Fortis Inc.

2024 CDP Corporate Questionnaire 2024

Word version

Important: this export excludes unanswered questions
This document is an export of your organization's CDP questionnaire response. It contains all data points for questions that are answered or in progress. There may be questions or data points that you have been requested to provide, which are missing from this document because they are currently unanswered. Please note that it is your responsibility to verify that your questionnaire response is complete prior to submission. CDP will not be liable for any failure to do so.
Terms of disclosure for corporate questionnaire 2024 - CDP

Contents

C1. Introduction

(1.1) In which language are you submitting your response?

Select from:

☑ English

(1.2) Select the currency used for all financial information disclosed throughout your response.

Select from:

☑ CAD

(1.3) Provide an overview and introduction to your organization.

(1.3.2) Organization type

Select from:

☑ Publicly traded organization

(1.3.3) Description of organization

Fortis is principally an energy delivery company, with 93% of its assets related to transmission and distribution. The business is characterized by low-risk, stable and predictable earnings and cash flows. The Corporation's regulated utility businesses are: ITC (electric transmission - Michigan, Iowa, Minnesota, Illinois, Missouri, Kansas, Oklahoma and Wisconsin); UNS Energy (integrated electric and natural gas distribution - Arizona); Central Hudson (electric transmission and distribution, and natural gas distribution - New York State); FortisBC Energy (natural gas transmission and distribution - British Columbia); FortisAlberta (electric distribution - Alberta); FortisBC Electric (integrated electric - British Columbia); Newfoundland Power (integrated electric - Newfoundland and Labrador); Maritime Electric (integrated electric - Prince Edward Island); FortisOntario (integrated electric - Ontario); Caribbean Utilities (integrated electric - Grand Cayman); and FortisTCI (integrated electric - Turks and Caicos Islands). The Corporation's non-regulated business is limited to Fortis Belize (three hydroelectric generation facilities - Belize). All of Fortis' regulated and non-regulated businesses are included in annual GHG emissions reporting (included in this response). These businesses are also included in Fortis' corporate-wide targets to reduce direct GHG emissions 50% by 2030, 75% by 2035 and our 2050 net-zero direct GHG emissions goal. Fortis also holds equity investments in the Wataynikaneyap Partnership (electric transmission - Ontario) and Belize Electricity (integrated electric - Belize). These equity investments are not included in our annual GHG emissions reporting, and they are not included in our GHG emissions targets noted above. For context, equity investments in the Wataynikaneyap partnership and Belize Electricity comprise
[Fixed row]

(1.4) State the end date of the year for which you are reporting data. For emissions data, indicate whether you will be providing emissions data for past reporting years.

(1.4.1) End date of reporting year

12/31/2023

(1.4.2) Alignment of this reporting period with your financial reporting period

Select from:

☑ Yes

(1.4.3) Indicate if you are providing emissions data for past reporting years

Select from:

☑ Yes

(1.4.4) Number of past reporting years you will be providing Scope 1 emissions data for

Select from:

☑ 4 years

(1.4.5) Number of past reporting years you will be providing Scope 2 emissions data for

Select from:

☑ 4 years

(1.4.6) Number of past reporting years you will be providing Scope 3 emissions data for

Select from:

☑ 4 years

[Fixed row]

(1.4.1) What is your organization’s annual revenue for the reporting period?

12000000000

(1.5) Provide details on your reporting boundary.

	Is your reporting boundary for your CDP disclosure the same as that used in your financial statements?
	Select from: ☑ Yes

[Fixed row]

(1.6) Does your organization have an ISIN code or another unique identifier (e.g., Ticker, CUSIP, etc.)?

ISIN code - bond

(1.6.1) Does your organization use this unique identifier?

Select from:
☑ No

ISIN code - equity

(1.6.1) Does your organization use this unique identifier?

Select from:
☑ Yes

(1.6.2) Provide your unique identifier

CA3495531079

CUSIP number

(1.6.1) Does your organization use this unique identifier?

Select from:
☑ Yes

(1.6.2) Provide your unique identifier

CA3495531079

Ticker symbol

(1.6.1) Does your organization use this unique identifier?

Select from:
☑ Yes

(1.6.2) Provide your unique identifier

FTS (NYSE); FTS:CA (TSX)

SEDOL code

(1.6.1) Does your organization use this unique identifier?

Select from:
☑ No

LEI number

(1.6.1) Does your organization use this unique identifier?

Select from:

☑ Yes

(1.6.2) Provide your unique identifier

549300MQYQ9Y065XPR71

D-U-N-S number

(1.6.1) Does your organization use this unique identifier?

Select from:

☑ No

Other unique identifier

(1.6.1) Does your organization use this unique identifier?

Select from:

☑ Yes

(1.6.2) Provide your unique identifier

NAICS: 551113
[Add row]

(1.7) Select the countries/areas in which you operate.

Select all that apply

☑ Belize

☑ Canada

☑ Cayman Islands

☑ Turks and Caicos Islands

☑ United States of America

(1.16) In which part of the electric utilities value chain does your organization operate?

Electric utilities value chain

☑ Distribution
☑ Electricity generation
☑ Electricity purchasing
☑ Transmission

Other divisions

☑ Battery storage
☑ Gas storage, transmission and distribution
☑ Smart grids/demand response

(1.16.1) For your electricity generation activities, provide details of your nameplate capacity and electricity generation specifics for each technology employed.

Coal - Hard

(1.16.1.1) Own or control operations which use this power generation source

Select from:

☑ Yes

(1.16.1.2) Nameplate capacity (MW)

903

(1.16.1.4) Net electricity generation (GWh)

3727

(1.16.1.5) Comment

Fortis discloses nominal capacity for sustainability and financial reporting purposes. Capacity noted here is nominal, not nameplate. Fortis provides the net electricity generated, not the gross electricity generated.

Lignite

(1.16.1.1) Own or control operations which use this power generation source

Select from:

☑ No

Oil

(1.16.1.1) Own or control operations which use this power generation source

Select from:

☑ Yes

(1.16.1.2) Nameplate capacity (MW)

410

(1.16.1.4) Net electricity generation (GWh)

1070

(1.16.1.5) Comment

Comments on "coal-hard" generation also apply to oil generation.

Gas

(1.16.1.1) Own or control operations which use this power generation source

Select from:

☑ Yes

(1.16.1.2) Nameplate capacity (MW)

2213

(1.16.1.4) Net electricity generation (GWh)

8060

(1.16.1.5) Comment

Comments on "coal-hard" generation also apply to gas generation.

Sustainable biomass

(1.16.1.1) Own or control operations which use this power generation source

Select from:

☑ No

Other biomass

(1.16.1.1) Own or control operations which use this power generation source

Select from:

☑ No

Waste (non-biomass)

(1.16.1.1) Own or control operations which use this power generation source

Select from:

☑ No

Nuclear

(1.16.1.1) Own or control operations which use this power generation source

Select from:

☑ No

Fossil-fuel plants fitted with carbon capture and storage

(1.16.1.1) Own or control operations which use this power generation source

Select from:

☑ No

Geothermal

(1.16.1.1) Own or control operations which use this power generation source

Select from:

☑ No

Hydropower

(1.16.1.1) Own or control operations which use this power generation source

Select from:

☑ Yes

(1.16.1.2) Nameplate capacity (MW)

396

(1.16.1.3) Gross electricity generation (GWh)

2161

(1.16.1.4) Net electricity generation (GWh)

2161

(1.16.1.5) Comment

Fortis discloses nominal capacity for sustainability and financial reporting purposes. Capacity noted here is nominal not nameplate. Fortis does not publicly disclose gross electricity generation. Gross electricity generation noted here is net electricity generation.

Wind

(1.16.1.1) Own or control operations which use this power generation source

Select from:

☑ Yes

(1.16.1.2) Nameplate capacity (MW)

250

(1.16.1.3) Gross electricity generation (GWh)

552

(1.16.1.4) Net electricity generation (GWh)

552

(1.16.1.5) Comment

Fortis discloses nominal capacity for sustainability and financial reporting purposes. Capacity noted here is nominal not nameplate. Fortis does not publicly disclose gross electricity generation. Gross electricity generation noted here is net electricity generation.

Solar

(1.16.1.1) Own or control operations which use this power generation source

Select from:

☑ Yes

(1.16.1.2) Nameplate capacity (MW)

71

(1.16.1.3) Gross electricity generation (GWh)

123

(1.16.1.4) Net electricity generation (GWh)

123

(1.16.1.5) Comment

Fortis discloses nominal capacity for sustainability and financial reporting purposes. Capacity noted here is nominal not nameplate. Fortis does not publicly disclose gross electricity generation. Gross electricity generation noted here is net electricity generation.

Marine

(1.16.1.1) Own or control operations which use this power generation source

Select from:

☑ No

Other renewable

(1.16.1.1) Own or control operations which use this power generation source

Select from:

☑ No

Other non-renewable

(1.16.1.1) Own or control operations which use this power generation source

Select from:

☑ No

Total

(1.16.1.1) Own or control operations which use this power generation source

Select from:

☑ Yes

(1.16.1.2) Nameplate capacity (MW)

4243

(1.16.1.3) Gross electricity generation (GWh)

15693

(1.16.1.4) Net electricity generation (GWh)

15693

(1.16.1.5) Comment

Fortis discloses nominal capacity for sustainability and financial reporting purposes. Capacity noted here is nominal not nameplate. Fortis does not publicly disclose gross electricity generation. Gross electricity generation noted here is net electricity generation.
[Fixed row]

(1.24) Has your organization mapped its value chain?

(1.24.1) Value chain mapped

Select from:

☑ Yes, we have mapped or are currently in the process of mapping our value chain

(1.24.2) Value chain stages covered in mapping

Select all that apply

☑ Upstream value chain

☑ Downstream value chain

(1.24.3) Highest supplier tier mapped

Select from:

☑ Tier 1 suppliers

(1.24.4) Highest supplier tier known but not mapped

Select from:

☑ All supplier tiers known have been mapped

(1.24.7) Description of mapping process and coverage

Full upstream and downstream value chain mapping has been conducted for all of Fortis' utilities. Detailed value chain mapping has been developed for each utility as well as for the following main business lines: (1) Electricity (2) Natural Gas; and (3) Liquified Natural Gas. The value chains were then used to better understand our Scope 3 GHG emission sources and conduct a high-level quantification across the Fortis Group. To the extent possible, calculations were based on previously publicly disclosed data, spend data or other sources of data. Each emission source has been identified as Scope 1, 2 or 3, as well we have also categorized the sources into the 15 categories defined by the GHG Protocol.
[Fixed row]

(1.24.1) Have you mapped where in your direct operations or elsewhere in your value chain plastics are produced, commercialized, used, and/or disposed of?

(1.24.1.1) Plastics mapping

Select from:

☑ No, and we do not plan to within the next two years

(1.24.1.5) Primary reason for not mapping plastics in your value chain

Select from:

☑ Not an immediate strategic priority

(1.24.1.6) Explain why your organization has not mapped plastics in your value chain

Fortis is primarily an energy delivery company with 93% of its assets related to the transmission and distribution of electricity and natural gas (i.e.:, poles, wires and natural gas lines). Based on the nature of our business, the mapping of plastics in our value chain is not an immediate strategic priority. Metals and wood are the predominant basic materials used in our infrastructure.
[Fixed row]

C2. Identification, assessment, and management of dependencies, impacts, risks, and opportunities

(2.1) How does your organization define short-, medium-, and long-term time horizons in relation to the identification, assessment, and management of your environmental dependencies, impacts, risks, and opportunities?

Short-term

(2.1.1) From (years)

0

(2.1.3) To (years)

1

(2.1.4) How this time horizon is linked to strategic and/or financial planning

Strategic and financial planning looks at the short-term risk as being the present day or current year as this is relevant to Fortis planning. In our scenario analysis, we looked at climate risks and opportunities seen in the present day, before divergence of the scenario narratives into the future. This period also became the baseline period against which changes were evaluated. Also within this timeframe, the Fortis Inc. Board of Directors holds an annual strategy session to review and set expectations for growth, identify and consider growth opportunities and provide input on a broad range of risks and risk mitigation measures. Time is also set aside at each regularly scheduled board meeting to discuss strategy. Sustainability strategy, climate-related issues and progress on commitments are discussed at the board's annual strategy session and form part of the enterprise risk management (ERM) program. The Fortis Inc. Board of Directors receives an annual ERM risk assessment report prepared by management that outlines strategic risks and related risk mitigation strategies. Material risks identified at the subsidiaries form part of the risk assessment. Management assesses the risk profile quarterly and provides updates to the board throughout the year. ERM at the subsidiary level is overseen by each subsidiary's board.

