utility brought the 160-MW Babacomari Solar facility, its largest solar resource to date, online, along with an additional 100-MW solar and storage system at the Wilmot Energy Center. TEP also supports customers in connecting private solar systems.

As part of its transition from coal, TEP's two units at the Springerville Generating Station will be converted to natural gas, reducing carbon emissions from these units by approximately 40%. The conversion will cost substantially less than building new generation resources with comparable reliability. In addition, the transition continues to support the local economy through job preservation and helping sustain the local tax base.

Reducing GHG Emissions at FortisBC

FortisBC expanded renewable natural gas (RNG) deployment in 2025, which displaced the equivalent of 400 kilotonnes (ktonnes) of GHG emissions from natural gas consumption. The utility increased RNG procurement, supplying enough energy to serve more than 50,000 homes annually. In partnership with local organizations, FortisBC helped launch the Hartland RNG facility, Vancouver Island's first RNG facility. The facility came online in 2025, transforming captured landfill gas into RNG.

The utility is also committed to finding solutions for sectors that are difficult to decarbonize, such as heavy industry and marine transportation. FortisBC supports fleet and marine operators in switching from diesel and conventional marine fuels to lower carbon options, including RNG and liquefied natural gas (LNG), helping reduce emissions and fuel costs. Through a collaborative pilot, the utility is helping test Canada's first hydrogen-powered grocery delivery truck. The initiative demonstrates the real-world performance of zero-emission heavy-duty trucks in daily operations.

FortisBC is also supporting the decarbonization of transportation, British Columbia's largest source of GHG emissions, through its electric vehicle public charging network. In 2025, the utility marked its 100,000th vehicle charging session.

FortisBC partnered to launch B.C.'s first hydrogen-powered grocery delivery truck.

Unlocking Decarbonization at ITC Holdings Corp.

ITC Holdings Corp. (ITC), our regulated electric transmission company, is investing in infrastructure that enables access to renewable energy, and also remains focused on reducing emissions across its operations.

The utility is constructing Michigan's first major interstate transmission connection in 50 years, extending into neighbouring Indiana. This interconnection is part of a broader effort to bring new renewable energy to the grid while enhancing system reliability and resiliency.

ITC remains focused on reducing emissions associated with its operations. Since 2005, ITC has partnered with the Environmental Protection Agency (EPA) to reduce sulfur hexafluoride (SF_6) emissions through tracking, reporting, and proactive leak management.[1] These sustained efforts have earned ITC recognition from the EPA as an industry leader for its efforts.

FORTIS INNOVATION SHOWCASE
SUSTAINABLE IMPACT

Caribbean Utilities Company, Ltd. Modernizing Generation for Lower Costs and Emissions

Through innovative generation upgrades, Caribbean Utilities Company, Ltd. (CUC) demonstrates how utilities can simultaneously reduce emissions, strengthen reliability and lower customer costs. Rather than building new generation, CUC transformed existing diesel-powered assets into high-efficiency units. The upgrades are expected to reduce GHG emissions by up to 10%, and also deliver customer savings of 1–2 cents per kWh. Customer benefits exceeded US$3 million in 2025.

[1] SF_6 is a GHG used by electricity companies in high-voltage breakers.

CLIMATE PLANNING AND PREPAREDNESS

We are designing and operating systems to withstand the extreme weather events we experience today and the climate conditions we anticipate in the decades ahead.

Our **2026 Climate Resiliency Report** outlines how Fortis companies are strengthening their understanding of climate-related risks and using data-driven insights to enhance the resilience of our energy systems. The assessment identified wildfires, strong winds, extreme heat, and flooding as the most significant hazards across our group of companies.

Wildfire risk is a core focus area for Fortis. Our utilities are enhancing wildfire situational awareness through a combination of advanced technologies, data integration, and operational expertise. A variety of mitigation tactics are being implemented based on local risk levels. While approaches differ across utilities, technologies being used include platforms to improve monitoring of wildfire conditions that aggregate real-time and forecast weather, supported by weather stations, predictive modelling, and sensors and cameras that use artificial intelligence (AI).

Through its AI Working Group, Fortis is also exploring innovative approaches to vegetation management that help identify and mitigate wildfire risk more proactively.

Utilities are fostering collaboration on wildfire preparedness by bringing together government, first responders, and industry partners to share best practices and improve coordination.

Wildfire Mitigation Activities at Fortis Utilities

- **Deploying New Technologies**
- **Enhancing Vegetation Management Programs**
- **Partnering with Customers and Communities**

All Fortis utilities have developed a wildfire mitigation plan based on local risk levels.

GOING FURTHER[1]

Innovating to Strengthen Wildfire Resiliency at FortisAlberta

In 2025, FortisAlberta deployed 236 grid sensors across 467 structures to strengthen grid monitoring in high-risk areas. The sensors detect hazards on both energized and de-energized lines, including vegetation contacts, equipment damage, and wildfire-related faults. By pinpointing fault locations, the technology enables faster crew dispatch and supports quicker service restoration.

The utility also advanced predictive capabilities by introducing a wildfire modelling platform, which delivers hourly, asset-level risk forecasts and fire spread simulations. These tools supported proactive crew deployment ahead of a May 2025 wind event, improving restoration response and helping refine longer-term climate mitigation strategies.

In 2026, FortisAlberta expanded its Public Safety Power Shutoff program to two additional areas of Alberta and strengthened internal capabilities with the addition of a senior meteorologist. The utility also expanded use of drone technology, completed refresher wildfire training for employees and continued to deploy equipment to reduce wildfire risk.

Together, these innovations are strengthening system resilience, reducing wildfire ignition risk and helping to protect communities across Alberta.

[1] Refer to the glossary on page 42.

SAFEGUARDING BIODIVERSITY ACROSS OUR OPERATIONS

Protecting biodiversity is reflected in how Fortis utilities plan, build and operate their energy systems.

In 2026, FortisAlberta and Newfoundland Power were recognized as two of Canada's Greenest Employers by Canada's Top 100 Employers Project.

ITC incorporates biodiversity protection into project execution through careful planning and deployment. In 2025, projects such as transmission upgrades in Michigan, required coordinated efforts to minimize impacts on several sensitive species. Practices such as active-season biomonitoring, strategic access routing, reduced work-area footprints and construction timing adjustments enabled transmission upgrades while safeguarding threatened and endangered species.

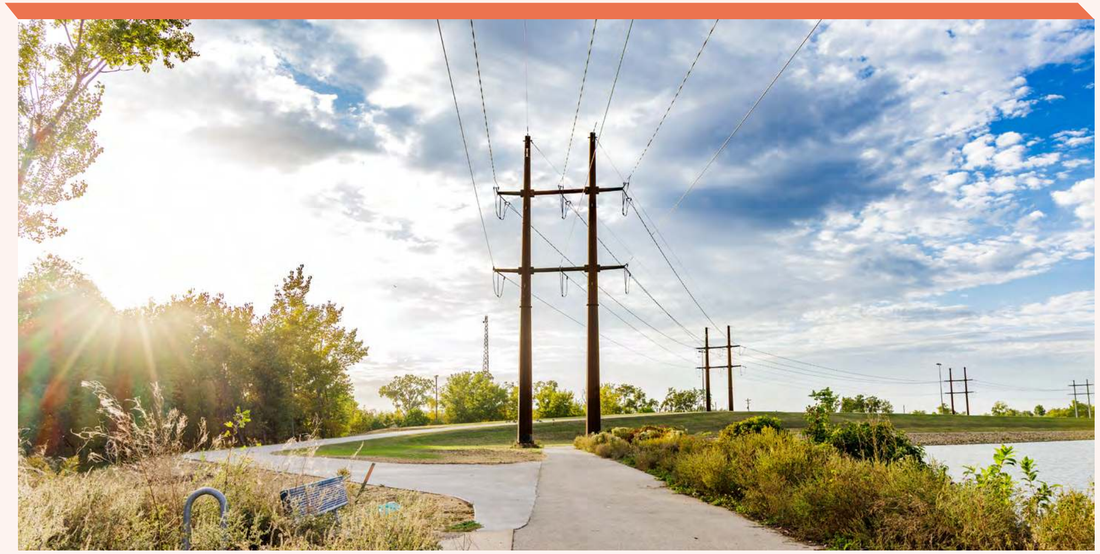
TEP's raptor protection program helps protect birds through proactive and responsive measures. The utility safeguards new utility poles with silicone and fibreglass covers designed to keep birds away from energized components. Existing infrastructure is retrofitted with these protections when raptor nests are discovered nearby.

Our utilities work with local partners to help protect and restore wildlife habitats in their communities. In 2025, FortisBC collaborated with a conservation society to repurpose retired utility poles into bat roosting structures. Maritime Electric has partnered with a local community group for nearly two decades, helping protect piping plover and bank swallow populations through habitat monitoring and conservation support.

GOING FURTHER

Diverting Waste, Delivering Value at ITC

ITC is diverting thousands of tonnes of material from landfills annually through comprehensive recycling practices. Replacing aging infrastructure presents opportunities to responsibly manage retired components. Batteries are sent to facilities that reclaim lead and acid, oil and metals contaminated with polychlorinated biphenyls (PCBs) are treated and de-chlorinated at licensed sites, and concrete is crushed for reuse in new construction. In 2025, ITC recycled 97,796 gallons of oil and 10,224,748 pounds of metal.



Operations

Our utilities are energy delivery experts, dedicated to safety, performance and growth.

Insights

- Dedication to safety remained the top priority throughout 2025.
- In 2025, our utilities delivered top quartile reliability performance relative to recent industry averages.
- Transmission reliability in 2025 was significantly impacted by weather events at ITC.
- The latest five-year capital plan of $28.8B represents the largest capital plan in Fortis' history.

2025 marked the strongest safety performance in our history

$5.6B
in record capital investments in 2025

Electricity reliability outperformed recent industry averages by approximately 50%

Electricity Operations Indicators	2025	2024	YOY Change
Total electricity customers (thousands)	2,173	2,161	▲ 12
Electricity delivered (GWh)	246,595	238,609	▲ 7,986
Electricity SAIDI (average annual outage duration (hours))	1.86	1.87	▼ 0.01
Electricity transmission service reliability (number of forced outages per 100 miles of transmission lines)	0.57	0.45	▲ 0.12

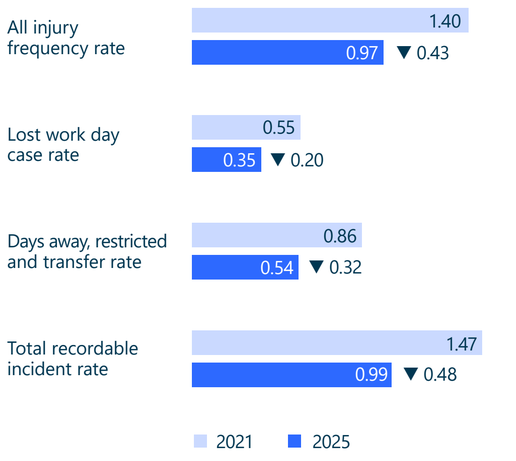
Natural Gas Operations Indicators	2025	2024	YOY Change
Total natural gas customers (thousands)	1,366	1,358	▲ 8
Natural gas delivered (PJ)	293	290	▲ 3
Reportable pipeline incidents	6	10	▼ 4
Gas leaks per 1,000 customers	1.39	1.33	▲ 0.06

SAFETY FIRST, ALWAYS

Safety is at the heart of everything we do at Fortis, protecting our 9,900 employees and the communities we serve. We achieved improvements across all key safety metrics over the five-year period.

Safety Performance Over the Last 5 Years

Per every 200,000 hours worked



We believe in safety, on-the-job, off-the-job, and everywhere in between. By working together, we can prevent incidents and injuries.

FORTIS INNOVATION SHOWCASE
SAFETY AND WELL-BEING

Newfoundland Power Enhancing Job Safety Planning with AI

Newfoundland Power used AI to transform how pre-job safety plans (tailboards) are reviewed, analyzed, and used to improve field safety. While meetings were previously recorded, only a small sample of the 20,000 annual tailboards were manually reviewed. Now, AI enables analysis of 100% of tailboard records at a fraction of the time and cost. Dashboards identify trends to support targeted coaching and continuous improvement. As a result, Newfoundland Power has been able to continue its shift to a more proactive approach to safety.

Taking Action to Address Injuries

In 2025, the leading cause of injury across our group of companies was overexertion and injuries related to movement, such as those linked to strain, repetitive motion, or improper movement. Addressing these risks requires customized, comprehensive approaches.

Initiatives such as UNS Energy's Workready Injury Prevention Program and FortisBC's Wellness Network help build physical resilience, promote healthy habits, and use tools like AI-enabled training and personalized mobility programs. These initiatives improve physical well-being and lower injury risk, addressing our top injury risk areas.

Two safety leaders, Ada Nadison at FortisBC and Miranda Brazil at Newfoundland Power, were recognized among Canada's Top Women in Safety by the Canadian Occupational Safety Group, reflecting a shared commitment to strengthening safety culture.

Ada Nadison, Public Safety Manager

Miranda Brazil, Manager, Safety

Quick thinking FortisAlberta employees came to the rescue.

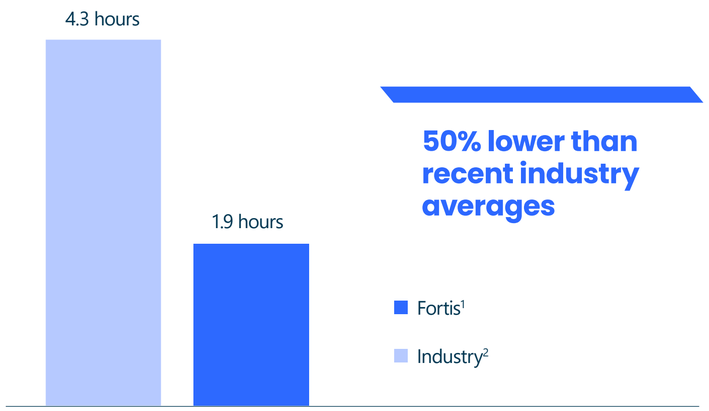
When a live power line fell onto a vehicle during a storm, trapping a family inside, FortisAlberta's Dian McFarlane, Blake Heidmiller, and Nancy Alexandre acted quickly to keep them safe. Their response efforts earned them the 2025 Electricity Canada Lifesaving Award.

Dian McFarlane, Dispatcher; Blake Heidmiller, Power Line Technician; Nancy Alexandre, Dispatcher.

RELIABILITY: STRENGTHENING. CONNECTING. DELIVERING.

Fortis delivered one of its strongest reliability performances in 2025, providing customers with the energy they need 99.9% of the time. We also advanced energy projects to strengthen resilience for years to come.

Average Electricity Customer Outage Duration



50% lower than recent industry averages

[1] Average SAIDI (System Average Interruption Duration Index) for 2025 across all Fortis utilities, excluding major events.
[2] Average industry SAIDI for the 2022–2024 period, excluding major events, from Electricity Canada and the U.S. Energy Information Administration.

ITC was honoured with Public Utilities Fortnightly's Charles Steinmetz Top Innovator Award for transforming complex data into intuitive tools that strengthen real-time operational response.

ITC is Powering the Future

As the largest independent transmission company in the U.S., ITC is helping power the grid of the future. ITC Midwest energized the Big Cedar Substation in March 2026 to strengthen the electric transmission system and support growing electricity demand in the area. Located in southwest Cedar Rapids, Iowa, the Big Cedar Substation improves system reliability, enhances grid resilience to better withstand extreme weather and supports economic growth across the region.

Advancing Reliability Through Dynamic Voltage Management

FortisAlberta's Distribution Voltage Management pilot strengthens reliability through real-time, dynamic voltage control, reducing outages, equipment damage, and emergency load shedding. Typically requiring next-generation metering, this approach leverages existing infrastructure to deliver similar outcomes. The program enhances grid performance, supports renewable integration, and improves affordability, achieving energy savings of nearly 2% while reducing costs through fewer truck rolls and less overtime. Expansion is planned through 2028, with conservation voltage reduction expected to deliver approximately 4,700 tonnes of carbon dioxide equivalent (CO_2e) in annual GHG reductions.

FortisAlberta became the first three-time winner of Electricity Canada's Resiliency and Reliability Award, reflecting leadership in reliability, asset management and outage communications.

CAPITAL PLAN: INVESTING IN CRITICAL INFRASTRUCTURE

$28.8B
2026–2030 capital plan, largest in Fortis history

77%
of five-year capital plan to be invested in **distribution and transmission**

Insights

- Our 100% regulated five-year capital plan is low risk, with only 21% related to major projects.[1]
- Fortis is well-positioned to invest beyond our five-year capital plan to support load growth and facilitate the interconnection of new energy resources.
- In 2025, Fortis utilities invested a record $5.6 billion to expand and maintain our energy networks. These investments allowed us to achieve one of our strongest reliability performances ever.

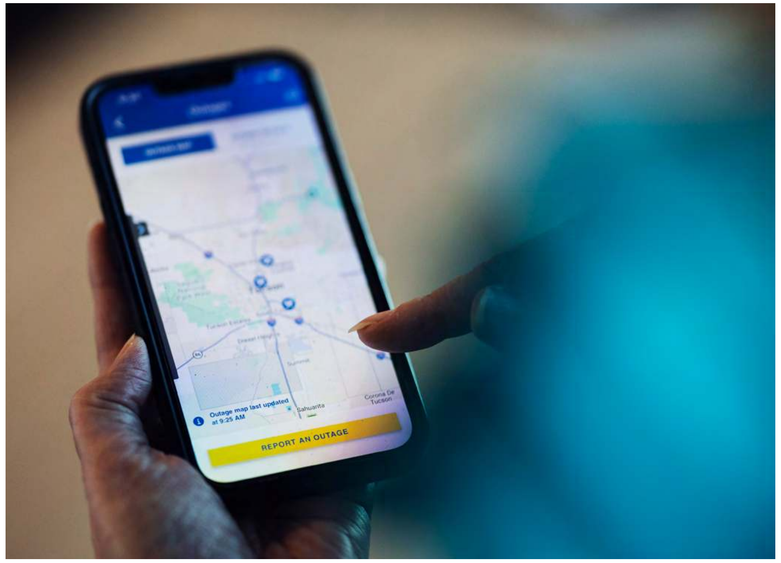
Drivers of Capital Growth

- **Customer growth and economic development**
- **System resilience and adaptation**
- **Renewable energy and LNG**
- **Grid modernization and security**

[1] Projects, other than ongoing maintenance projects, individually costing $200M or more in the forecast/planning period.
[2] Largely related to information technology and facility investments.

TECHNOLOGY: ENABLING A SMARTER, MORE RESILIENT ENERGY FUTURE

Technology is foundational to deliver safe, reliable, and affordable service and to ensure we have a smarter, more resilient energy system for the future.



Artificial Intelligence

Fortis introduced an AI Centre of Excellence bringing together leaders, technical experts, and AI champions from across subsidiaries to accelerate responsible AI adoption and enable enterprise-wide knowledge sharing. AI adoption is advanced through training, governance frameworks, and a centralized inventory of initiatives. Our teams focus on scalable, high-value solutions.

Customer Experience

AI applications, including chatbots and real-time sentiment analysis, are enhancing customer service delivery, reducing costs, and improving responsiveness, with measurable gains such as lower call volumes.

Vegetation Management

AI-driven risk analysis, using satellite data, and predictive models, has strengthened reliability, reducing vegetation-related outages by 40%.

Regulatory

AI is streamlining research and rate case preparation by enabling faster access to information, reducing timelines from weeks to minutes, and improving the quality of capital planning and business cases.

Cybersecurity

Protecting the confidentiality, privacy, and integrity of our assets and infrastructure is fundamental to delivering safe and reliable service to customers. The Fortis Board of Directors, through the GSC, is responsible for our cybersecurity, information technology (IT) and operational technology (OT) strategies, and related policies, including our cybersecurity policy and cybersecurity risk management program.

Cybersecurity leaders across Fortis develop and implement risk management processes aligned with recognized industry frameworks, supported by enterprise-wide policy and periodic independent assessments. Cybersecurity programs include:

- Cybersecurity incident response plans and exercises that are integrated into enterprise risk and emergency management programs.
- Cybersecurity employee and contractor training and testing to address social engineering attacks, fostering a culture of shared responsibility.
- Responsible adoption of new technologies, including AI.
- Risk management practices that extend to third-party and vendor relationships.
- Partnerships with external resources and collaboration across our utilities to enhance preparedness and strengthen systems.

Customer

A customer-first approach to every decision.

Keeping energy affordable and reliable takes skill, discipline, and deep local expertise. That focus is, and has always been, embedded into how our utilities operate.

We understand the economic pressures our customers are facing. Through operational efficiency, disciplined capital planning, and innovation, our utilities are finding smarter ways to reduce costs and support affordability.

Fortis Affordability Framework

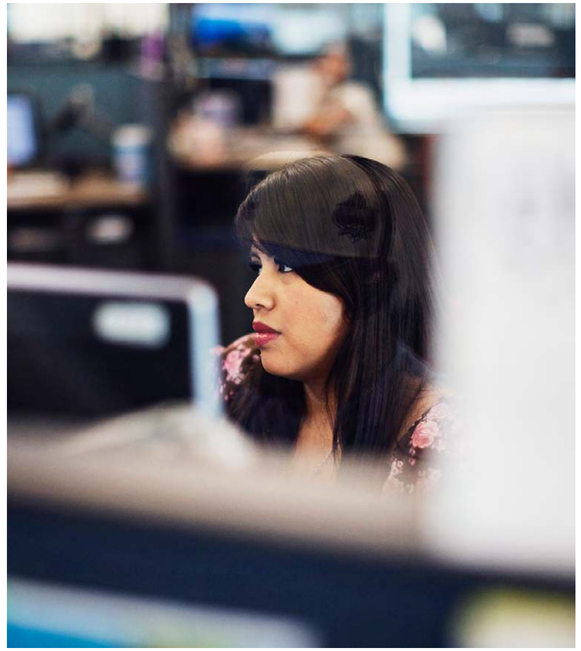
Our affordability strategy outlines four key areas where Fortis utilities are supporting customers.