Medium-term

(2.1.1) From (years)

1

(2.1.3) To (years)

6

(2.1.4) How this time horizon is linked to strategic and/or financial planning

The Fortis capital plan is presented annually, with capital expenditures estimated for the upcoming five years. The capital plan details required energy infrastructure investment to ensure the continued and enhanced performance, reliability and safety of the electricity and gas systems, to meet customer growth, and to deliver cleaner energy. Also within this timeframe, Fortis has an interim target to reduce scope 1 emissions 50% by 2030. Our most recent climate scenario analysis of physical and transition risks defined the medium-term timeframe as 2030, and complements our capital planning time horizons.

Long-term

(2.1.1) From (years)

6

(2.1.2) Is your long-term time horizon open ended?

Select from:

☑ No

(2.1.3) To (years)

26

(2.1.4) How this time horizon is linked to strategic and/or financial planning

Assets associated with energy transmission and distribution typically are associated with longer life cycles (for example: electricity transmission towers and underground pipelines). As mentioned previously, the Fortis capital plan is presented annually, with capital expenditures estimated for the upcoming five years. Fortis also identifies additional opportunities beyond the five-year capital plan. Updates on these longer-term capital investment opportunities are provided quarterly as part of the earnings presentation. Also within this timeframe, Fortis has an interim target to reduce scope 1 emissions 50% by 2035 and a 2050 net-zero goal. Based on these established timeframes, our climate scenario analysis focused on 2050.
[Fixed row]

(2.2) Does your organization have a process for identifying, assessing, and managing environmental dependencies and/or impacts?

	Process in place	Dependencies and/or impacts evaluated in this process
	Select from: ☑ Yes	*Select from:* ☑ Both dependencies and impacts

[Fixed row]

(2.2.1) Does your organization have a process for identifying, assessing, and managing environmental risks and/or opportunities?

	Process in place	Risks and/or opportunities evaluated in this process	Is this process informed by the dependencies and/or impacts process?
	Select from: ☑ Yes	*Select from:* ☑ Both risks and opportunities	*Select from:* ☑ Yes

[Fixed row]

(2.2.2) Provide details of your organization's process for identifying, assessing, and managing environmental dependencies, impacts, risks, and/or opportunities.

Row 1

(2.2.2.1) Environmental issue

Select all that apply

☑ Biodiversity

(2.2.2.2) Indicate which of dependencies, impacts, risks, and opportunities are covered by the process for this environmental issue

Select all that apply

☑ Impacts

(2.2.2.3) Value chain stages covered

Select all that apply

☑ Direct operations

(2.2.2.4) Coverage

Select from:

☑ Full

(2.2.2.7) Type of assessment

Select from:

☑ Qualitative only

(2.2.2.8) Frequency of assessment

Select from:

☑ Annually

(2.2.2.9) Time horizons covered

Select all that apply

☑ Short-term

(2.2.2.11) Location-specificity used

Select all that apply

☑ Site-specific

(2.2.2.12) Tools and methods used

International methodologies and standards

☑ Environmental Impact Assessment

☑ ISO 14001 Environmental Management Standard

(2.2.2.14) Partners and stakeholders considered

Select all that apply

☑ Local communities

☑ Indigenous peoples

☑ NGOs

☑ Regulators

(2.2.2.15) Has this process changed since the previous reporting year?

Select from:

☑ No

(2.2.2.16) Further details of process

Key aspects of our electricity and natural gas utility operations are overseen by independent regulators. These regulators hold our utilities accountable for operating in the public interest, while providing interested stakeholders the ability to participate in the regulatory process. At a more detailed level, regulators through their permitting review and approval processes, oversee operational areas of our utilities that are important from an environmental stewardship perspective. Environmental impact assessments, ongoing environment and vegetation management and community partnerships form the basis of Fortis utility's biodiversity efforts. In the latest materiality assessment conducted by Fortis, biodiversity and land use was an area seen by our stakeholders as increasing in importance. Fortis has a standalone business model where Fortis subsidiaries operate with substantial autonomy. In keeping with this model, each subsidiary manages biodiversity activities within its respective service territory. Biodiversity is a focus area for community investments, with 3.5 million donated over the last five years to biodiversity efforts in communities served by Fortis subsidiaries. An example of the biodiversity efforts across our group of companies can be found at ITC. ITC has enrolled 98,000 acres in a federal program designed to protect and grow habitat for the threatened monarch butterfly. There has been a drastic butterfly population loss over the past 20 years. ITC will manage the land to improve monarch habitat, including timing seasonal mowing to avoid the monarch breeding season, selective brush removal and developing more grassland and prairie habitat. ITC will regularly monitor and report on monarch habitat and population in these areas.

Row 2

(2.2.2.1) Environmental issue

Select all that apply

☑ Climate change

(2.2.2.2) Indicate which of dependencies, impacts, risks, and opportunities are covered by the process for this environmental issue

Select all that apply

☑ Dependencies

☑ Impacts

☑ Risks

☑ Opportunities

(2.2.2.3) Value chain stages covered

Select all that apply

☑ Direct operations

(2.2.2.4) Coverage

Select from:

☑ Full

(2.2.2.7) Type of assessment

Select from:

☑ Qualitative only

(2.2.2.8) Frequency of assessment

Select from:

☑ Annually

(2.2.2.9) Time horizons covered

Select all that apply

☑ Short-term

☑ Medium-term

☑ Long-term

(2.2.2.10) Integration of risk management process

Select from:

☑ Integrated into multi-disciplinary organization-wide risk management process

(2.2.2.11) Location-specificity used

Select all that apply

☑ Local

(2.2.2.12) Tools and methods used

Enterprise Risk Management

☑ Enterprise Risk Management

International methodologies and standards

☑ IPCC Climate Change Projections

Other

☑ Scenario analysis

(2.2.2.13) Risk types and criteria considered

Acute physical

☑ Drought

☑ Wildfires

☑ Flood (coastal, fluvial, pluvial, ground water)

☑ Other acute physical risk, please specify **:Strong Wind, Extreme Heat and Extreme Cold**

☑ Heat waves

☑ Cold wave/frost

☑ Heavy precipitation (rain, hail, snow/ice)

Chronic physical

☑ Heat stress

☑ Water stress

☑ Changing wind patterns

☑ Temperature variability

☑ Precipitation or hydrological variability

☑ Increased severity of extreme weather events

☑ Changing temperature (air, freshwater, marine water)

☑ Changing precipitation patterns and types (rain, hail, snow/ice)

Policy

☑ Changes to national legislation

☑ Increased difficulty in obtaining operations permits

☑ Poor coordination between regulatory bodies

☑ Poor enforcement of environmental regulation

Market

☑ Availability and/or increased cost of raw materials

☑ Changing customer behavior

☑ Uncertainty in the market signals

Reputation

☑ Increased partner and stakeholder concern and partner and stakeholder negative feedback

☑ Negative press coverage related to support of projects or activities with negative impacts on the environment (e.g. GHG emissions, deforestation & conversion, water stress)

☑ Stigmatization of sector

Technology

☑ Transition to lower emissions technology and products

Liability

☑ Exposure to litigation

☑ Non-compliance with regulations

(2.2.2.14) Partners and stakeholders considered

Select all that apply

☑ NGOs

☑ Customers

☑ Employees

☑ Investors

☑ Regulators

☑ Local communities

☑ Indigenous peoples

(2.2.2.15) Has this process changed since the previous reporting year?

Select from:

☑ No

(2.2.2.16) Further details of process

Process conducted annually: Enterprise Risk Management (ERM) Program: The Fortis ERM program assesses and manages risks, including climate risk, that have the potential to affect business performance and strategy. The Fortis ERM program identifies and evaluates risks by both severity of impact and probability of occurrence. An internal process is in place to monitor and manage identified risks. Risks are categorized according to impact after considering mitigating controls using a five point scale (very low, low, moderate, high, very high). Current and planned mitigation activities are captured and assigned ownership at the appropriate level. Climate-related opportunities are assessed using a framework similar to this ERM process. The ERM program at the subsidiary level is overseen by each subsidiary's board of directors and any material risks identified form part of Fortis' ERM program. Materiality thresholds are reviewed annually. Systems of internal controls are used by management to monitor and manage identified risks. The Fortis board, through the audit committee, oversees the Fortis ERM program. The board is responsible for understanding the material risks and mitigation strategies, and for taking reasonable steps to ensure that management has an effective risk management system in place relative to the risk profile. A summary of significant business risks and Fortis is included annually in our Management Discussion of Analysis of annual results. Climate-related risks identified at 2023 year-end included: physical risks, climate change, environmental regulation, weather variability and seasonality and natural gas competitiveness. Since 2022, we have conducted detailed climate scenario analysis every two years: Climate Scenario Analysis: Fortis

has completed a corporate-wide climate scenario analysis. These scenario analysis provides a more detailed look at our climate-related risks, opportunities, and dependencies. Our climate-related risks and opportunities assessment has been undertaken in accordance with the pillars and recommendations of the TCFD. To date, Fortis has completed two corporate-wide climate scenario analyses, focused on physical and transition risks and opportunities. The most recent climate scenario analysis focused on potential exposure of assets to select climate hazards and assessing asset vulnerability when exposed to these climate hazards. Potential business impacts were determined for our material electricity generation and electricity/natural gas transmission and distribution assets by analyzing both their climate exposure and climate vulnerability. Transition risks and opportunities are assessed using the ERM process outlined above. By conducting climate scenario analysis, our utilities have greater information when making strategic and operational decisions. Ongoing processes: The Fortis Operations Group has established a climate change adaptation technical committee. This committee conducts corporate-wide research and assessments on an ongoing basis. The topics researched include aging infrastructure, climate hazards and risk mitigation. Fortis participates in the Electricity Power Research Institute's (EPRI) Climate Resilience and Adaptation initiative (READi). This initiative looks to establish a common physical climate risk assessment framework that will inform the planning, design and operation of a resilient energy system.
[Add row]

(2.2.7) Are the interconnections between environmental dependencies, impacts, risks and/or opportunities assessed?

(2.2.7.1) Interconnections between environmental dependencies, impacts, risks and/or opportunities assessed

Select from:
☑ Yes

(2.2.7.2) Description of how interconnections are assessed

In 2021, Fortis announced its support for the TCFD and committed to implementing the TCFD recommendations, including climate scenario analysis. Since this time, Fortis' utilities have undertaken two climate scenario analysis exercises to better understand their physical- and transition climate-related risks and opportunities. In our recent climate scenario analysis, we assessed the exposure and vulnerability of physical priority assets. Fortis utilities identified priority assets based on a developed criteria. Once priority assets were identified, climate change impacts/dependencies were assessed in relation to nine climate hazards (extreme heat, summer temperatures, extreme cold, winter temperatures, water stress, strong winds, wildfire risk, flooding and snowfall) using two climate scenarios. Fortis utilities operate in 18 jurisdictions. Physical risks are specific to geography, therefore, local climate data was used for each prioritized asset to get a true reflection of the exposure and vulnerability. Fortis' utilities are virtually 100% regulated meaning key aspects of their electricity and natural gas utility operations are overseen by independent regulators. These regulators hold our utilities accountable for operating in the public interest, while providing interested stakeholders the ability to participate in the regulatory process. At a more detailed level, regulators through their permitting review and approval processes, oversee operational areas of our utilities that are important from an environmental stewardship perspective. Having a comprehensive understanding of our environmental dependencies and impacts is a fundamental and integral component of being a regulated utility.
[Fixed row]

(2.3) Have you identified priority locations across your value chain?

(2.3.1) Identification of priority locations

Select from:

☑ No, and we do not plan to within the next two years

(2.3.7) Primary reason for not identifying priority locations

Select from:

☑ Not an immediate strategic priority

(2.3.8) Explain why you do not identify priority locations

Due to the regulatory oversight and permitting approval processes our utilities are subject to, each of our utilities have identified locations in or near their operations that are ecologically sensitive as well as areas where the utility has substantive nature-related dependencies and/or impacts. Accordingly, as part of our licenses to operate, conditions are placed on our utilities to monitor and manage these locations. Therefore, each of our utilities have identified local priority nature-related locations/areas, for which they work with local regulators and interested stakeholders to positively manage. Fortis has not identified the immediate need for additional work in this area at this time. In its most recent climate scenario assets, priority assets were identified, and then assessed using climate scenarios and using geography-specific climate science. Fortis' current strategic priority is advancing its TCFD commitment and fully implementing its recommendations as it relates to better understanding its climate-related risks and opportunities.
[Fixed row]

(2.4) How does your organization define substantive effects on your organization?