Cost Discipline & Rate Impact
Optimizing how we plan, build, operate, and finance the system to deliver safe, reliable service at the lowest sustainable cost.

Beneficial Growth
Growing load to optimize system efficiency, lower rates, and deliver prosperity to customers, communities, and the economy.

Regulatory & Policy
Informing rates, regulation and policy development to manage bill impacts and maintain regulatory trust and social license.

Brand, Trust & Customer Experience
Building trust and improving the customer experience through transparent communications, clear value, modern tools, and accessible support.



CUC recognized as the Overall Best Performing Utility at the 2026 Caribbean Electric Utility Services Corporation Awards. The award recognizes performance across customer service, operations, finance, safety, environmental standards and sustainability.

LEARN MORE ABOUT HOW OUR UTILITIES ARE KEEPING AFFORDABILITY FRONT AND CENTRE

The following are examples of work happening at Fortis utilities to continue to deliver reliable energy without compromising affordability.

Expanded Transmission Grid Capacity at ITC Lowers Rates

ITC's five-year capital plan includes transmission projects that enhance capacity and integrate new energy sources. This includes critical interconnections such as the Big Cedar Load Expansion Project, which will power two data centres in Iowa.

As a result of the substantial data centre load associated with this project, network transmission rates for ITC Midwest customers are expected to be reduced by approximately 20% by the end of the decade. This outcome reflects how large new customers can reduce rates while maintaining long-term grid reliability.

TEP Delivers Lower-Cost Power with Generation Asset Conversion

TEP plans to convert two coal-fired generating units to natural gas at the Springerville Generating Station. This approach costs approximately 10% of the capital cost of building new natural gas generation. The conversion also extends the life of existing infrastructure and reduces carbon emissions by 40%.

At the same time, TEP is supporting new customer growth, including a data centre requiring approximately 300 MW of load, with future expansion subject to approvals. Data centres are key drivers of economic activity and can help support affordability by spreading fixed costs across a larger customer base. This project is expected to save a typical residential customer ~US$13 per month.

FORTIS INNOVATION SHOWCASE
CUSTOMER EXPERIENCE

FortisAlberta
Simplifying Customer Energy Connections

FortisAlberta made it easier for customers to connect their solar systems to the grid, keeping pace with growth in one of North America's largest solar markets. As application volumes have increased, manual, email-based workflows became resource intensive. The team introduced a standardized, automated platform that streamlines intake, tracking, and communication. The results were immediate and measurable: processing times dropped by 80% and annual interconnections increased by 40%, while reducing staffing requirements. FortisAlberta is now piloting AI-enabled reviews to further accelerate application screening.

Central Hudson Enhanced Energy Affordability and Good Neighbor Programs

The Energy Affordability Program now includes customers who fall outside traditional income-based assistance programs, but still need help managing their energy bills. The program offers a fixed monthly bill discount to help low- and moderate-income families reduce energy costs. By enrolling, customers can take advantage of expanded benefits that make energy more affordable and accessible.

Additionally, Central Hudson's Good Neighbor Program provides last resort grants to help pay the energy bills of local residents in need who have exhausted all other forms of public and private utility assistance.

In 2025, Newfoundland Power introduced Alex, its virtual customer assistant.

Alex provides 24/7 support for customer inquiries and is just one example of how AI can improve the customer experience. This kind of innovation is happening across our utilities.

Help Where Customers Need It: TEP's Neighbor to Neighbor Program

TEP is making it easier for customers to get bill assistance and support at convenient pop-up events throughout Southern Arizona. The events are designed to help low-income customers, providing a one-stop shop to explore solutions with TEP employees. At the events, customers can register for programs, including discounts for qualifying low-income customers and connect with other support agencies.

GOING FURTHER

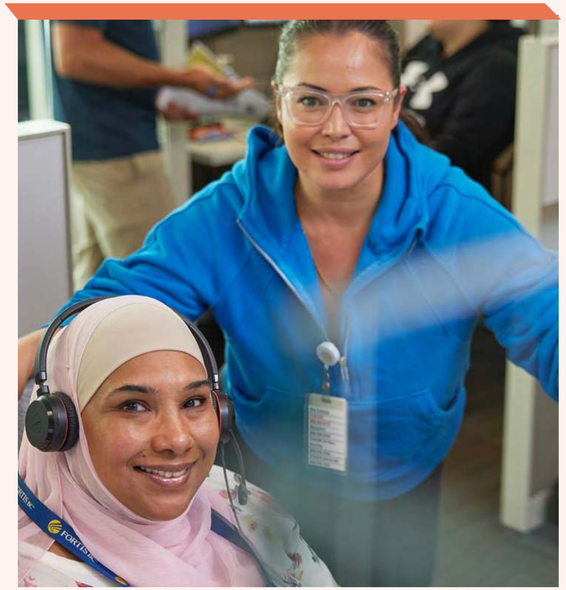
Affordability Action at FortisBC

FortisBC is enhancing customer experience and affordability through a combination of advanced technology, customer support, and disciplined cost management.

By the end of 2025, the utility deployed more than 220,000 advanced gas meters. These meters will give customers greater visibility into their energy use, while also enhancing system resiliency and emergency response.

Customer service teams provide energy-saving guidance, respond to billing inquiries and offer personalized options to help customers manage their energy use. Equal payment plans further support affordability by reducing seasonal bill fluctuations and improving predictability.

A coordinated strategy helps manage costs across operations, including strategic gas purchasing and storage, optimizing market-based electricity purchases, and collaborating with local and provincial governments to streamline regulatory requirements and reduce project costs.



SAVING ENERGY. LOWERING BILLS. REDUCING EMISSIONS.

Our utilities are helping customers save energy and reduce their bills. These same energy savings also contribute to GHG reductions.

Record $320 million invested in energy efficiency programs in 2025.

Close to 2.5 million tonnes of CO_2e avoided from 2021–2025.

Energy efficiency reduces the need for energy, making it both the lowest-cost and lowest-carbon resource. It delivers immediate customer benefits through bill savings. Customer programs are the second-largest contributor to avoided emissions across Fortis.

FortisBC's Energy Efficiency Programs Keep Delivering Results for Customers

FortisBC has offered energy efficiency programs for more than 30 years. The programs help to keep rates more affordable by lowering energy consumption and reducing or deferring the need to build new infrastructure to keep up with energy demand. FortisBC plans to invest $690 million to help customers save 3.8 million gigajoules (GJ) of gas and 115 Gigawatt hours (GWh) of electricity by the end of 2027.

Several natural gas conservation programs experienced higher than expected participation in 2025. To expand support for customers looking to save energy and reduce costs, FortisBC has applied for and received regulatory approval for an additional $86 million investment in 2026-2027.

New Approaches to Demand Management at TEP

In response to continued peak demand growth, TEP is advancing new approaches to demand management. In 2025, TEP piloted a residential battery incentive program. The innovative pay-for-performance design is the first of its kind in Arizona. Instead of providing upfront incentives, customers get paid based on how much energy is used by their battery during peak events, earning US$120 per kW of average capacity delivered. In its first season, 135 participants delivered up to 1.3 MW of load reduction per event, demonstrating early success and the program's potential to scale and provide increasing value over time.

Advancing Efficiency Through Actions Big and Small at Central Hudson

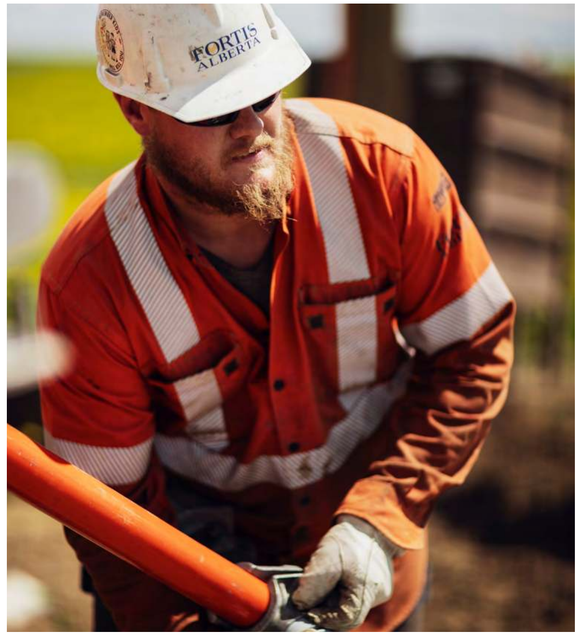
Central Hudson supports customers in understanding their energy use and identifying opportunities to reduce costs. In 2025, the utility launched a free, do-it-yourself home energy assessment program in partnership with local libraries. The program includes tools to evaluate home efficiency, with participants receiving a customized energy report and a complimentary weatherization starter kit. Commercial customers can access up to US$100,000 in rebates, while residential customers receive incentives for investments in technologies such as heat pumps and high-efficiency water heaters. Since 2020, Central Hudson has provided more than US$60 million in support for heat pump installations, helping customers adopt more efficient heating and cooling solutions.

People & Culture

Our people are the energy behind our success.

$40M invested in training across our 9,900 employees in 2025, helping build a more skilled, inclusive and future-ready team.

Fortis Inc. was the 2025 recipient of Electricity Human Resources Canada's Excellence in Workplace Culture Award.



In 2025, FortisAlberta, FortisBC, and Newfoundland Power were honoured as Top Employers by the Canada's Top 100 Employers Project.

Employee Breakdown

Insights

- Retention remains strong with voluntary turnover at its lowest level in five years.
- Internal mobility continues to be a strength with 57% of roles filled internally.
- Employee well-being is a priority, supported by comprehensive benefits with 100% eligibility.

	2025	2024	YOY Change
Annual voluntary full-time employee turnover	2.9%	3.5%	▼ 0.6%
Average years of employment	10.6	10.6	-
Annual retirement rate	2%	2%	-

BUILDING A FUTURE-READY WORKFORCE

Employee training investments support the capabilities required to design, build, and operate the energy delivery systems that power communities today and strengthen them for tomorrow. It also reflects an increased focus on building a capable, inclusive and resilient workforce. These investments are increasingly important as the sector faces growing demand for skilled labour, rapid technological changes and competition for critical capabilities.

Investing in our people
strengthens capability, engagement, and retention

$4,000
per employee
invested in training and development in 2025

1.5 weeks
per employee
invested in training and development in 2025

Learning in Support of Reconciliation

FortisBC continues to evolve its Indigenous Awareness Training Program and Speaker Series which provides a layered, experiential learning approach grounded in lived experience and practical application. Employees engage in relevant, role-based learning including We Are Medicine offered through the Moose Hide Campaign, Indigenous Relations Academy courses, and community-based learning such as Walking the Land. This approach supports meaningful progress toward reconciliation across the diverse communities where FortisBC operates.

FortisBC employees participate in a drum-building workshop with Darren Charlie of Sasquatch Drums.