Risks

(2.4.1) Type of definition

Select all that apply

☑ Qualitative

(2.4.6) Metrics considered in definition

Select all that apply

☑ Other, please specify

(2.4.7) Application of definition

When determining potential effects as substantive, the ERM process identifies and evaluates risks by both severity of impact and probability of occurrence. An internal process is in place to monitor and manage identified risks. Risks are categorized according to impact after considering mitigating controls using a five point scale (very low, low, moderate, high, very high). This is the same scale used in our most recent climate scenario analysis. Current and planned mitigation activities are captured and assigned ownership at the appropriate level. The Fortis board, through the audit committee, oversees the ERM program. The board is responsible for understanding the material risks and mitigation strategies, and for taking reasonable steps to ensure that management has an effective risk management system in place relative to the risk profile. Each Fortis utility has its own established ERM program, which is overseen by each respective board of directors. Material risks are communicated to Fortis management and aggregated into the Fortis ERM program. As part of our most recent climate scenario analysis, potential business impacts were identified for physical and transition risks and opportunities over the medium and long-term. The physical risks and opportunities assessment, potential business impacts include opportunities to build asset resiliency and or to replace certain priority assets earlier than planned to enhance resiliency. Opportunity also exists to increase capital expenditures to mitigate climate hazard risk and continue to invest in resiliency and modernization of assets. Risks exist in relation to service reliability being negatively impacted due to increased climate hazards and increased demand due to warmer summers. The scenario analysis found that approximately 75% of priority assets assessed are expected to experience minimal climate change exposure when compared to the present day. The transition risks and opportunities assessment applied Fortis ERM principles and was led by ERM leads throughout the company. The analysis found that for electricity operations, the overall energy transition opportunities outweigh the potential risks for Fortis overall by 2050. Transition opportunities were identified in both scenarios assessed, and are therefore quite likely to materialize. For natural gas operations, opportunities exist and are dependent on increased LNG demand and the decarbonization of the gas system.

Opportunities

(2.4.1) Type of definition

Select all that apply

☑ Qualitative

(2.4.6) Metrics considered in definition

Select all that apply

☑ Other, please specify

(2.4.7) Application of definition

Opportunities are mentioned above and are assessed using a similar ERM framework as the one used to assess risks.
[Add row]

C3. Disclosure of risks and opportunities

(3.1) Have you identified any environmental risks which have had a substantive effect on your organization in the reporting year, or are anticipated to have a substantive effect on your organization in the future?

Climate change

(3.1.1) Environmental risks identified

Select from:

☑ Yes, both in direct operations and upstream/downstream value chain

Plastics

(3.1.1) Environmental risks identified

Select from:

☑ No

(3.1.2) Primary reason why your organization does not consider itself to have environmental risks in your direct operations and/or upstream/downstream value chain

Select from:

☑ Not an immediate strategic priority

(3.1.3) Please explain

Fortis is primarily an energy delivery company, with 93% of assets related to the transmission and distribution of electricity and natural gas. Metals and wood are the predominant materials used for our energy delivery infrastructure. As such, the mapping of plastics in our value chain is not an immediate strategic priority.
[Fixed row]

(3.1.1) Provide details of the environmental risks identified which have had a substantive effect on your organization in the reporting year, or are anticipated to have a substantive effect on your organization in the future.

Climate change

(3.1.1.1) Risk identifier

Select from:

☑ Risk1

(3.1.1.3) Risk types and primary environmental risk driver

Chronic physical

☑ Changing wind patterns

(3.1.1.4) Value chain stage where the risk occurs

Select from:

☑ Direct operations

(3.1.1.6) Country/area where the risk occurs

Select all that apply

☑ Belize

☑ Canada

☑ Cayman Islands

☑ Turks and Caicos Islands

☑ United States of America

(3.1.1.9) Organization-specific description of risk

Our recent climate scenario analysis exercise assessed the level of exposure and vulnerability associated with nine climate hazards (including strong winds), for priority assets. Two climate scenarios were used across two timeframes (2030 and 2050). The findings included potential business impacts using a rating scale of

very low, low, moderate, high or very high. Vulnerability was assessed as of today and did not consider future investments to enhance resilience. For the climate hazard strong winds, Fortis is currently exposed to strong winds, and exposure is expected to increase in both climate scenarios assessed. Electricity transmission and distribution (T&D) (76% of total assets), were found to have a moderate level of exposure and vulnerability to strong winds. Overhead T&D lines and equipment, including support structures, are most vulnerable to strong winds. Strong winds increase the likelihood of trees falling, which can further damage equipment. Vegetation management programs are in place to mitigate this risk. Electricity generation (7% of total assets), were found to have a moderate level of exposure and low vulnerability to strong winds. Natural gas T&D (17% of total assets) were found to have a moderate level of exposure and very low vulnerability. Much of the natural gas network is underground or enclosed, therefore is less vulnerable to climate hazards.

(3.1.1.11) Primary financial effect of the risk

Select from:

☑ Increased capital expenditures

(3.1.1.12) Time horizon over which the risk is anticipated to have a substantive effect on the organization

Select all that apply

☑ Short-term

☑ Medium-term

☑ Long-term

(3.1.1.13) Likelihood of the risk having an effect within the anticipated time horizon

Select from:

☑ More likely than not

(3.1.1.14) Magnitude

Select from:

☑ Medium

(3.1.1.16) Anticipated effect of the risk on the financial position, financial performance and cash flows of the organization in the selected future time horizons

For strong winds, certain priority assets may require investments to build asset resiliency (hardening) and/or to replace certain priority assets earlier than planned to enhance resiliency. Investment in vegetation management programs can mitigate the impact of falling trees, resulting from strong winds. Opportunities exist to

increase capital expenditures to mitigate climate hazard risk and continue to invest in resiliency and modernization of assets. Fortis is virtually 100% regulated, providing cost recovery mechanisms to assist in mitigating the impact of climate risk.

(3.1.1.17) Are you able to quantify the financial effect of the risk?

Select from:

☑ No

(3.1.1.26) Primary response to risk

Infrastructure, technology and spending

☑ Other infrastructure, technology and spending, please specify **:**Increase asset management efforts, focusing on strengthening assets through replacing aging infrastructure, capital improvements and strong maintenance programs.

(3.1.1.28) Explanation of cost calculation

Fortis' utilities are currently undertaking vulnerability assessments to better understand the infrastructure and engineering cost impacts of the current and projected future exposure of this climate hazard.

(3.1.1.29) Description of response

The associated cost of the required response to the risk of strong winds will be better understood once Fortis utilities complete vulnerability assessments and analyze the findings.

Climate change

(3.1.1.1) Risk identifier

Select from:

☑ Risk2

(3.1.1.3) Risk types and primary environmental risk driver

Acute physical

☑ Wildfires

(3.1.1.4) Value chain stage where the risk occurs

Select from:

☑ Direct operations

(3.1.1.6) Country/area where the risk occurs

Select all that apply

☑ Belize

☑ Canada

☑ Cayman Islands

☑ Turks and Caicos Islands

☑ United States of America

(3.1.1.9) Organization-specific description of risk

An overview of our recent climate scenario analysis exercise is included in the description for risk 1 (changing wind patterns). For the climate hazard wildfire risk, Fortis is currently exposed to wildfire risk, and exposure is expected to increase in both climate scenarios assessed. Fortis utilities in western Canada (FortisAlberta and FortisBC) already experience high exposure to wildfire risk. While the exposure to wildfire risk is high, the potential business impacts in both scenarios assessed are moderate as a result of strong resiliency and mitigation efforts. Electricity T&D (76% of total assets), were found to have a low level of exposure and a moderate level of vulnerability to wildfire risk. By 2030, wildfire risk exposure is expected to increase, and in 2050, the exposure increases to moderate. Wood poles and transformers are most vulnerable to wildfire risk. Electricity generation (7% of total assets) were found to have a moderate level of exposure and low vulnerability to wildfire risk. The level of exposure is expected to increase to high by 2050. Natural gas T&D (17% of total assets) were found to have a low level of exposure and low vulnerability to wildfire risk. Natural gas T&D assets are inherently less vulnerable to most climate hazards, as much of the natural gas network is underground or enclosed, therefore the exposure does not translate into a significant potential business impact.

(3.1.1.11) Primary financial effect of the risk

Select from:

☑ Fines, penalties or enforcement orders

(3.1.1.12) Time horizon over which the risk is anticipated to have a substantive effect on the organization

Select all that apply

☑ Short-term

☑ Medium-term

☑ Long-term

(3.1.1.13) Likelihood of the risk having an effect within the anticipated time horizon

Select from:

☑ More likely than not

(3.1.1.14) Magnitude

Select from:

☑ Medium

(3.1.1.16) Anticipated effect of the risk on the financial position, financial performance and cash flows of the organization in the selected future time horizons

For wildfire risk, Fortis utilities in western Canada, FortisAlberta and FortisBC, already experience high exposure to wildfire risk. While the exposure to wildfire risk is high, the potential business impacts in both scenarios assessed are moderate as a result of strong resiliency and mitigation efforts. FortisAlberta and FortisBC have developed wildfire mitigation plans to predict, prevent, monitor and respond to wildfires. Both utilities provide wildfire risk management training to key personnel focused on risk mitigation goals and procedures. certain priority assets may require investments to build asset resiliency (hardening) and/or to replace certain priority assets earlier than planned to enhance resiliency. Opportunities exist to increase capital expenditures to mitigate climate hazard risk and continue to invest in resiliency and modernization of assets. Fortis is virtually 100% regulated, providing cost recovery mechanisms to assist in mitigating the impact of climate risk. To underscore the importance of mitigating wildfire risk, in 2024 a measure was added to the annual incentive plan focused on enhancing wildfire mitigation programs.

(3.1.1.17) Are you able to quantify the financial effect of the risk?

Select from:

☑ No

(3.1.1.26) Primary response to risk

Infrastructure, technology and spending

☑ Other infrastructure, technology and spending, please specify :Increased focus on mitigating wildfire risk by prioritizing operations and capital investments related to wildfire prevention and response.

(3.1.1.28) Explanation of cost calculation

Fortis' utilities are currently undertaking vulnerability assessments to better understand the infrastructure and engineering cost impacts of the current and projected future exposure of this climate hazard. Specifically for wildfire risk, we are completing work to better understand current wildfire mitigation practices within the industry and assessing current mitigation practices at our largest utility companies.

(3.1.1.29) Description of response

The associated cost of the required response wildfire risk will be better understood once Fortis utilities complete vulnerability assessments and analyze the findings.

Climate change

(3.1.1.1) Risk identifier

Select from:

☑ Risk3

(3.1.1.3) Risk types and primary environmental risk driver

Chronic physical

☑ Heat stress

(3.1.1.4) Value chain stage where the risk occurs

Select from:

☑ Direct operations

(3.1.1.6) Country/area where the risk occurs

Select all that apply

☑ Belize

☑ Canada

☑ Cayman Islands

☑ Turks and Caicos Islands

☑ United States of America

(3.1.1.9) Organization-specific description of risk

An overview of our recent climate scenario analysis exercise is included in the description for risk 1 (changing wind patterns). Electricity transmission assets (38% of total assets), currently have a moderate level of exposure and a low level of vulnerability to heat stress. The exposure level increases to high by 2030 and severe by 2050. High exposure to heat stress that could impact equipment. Electricity distribution assets (38% of total assets), currently have a low level of exposure and a moderate level of vulnerability to heat stress. The exposure level increases to moderate by 2030 and high by 2050. Electricity generation assets (7% of total assets), currently have a moderate level of exposure and a very low vulnerability to heat stress. The exposure level increases to high in 2030 and 2050. Generation assets were found to have the most exposure to heat stress, since most Fortis generation assets are located in Arizona. Natural gas T&D assets (17% of total assets) currently have a low level of exposure and a very low level of vulnerability to heat stress. The exposure level increases to moderate in 2030 and 2050. Natural gas systems are designed to monitor and manage temperature-related pressure changes, and much of the equipment is underground and protected from surface heat.

(3.1.1.11) Primary financial effect of the risk

Select from:

☑ Increased capital expenditures

(3.1.1.12) Time horizon over which the risk is anticipated to have a substantive effect on the organization

Select all that apply

☑ Short-term

☑ Medium-term

☑ Long-term

(3.1.1.13) Likelihood of the risk having an effect within the anticipated time horizon

Select from:

☑ More likely than not

(3.1.1.14) Magnitude

Select from:

☑ Medium-low

(3.1.1.16) Anticipated effect of the risk on the financial position, financial performance and cash flows of the organization in the selected future time horizons

For heat stress, certain priority assets may require investments to build asset resiliency (hardening) and/or to replace certain priority assets earlier than planned to enhance resiliency. Service reliability could be negatively impacted due to increased demand due to warmer summers. Fortis is virtually 100% regulated, providing cost recovery mechanisms to assist in mitigating the impact of climate risk. Service reliability could be negatively impacted due to increased climate hazards (including heat stress) and increased demand due to warmer summers. An example of risk mitigation is at Tucson Electric Power, where the ambient air temperature design specification for transformers is two degrees higher than the all-time record high temperature experienced.