Seeing the Customer in Every Role

In 2025, Newfoundland Power rolled out organization-wide training to enhance service delivery and strengthen how all employees connect their roles to the customer experience. The Line of Sight initiative equips employees to deliver high-quality service, with practical training on bill inquiries, understanding assistance programs and connecting with customers with clarity and empathy. The initiative is helping to strengthen accountability, improve decision-making, and drive innovation and service quality across the organization.

Partnering to Build Local Talent

Central Hudson's US$200,000 investment in Dutchess Community College supports the development of a state-of-the-art heating, ventilation, air conditioning and building trades lab, helping build a skilled workforce for the energy transition. More than 10% of the utility's workforce are graduates of the college. Partnerships such as this help build a strong pipeline of skilled local talent. By funding hands-on training in energy-efficient technologies, this initiative drives regional growth and builds capabilities for a sustainable energy future.

Strong Mental Health is Foundational to Employee Safety

Mental health is foundational to safety, performance and a strong workplace culture. When employees feel supported and psychologically safe, they are better able to make sound decisions, speak up about risks, and look out for one another, helping ensure everyone goes home safe, every single day.

At Fortis, mental health awareness is part of everyday operations. All Fortis utilities provide access to mental health and well-being resources. These programs deliver confidential counselling, crisis support, and a range of services spanning mental health care, financial and legal guidance, and work-life supports, helping employees navigate both personal and professional challenges.

In 2025, each Fortis utility conducted an employee engagement and inclusion survey. The data helped frame how we look at factors affecting well-being, psychological safety and workplace culture.

Employees shape mental health initiatives at a local level, with a focus on reducing stigma through employee sessions, safety meetings and continuous internal communications. Initiatives include:

- Maritime Electric trained all employees in Managing Stress Effectively, with additional workplace mental health training for leaders.
- ITC delivered sessions such as Breaking the Stigma: Cultivating Inner Peace and Mental Clarity, to support overall well-being.
- TEP's Wellness Champion Network is a peer-led group and ambassador network focused on designing solutions that reflect employee experiences.

100% of employees have access to Employee and Family Assistance Programs and wellness-related perquisites.

Employee Engagement

Fortis continues to strengthen employee engagement across our companies.

To support continued action driven by employee insights, we completed our second confidential, enterprise-wide engagement survey in partnership with an independent consulting firm. Engagement scores improved across the organization in 2025, reflecting actions taken in response to employee feedback.

The results will continue to inform ongoing efforts to strengthen the employee experience.

GOING FURTHER

Mental Health Matters at CUC

CUC launched the I Am Here initiative, strengthening workforce well-being by providing access to mental health resources and a peer support network. The program promotes "it's ok not to feel ok; and it's absolutely ok to ask for help." With over 90% employee participation and trained in-house ambassadors, the initiative is helping to create a culture of support, resilience, and openness. In recognition of this commitment, CUC was named I Am Here Organization of the Year for the Americas in 2025.

I Am Here program launch at CUC.

Community

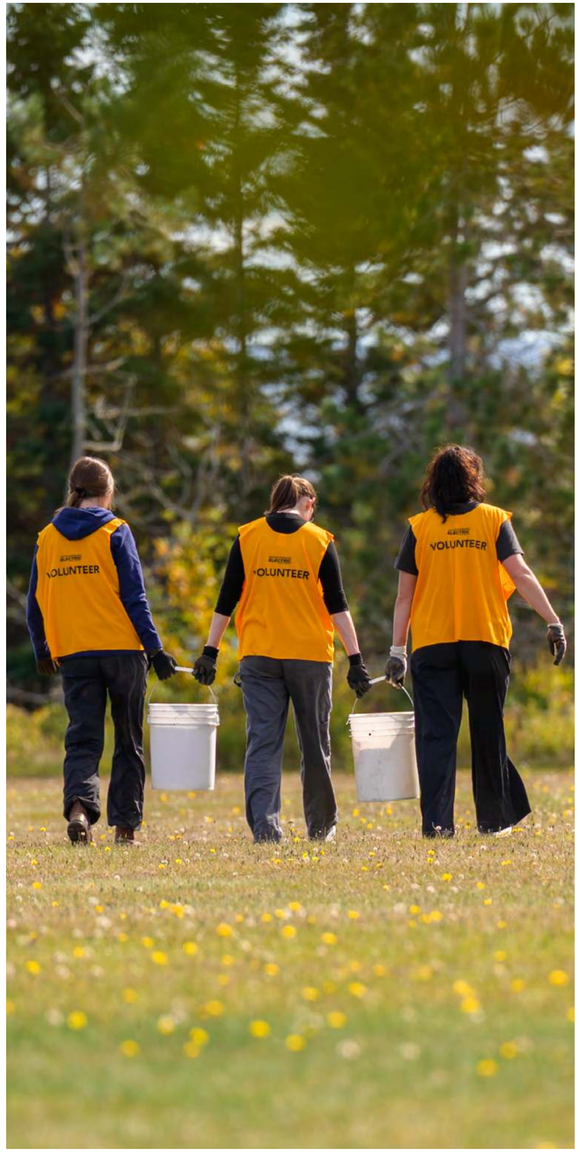
Strengthening the places we call home.

We invest locally and partner with organizations that help communities grow and thrive.

Helping build strong communities means investing in the people, organizations, and services communities depend on every day through a giving strategy that reflects the diverse needs of the communities we serve.

- $4.4M Social development
- $3.2M Education
- $3.1M Small businesses
- $1.1M Arts & Culture
- $1.0M Health & Wellness
- $0.8M Environment & Safety
- $0.6M Biodiversity

More than $14M donated



Fortis has donated $60 million to community organizations since 2021.

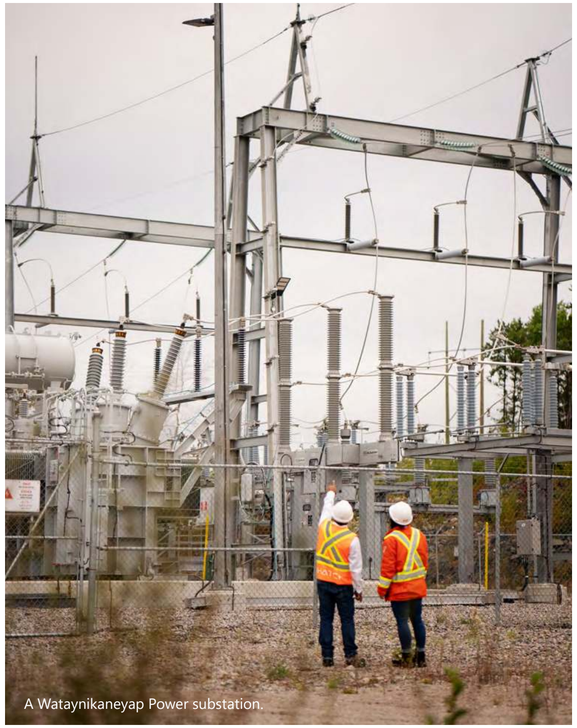
Insights

- We have a long history of investing in the communities where we live and work.
- Our investments in social development and education initiatives continue to grow, helping strengthen the well-being of the communities we serve.
- Beyond funding, our impact is amplified through thousands of hours of hands-on employee volunteerism and collaborative partnerships.

BUILDING ENDURING INDIGENOUS PARTNERSHIPS

Fortis utilities continue to strengthen partnerships with Indigenous Peoples through collaboration grounded in respect and shared value.

The following examples illustrate how our partnerships are supporting communities, advancing sustainability, and creating lasting benefits.



A Wataynikaneyap Power substation.

Reliable Power: A Foundation for Thriving First Nations Communities

Wataynikaneyap Power, a majority First Nations–owned transmission partnership with Fortis, built 1,800 kilometres of line to connect 17 remote communities to the Ontario grid. This project is delivering lasting socioeconomic benefits by providing access to reliable electricity, the foundation of healthy, thriving communities. Grid connection has enabled the construction of new schools for the Wunnumin Lake and North Caribou Lake First Nations. It has also supported the Pikangikum First Nation in opening a new Knowledge Keepers Elders' Complex and Community Safe Village residential housing complex, as well as beginning development of a 19,500-square-foot modular grocery store with a pharmacy, and other amenities. Reliable power has also unlocked economic development, enabling community-led construction, job creation and workforce training. Together, these outcomes support safer infrastructure, local employment and long-term community resilience for participating First Nations.

Tunnel boring machine being used to construct a tunnel below Skwelwil'em Squamish Estuary Wildlife Management Area.

Innovating with Sḵwx̱wú7mesh Úxwumixw

FortisBC's respectful collaboration with Sḵwx̱wú7mesh Úxwumixw (Squamish Nation) has been central to the Eagle Mountain Pipeline Project. Through the Squamish Nation-led environmental assessment, FortisBC developed an innovative tunneling approach to protecting the Skwelwil'em Squamish Estuary, an approach informed by both industry expertise and Indigenous knowledge. The tunnelling solution reflects shared values of environmental stewardship, respect for Indigenous rights, and cultural preservation, ultimately shaping one of the project's most significant decisions.

Advancing Indigenous-Led Clean Energy

The Na'ku'set Park Capacity Building Project is a proposed 32-MW solar and battery storage project in Prince Edward Island with the goal of providing affordable, reliable, on-Island renewable energy to customers. Led by Maritime Electric in collaboration with the Lennox Island First Nation, the initiative focuses on Indigenous capacity building, workforce development and pre-development activities to enable majority Indigenous ownership and participation.

TEP supports Light Up Navajo, an initiative led by the Navajo Tribal Utility Authority to connect isolated rural households to the electricity grid.

In 2025, volunteers from TEP crews installed ~60 poles. The initiative has brought electricity to nearly 900 homes on the Navajo Nation since 2019.

HELPING BUILD STRONG COMMUNITIES

GOING FURTHER

Bringing Energy to the Canada Games

The 2025 Canada Games, held in St. John's, Newfoundland and Labrador, brought together more than 5,000 athletes, coaches, and managers. The games included 19 sports, marking the largest amateur multi-sport event in the country. As an Elite Partner of the Games, Fortis played a central role in shaping the experience for athletes, spectators, and the community. Through a $1 million investment, Fortis was the presenting sponsor for Athletics and supported the development of the Fortis Canada Games Complex, a state-of-the-art athletic and soccer facility that will serve the community for future generations.

Grand Opening of the Fortis Canada Games Complex.

Our Roots Run Deep

In 2025, Central Hudson marked 125 years of service by launching 125 Acts of Service, and through company and employee donations provided over US$1.1 million to organizations that support communities across the Hudson Valley.

Central Hudson volunteers at the Locust Grove Historic Site in Poughkeepsie cleaning brush and weeds to enhance the property.

Throughout the year, the utility invested time, talent and resources in priorities such as education, community improvement and healthy families. Acts of service included assembling gift bags for children and youth undergoing cancer treatment through the Angels of Light organization, collecting thousands of diapers for the United Way Diaper Drive, teaming up with the Sparrow's Nest to pack fresh produce for individuals facing a cancer diagnosis and volunteering with Newburgh Creates, an arts and technology hub for kids. The initiative reflects Central Hudson's long standing role as a community partner supporting local well-being.

Powering Resilience

TEP is working with a local community organization to expand access to critical heat relief services for vulnerable residents. The initiative helps fund cooling centres, outreach services, and emergency resources during extreme heat. In 2026, TEP will match contributions, up to US$25,000, to support this initiative, helping keep those experiencing homelessness safe. In addition, TEP is partnering with the City of Tucson to develop a solar and battery enabled microgrid, Tucson's first designated resilience hub. The hub will provide emergency power during outages and serve as a cooling centre during extreme heat.

Fortis is helping address food insecurity where we live and work through targeted donations, food drives, meal deliveries, and volunteering with community organizations.

Addressing Food Insecurity

ITC Midwest contributes US$20,000 to River Bend Food Bank.

In 2025, ITC provided US$450,000 to help address food insecurity in the communities it serves. Donations were directed to food banks across Michigan, Iowa, Minnesota, and Kansas to help meet increased demand during the holiday season. These contributions were made through ITC's Greater Giving Program, reflecting a commitment to communities that extends well beyond the power it provides.

Investing in Our Communities

FortisOntario donated more than $225,000 to charitable organizations in 2025, including over $70,000 to the United Way. Employees also supported the organization through volunteer efforts, assembling 125 hygiene kits filled with essential items to provide comfort and dignity to individuals facing hardship, and participated in the United Way Firetruck Pull, which helps fund nearly 100 community agency programs.

Governance

Strong governance. Local leadership.

Our commitment to excellence is underpinned by a strong governance framework, which guides how we conduct business and create long-term value responsibly and ethically.

Together, our governance model and policies help manage risk, foster trust, and ensure our activities contribute positively to the communities we serve. We conduct a comprehensive review of all our policies every two years, most recently in 2025.

We strive to uphold the highest standards of governance across our organization, beginning with the leadership and oversight provided by our Fortis Board of Directors.

Independent
Chair of the Board

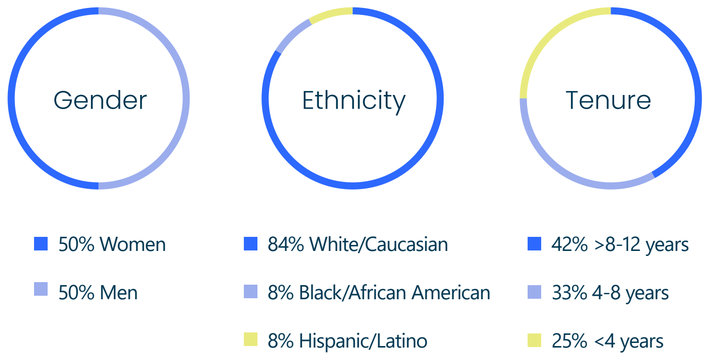
100%
Independent Board Committees

11 of 12
Directors are Independent

Ranked #1 in corporate governance practices by the Globe and Mail in 2025.

Two-thirds of Fortis utilities have either a woman CEO or Board Chair.

Fortis Inc. Board Diversity[1]



The Fortis Board of Directors is responsible for ensuring effective leadership and for providing oversight in the following areas:

- Strategic planning and risk management
- Sustainability including environmental and social matters and priorities related to climate change
- Cybersecurity, IT and OT
- Leadership succession

LEARN MORE
2026 Management Information Circular
Fortis Board and Committee Mandates

[1] Reflects the board composition as of the 2026 Fortis Annual General Meeting.

Independence in Action: Local Decision Making

Our business model enables Fortis utilities to make decisions locally with substantial autonomy.

Each of our significant operating subsidiaries is governed by its own board of directors with a majority of independent directors. In addition, subsidiary boards typically include the subsidiary's CEO, one or more officers or directors of Fortis, and, in certain cases, an executive of another operating subsidiary.

This structure ensures that subsidiary boards provide effective independent oversight and administration of their governance and operations. The focus remains on each utility's particular customer needs, regulatory environment, and business objectives, while operating within the broad parameters of Fortis policies and best practices.

Honesty, Integrity and Professionalism in Everything We Do

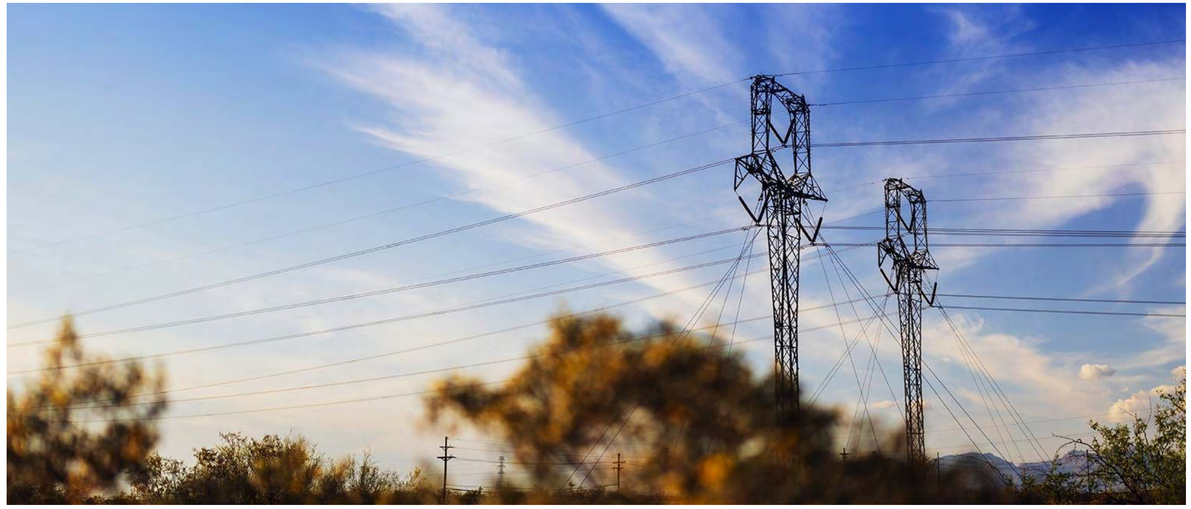
Our Code of Conduct sets out the high standard of ethical and professional behaviour expected at Fortis. The code applies to employees, officers and directors everywhere we do business. While each Fortis utility adopts its own code, the principles and concepts in this Fortis Code of Conduct apply across the entire organization.

In addition to the code, an enterprise-wide policy framework is in place for other key policies, including the Anti-Corruption Policy, Speak Up Policy, Political Engagement Policy, Respectful Workplace Policy, Human Rights Statement, and Vendor Code of Conduct.

Annually, employees receive training on the code, and they acknowledge they have read, understand and agree to abide by it. Employees also receive training on other core policies during orientation sessions and through continuous training. When specific policies are not directly relevant to all employees, training is targeted to employees working in those areas. We periodically conduct audits to assess compliance with the code and other policies.

Fortis' Speak Up Policy promotes a culture of integrity by enabling employees to raise concerns anonymously and without fear of retaliation. Incidents may be reported by telephone or online through EthicsPoint, an independently managed third-party system. The service is available 24 hours a day, seven days a week to all employees and vendors, as well as any other internal or external stakeholders.

LEARN MORE
Code of Conduct
Speak Up Policy
Other Fortis Policies



Responsible Advocacy and Engagement

Fortis participates in the public policy process to advocate for the interests of our customers, employees, investors and the communities we serve. Political activities are governed by our Political Engagement Policy and overseen by the GSC. Management reports annually to the GSC on political contributions, potential misalignments with company values, and any responsive actions taken. In 2025, there were no such misalignments.

Fortis reports annually on contributions made by the Fortis group of companies to political candidates, parties and organizations; trade associations in the energy and utility sector; and other tax-exempt organizations that may engage in lobbying or public policy-related activities, including U.S. 501(c)(4) organizations.

Lobbying by in-house lobbyists at Fortis and its subsidiaries, or paid third-party lobbyists is disclosed on public websites as required by law.

LEARN MORE
Political Engagement Policy
Advocacy and Engagement

Our Commitment to Human Rights

The Fortis Human Rights Statement sets out our commitment to operate in a manner that respects and protects human rights. We expect the same of our suppliers. Fortis is committed to treating all people with dignity and respect, while upholding and protecting human rights, including the rights of women and children. In doing so, we support the spirit and intent of the United Nations Guiding Principles on Business and Human Rights.

Our approach to creating a safe, professional and respectful workplace is outlined in our Respectful Workplace Policy.

LEARN MORE
Human Rights Statement
Respectful Workplace Policy

Our **Human Rights Statement and Vendor Code of Conduct** establishes expectations for vendors in areas such as human rights, child labour, forced labour and corruption.

We expect our vendors, suppliers, contractors, consultants and other service providers to follow the standards contained in the Vendor Code of Conduct.

These policies reinforce our broader Code of Conduct, which addresses human rights.

Our **2025 Annual S-211 Report** details the steps taken to prevent and reduce the risk that forced or child labour exists in our supply chain.

In 2025, we adopted a vendor risk management platform which is being used to assess more than 600 of our utilities' largest direct suppliers.

No instances of forced or child labour were identified in our supply chains in 2025.

Our **Anti Corruption Policy** supports ethical supply chains by prohibiting actions such as bribery or facilitation payments, and by setting clear expectations for transparency, record keeping and the use of third parties.

Ethical Supply Chains

At Fortis, we strive to do the right thing, comply with all legal requirements and act with honesty, integrity and professionalism.

Our values, including safety, integrity, and excellence, form the compass that keeps us pointed in the right direction. These values and principles are reflected in our expectations of ethical and professional behaviour from vendors, suppliers, contractors, consultants and other service providers.

LEARN MORE
Vendor Code of Conduct
2025 Annual S-211 Report
Anti-Corruption Policy

Key Performance Indicators

Indicators listed on the following pages relate to Fortis' performance in terms of:

- Operations
- Environment
- Governance and Policy
- Employee and Social

Appendix

Key Performance Indicators

The sustainability KPIs included in this document are as of December 31, 2025 except as otherwise noted herein. Please use this document for comparative purposes as historical data has been updated in some instances.

Unless otherwise specified, all financial information is referenced in Canadian dollars and based on the average U.S. dollar-to Canadian dollar exchange rates each year. Variances in financial indicators year-over-year may be impacted by changes in foreign exchange rates.

This report was published on July 31, 2026.