(3.1.1.17) Are you able to quantify the financial effect of the risk?

Select from:

☑ No

(3.1.1.26) Primary response to risk

Infrastructure, technology and spending

☑ Improve maintenance of infrastructure

(3.1.1.28) Explanation of cost calculation

Fortis' utilities are currently undertaking vulnerability assessments to better understand the infrastructure and engineering cost impacts of the current and projected future exposure of this climate hazard.

(3.1.1.29) Description of response

The associated cost of the required response to heat stress will be better understood once Fortis utilities complete vulnerability assessments and analyze the findings.

Climate change

(3.1.1.1) Risk identifier

Select from:

☑ Risk4

(3.1.1.3) Risk types and primary environmental risk driver

Policy

☑ Changes to regulation of existing products and services

(3.1.1.4) Value chain stage where the risk occurs

Select from:

☑ Direct operations

(3.1.1.6) Country/area where the risk occurs

Select all that apply

☑ Canada

☑ Cayman Islands

☑ Turks and Caicos Islands

☑ United States of America

(3.1.1.9) Organization-specific description of risk

Our recent climate scenario analysis exercise assessed transition risks and opportunities using ERM principles. A total of five transition risks and opportunities were assessed. Two climate scenarios were used across two timeframes (2030 and 2050). The likelihood was informed by international referenced climate scenarios. Potential business impacts were evaluated using an ERM impact scale and consolidated using the same approach as the Fortis ERM program. Generally, transition risks are more present in the low emissions scenario and become more pronounced by 2050. Aggressive decarbonization policies and the potential misalignment with utility regulation is the main potential driver for transition risks, particularly if natural gas is not considered as part of the energy transition. For electricity operations under the low emissions scenario, risk exists with regards to the potential misalignment between government mandated targets and approval criteria used by regulators for capital investments.

(3.1.1.11) Primary financial effect of the risk

Select from:

☑ Decreased revenues due to reduced demand for products and services

(3.1.1.12) Time horizon over which the risk is anticipated to have a substantive effect on the organization

Select all that apply

☑ Medium-term

☑ Long-term

(3.1.1.13) Likelihood of the risk having an effect within the anticipated time horizon

Select from:

☑ Likely

(3.1.1.14) Magnitude

Select from:

☑ Medium-low

(3.1.1.16) Anticipated effect of the risk on the financial position, financial performance and cash flows of the organization in the selected future time horizons

Fortis is virtually 100% regulated, therefore there is low risk associated with the ability to recover costs to explore lower-carbon options and investments to achieve government mandated targets.

(3.1.1.17) Are you able to quantify the financial effect of the risk?

Select from:

☑ No

(3.1.1.26) Primary response to risk

Engagement

☑ Engage with regulators/policy makers

Climate change

(3.1.1.1) Risk identifier

Select from:

☑ Risk5

(3.1.1.3) Risk types and primary environmental risk driver

Liability

☑ Non-compliance with legislation

(3.1.1.4) Value chain stage where the risk occurs

Select from:

☑ Direct operations

(3.1.1.6) Country/area where the risk occurs

Select all that apply

☑ Canada

☑ Cayman Islands

☑ Turks and Caicos Islands

☑ United States of America

(3.1.1.9) Organization-specific description of risk

An overview of our recent climate scenario analysis exercise in relation to transition risk is included in the description for risk 4 (Changes to regulation of existing products and services). Generally, transition risks are more present in the low emissions scenario and become more pronounced by 2050. Environmental regulations continue to develop and may result in significant additional expense. In particular, the management of GHG emissions and related decarbonization requirements is a major concern due to new and emerging federal, state and provincial GHG laws, regulations and guidelines. Regulation and the pace of regulatory change to address reliability, resiliency, resource planning and safety is expected to increase in response to climate change. More specifically, a potential challenge exists in relation to achieving mandated emission reduction targets while maintaining resiliency, reliability and affordability. For electricity operations, this potential business risk

associated with this transition risk was very high. For natural gas operations, again, the most significant transition risk is the aggressive decarbonization policy and regulation, particularly if natural gas is not considered as part of the transition to a lower-carbon economy.

(3.1.1.11) Primary financial effect of the risk

Select from:

☑ Fines, penalties or enforcement orders

(3.1.1.12) Time horizon over which the risk is anticipated to have a substantive effect on the organization

Select all that apply

☑ Medium-term

☑ Long-term

(3.1.1.13) Likelihood of the risk having an effect within the anticipated time horizon

Select from:

☑ Likely

(3.1.1.14) Magnitude

Select from:

☑ Medium

(3.1.1.16) Anticipated effect of the risk on the financial position, financial performance and cash flows of the organization in the selected future time horizons

Future legislation could impact generation assets, operations, energy supply, operational costs, reporting obligations and other material aspects of the Corporation's business. Increased compliance costs or additional operating restrictions from revised or additional regulation could have a material adverse effect. More specifically, if Fortis is not able to comply with legislation associated with decarbonization, the ability to meet peak electricity demand requirements could be impacted, affecting reliability and reputation.

(3.1.1.17) Are you able to quantify the financial effect of the risk?

Select from:

☑ No

(3.1.1.26) Primary response to risk

Engagement

☑ Engage with regulators/policy makers

Climate change

(3.1.1.1) Risk identifier

Select from:

☑ Risk6

(3.1.1.3) Risk types and primary environmental risk driver

Market

☑ Changing customer behavior

(3.1.1.4) Value chain stage where the risk occurs

Select from:

☑ Downstream value chain

(3.1.1.6) Country/area where the risk occurs

Select all that apply

☑ Belize

☑ Canada

☑ Cayman Islands

☑ Turks and Caicos Islands

☑ United States of America

(3.1.1.9) Organization-specific description of risk

An overview of our recent climate scenario analysis exercise in relation to transition risk is included in the description for risk 4 (Changes to regulation of existing products and services). Generally, transition risks are more present in the low emissions scenario and become more pronounced by 2050. For electricity operations, aggressive climate policy and regulations could lead to increased demand for electricity from customers, which may impact our ability to meet peak electricity demand requirements. Approximately 21% of the Corporation's revenue is derived from the delivery of natural gas. In British Columbia, FortisBC accounts for 80% of the Corporation's natural gas revenue, natural gas primarily competes with electricity for space and hot water heating load. The potential business impact associated with a decreased demand for natural gas was listed as moderate in our latest climate scenario analysis.

(3.1.1.11) Primary financial effect of the risk

Select from:

☑ Decreased revenues due to reduced demand for products and services

(3.1.1.12) Time horizon over which the risk is anticipated to have a substantive effect on the organization

Select all that apply

☑ Medium-term

☑ Long-term

(3.1.1.13) Likelihood of the risk having an effect within the anticipated time horizon

Select from:

☑ Likely

(3.1.1.14) Magnitude

Select from:

☑ Medium

(3.1.1.16) Anticipated effect of the risk on the financial position, financial performance and cash flows of the organization in the selected future time horizons

For natural gas operations, if gas becomes less competitive due to price or other factors, such as government policy or public perception of natural gas or its carbon intensity relative to other energy sources, the ability to add new customers could be impaired. Existing customers could also reduce their consumption or switch to

electricity, placing further pressure on rates and, in the extreme, could ultimately lead to an inability to recover FortisBC's cost of service through customer rates. It could also hinder the ability to attract new natural gas customers or retain existing customers.

(3.1.1.17) Are you able to quantify the financial effect of the risk?

Select from:

☑ No

(3.1.1.26) Primary response to risk

Engagement

☑ Engage with regulators/policy makers

[Add row]

(3.1.2) Provide the amount and proportion of your financial metrics from the reporting year that are vulnerable to the substantive effects of environmental risks.

Climate change

(3.1.2.1) Financial metric

Select from:

☑ Assets

(3.1.2.7) Explanation of financial figures

The latest Fortis climate scenario analysis focused on the potential exposure of assets to nine specific climate hazards and vulnerability of assets when exposed. Exposure considered the nature and degree to which an asset is exposed to significant climate variations, and is dependent on geographic location. Exposure was established based on climate science for each specific geographic area where the priority asset is located. For example, for a solar generation asset located in Arizona, climate science for the specific location of the asset was used to assess exposure. An increase in exposure to climate hazards did not always translate to a high potential business impact. Often, potential impacts are mitigated through maintenance or capital improvement programs, which decreases vulnerability. Vulnerability considers the degree to which an asset is susceptible to, and unable to cope with, adverse effects of climate change, including variability and extremes. Vulnerability was established by assigning scores for each asset type and then adjusting, if necessary, based on characteristics of specific assets (i.e., design, age of asset). The assessment included 43 asset types. Similarly, a potential vulnerability did not always translate to a high potential business impact, particularly if the

climate hazard does not materialize. (i.e., climate science does not show high exposure). Potential business impacts were determined by looking at both exposure and vulnerability together. Both factors need to be high in order to have a high potential business impact. Without high exposure and high vulnerability, the potential business impact is often moderate or low. Under both climate scenarios and over all time horizons, no high or very high potential business impacts were identified. Three most significant climate exposures are strong winds, warmer temperatures and wildfire risk. Exposure to these hazards exists in the present day and strong mitigation measures are in place. Opportunities exist to invest in asset resiliency and make informed capital investments to mitigate climate risk. Fortis identifies planned energy transition investments in our 26 billion 2025-2029 capital plan. Approximately 7 billion of the five-year capital plan supports energy transition investments which focus on interconnecting renewables to the grid, renewable, storage and new natural gas investments, and cleaner fuel solutions.
[Add row]

(3.5) Are any of your operations or activities regulated by a carbon pricing system (i.e. ETS, Cap & Trade or Carbon Tax)?

Select from:
☑ Yes

(3.5.1) Select the carbon pricing regulation(s) which impact your operations.

Select all that apply
☑ BC carbon tax
☑ BC GGIRCA - ETS
☑ Canada federal fuel charge
☑ Prince Edward Island carbon tax

(3.5.4) What is your strategy for complying with the systems you are regulated by or anticipate being regulated by?

As detailed in question 3.5.1, Fortis subsidiary operations are currently regulated under a number of carbon pricing systems. Aligned with our decentralized business model, regulation compliance is managed by Fortis subsidiaries.

(3.6) Have you identified any environmental opportunities which have had a substantive effect on your organization in the reporting year, or are anticipated to have a substantive effect on your organization in the future?

	Environmental opportunities identified
Climate change	*Select from:* ☑ Yes, we have identified opportunities, and some/all are being realized

[Fixed row]

(3.6.1) Provide details of the environmental opportunities identified which have had a substantive effect on your organization in the reporting year, or are anticipated to have a substantive effect on your organization in the future.

Climate change

(3.6.1.1) Opportunity identifier

Select from:

☑ Opp1

(3.6.1.3) Opportunity type and primary environmental opportunity driver

Resilience

☑ Increased resilience to impacts of climate change

(3.6.1.4) Value chain stage where the opportunity occurs

Select from:

☑ Direct operations

(3.6.1.5) Country/area where the opportunity occurs

Select all that apply

☑ Belize
☑ Canada
☑ Cayman Islands
☑ Turks and Caicos Islands
☑ United States of America

(3.6.1.8) Organization specific description

Grid and asset hardening has long been a key part of asset management and capital planning at Fortis' utilities. Our utilities focus on strengthening our assets through replacing aging infrastructure, capital improvements and strong maintenance programs. These actions mitigate climate risk and make the electricity and natural gas networks more resilient.

(3.6.1.9) Primary financial effect of the opportunity

Select from:
☑ Increased value of fixed assets

(3.6.1.10) Time horizon over which the opportunity is anticipated to have a substantive effect on the organization

Select all that apply
☑ Medium-term
☑ Long-term

(3.6.1.11) Likelihood of the opportunity having an effect within the anticipated time horizon

Select from:
☑ Very likely (90–100%)

(3.6.1.12) Magnitude

Select from:
☑ Medium-high

(3.6.1.14) Anticipated effect of the opportunity on the financial position, financial performance and cash flows of the organization in the selected future time horizons

The anticipated effect of the opportunity on the financial position, financial performance and cash flows of the organization has not yet been fully quantified.

(3.6.1.15) Are you able to quantify the financial effects of the opportunity?