Operations Indicators

	2025	2024	2023	2022	2021
Financial Indicators					
Assets[1] (% of total assets, except as indicated)					
Total value of assets ($ billions)	74.8	73.5	65.9	64.3	57.7
Total assets that are regulated utility assets	100%	99%	99%	99%	99%
Total assets dedicated to energy delivery	94%	93%	93%	93%	93%
Total assets dedicated to electricity generation	6%	7%	7%	7%	7%
-fossil-fuel generation	4%	5%	5%	5%	5%
-renewable generation	2%	2%	2%	2%	2%
Revenue (% of total revenue)					
Transmission, storage and distribution of electricity	64.5%	64.0%	60.8%	59.4%	59.5%
Transmission, storage and distribution of natural gas	18.5%	17.0%	19.6%	23.7%	22.1%
Natural gas-fired electricity generation	4.9%	5.4%	5.6%	4.4%	4.1%
Coal-fired electricity generation	3.8%	4.0%	3.6%	4.1%	5.1%
Renewable generation[2]	2.3%	2.7%	2.6%	2.7%	2.5%
Diesel/oil generation	1.8%	2.2%	2.1%	2.1%	1.9%
Other	4.2%	4.7%	5.7%	3.6%	4.8%
Rate Base (% of midyear rate base)					
Transmission, storage and distribution of electricity	68.5%	67.9%	66.7%	66.7%	66.8%
Transmission, storage and distribution of natural gas	17.4%	16.9%	18.0%	17.8%	18.9%
Renewable generation[2]	3.3%	3.0%	3.1%	3.0%	2.5%
Coal-fired electricity generation	2.9%	3.0%	3.1%	3.3%	3.6%
Natural gas-fired electricity generation	2.8%	2.8%	2.7%	2.7%	2.8%
Diesel/oil generation	1.1%	2.2%	2.1%	2.0%	2.1%
Other	4.0%	4.2%	4.3%	4.5%	3.3%

	2025	2024	2023	2022	2021
Capital Expenditures (% of total capital expenditures, except as indicated)[3]					
Total annual capital expenditures ($ billions)	5.6	5.2	4.3	4.0	3.6
Transmission, storage and distribution of electricity	60.2%	54.4%	60.2%	63.9%	61.6%
Transmission, storage and distribution of natural gas[4]	11.6%	18.5%	15.7%	15.8%	14.3%
Renewable generation[2]	7.6%	8.9%	4.6%	1.4%	2.7%
Natural gas-fired electricity generation	2.9%	1.7%	4.2%	1.3%	2.0%
Diesel/oil generation	0.8%	1.4%	2.4%	2.0%	1.2%
Coal-fired electricity generation	0.8%	0.8%	0.6%	1.0%	1.4%
Other[5]	16.1%	14.3%	12.3%	14.6%	16.8%
Electricity Transmission and Distribution (T&D)					
Total kilometres of electricity T&D lines	186,500	186,700	185,300	185,010	185,200
- Distribution lines (% of total T&D lines)	82%	82%	82%	82%	81%
- Transmission lines (% of total T&D lines)	18%	18%	18%	18%	19%
Natural Gas T&D					
Total kilometres of natural gas T&D lines	59,300	59,200	59,100	58,700	58,000
- Distribution lines (% of total T&D lines)	99%	99%	99%	99%	99%
- Transmission lines (% of total T&D lines)	1%	1%	1%	1%	1%
Electricity Generation					
Electricity Generation Capacity (MW)					
Natural gas	2,245	2,245	2,213	2,133	2,135
Coal	903	903	903	903	1,073
Hydropower	345	396	396	395	395
Diesel/oil	303	398	410	408	441
Wind	250	250	250	250	250
Solar	69	72	71	70	58
Total electricity generation capacity	**4,115**	**4,264**	**4,243**	**4,159**	**4,352**
Net Electricity Generated (GWh)					
Natural gas	8,486	9,572	8,060	7,191	8,324
Coal	2,971	3,049	3,727	4,665	5,341
Hydropower[6]	2,161	2,255	2,161	2,292	2,239
Diesel/oil[6]	1,022	1,096	1,070	979	942
Wind	551	710	552	727	573
Solar	129	129	123	115	101
Total net electricity generated	**15,320**	**16,811**	**15,693**	**15,969**	**17,520**

	2025	2024	2023	2022	2021
Electricity Purchased by Fortis and Resold for Customer Use[7] (GWh)					
Hydropower	10,324	10,069	10,229	9,865	9,457
Wind	1,566	1,498	1,411	1,382	1,122
Solar	1,500	1,434	1,369	1,349	1,164
Other renewables	300	288	214	215	197
Total renewables[8]	**13,690**	**13,289**	**13,223**	**12,811**	**11,940**
Nuclear	2,608	2,598	2,497	2,711	2,539
Total clean sources[8]	**16,298**	**15,887**	**15,720**	**15,522**	**14,479**
Other sources from the grid	4,675	4,120	4,729	4,501	4,352
Total electricity purchased by Fortis and resold for customer use	**20,973**	**20,007**	**20,449**	**20,023**	**18,831**
Clean Energy Sales					
Percentage of electricity sold to customers from clean sources[8]	52.7%	51.6%	51.3%	51.8%	47.8%
Energy Deliveries					
Total electricity delivered (GWh)	246,595	238,609	229,891	229,319	221,139
Total gas delivered (PJ)	293	290	314	331	338
Percentage of net electricity generated relative to total electricity deliveries	6.2%	7.0%	6.8%	6.9%	7.9%
Customer Information					
Number of electricity customers (in thousands)	2,173	2,161	2,133	2,097	2,074
- Percentage of residential customers	87.0%	86.9%	86.8%	86.7%	86.8%
- Percentage of commercial customers	11.6%	11.7%	11.8%	11.9%	11.8%
- Percentage of industrial customers	0.5%	0.5%	0.5%	0.5%	0.5%
- Percentage of other customers[9]	0.9%	0.9%	0.9%	0.9%	0.9%
Electric customer satisfaction score[10]					
- U.S. - Central Hudson	74.7%	73.9%	63.5%	67.0%	85.0%
- U.S. - TEP[11]	493	707	722	735	749
- Canada	82%-98%	76%-93%	76%-94%	79%-95%	80%-96%
Number of natural gas customers (in thousands)	1,366	1,358	1,345	1,323	1,310
- Percentage of residential customers	90.6%	90.6%	90.6%	90.6%	90.6%
- Percentage of commercial customers	9.2%	9.2%	9.2%	9.2%	9.2%
- Percentage of industrial customers	0.1%	0.1%	0.1%	0.1%	0.1%
- Percentage of other customers[9]	0.1%	0.1%	0.1%	0.1%	0.1%
Natural gas customer satisfaction score[10]					
- U.S. - Central Hudson	74.7%	73.9%	63.5%	67.0%	85.0%
- U.S. - UniSource Energy Service[11]	542	742	735	760	757
- Canada - FortisBC	86.0%	86.0%	85.0%	86.0%	87.0%
Customer Energy Savings from Efficiency and Demand Reduction Programs					
Total spending on energy efficiency customer programs[12] ($ thousands)	320,414	224,286	204,345	164,784	158,578
Annual electricity program savings (GWh)	235	265	315	343	310
Annual natural gas program savings (terajoules)	1,589	1,826	1,548	1,288	1,261

	2025	2024	2023	2022	2021
Electricity Consumed in Operations (GWh)					
Wind	1,273	1,277	1,337	1,140	*
Hydropower	787	835	829	713	*
Solar	231	222	186	145	*
Other renewables	130	131	137	137	*
Total renewables[8]	**2,421**	**2,465**	**2,489**	**2,135**	*
Nuclear	1,321	1,339	1,311	1,666	*
Other sources from the grid	6,261	6,308	6,301	6,205	*
Total electricity consumed in operations[6,13]	**10,003**	**10,112**	**10,101**	**10,006**	**8,821**
Energy Reliability					
Electricity Reliability Performance					
Electricity System Average Interruption Duration Index (SAIDI) under normal operations (customer hours of interruption per customer served)	1.86	1.87	1.96	2.02	2.28
SAIDI during major events (customer hours of interruption per customer served)[14]	1.24	0.88	1.52	8.77	1.70
Electricity System Average Interruption Frequency Index (SAIFI) under normal operations (number of times that a customer experiences an outage)	1.15	1.18	1.18	1.32	1.37
SAIFI during major events (number of times that a customer experiences an outage)[14]	0.28	0.16	0.40	0.41	0.35
Electricity Customer Average Interruption Duration Index (CAIDI) under normal operations (amount of time required, in hours, to restore service once an outage has occurred)	1.61	1.59	1.66	1.53	1.66
CAIDI during major events (amount of time required, in hours, to restore service once an outage has occurred)[14]	4.43	5.50	3.80	21.39	4.86
Transmission service reliability (number of forced outages per 100 miles of transmission lines)	0.57	0.45	0.37	0.52	0.47
Natural Gas Reliability Performance					
Reportable pipeline incidents[15]	6	10	6	12	17
Corrective action orders	0	0	0	1	0
Gas leaks per 1,000 customers (number of gas leaks for every 1,000 customers)	1.39	1.33	1.47	1.60	1.50
Percentage of cast/wrought iron pipeline in service	—%	—%	0.1%	0.1%	0.5%
Percentage of unprotected steel pipeline in service	0.1%	0.1%	0.1%	0.2%	0.7%
Percentage of transmission pipelines inspected[16]	100%	100%	100%	100%	100%
Percentage of distribution lines inspected[16]	100%	100%	100%	100%	100%
Employee Safety[17]					
All injury frequency rate (number of injuries for every 200,000 hours worked)	0.97	1.07	1.12	1.02	1.40
Lost work day case rate (number of lost time injuries for every 200,000 hours worked)	0.35	0.45	0.45	0.50	0.55
Days away, restricted and transfer rate (number of lost time injuries including restricted work duties for every 200,000 hours worked)	0.54	0.68	0.73	0.70	0.86
Total recordable incident rate (number of injuries including job transfers not requiring medical treatment for every 200,000 hours worked)	0.99	1.14	1.22	1.05	1.47
Injury severity (weighted injuries including medical aid, restricted work duties and lost time based on severity of injury) *[New]*	0.90	0.95	0.94	1.03	0.91
Work-related fatalities[18]	0	0	0	1	0
Percentage of Fortis utilities with extensive occupational health and safety management programs aligned with ISO 45001, OHSAS 18001 or equivalent	100%	100%	100%	100%	100%

	2025	2024	2023	2022	2021
Cybersecurity					
Number of material security breaches	0	0	0	0	0
Number of material information security breaches involving customers' personally identifiable information	0	0	0	0	0
Number of customers affected by material information security breaches involving customers' personally identifiable information	0	0	0	0	0
Total amount of fines/penalties paid in relation to information security breaches	0	0	0	0	0

[New] in the table above identifies a new key performance indicator added this year.

The asterisks (*) in the table above indicate metrics added in recent years or historical data is not available.

(1) Based on the U.S. dollar-to-Canadian dollar exchange rate as of December 31st each year.

(2) Renewable generation includes wind, solar and hydro generation. Also includes battery storage that supports renewable energy sources.

(3) Capital expenditures represent a non-U.S. GAAP financial measure. Refer to the "Non-U.S. GAAP Financial Measures" section of the Corporation's applicable annual Management Discussion and Analysis for the non-U.S. GAAP reconciliation.

(4) Net of contributions in aid of construction received by FortisBC Energy associated with the Eagle Mountain Pipeline Project. Capital expenditures in 2025 for that project were largely funded by such contributions.

(5) Includes facilities, equipment, vehicles, and information technology assets.

(6) Fortis completed the sale of FortisTCI and Fortis Belize on September 2, 2025 and October 31, 2025, respectively. 2025 data for these utilities is estimated on a pro-rata basis using 2024 data up to the respective disposition dates.

(7) Mixed source purchases from the grid estimated based on supplier energy mix and/or regional energy supply.

(8) Renewable sources include wind, solar, hydropower, biofuel and geothermal. Clean sources include nuclear and renewable energy.

(9) Includes wholesale customers.

(10) Methodology changes may impact year over year comparability.

(11) Reflects J.D. Power customer satisfaction scores, which are not provided as percentages. In 2025, J.D. Power updated its scoring methodology, resulting in an approximate 200-point decrease in industry-average scores and limiting comparability with prior periods. TEP and Unisource Energy Services are wholly-owned subsidiaries of UNS Energy.

(12) Includes operating and capital expenditures.

(13) Includes energy consumption at the Fortis utilities, including line losses from energy generated, purchased or delivered. Mixed source electricity consumption from the grid is estimated based on supplier energy mix and/or regional energy supply.

(14) A major event is an event that exceeds the reasonable design and/or operational limits of the electric power system. SAIDI and CAIDI performance during major events in 2022 was negatively impacted by Hurricane Fiona at Maritime Electric.

(15) An incident is deemed reportable if it meets the reporting requirements specified by a regulator. The severity of an incident is established based on the Pipeline and Hazardous Materials Safety Administrations (PHMSA) definition 191.3. Based on the PHMSA definition all incidents reported since 2021 are considered "minor" in nature.

(16) Percentage inspected in accordance with regulatory and inspection program requirements.

(17) An employee includes an individual who has a direct employment relationship with the company.

(18) An employee fatality was experienced in 2022 due to a tragic accident at a hydroelectric facility at Fortis Belize.

Environmental Indicators

The following GHG inventory is presented in accordance with The Greenhouse Gas Protocol Corporate Accounting Standards. The GHG inventory is consolidated using the financial control approach across Fortis operations, and includes our proportionate share of emissions from Fortis' jointly controlled generating facilities, consistent with the approach taken for financial reporting.

	2025	2024	2023	2022	2021
GHG emissions[1]					
Scope 1 emissions (ktonnes of CO_2 equivalent)[2,3]					
From natural gas electricity generation	3,617	3,974	3,345	3,027	3,372
From coal electricity generation	3,020	3,095	3,811	4,658	5,406
From diesel/oil electricity generation	663	726	698	651	639
Total From Electricity Generation	**7,300**	**7,795**	**7,854**	**8,336**	**9,417**
From natural gas fugitive emissions	99	102	96	175	86
From natural gas operations (combustion, flaring, venting)	89	83	128	156	141
From owned vehicle emissions	51	49	52	50	53
From SF_6 fugitive emissions	20	40	25	31	45
Total Scope 1 Emissions[4]	**7,559** ✓	**8,069** ✓	**8,155** ✓	**8,748** ✓	**9,742**
Scope 2 emissions (ktonnes of CO_2 equivalent)[5]					
Location-Based Method: From electricity purchased and consumed in Fortis-owned or controlled equipment	162	141	158 ✓	*	*
Market-Based Method: From electricity purchased and consumed in Fortis-owned or controlled equipment	162	141	158 ✓	179 ✓	158
Scope 3 emissions (ktonnes of CO_2 equivalent)					
Category 3 - Related to fuel- and energy-related emissions not included in scope 1 or scope 2					
Related to electricity transmitted and delivered under certain regulated tariffs[6]	78,401	75,247	85,418	88,355	78,284
Upstream emissions related to the production of fuels and energy purchased and consumed by the reporting company	10,844	10,016	9,474	*	*
Related to electricity used by customers that Fortis purchased from the grid	2,203	1,897	1,914	2,133	1,984
Category 11 - Use of sold products					
Related to natural gas used by customers[7]	9,851	10,236	10,637	11,709	11,634
Related to natural gas transmitted and delivered under certain Fortis contracts[8]	5,078	4,671	5,631	5,573	6,184
Other GHG Emissions (ktonnes of CO_2 equivalent)					
Related to electricity purchased and resold to non-end users	255	235	316	320	300
Avoided emissions (ktonnes of CO_2 equivalent)					
Avoided emissions from the use of renewable natural gas in natural gas deliveries[9]	400	194	266	214	57
Avoided emissions from customer demand reduction and energy efficiency programs	167	195	200	192	178
– From electricity related programs in the year	86	102	122	127	113
– From natural gas related programs in the year	81	93	78	65	65
Avoided emissions from the use of liquefied natural gas in marine bunkering[10]	87	55	40	43	39
Avoided emissions from the use of natural gas in transportation[10]	25	32	31	31	43

	2025	2024	2023	2022	2021
GHG Intensity Factors					
Combined GHG intensity of energy delivered to customers (ktonnes of CO_2 equivalent per PJ)	6.54	7.14	7.28	7.72	8.73
Average GHG intensity of electricity generated by Fortis (ktonnes of CO_2 equivalent per GWh)	0.48	0.46	0.50	0.52	0.54
Other air emissions from fossil fuel electricity generation					
NO_X emissions (ktonnes)	16	17	17	17	18
Mercury emissions (kilograms)	13	14	9	6	8
SO_2 emissions (ktonnes)	3	3	4	4	4
Particulate matter emissions (ktonnes)	1	1	1	1	1
Water Used During Fossil Fuel Generation (million cubic metres, except as indicated)					
Groundwater withdrawn	48	47	46	44	45
Surface water withdrawn	1	2	1	2	4
Returned to source	31	31	28	28	28
Water consumed in electricity generation, covering significant use	17	18	19	18	20
Percent returned to source	63%	63%	60%	61%	57%
Waste Management[11] (ktonnes)					
Total amount of hazardous waste manifested for disposal	0.22	1.00	0.49	0.39	0.23
Total amount of recycled hazardous waste	0.43	0.52	0.53	0.61	0.53
Environmental Compliance					
Number of spills or releases with an associated fine	0	0	0	0	0
Percentage of Fortis utilities with an emergency spill response plan	100%	100%	100%	100%	100%
Percentage of Fortis utilities with extensive environmental management programs aligned with ISO 14001	100%	100%	100%	100%	100%

The ✓ identifies performance indicators for which a limited level of assurance was provided in the current or previous years.

The asterisks (*) in the table above indicate metrics added in recent years or historical data is not available.

(1) GHG emissions stated as CO_2 equivalent (CO_2e) using 100-year time horizon global warming potentials (GWPs) per the IPCC Fifth Assessment Report (AR5) for 2025 and 2024, and the IPCC Fourth Assessment Report (AR4) pre-2024. The impact of the transition to GWPs per AR5 in 2024 was immaterial and Fortis did not restate the 2019 baseline year.

(2) For Scope 1 inventory, Fortis utilities reference GHG data primarily from emissions monitoring systems that is used to satisfy regulatory reporting requirements. When facilities are not subject to regulatory reporting, Fortis utilities employ the best available activity data, such as fuel consumption data from the facility, along with fuel combustion emission factors from external sources, such as the U.S. Environmental Protection Agency, to calculate relevant emissions. GHG emissions include CO_2, CH_4, N_2O and SF_6 and exclude immaterial emissions sources (<1% of total Scope 1 inventory), such as comfort heating and refrigerants (HFCs).

(3) Fortis completed the sale of FortisTCI and Fortis Belize on September 2, 2025 and October 31, 2025, respectively. 2025 data for these utilities is estimated on a pro-rata basis using 2024 data up to the respective disposition dates.

(4) Fortis uses 2019 as its baseline year in measuring emission reduction progress. The baseline year was established in 2020 as it represented the most current and complete inventory available at that time. A limited level of assurance was provided on 2019 scope 1 emissions, which totalled 12,308 ktonnes of CO_2e. The impact of the dispositions of FortisTCI and Fortis Belize on Fortis' scope 1 emissions is immaterial and Fortis did not restate the 2019 baseline year.

(5) For both location-based and market-based scope 2 emissions, Fortis utilities utilize supplier specific emission factors, when available, that represent the energy available for purchase in those regions. This approach prevents double counting emissions in areas where Fortis utilities generate and supply electricity to customers. When supplier specific emission factors are not available, Fortis utilities utilize best available regional emission factors. Excludes line losses from ITC Holdings Corp., FortisAlberta and UNS Energy when these utilities transmit and deliver energy only and do not purchase or sell the energy.

(6) Reflects ITC Holdings Corp., FortisAlberta and UNS Energy when these utilities transmit and deliver energy only and do not purchase or sell the energy.

(7) Emissions reflect customer combustion of the gas transmitted and delivered by Fortis utilities.

(8) Reflects customer combustion of the gas that is transmitted and delivered. This natural gas is not owned by Fortis utilities.

(9) 2025 and 2024 reflect a change in methodology to represent avoided emissions on renewable natural gas delivered. Historical periods continue to reflect avoided emissions on renewable natural gas purchased.

(10) Avoided GHG emissions compared to the carbon intensity of diesel.

(11) Includes ~0.1 ktonnes of PCB waste that is required to be submitted to a regulatory agency by federal, state/provincial, or local regulations.

Governance Indicators

	2025	2024	2023	2022	2021
Fortis Inc. Board of Directors[1,2] (% of Board of Directors, except as noted)					
Independent	92%	92%	92%	92%	92%
Women	50%	50%	58%	54%	50%
Men	50%	50%	42%	46%	50%
Veterans	8%	8%	8%	8%	8%
Country of Residency					
Reside in U.S.	58%	58%	58%	62%	58%
Reside in Canada	42%	42%	42%	38%	42%
Ethnicity					
Caucasian	84%	84%	84%	84%	92%
Black/African	8%	8%	8%	8%	—%
Hispanic/Latino	8%	8%	8%	8%	8%
Age					
Under 60	17%	25%	33%	38%	33%
Between 60-65	50%	33%	42%	54%	59%
Directors 66+	33%	42%	25%	8%	8%
Subsidiary Boards of Fortis' operating utilities[1] (% of total subsidiary board members)					
Independent	63%	58%	57%	59%	56%
Men	52%	55%	53%	56%	59%
Women	47%	45%	47%	44%	41%
Did not disclose their gender	1%	—%	—%	—%	—%
Veterans	4%	4%	4%	5%	5%
Ethnicity					
Caucasian	84%	82%	84%	85%	84%
Black/African	6%	9%	8%	6%	8%
Hispanic/Latino	2%	3%	2%	3%	3%
Asian	2%	1%	1%	1%	1%
Indigenous, American Indian or Alaska Native	1%	1%	1%	1%	1%
With two or more races	4%	4%	4%	4%	3%
Did not disclose their ethnicity	1%	—%	—%	—%	—%
Age					
Under 60	48%	57%	58%	57%	54%
Between 60-65	34%	23%	21%	26%	29%
Directors 66+	18%	20%	21%	17%	17%

(1) Results based on self-identification data collected from board members.

(2) Beginning in 2024, results reflect board composition as of the date of Fortis' Annual General Meeting subsequent to December 31st. Prior to 2024, Board composition is presented as at December 31st.