Select from:

☑ No

Climate change

(3.6.1.1) Opportunity identifier

Select from:

☑ Opp2

(3.6.1.3) Opportunity type and primary environmental opportunity driver

Energy source

☑ Use of low-carbon energy sources

(3.6.1.4) Value chain stage where the opportunity occurs

Select from:

☑ Upstream value chain

(3.6.1.5) Country/area where the opportunity occurs

Select all that apply

☑ Canada

☑ Cayman Islands

☑ Turks and Caicos Islands

☑ United States of America

(3.6.1.8) Organization specific description

The energy transition should support an increased uptake in low-carbon energy sources that will specifically benefit our fossil-fuel generation facilities and natural gas operations.

(3.6.1.9) Primary financial effect of the opportunity

Select from:

☑ Returns on investment in low-emission technology

(3.6.1.10) Time horizon over which the opportunity is anticipated to have a substantive effect on the organization

Select all that apply

☑ Medium-term

☑ Long-term

(3.6.1.11) Likelihood of the opportunity having an effect within the anticipated time horizon

Select from:

☑ Very likely (90–100%)

(3.6.1.12) Magnitude

Select from:

☑ Medium-high

(3.6.1.14) Anticipated effect of the opportunity on the financial position, financial performance and cash flows of the organization in the selected future time horizons

The anticipated effect of the opportunity on the financial position, financial performance and cash flows of the organization has not yet been fully quantified.

(3.6.1.15) Are you able to quantify the financial effects of the opportunity?

Select from:

☑ No

Climate change

(3.6.1.1) Opportunity identifier

Select from:

☑ Opp3

(3.6.1.3) Opportunity type and primary environmental opportunity driver

Energy source

☑ Use of renewable energy sources

(3.6.1.4) Value chain stage where the opportunity occurs

Select from:

☑ Upstream value chain

(3.6.1.5) Country/area where the opportunity occurs

Select all that apply

☑ Belize

☑ Canada

☑ Cayman Islands

☑ Turks and Caicos Islands

☑ United States of America

(3.6.1.8) Organization specific description

The energy transition should support an increased uptake in renewable energy sources that should benefit all of Fortis' utilities.

(3.6.1.9) Primary financial effect of the opportunity

Select from:

☑ Returns on investment in low-emission technology

(3.6.1.10) Time horizon over which the opportunity is anticipated to have a substantive effect on the organization

Select all that apply

☑ Medium-term

☑ Long-term

(3.6.1.11) Likelihood of the opportunity having an effect within the anticipated time horizon

Select from:

☑ Very likely (90–100%)

(3.6.1.12) Magnitude

Select from:

☑ Medium-high

(3.6.1.14) Anticipated effect of the opportunity on the financial position, financial performance and cash flows of the organization in the selected future time horizons

The anticipated effect of the opportunity on the financial position, financial performance and cash flows of the organization has not yet been fully quantified.

(3.6.1.15) Are you able to quantify the financial effects of the opportunity?

Select from:

☑ No

Climate change

(3.6.1.1) Opportunity identifier

Select from:

☑ Opp4

(3.6.1.3) Opportunity type and primary environmental opportunity driver

Products and services

☑ Increased sales of existing products and services

(3.6.1.4) Value chain stage where the opportunity occurs

Select from:

☑ Downstream value chain

(3.6.1.5) Country/area where the opportunity occurs

Select all that apply

☑ Belize

☑ Canada

☑ Cayman Islands

☑ Turks and Caicos Islands

☑ United States of America

(3.6.1.8) Organization specific description

It is anticipated that there should be an increase in sales of existing products and services due to the electrification of vehicles and electrification of building heating systems and industrial processes.

(3.6.1.9) Primary financial effect of the opportunity

Select from:

☑ Increased revenues resulting from increased demand for products and services

(3.6.1.10) Time horizon over which the opportunity is anticipated to have a substantive effect on the organization

Select all that apply

☑ Medium-term

☑ Long-term

(3.6.1.11) Likelihood of the opportunity having an effect within the anticipated time horizon

Select from:

☑ Likely (66–100%)

(3.6.1.12) Magnitude

Select from:

☑ Medium

(3.6.1.14) Anticipated effect of the opportunity on the financial position, financial performance and cash flows of the organization in the selected future time horizons

The anticipated effect of the opportunity on the financial position, financial performance and cash flows of the organization has not yet been fully quantified.

(3.6.1.15) Are you able to quantify the financial effects of the opportunity?

Select from:

☑ No

Climate change

(3.6.1.1) Opportunity identifier

Select from:

☑ Opp5

(3.6.1.3) Opportunity type and primary environmental opportunity driver

Products and services

☑ Development of new products or services through R&D and innovation

(3.6.1.4) Value chain stage where the opportunity occurs

Select from:

☑ Direct operations

(3.6.1.5) Country/area where the opportunity occurs

Select all that apply

☑ Belize

☑ Canada

☑ Cayman Islands

☑ Turks and Caicos Islands

☑ United States of America

(3.6.1.8) Organization specific description

As Fortis is primarily an energy delivery company, both the energy transition and uptake in renewable and low-carbon energy sources, should support the development of new products or services for the Fortis utilities through R&D and innovation.

(3.6.1.9) Primary financial effect of the opportunity

Select from:

☑ Increased revenues resulting from increased demand for products and services

(3.6.1.10) Time horizon over which the opportunity is anticipated to have a substantive effect on the organization

Select all that apply

☑ Medium-term

☑ Long-term

(3.6.1.11) Likelihood of the opportunity having an effect within the anticipated time horizon

Select from:

☑ Likely (66–100%)

(3.6.1.12) Magnitude

Select from:

☑ Medium

(3.6.1.14) Anticipated effect of the opportunity on the financial position, financial performance and cash flows of the organization in the selected future time horizons

The anticipated effect of the opportunity on the financial position, financial performance and cash flows of the organization has not yet been fully quantified.

(3.6.1.15) Are you able to quantify the financial effects of the opportunity?

Select from:

☑ No

Climate change

(3.6.1.1) Opportunity identifier

Select from:

☑ Opp6

(3.6.1.3) Opportunity type and primary environmental opportunity driver

Resource efficiency

☑ Reduced water usage and consumption

(3.6.1.4) Value chain stage where the opportunity occurs

Select from:

☑ Direct operations

(3.6.1.5) Country/area where the opportunity occurs

Select all that apply

☑ Cayman Islands

☑ Turks and Caicos Islands

☑ United States of America

(3.6.1.8) Organization specific description

Fortis' utilities plan to rely less on coal generation by ramping-up renewable energy and hydrogen-ready natural gas generation capacity, which will reduce water usage and consumption.

(3.6.1.9) Primary financial effect of the opportunity

Select from:

☑ Reduced indirect (operating) costs

(3.6.1.10) Time horizon over which the opportunity is anticipated to have a substantive effect on the organization

Select all that apply

☑ Medium-term

☑ Long-term

(3.6.1.11) Likelihood of the opportunity having an effect within the anticipated time horizon

Select from:

☑ Likely (66–100%)

(3.6.1.12) Magnitude

Select from:

☑ Medium-low

(3.6.1.14) Anticipated effect of the opportunity on the financial position, financial performance and cash flows of the organization in the selected future time horizons

The anticipated effect of the opportunity on the financial position, financial performance and cash flows of the organization has not yet been fully quantified.

(3.6.1.15) Are you able to quantify the financial effects of the opportunity?

Select from:

☑ No

Climate change

(3.6.1.1) Opportunity identifier

Select from:

☑ Opp7

(3.6.1.3) Opportunity type and primary environmental opportunity driver

Resource efficiency

☑ Use of new technologies

(3.6.1.4) Value chain stage where the opportunity occurs

Select from:

☑ Direct operations

(3.6.1.5) Country/area where the opportunity occurs

Select all that apply

☑ Belize

☑ Canada

☑ Cayman Islands

☑ Turks and Caicos Islands

☑ United States of America

(3.6.1.8) Organization specific description

Fortis has committed to a corporate direct net zero 2050 target. To reach net-zero by 2050, as technology advances, Fortis' utilities will need to look for efficiencies in their natural gas facilities, utilize lower-carbon fuel and prepare for future hydrogen injection.

(3.6.1.9) Primary financial effect of the opportunity

Select from:

☑ Returns on investment in low-emission technology

(3.6.1.10) Time horizon over which the opportunity is anticipated to have a substantive effect on the organization

Select all that apply

☑ Medium-term

☑ Long-term

(3.6.1.11) Likelihood of the opportunity having an effect within the anticipated time horizon

Select from:

☑ Likely (66–100%)

(3.6.1.12) Magnitude

Select from:

☑ Medium-low

(3.6.1.14) Anticipated effect of the opportunity on the financial position, financial performance and cash flows of the organization in the selected future time horizons

The anticipated effect of the opportunity on the financial position, financial performance and cash flows of the organization has not yet been fully quantified.

(3.6.1.15) Are you able to quantify the financial effects of the opportunity?

Select from:

☑ No

[Add row]

C4. Governance

(4.1) Does your organization have a board of directors or an equivalent governing body?

(4.1.1) Board of directors or equivalent governing body

Select from:

☑ Yes

(4.1.2) Frequency with which the board or equivalent meets

Select from:

☑ Quarterly

(4.1.3) Types of directors your board or equivalent is comprised of

Select all that apply

☑ Executive directors or equivalent

☑ Independent non-executive directors or equivalent

(4.1.4) Board diversity and inclusion policy

Select from:

☑ Yes, and it is publicly available

(4.1.5) Briefly describe what the policy covers

The Fortis Board and Executive Diversity Policy defines Fortis' policy on diversity and inclusion within its Board of Directors and Executive leadership. This Policy should be read in conjunction with our Inclusion and Diversity Commitment Statement, which more generally outlines Fortis' commitment to creating a workplace which values and encourages diversity, equity and inclusion.

(4.1.6) Attach the policy (optional)

Fortis board-and-executive-diversity-policy-(1-jan-2024)---website-version.pdf,Fortis inclusion-and-diversity-at-fortis_statement-final.pdf
[Fixed row]

(4.1.1) Is there board-level oversight of environmental issues within your organization?

	Board-level oversight of this environmental issue
Climate change	*Select from:* ☑ Yes

[Fixed row]

(4.1.2) Identify the positions (do not include any names) of the individuals or committees on the board with accountability for environmental issues and provide details of the board's oversight of environmental issues.

Climate change

(4.1.2.1) Positions of individuals or committees with accountability for this environmental issue

Select all that apply
☑ Chief Executive Officer (CEO)
☑ Board-level committee
☑ President
☑ Other, please specify **:**Fortis Inc. Board of Directors

(4.1.2.2) Positions' accountability for this environmental issue is outlined in policies applicable to the board

Select from:
☑ Yes

(4.1.2.3) Policies which outline the positions' accountability for this environmental issue

Select all that apply

☑ Board mandate

☑ Other policy applicable to the board, please specify **:**Governance and Sustainability Committee Mandate

(4.1.2.4) Frequency with which this environmental issue is a scheduled agenda item

Select from:

☑ Scheduled agenda item in every board meeting (standing agenda item)

(4.1.2.5) Governance mechanisms into which this environmental issue is integrated

Select all that apply

☑ Overseeing and guiding scenario analysis

☑ Overseeing the setting of corporate targets

☑ Monitoring progress towards corporate targets

☑ Approving corporate policies and/or commitments

☑ Overseeing and guiding public policy engagement

☑ Monitoring compliance with corporate policies and/or commitments

☑ Overseeing and guiding the development of a climate transition plan

☑ Reviewing and guiding the assessment process for dependencies, impacts, risks, and opportunities

☑ Monitoring the implementation of the business strategy

☑ Overseeing reporting, audit, and verification processes

☑ Monitoring the implementation of a climate transition plan

☑ Overseeing and guiding the development of a business strategy

☑ Overseeing and guiding acquisitions, mergers, and divestitures

(4.1.2.7) Please explain

The Board of Directors mandate states that the Board has responsibility to: (a) oversee and, where appropriate, approve the Corporation's strategies, policies and practices relating to sustainability objectives, including environmental and social matters; and (b) review management's implementation of appropriate sustainability policies and practices, taking into consideration applicable laws, industry best practices, the Corporation's strategy and other corporate policies and practices, and the interests of Shareholders and other stakeholders. Additionally, the Governance and Sustainability Committee shall oversee issues, policies and practices pertaining to sustainability, including environmental matters, and shall report and make recommendations to the Board, including with respect to: (a) the Corporation's short- and long-term sustainability objectives; (b) the Corporation's performance against its short- and long-term sustainability objectives, and its review of the Corporation's plans to improve its performance in respect of sustainability practices and reporting; (c) strategic plans and opportunities for the Corporation, to ensure operational alignment with its sustainability objectives; (d) any maturity assessments and/or climate scenario analysis undertaken or performed; (e) the results of any external engagement, emerging trends, risks and issues related to sustainability relevant to the Corporation; and (f) the reporting to Shareholders relating to sustainability

matters, including required disclosure in the Management Information Circular and any other report of the Corporation on environmental and social matters, that may be required to comply with applicable laws and regulations or stock exchange requirements, or may otherwise be prepared by the Corporation, including Sustainability Reports and such other reports. On the Fortis Board of Directors, 11 of 12 board members are independent, and 100% of board committees are independent. Additionally, the Chair and CEP positions are separate. The Fortis governance model prioritizes local leadership. Each of Fortis' significant operating subsidiaries is governed by its own board of directors, comprised of a majority of independent directors and its own independent chair. Subsidiary boards incorporate oversight of climate-related risks and opportunities as part of its governance structure in a similar manner as Fortis. This governance approach creates consistency across Fortis utilities and helps to ensure the appropriate level of focus and importance is placed on climate matters.
[Fixed row]

(4.2) Does your organization’s board have competency on environmental issues?

Climate change

(4.2.1) Board-level competency on this environmental issue

Select from:
☑ Yes

(4.2.2) Mechanisms to maintain an environmentally competent board

Select all that apply
☑ Consulting regularly with an internal, permanent, subject-expert working group
☑ Engaging regularly with external stakeholders and experts on environmental issues
☑ Integrating knowledge of environmental issues into board nominating process
☑ Regular training for directors on environmental issues, industry best practice, and standards (e.g., TCFD, SBTi)
☑ Having at least one board member with expertise on this environmental issue

(4.2.3) Environmental expertise of the board member

Additional training
☑ Course certificate (relating to environmental issues), please specify **:**Institute for Corporate Directors Climate Change education program (the Board Chair is a faculty member) Competent Boards Sustainability & ESG Designation and Certification

[Fixed row]

(4.3) Is there management-level responsibility for environmental issues within your organization?

	Management-level responsibility for this environmental issue
Climate change	*Select from:* ☑ Yes
Biodiversity	*Select from:* ☑ Yes

[Fixed row]

(4.3.1) Provide the highest senior management-level positions or committees with responsibility for environmental issues (do not include the names of individuals).

Climate change

(4.3.1.1) Position of individual or committee with responsibility

Executive level

☑ Chief Executive Officer (CEO)

(4.3.1.2) Environmental responsibilities of this position

Dependencies, impacts, risks and opportunities

☑ Managing environmental dependencies, impacts, risks, and opportunities

Policies, commitments, and targets

☑ Setting corporate environmental targets

Strategy and financial planning

☑ Developing a business strategy which considers environmental issues

(4.3.1.4) Reporting line

Select from:

☑ Reports to the board directly

(4.3.1.5) Frequency of reporting to the board on environmental issues

Select from:

☑ Quarterly

(4.3.1.6) Please explain

The President and CEO is responsible for the long-term success of Fortis and our sustainability strategy. The individual is accountable to the board for the development and execution of the continued growth and innovation our shareholders expect, meeting the expectations of our stakeholders to deliver cleaner energy in a safe, reliable and cost-effective manner, and the development and assessment of our executive leaders.

Biodiversity

(4.3.1.1) Position of individual or committee with responsibility

Executive level

☑ Other C-Suite Officer, please specify **:**Executive Vice President, Sustainability and Chief Legal Officer

(4.3.1.2) Environmental responsibilities of this position

Strategy and financial planning

☑ Developing a business strategy which considers environmental issues

☑ Developing a climate transition plan

☑ Managing acquisitions, mergers, and divestitures related to environmental issues

(4.3.1.4) Reporting line

Select from:

☑ Reports to the Chief Executive Officer (CEO)

(4.3.1.5) Frequency of reporting to the board on environmental issues

Select from:

☑ As important matters arise

(4.3.1.6) Please explain

The Executive Vice President, Sustainability and Chief Legal officer leads the sustainability strategy, which includes oversight of biodiversity matters.

Climate change

(4.3.1.1) Position of individual or committee with responsibility

Executive level

☑ Chief Financial Officer (CFO)

(4.3.1.2) Environmental responsibilities of this position

Dependencies, impacts, risks and opportunities

☑ Managing environmental dependencies, impacts, risks, and opportunities

Strategy and financial planning

☑ Developing a business strategy which considers environmental issues

☑ Managing environmental reporting, audit, and verification processes

☑ Managing major capital and/or operational expenditures relating to environmental issues

(4.3.1.4) Reporting line

Select from:

☑ Reports to the Chief Executive Officer (CEO)

(4.3.1.5) Frequency of reporting to the board on environmental issues

Select from:

☑ Quarterly

(4.3.1.6) Please explain

The Executive Vice President, CFO oversees the enterprise risk management program and internal controls over climate-related disclosures. The individual is responsible for the Fortis financial strategy, financial reporting and investor relations strategy.

Climate change

(4.3.1.1) Position of individual or committee with responsibility

Executive level

☑ Other C-Suite Officer, please specify **:**Executive Vice President, Sustainability and Chief Legal Officer

(4.3.1.2) Environmental responsibilities of this position

Dependencies, impacts, risks and opportunities

☑ Assessing environmental dependencies, impacts, risks, and opportunities

☑ Assessing future trends in environmental dependencies, impacts, risks, and opportunities

☑ Managing environmental dependencies, impacts, risks, and opportunities

Engagement

☑ Managing public policy engagement related to environmental issues

Policies, commitments, and targets

☑ Monitoring compliance with corporate environmental policies and/or commitments

☑ Setting corporate environmental policies and/or commitments

☑ Setting corporate environmental targets

Strategy and financial planning

☑ Developing a business strategy which considers environmental issues

☑ Developing a climate transition plan

☑ Managing annual budgets related to environmental issues

☑ Managing environmental reporting, audit, and verification processes

(4.3.1.4) Reporting line

Select from:

☑ Reports to the Chief Executive Officer (CEO)

(4.3.1.5) Frequency of reporting to the board on environmental issues

Select from:

☑ Quarterly

(4.3.1.6) Please explain

The Executive Vice President, Sustainability and Chief Legal Officer is responsible for enterprise-wide sustainability stewardship and our corporate governance standards and practices. The individual leads sustainability strategy, including climate-related priorities, and ensures sustainability is embedded into strategy and decision-making.

Climate change

(4.3.1.1) Position of individual or committee with responsibility

Executive level

☑ Other C-Suite Officer, please specify :Executive Vice President, Operations and Innovation

(4.3.1.2) Environmental responsibilities of this position

Dependencies, impacts, risks and opportunities

☑ Assessing environmental dependencies, impacts, risks, and opportunities

☑ Assessing future trends in environmental dependencies, impacts, risks, and opportunities

Strategy and financial planning

☑ Developing a business strategy which considers environmental issues

☑ Managing priorities related to innovation/low-environmental impact products or services (including R&D)

(4.3.1.4) Reporting line

Select from:

☑ Reports to the Chief Executive Officer (CEO)

(4.3.1.5) Frequency of reporting to the board on environmental issues

Select from:

☑ Quarterly

(4.3.1.6) Please explain

The Executive Vice President, Operations and Innovation supports Fortis utilities in developing climate resiliency and adaptation plans, leads innovation priorities related to climate change and the clean energy transition.

Climate change

(4.3.1.1) Position of individual or committee with responsibility

Other

☑ Other, please specify **:**Vice President, Sustainability and Climate Strategy

(4.3.1.2) Environmental responsibilities of this position

Dependencies, impacts, risks and opportunities

☑ Assessing environmental dependencies, impacts, risks, and opportunities

☑ Assessing future trends in environmental dependencies, impacts, risks, and opportunities

☑ Managing environmental dependencies, impacts, risks, and opportunities

Policies, commitments, and targets

☑ Monitoring compliance with corporate environmental policies and/or commitments

☑ Measuring progress towards environmental corporate targets

☑ Setting corporate environmental policies and/or commitments

☑ Setting corporate environmental targets

Strategy and financial planning

☑ Developing a climate transition plan

☑ Implementing a climate transition plan

☑ Conducting environmental scenario analysis

☑ Managing annual budgets related to environmental issues

☑ Implementing the business strategy related to environmental issues

☑ Developing a business strategy which considers environmental issues

☑ Managing environmental reporting, audit, and verification processes

(4.3.1.4) Reporting line

Select from:

☑ Other, please specify **:**Reports to the Executive Vice President, Sustainability and Chief Legal Officer

(4.3.1.5) Frequency of reporting to the board on environmental issues

Select from:

☑ Quarterly

(4.3.1.6) Please explain

The Vice President, Sustainability and Climate Strategy oversees climate-related strategy development and capital planning, progress toward emissions reductions targets, and participates in the ERM program. This individual also leads the Fortis sustainability strategy group, which includes senior Fortis utility executives who help guide corporate-wide sustainability strategy and priorities.
[Add row]

(4.5) Do you provide monetary incentives for the management of environmental issues, including the attainment of targets?

Climate change

(4.5.1) Provision of monetary incentives related to this environmental issue

Select from:
☑ Yes

(4.5.2) % of total C-suite and board-level monetary incentives linked to the management of this environmental issue

15

(4.5.3) Please explain

In 2023, the 40% weighting for sustainability and people category was maintained. Within this category, the weightings of specific components were adjusted to better align with company strategy: ESG leadership and safety performance each increased from 10% to 15%. ESG leadership performance objectives for the 2023 annual executive incentive were focused on four key areas: (1) Improve year-over-year sustainability performance; (2) Include at least two advancements in the 2023 Sustainability Update Report; (3) Complete comprehensive Scope 3 emissions measurement; and (4) Advance TCFD alignment. Long-term incentives in the form of PSUs are related to emissions reductions. The PSU performance criteria includes a pre-established measure related to our carbon reduction achievement compared to our three-year reduction target.
[Fixed row]

(4.5.1) Provide further details on the monetary incentives provided for the management of environmental issues (do not include the names of individuals).

Climate change

(4.5.1.1) Position entitled to monetary incentive

Board or executive level

☑ Corporate executive team

(4.5.1.2) Incentives

Select all that apply

☑ Bonus - % of salary

(4.5.1.3) Performance metrics

Targets

☑ Achievement of environmental targets

(4.5.1.4) Incentive plan the incentives are linked to

Select from:

☑ Short-Term Incentive Plan, or equivalent, only (e.g. contractual annual bonus)

(4.5.1.5) Further details of incentives

Annual incentives are provided to Fortis' executives to motivate them to achieve strong annual business performance and to align executive and shareholder interests. To advance our 2023 ESG leadership, the human resources committee selected four initiatives with various objectives. The human resources committee solicits the input of the governance and sustainability committee in assessing performance against the ESG leadership objectives to determine the annual incentive payout levels.

(4.5.1.6) How the position's incentives contribute to the achievement of your environmental commitments and/or climate transition plan

The human resources committee selected four initiatives to advance our ESG leadership in 2023. The four initiatives were: (1) Improve year-over-year sustainability performance in four key areas of focus; (2) Include at least two advancements in the 2023 Sustainability Update Report; (3) Complete comprehensive Scope 3 emissions measurement; and (4) Advance TCFD alignment. The 2023 ESG leadership highlights were as follows: (a) Year-over-year reductions (improvements) achieved in the percentage of midyear rate base related to coal-fired electricity generation, scope 1 emissions and annual voluntary full-time employee turnover (as a % of total workforce); (b) Improvement also evidenced through the increase in customer savings from Fortis efficiency and demand side-management programs; (c) Sustainability update report released in August 2023. Significant advancements included: (i) external assurance of certain Scope 1 and Scope 2 emissions and certain board diversity metrics; (ii) completion and disclosure of an ESG materiality assessment, conducted in alignment with GRI and SASB frameworks; (d) Scope 3 emissions project completed; (e) 2024 sustainability report will include advancements on scope 3 reporting for material categories identified; (f) Climate report completed and released in March 2024, including Phase II of the TCFD assessment.
[Add row]

(4.6) Does your organization have an environmental policy that addresses environmental issues?

	Does your organization have any environmental policies?
	Select from: ☑ Yes

[Fixed row]

(4.6.1) Provide details of your environmental policies.

Row 1

(4.6.1.1) Environmental issues covered

Select all that apply
☑ Climate change

(4.6.1.2) Level of coverage

Select from:

☑ Organization-wide

(4.6.1.3) Value chain stages covered

Select all that apply

☑ Direct operations

(4.6.1.4) Explain the coverage

Fortis is a supporter of the Task Force on Climate-Related Financial Disclosures ("TCFD"). By becoming a TCFD supporter, the Corporation has committed to fully implement the TCFD recommendations, including a climate scenario analysis to assess resiliency of its energy delivery businesses. Fortis committed as a TCFD supporter in 2021 and issues its inaugural TCFD and Climate Assessment Report in 2022. The 2024 Climate Report issued by Fortis built on the previous report and was also based on TCFD recommendations. Fortis has completed two corporate-wide climate scenario analysis exercises, the findings of which are included in these two reports.