Employee & Social Indicators

	2025	2024	2023	2022	2021
Number and geographical location of employees (% of workforce, except as noted)					
Total number of employees[1]	9,900	9,800	9,600	9,200	9,100
Employed in Canada	54%	54%	54%	54%	53%
Employed in the U.S.	43%	41%	41%	41%	42%
Employed in the Caribbean	3%	5%	5%	5%	5%
Employee Composition					
Enterprise-wide employee composition (% of employee respondents)[2]					
Male	68%	68%	68%	68%	69%
Female	32%	32%	32%	32%	31%
Caucasian	69%	68%	68%	*	*
Hispanic/Latino	14%	14%	14%	*	*
Asian	8%	8%	7%	*	*
Black/African	4%	5%	6%	*	*
Indigenous, American Indian or Alaska Native	2%	2%	2%	*	*
Two or more ethnicities	3%	3%	3%	*	*
Veterans *(U.S. utilities only)*[3]	7%	8%	8%	8%	9%
With disabilities	6%	6%	6%	*	*
Indigenous status *(Canadian utilities only)*[4]	5%	5%	5%	4%	4%
Enterprise-wide executive[5] composition (% of executive respondents)					
Male	62%	61%	62%	64%	64%
Female	38%	39%	38%	36%	36%
Caucasian	82%	75%	75%	77%	77%
Hispanic/Latino	5%	5%	4%	4%	4%
Asian	3%	6%	5%	4%	4%
Black/African	3%	7%	8%	8%	8%
Indigenous, American Indian or Alaska Native	1%	1%	1%	1%	1%
Two or more ethnicities	4%	4%	4%	5%	5%
Did not disclose their ethnicity	2%	2%	3%	1%	1%
With disabilities	3%	1%	1%	2%	2%
Veterans *(U.S. utilities only)*[3]	2%	3%	3%	2%	2%
Indigenous status *(Canadian utilities only)*[4]	2%	2%	*	*	*
Demographics					
Employees[1] (% of employees, except as noted)					
Under 30	11%	12%	12%	11%	11%
Between 30 - 50	60%	59%	59%	59%	58%
Over 50	29%	29%	29%	30%	31%
Average age of employees (years)	43	43	43	44	44
Executives[5] (% of executive)					
Between 30 - 50	35%	40%	43%	44%	42%
Over 50	65%	60%	57%	56%	58%

	2025	2024	2023	2022	2021
Turnover and retention (% of total full-time employees, except as noted)					
Annual voluntary employee turnover[6]	2.9%	3.5%	3.4%	4.6%	3.4%
Annual involuntary employee turnover[7]	1.2%	1.0%	1.0%	0.9%	0.8%
Average years of employment for full-time employees (years)	10.6	10.6	10.7	11.0	11.4
Annual retirement rate	2%	2%	3%	3%	3%
Hiring (% of job vacancies filled)					
Existing employees	57%	61%	56%	60%	58%
New employees	43%	39%	44%	40%	42%
Men	65%	67%	63%	64%	65%
Women	35%	33%	37%	36%	35%
Employee[1] Training and Development					
Total employee training spend ($ millions)	39.9	36.5	33.8	26.1	21.6
Total training spend per employee ($)	4,020	3,703	3,517	2,803	2,373
Total employee training hours	553,221	517,660	471,064	439,689	370,095
Total training hours per employee	56	53	53	51	44
Full-time employees that received annual performance appraisals (% of full-time employees)	65%	66%	67%	66%	66%
Benefits[8] (% of full-time employees)					
Eligible to receive disability coverage	100%	98%	98%	98%	98%
Eligible to receive employee and family assistance	100%	100%	100%	100%	100%
Eligible to participate in an employee stock purchase plan	100%	100%	100%	100%	100%
Eligible to receive health care benefits	100%	100%	100%	100%	100%
Eligible to receive life insurance	100%	100%	100%	100%	100%
Eligible to participate in a retirement savings plan	100%	100%	100%	98%	98%
Eligible to receive wellness-related perquisites	100%	100%	100%	100%	100%
Eligible to receive paid sick leave	100%	100%	100%	100%	100%
Labour Management Relations					
Total number of work stoppages	0	0	0	0	0
Grievance resolution rate without the use of arbitration	96.3%	92.4%	92.6%	95.0%	93.1%
Freedom of Association					
Percentage of total workforce - unionized	49%	49%	50%	50%	51%
Remuneration					
Percentage of full-time employees whose basic salary is above the local minimum wage	100%	100%	100%	100%	100%

	2025	2024	2023	2022	2021
Economic Value Distributed ($ millions)					
Costs paid for energy supply	3,371	3,249	3,771	3,952	2,951
Costs paid for fleet, materials and services to top 10 suppliers at each utility	2,934	2,401	1,945	1,759	1,367
Total amount paid in annual employee compensation	1,862	1,770	1,633	1,528	1,437
Costs paid for finance charges	1,469	1,361	1,255	1,057	986
Total amount paid to common shareholders in dividends	1,249	1,178	1,109	1,037	964
Total amount paid in property taxes	555	510	475	441	414
Total amount paid in employee payroll taxes	520	486	453	442	405
Total amount paid in excise/sales taxes	385	357	394	348	328
Total amount paid in carbon taxes	371	533	447	395	324
Other taxes paid	71	71	66	59	41
Community Donations ($ millions)					
Social development	4.4	4.0	3.8	2.8	2.9
Education	3.2	3.0	2.7	2.7	2.5
Small businesses & other	3.1	4.9	1.8	1.4	1.8
Arts & culture	1.1	1.0	0.8	0.6	0.4
Health & wellness	1.0	1.0	1.0	0.7	0.7
Environment & safety	0.8	0.7	0.8	0.9	0.8
Biodiversity	0.6	0.5	0.5	0.6	1.0
Total community donations	**14.2**	**15.1**	**11.4**	**9.7**	**10.1**

The asterisks (*) in the table above indicate metrics added in recent years or historical data is not available.

(1) An employee includes any individual who has a direct employment relationship with the company as of December 31 of the calendar year.

(2) Racial diversity data is based upon employee self-identification. Participation rates were approximately 100% in the U.S. and 35% in other jurisdictions in 2025 (100% and 36%, respectively, in 2024). These response rates may not accurately reflect the representation of the entire workforce.

(3) Results are based upon U.S. respondents. An employee is considered a veteran if they are a former member of the armed forces.

(4) Results are based upon Canadian respondents. Indigenous is a term used in Canada to describe the original inhabitants (or Aboriginal people) of Canada and their descendants. Indigenous Peoples in Canada include First Nations, Inuit and Mētis people.

(5) An employee is considered an executive if they hold the position of Vice President, Senior Vice President, Executive Vice President or President/CEO. Diversity data is based upon self-identification.

(6) Voluntary turnover includes an employee who leaves the company voluntarily (e.g., willingly chooses to resign their position), but excludes seasonal temporary employment and retirement.

(7) Involuntary turnover includes an employee who leaves the company involuntarily (e.g., a position is terminated, an employee is dismissed or an employee dies).

(8) Wellness-related perquisites include family leave, personal days off, flexible working hours and location, and fitness/gym financial support.

Glossary

Abbreviations

AI	Artificial intelligence
CAIDI	Customer average interruption duration index
CO_2e	Carbon dioxide equivalent
CUC	Caribbean Utilities Company, Ltd. (a Fortis company)
EPA	Environmental Protection Agency
GHG	Greenhouse gas
GJ	Gigajoules
GRI	Global Reporting Initiative
GSC	Governance and sustainability committee (Fortis board committee)
GWh	Gigawatt hours
ISSB	International Sustainability Standards Board
IT	Information technology
ITC	ITC Holdings Corp. (a Fortis company)
KPI	Key performance indicator
ktonnes	Kilotonnes
LNG	Liquefied natural gas
MW	Megawatts
OT	Operational technology
PJ	Petajoules
PCBs	Polychlorinated biphenyls
RNG	Renewable natural gas
SAIDI	System average interruption duration index
SAIFI	Electricity system average interruption frequency index
SASB	Sustainability Accounting Standards Board
SF_6	Sulfur hexafluoride
TCFD	Task Force on Climate-related Financial Disclosures
TEP	Tucson Electric Power (a Fortis company)

Definitions

Clean Energy: refers to electricity generation sources with minimal to no associated GHG emissions.

Cleaner/Cleaner Energy: refers to the transition to comparatively less carbon intensive sources, such as transitioning coal electricity generation to natural gas.

Going Further: a qualitative phrase used throughout this report. It is not meant as a comparative term, but rather it reflects Fortis' aspirational ambition to strive for excellence in all areas of operations.

Resilience: the ability of a system to withstand damage and improve recovery from non-routine disruptions, such as climate hazard impacts, in a reasonable amount of time.

Forward-Looking Information

Fortis includes forward-looking information in this sustainability report within the meaning of applicable Canadian securities laws and forward-looking statements within the meaning of the *Private Securities Litigation Reform Act of 1995* (collectively referred to as "forward-looking information"). Forward-looking information reflects expectations of Fortis management regarding future growth, results of operations, performance and business prospects and opportunities. Wherever possible, words such as anticipates, believes, budgets, could, estimates, expects, forecasts, intends, may, might, plans, projects, schedule, should, target, will, would, and the negative of these terms, and other similar terminology or expressions have been used to identify the forward-looking information, which includes, without limitation: the expectation the Corporation will meet rising demand and create lasting value for customers and local economies; forecast capital expenditures for 2026 and 2026-2030; planned coal retirements at TEP and the expectation that the Corporation will have a coal-free generation mix by 2032; the nature, timing, benefits, and costs of the planned conversion of coal-fired generating units at TEP's Springerville Generating Station to natural gas generation; the expected filing and contents of TEP's integrated resource plan; the potential impact of factors, including significant load growth, customer affordability, the pace of development of clean energy technology, regulatory and legislative requirements, and federal, state, and provincial energy policies, on the Corporation's ability to reduce GHG emissions; the expectation that the Corporation's progress towards reducing GHG emissions may be non-linear; the 2050 net-zero GHG emissions target and how that target is expected to be achieved; ITC's interstate transmission project connecting Michigan and Indiana, and generation upgrades at CUC; the expectation that Fortis is well-positioned to invest in opportunities beyond the capital plan; the nature, timing, benefits, and costs associated with FortisAlberta's Distribution Voltage Management pilot expansion, ITC's investments associated with the Big Cedar Load Expansion Project, including expected reductions in transmission rates for customers by the end of the decade, and new customer growth at TEP, including data centres, and associated customer savings therewith; and the expected investment and associated benefits of FortisBC's energy efficiency programs.

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. These factors or assumptions are subject to inherent risks and uncertainties surrounding future expectations generally, including those identified from time to time in the forward-looking information. Such assumptions include, but are not limited to: the successful execution of the capital plan; reasonable regulatory decisions and the expectation of regulatory stability; no material capital project or financing cost overrun; sufficient human resources to deliver service and execute the capital plan; no significant operational disruptions or environmental liability or upset; the continued ability to maintain the performance of the electricity and gas systems; no severe and prolonged economic downturn; sufficient liquidity and capital resources; no significant changes in government energy plans, environmental laws and regulations that could have a material negative impact; retention of existing service areas; continued maintenance of information technology infrastructure and no material breach of cybersecurity; continued favourable relations with Indigenous Peoples; and favourable labour relations.

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 sustainability report. 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.