(4.6.1.5) Environmental policy content

Climate-specific commitments

☑ Other climate-related commitment, please specify **:**TCFD Supporter - Committed to the implementation of TCFD recommendations

(4.6.1.6) Indicate whether your environmental policy is in line with global environmental treaties or policy goals

Select all that apply

☑ Yes, in line with the Paris Agreement

(4.6.1.7) Public availability

Select from:

☑ Publicly available

(4.6.1.8) Attach the policy

Fortis TCFD Commitment Announcement_July 2021.pdf

Row 2

(4.6.1.1) Environmental issues covered

Select all that apply

☑ Climate change

☑ Biodiversity

(4.6.1.2) Level of coverage

Select from:

☑ Organization-wide

(4.6.1.3) Value chain stages covered

Select all that apply

☑ Direct operations

☑ Upstream value chain

☑ Downstream value chain

(4.6.1.4) Explain the coverage

Fortis' Sustainability Commitment details Fortis' commitment to being a responsible energy partner for our communities and customers for the most pressing global sustainability issues: (1) Preserving Our Environment and Combatting Climate Change; (2) Linking Human Capital and Sustainability; and (3) Engaging with Stakeholders and Communities. With respect to biodiversity, we strive to minimize the biodiversity impacts associated with our projects and operations.

(4.6.1.5) Environmental policy content

Environmental commitments

☑ Commitment to comply with regulations and mandatory standards

☑ Commitment to take environmental action beyond regulatory compliance

☑ Commitment to implementation of nature-based solutions that support landscape restoration and long-term protection of natural ecosystems

☑ Commitment to stakeholder engagement and capacity building on environmental issues

Social commitments

☑ Commitment to promote gender equality and women's empowerment

☑ Commitment to respect internationally recognized human rights

(4.6.1.6) Indicate whether your environmental policy is in line with global environmental treaties or policy goals

Select all that apply

☑ Yes, in line with the Paris Agreement

(4.6.1.7) Public availability

Select from:

☑ Publicly available

(4.6.1.8) Attach the policy

Fortis Sustainability Commitment.pdf

Row 3

(4.6.1.1) Environmental issues covered

Select all that apply

☑ Climate change

☑ Biodiversity

(4.6.1.2) Level of coverage

Select from:

☑ Organization-wide

(4.6.1.3) Value chain stages covered

Select all that apply

☑ Direct operations

☑ Upstream value chain

☑ Downstream value chain

(4.6.1.4) Explain the coverage

The Fortis Vendor Code of Conduct requires that our vendors must comply with applicable environmental policies, procedures, regulations, and laws. Furthermore, vendors are expected to operate in an environmentally responsible manner and seek to develop and use environmentally friendly innovations and practices that reduce negative environmental impacts.

(4.6.1.5) Environmental policy content

Environmental commitments

☑ Commitment to avoidance of negative impacts on threatened and protected species

☑ Commitment to comply with regulations and mandatory standards

☑ Commitment to take environmental action beyond regulatory compliance

☑ Commitment to respect legally designated protected areas

(4.6.1.6) Indicate whether your environmental policy is in line with global environmental treaties or policy goals

Select all that apply

☑ Yes, in line with the Paris Agreement

(4.6.1.7) Public availability

Select from:

☑ Publicly available

(4.6.1.8) Attach the policy

Fortis Vendor Code of Conduct.pdf

Row 4

(4.6.1.1) Environmental issues covered

Select all that apply

☑ Climate change

(4.6.1.2) Level of coverage

Select from:

☑ Organization-wide

(4.6.1.3) Value chain stages covered

Select all that apply

☑ Direct operations

(4.6.1.4) Explain the coverage

The Fortis Board of Directors mandate states that the board has a responsibility to: (a) oversee and, where appropriate, approve the Corporation's strategies, policies and practices relating to sustainability objectives, including environmental and social matters; and (b) review management's implementation of appropriate sustainability policies and practices, taking into consideration applicable laws, industry best practices, the Corporation's strategy and other corporate policies and practices, and the interests of Shareholders and other stakeholders.

(4.6.1.5) Environmental policy content

Environmental commitments

☑ Commitment to comply with regulations and mandatory standards

(4.6.1.6) Indicate whether your environmental policy is in line with global environmental treaties or policy goals

Select all that apply

☑ Yes, in line with the Paris Agreement

(4.6.1.7) Public availability

Select from:

☑ Publicly available

(4.6.1.8) Attach the policy

Fortis Board Mandate.pdf

Row 5

(4.6.1.1) Environmental issues covered

Select all that apply

☑ Climate change

(4.6.1.2) Level of coverage

Select from:

☑ Organization-wide

(4.6.1.3) Value chain stages covered

Select all that apply

☑ Direct operations

(4.6.1.4) Explain the coverage

The Governance and Sustainability Committee (GSC) oversees issues, policies and practices pertaining to sustainability, including environmental matters, and shall report and make recommendations to the Board, including with respect to: (a) the Corporation's short- and long-term sustainability objectives; (b) the Corporation's performance against its short- and long-term sustainability objectives, and its review of the Corporation's plans to improve its performance in respect of sustainability practices and reporting; (c) strategic plans and opportunities for the Corporation, to ensure operational alignment with its sustainability objectives; (d) any maturity assessments and/or climate scenario analysis undertaken or performed; (e) the results of any external engagement, emerging trends, risks and issues related to sustainability relevant to the Corporation; and (f) the reporting to Shareholders relating to sustainability matters, including required disclosure in the Management Information Circular and any other report of the Corporation on environmental and social matters, that may be required to comply with applicable laws and regulations or stock exchange requirements, or may otherwise be prepared by the Corporation, including Sustainability Reports and such other reports.

(4.6.1.5) Environmental policy content

Environmental commitments

☑ Commitment to comply with regulations and mandatory standards

☑ Commitment to take environmental action beyond regulatory compliance

☑ Commitment to stakeholder engagement and capacity building on environmental issues

(4.6.1.6) Indicate whether your environmental policy is in line with global environmental treaties or policy goals

Select all that apply

☑ Yes, in line with the Paris Agreement

(4.6.1.7) Public availability

Select from:

☑ Publicly available

(4.6.1.8) Attach the policy

Fortis GSC Mandate.pdf

Row 6

(4.6.1.1) Environmental issues covered

Select all that apply

☑ Climate change

(4.6.1.2) Level of coverage

Select from:

☑ Organization-wide

(4.6.1.3) Value chain stages covered

Select all that apply

☑ Direct operations

(4.6.1.4) Explain the coverage

The Fortis Political Engagement Policy states that the objectives of our advocacy activities are to advance the interests of our company, the utility sector, our employees, and the customers and communities that our utilities serve. When contributing to organizations we seek to ensure those organizations align with our corporate values and policies, including acting ethically, with honesty and integrity, and supporting the clean energy transition. Fortis does not knowingly support any organizations whose views are materially misaligned with our values and policies.

(4.6.1.5) Environmental policy content

Environmental commitments

☑ Commitment to take environmental action beyond regulatory compliance

(4.6.1.6) Indicate whether your environmental policy is in line with global environmental treaties or policy goals

Select all that apply

☑ Yes, in line with the Paris Agreement

(4.6.1.7) Public availability

Select from:

☑ Publicly available

(4.6.1.8) Attach the policy

Fortis Political Engagement Policy.pdf
[Add row]

(4.10) Are you a signatory or member of any environmental collaborative frameworks or initiatives?

(4.10.1) Are you a signatory or member of any environmental collaborative frameworks or initiatives?

Select from:

☑ Yes

(4.10.2) Collaborative framework or initiative

Select all that apply

☑ Task Force on Climate-related Financial Disclosures (TCFD)

☑ Other, please specify **:**Energy Impact Partners Low Carbon Resources Initiative (EPRI/GTI Energy) Climate READi (EPRI)

(4.10.3) Describe your organization’s role within each framework or initiative

In July 2021, Fortis became a supporter of the Task Force on Climate-Related Financial Disclosures ("TCFD"). By becoming a TCFD supporter, the Corporation has committed to fully implement the TCFD recommendations, including a climate scenario analysis to assess resiliency of its energy delivery businesses. Fortis is a partner in Energy Impact Partners, a strategic private venture fund that invests in emerging technologies, products, services and business models that are transforming the industry. The Corporation is also involved in the Low Carbon Resources Initiative, a collaboration between EPRI and GTI Energy, along with other major utilities, to develop and demonstrate the low- and zero-carbon energy technologies needed to enable pathways to decarbonization. Fortis has also joined EPRI’s Climate READi, an initiative involving major North American utilities, regulators, policy makers, and other stakeholders focused on developing an industry-wide best practice framework for managing physical climate risk.
[Fixed row]

(4.11) In the reporting year, did your organization engage in activities that could directly or indirectly influence policy, law, or regulation that may (positively or negatively) impact the environment?

(4.11.1) External engagement activities that could directly or indirectly influence policy, law, or regulation that may impact the environment

Select all that apply

☑ Yes, we engaged directly with policy makers

☑ Yes, we engaged indirectly through, and/or provided financial or in-kind support to a trade association or other intermediary organization or individual whose activities could influence policy, law, or regulation

(4.11.2) Indicate whether your organization has a public commitment or position statement to conduct your engagement activities in line with global environmental treaties or policy goals

Select from:

☑ No, and we do not plan to have one in the next two years

(4.11.5) Indicate whether your organization is registered on a transparency register

Select from:

☑ Yes

(4.11.6) Types of transparency register your organization is registered on

Select all that apply

☑ Mandatory government register

(4.11.7) Disclose the transparency registers on which your organization is registered & the relevant ID numbers for your organization

Under our Political Engagement Policy we assess proposed political contributions, as well as contributions to trade associations, other tax-exempt organizations that may engage in lobbying or public policy-related activities, and 501(c)4 organizations (in the US) for alignment with our values and policies. Our operating subsidiaries follow similar processes to seek to ensure contribution recipients align with our values and policies.

(4.11.8) Describe the process your organization has in place to ensure that your external engagement activities are consistent with your environmental commitments and/or transition plan

Our political activities are governed by our Political Engagement Policy. This policy, and our governance framework and sustainability program, is overseen by our Board of Directors' Governance and Sustainability Committee (the "GSC"), composed entirely of independent directors. Management is responsible for oversight of contributions to political entities, trade associations and other organizations that may engage in political activities for material alignment with our policies and values. Fortis management reports to the GSC annually on such contributions, any misalignments with our values, and responsive actions taken. See "Actions taken in 2023 due to potential misalignments" below. Under our compliance model, local utility management is responsible for implementing policy frameworks that are substantially consistent with Fortis policies, including the Political Engagement Policy.
[Fixed row]

(4.11.1) On what policies, laws, or regulations that may (positively or negatively) impact the environment has your organization been engaging directly with policy makers in the reporting year?

Row 1

(4.11.1.1) Specify the policy, law, or regulation on which your organization is engaging with policy makers

Canada's federal clean energy plan generally, proposed Clean Electricity Regulations, and clean energy investment tax credits; the Canadian Sustainability Standards Board's draft Disclosure Standards (CSDS 1 and 2), Climate-related Disclosures (in 2024); the federal Competition Bureau's public consultation on developing enforcement guidance for the Competition Act's new "greenwashing" provisions (in 2024).

(4.11.1.2) Environmental issues the policy, law, or regulation relates to

Select all that apply

☑ Climate change

(4.11.1.3) Focus area of policy, law, or regulation that may impact the environment

Energy and renewables

☑ Energy efficiency requirements

☑ Low-carbon, non-renewable energy generation

☑ New fossil fuel energy generation capacity

☑ Renewable energy generation

(4.11.1.4) Geographic coverage of policy, law, or regulation

Select from:

☑ National

(4.11.1.5) Country/area/region the policy, law, or regulation applies to

Select all that apply

☑ Canada

(4.11.1.6) Your organization's position on the policy, law, or regulation

Select from:

☑ Support with minor exceptions

(4.11.1.7) Details of any exceptions and your organization's proposed alternative approach to the policy, law, or regulation

Generally, Fortis Inc. supports efforts to further reduce emissions from the electricity sector, provided it is done in a manner that maintains reliable and affordable electricity for Canadian consumers (noting that emissions from Canada's electricity sector have decreased by over 55% since 2005, which is far more than any other sector of the Canadian economy, and also noting that Canada's electricity generation is already approximately 85% non-emitting). Our comments regarding the CSSB's draft Disclosure Standards relate primarily to maintaining relatively consistent disclosure standards across the highly integrated North American capital market, and in a manner that recognizes that reporting issuers must rely on third party data for certain forms of climate/sustainability reporting which is often produced using evolving standards and methodologies and which is of a qualitatively different nature than tradition financial disclosure data which is produced under well-established rigorous standards. Our comments on the enforcement guidance for the Competition Act's new greenwashing provisions point out ambiguities and lack of clarity in the provisions and how this creates uncertainty regarding the practical meaning of the provisions. Our comments also point out the risk of the greenwashing provisions being exploited for political or ideological purposes in a manner that could be inconsistent with the true purpose of the Act, which is to maintain and encourage competition in Canada.

(4.11.1.8) Type of direct engagement with policy makers on this policy, law, or regulation

Select all that apply

☑ Participation in working groups organized by policy makers

☑ Responding to consultations

(4.11.1.9) Funding figure your organization provided to policy makers in the reporting year relevant to this policy, law, or regulation (currency)

0

(4.11.1.10) Explain the relevance of this policy, law, or regulation to the achievement of your environmental commitments and/or transition plan, how this has informed your engagement, and how you measure the success of your engagement

Canada's federal clean electricity plan, including the Clean Electricity Regulations, are relevant to Fortis utilities in that they seek to establish carbon emissions standards for fossil fuel electricity generation and incentivize the use of certain technologies through direct funding and tax credits. This legal framework will affect investment decisions and the rate at which sector emissions are reduced. This legal framework could also have significant implications for grid reliability and customer affordability. Engagement in this area would be considered successful where the end result is lowered carbon emissions while maintaining grid reliability and customer affordability. The CSSB sustainability and climate disclosure standards are not expected to significantly affect Fortis Inc.'s environmental commitments or transition plan. The Competition Act's new greenwashing provisions could have the effect of creating uncertainty for business regarding the scope of permitted commercial speech regarding environmental attributes of their products and services and could reduce the amount of information companies provide regarding the environmental benefits of their products or services.
[Add row]

(4.11.2) Provide details of your indirect engagement on policy, law, or regulation that may (positively or negatively) impact the environment through trade associations or other intermediary organizations or individuals in the reporting year.

Row 1

(4.11.2.1) Type of indirect engagement

Select from:

☑ Indirect engagement via a trade association

(4.11.2.4) Trade association

North America

☑ Edison Electric Institute (EII)

(4.11.2.5) Environmental issues relevant to the policies, laws, or regulations on which the organization or individual has taken a position

Select all that apply

☑ Climate change

(4.11.2.6) Indicate whether your organization's position is consistent with the organization or individual you engage with

Select from:

☑ Mixed

(4.11.2.8) Describe how your organization's position is consistent with or differs from the organization or individual's position, and any actions taken to influence their position

Our position is consistent with that of Electricity Canada, in that decarbonization of the electricity sector should be sensitive to regional differences in available resources and practical options to lower emissions, and should be done in a manner that preserves grid reliability and customer affordability. Fortis Inc. has provided

input to Electricity Canada in formulating its positions on electricity industry-related policy issues. Fortis Inc. has relatively little involvement in EEI policy engagement activities.

(4.11.2.9) Funding figure your organization provided to this organization or individual in the reporting year (currency)

0

Row 2

(4.11.2.1) Type of indirect engagement

Select from:

☑ Indirect engagement via a trade association

(4.11.2.4) Trade association

North America

☑ Other trade association in North America, please specify **:**Electricity Canada

(4.11.2.5) Environmental issues relevant to the policies, laws, or regulations on which the organization or individual has taken a position

Select all that apply

☑ Climate change

(4.11.2.6) Indicate whether your organization’s position is consistent with the organization or individual you engage with

Select from:

☑ Mixed

(4.11.2.9) Funding figure your organization provided to this organization or individual in the reporting year (currency)

26000

[Add row]

(4.12) Have you published information about your organization’s response to environmental issues for this reporting year in places other than your CDP response?

Select from:
☑ Yes

(4.12.1) Provide details on the information published about your organization’s response to environmental issues for this reporting year in places other than your CDP response. Please attach the publication.

Row 1

(4.12.1.1) Publication

Select from:
☑ In voluntary sustainability reports

(4.12.1.3) Environmental issues covered in publication

Select all that apply
☑ Climate change
☑ Water
☑ Biodiversity

(4.12.1.4) Status of the publication

Select from:
☑ Complete

(4.12.1.5) Content elements

Select all that apply
☑ Strategy
☑ Dependencies & Impacts

☑ Governance
☑ Emission targets
☑ Emissions figures
☑ Risks & Opportunities
☑ Public policy engagement
☑ Content of environmental policies

(4.12.1.6) Page/section reference

Fortis 2024 Sustainability Report. Relevant report sections include: Reporting Framework, Report Highlights, Climate and Environment, Operations, Governance, and the Appendix (Key Performance Indicators).

(4.12.1.7) Attach the relevant publication

Fortis-2024-Sustainability-Report-FINAL.pdf

(4.12.1.8) Comment

The Fortis 2024 Sustainability Report is a comprehensive document, including updates on sustainability priorities at Fortis. It includes information on our reporting framework and corporate-wide sustainability key performance indicators.

Row 2

(4.12.1.1) Publication

Select from:
☑ Other, please specify **:**Voluntary Climate Report

(4.12.1.3) Environmental issues covered in publication

Select all that apply
☑ Climate change

(4.12.1.4) Status of the publication

Select from:
☑ Complete

(4.12.1.5) Content elements

Select all that apply

☑ Strategy
☑ Governance
☑ Emission targets
☑ Risks & Opportunities
☑ Dependencies & Impacts
☑ Other, please specify **:Climate scenario analysis findings**

(4.12.1.6) Page/section reference

Fortis 2024 Climate Report All sections in the report focuses on climate-related matters in relation to strategy (including climate scenario analysis), risk management, governance and metrics and targets.

(4.12.1.7) Attach the relevant publication

fts-2024-climate-report-final.pdf

(4.12.1.8) Comment

The Fortis 2024 Climate Report includes climate scenario analysis using low and high emissions scenarios over three time horizons. Physical risks and opportunities were assessed for priority assets using nine climate hazards. The physical analysis identified potential business impacts by assessing exposure and vulnerability of priority assets. Transition risks and opportunities were assessed using a framework based on enterprise risk management principles. The transition analysis identified potential business impacts by assessing the likelihood and impact of transition risks and opportunities. The Report also includes details on mitigation and resiliency activities across Fortis utilities, enhanced disclosures on climate governance at Fortis and its utilities, and climate action and progress on established targets since the 2019 baseline year.

Row 3

(4.12.1.1) Publication

Select from:

☑ In mainstream reports

(4.12.1.3) Environmental issues covered in publication

Select all that apply

☑ Climate change

(4.12.1.4) Status of the publication

Select from:

☑ Complete

(4.12.1.5) Content elements

Select all that apply

☑ Governance

☑ Strategy

☑ Emission targets

☑ Other, please specify :ESG-related executive compensation

(4.12.1.6) Page/section reference

Fortis 2024 Management Information Circular: Relevant Sections: Governance and Sustainability Committee structure and responsibilities (page 27) Risk Management (page 31) Sustainability Priorities (pages 32 - 34) Board Sustainability Skills and Experience (page 37) 2023 Annual Incentive - Sustainability and People Performance (page 59)

(4.12.1.7) Attach the relevant publication

Fortis_2024_MIC_final.online.pdf

(4.12.1.8) Comment

The Fortis 2024 Management Information Circular provides important information for shareholders in advance of the annual meeting. It includes information related to the environment and climate change in relation to strategy, governance, executive compensation, and risk management.

Row 4

(4.12.1.1) Publication

Select from:

☑ In mainstream reports

(4.12.1.3) Environmental issues covered in publication

Select all that apply

☑ Climate change

(4.12.1.4) Status of the publication

Select from:

☑ Complete

(4.12.1.5) Content elements

Select all that apply

☑ Dependencies & Impacts

☑ Risks & Opportunities

☑ Strategy

☑ Emission targets

(4.12.1.6) Page/section reference

Fortis 2023 Annual Report Relevant sections: Focus on Sustainability (pages 6-7) 2023 Capital Plan (pages 21-25) Business Risks (pages 25-29) Outlook (page 42)

(4.12.1.7) Attach the relevant publication

q4-2023-pr-mda-fs---final.pdf

(4.12.1.8) Comment

The Fortis 2023 Annual Report provides information on the company's financial and operational performance throughout 2023.
[Add row]

C5. Business strategy

(5.1) Does your organization use scenario analysis to identify environmental outcomes?

Climate change

(5.1.1) Use of scenario analysis

Select from:
☑ Yes

(5.1.2) Frequency of analysis

Select from:
☑ Every two years
[Fixed row]

(5.1.1) Provide details of the scenarios used in your organization's scenario analysis.

Climate change

(5.1.1.1) Scenario used

Physical climate scenarios
☑ RCP 2.6

(5.1.1.2) Scenario used SSPs used in conjunction with scenario

Select from:
☑ SSP1

(5.1.1.3) Approach to scenario

Select from:

☑ Qualitative

(5.1.1.4) Scenario coverage

Select from:

☑ Organization-wide

(5.1.1.5) Risk types considered in scenario

Select all that apply

☑ Acute physical

☑ Chronic physical

(5.1.1.6) Temperature alignment of scenario

Select from:

☑ 1.5°C or lower

(5.1.1.7) Reference year

2015

(5.1.1.8) Timeframes covered

Select all that apply

☑ 2030

☑ 2050

(5.1.1.9) Driving forces in scenario

Local ecosystem asset interactions, dependencies and impacts

☑ Climate change (one of five drivers of nature change)

Stakeholder and customer demands

☑ Impact of nature service delivery on consumer

(5.1.1.10) Assumptions, uncertainties and constraints in scenario

The assessment focused on potential exposure of priority assets to the climate hazard, and the vulnerability of assets when exposed. Vulnerability was assessed as of today and did not consider future investments to enhance resilience. Potential business impacts were determined by looking at both exposure and vulnerability together. Both factors need to be high in order to have a high potential business impact. Without high exposure and high vulnerability, the potential business impact is often moderate or low. The evaluation focused on direct risks and opportunities. The assessment did not include an analysis of exposure to multiple climate hazards occurring at the same time due to limited data availability. As climate science improves, our assessments will expand to include multiple climate hazards occurring at the same time, such as hurricanes and ice storms. We also intend to further assess the frequency and duration of extreme weather events, once additional information becomes available. Looking out to 2030 and 2050, it was assumed that design standards for electricity and natural gas infrastructure will advance to ensure assets remain resilient. Consideration of design standard improvements was not included in the analysis. Fortis is virtually 100% regulated, providing cost recovery mechanisms that may assist in mitigating financial impacts of climate risk. The physical risk and opportunity assessment, future cost recovery mechanisms were not considered. The RCPs (2.6 and 8.5) informed the climate physical assessments.

(5.1.1.11) Rationale for choice of scenario

Fortis first completed a climate scenario analysis in 2021, and then again in 2023. Selection of the 2023 climate scenarios was informed by those used in 2021 to build and align with existing work. For the 2023 climate scenario analysis, climate-related risks and opportunities were assessed under two scenarios (low emissions and high emissions) and were informed by multiple scenario sources to focus on physical and transition risks and opportunities relevant to our business. The scenarios we used were informed by different internationally referenced scenarios, enhanced with regional data and, in the case of the physical risk and opportunity assessment, location specific climate science was used. The focal questions we wanted to address also informed scenarios selection, which included: (i) What are our most significant physical and transition climate-related risks and opportunities? (ii) How will priority assets be impacted by a changing climate now, and in the future(in terms of exposure and vulnerability)? (iii) What is the likelihood and potential business impacts of specific climate-related transition risks and opportunities now, and in future? Selection of the chosen scenarios was also informed by work completed by the Fortis Operations Group (FOG). This is a group of operational executives from Fortis and all Fortis utilities. FOG members work together to drive operational excellence and provide emergency response assistance. A climate change adaptation technical committee has been established by FOG. This committee conducts corporate-wide research and assessments on topics including aging infrastructure, climate hazards and risk mitigation. The framework and methodology developed (including the scenarios), can be reused in the future. For SSPs: The historical period may vary for different climate variables used. Generally, the historical period spans from 1981 to 2010. It is important to note that the approach adopted aligns with the best practices of the climate science community. The time horizons of modeled indicators include a historical period from 1980 to 2100, along with short, medium and long-term horizons. For indicators that relate to changes between historical and future periods, there is no available data for the historical period, as their computation requires comparison with the historical period.

Climate change

(5.1.1.1) Scenario used

Climate transition scenarios

☑ IEA NZE 2050

(5.1.1.3) Approach to scenario

Select from:

☑ Qualitative

(5.1.1.4) Scenario coverage

Select from:

☑ Organization-wide

(5.1.1.5) Risk types considered in scenario

Select all that apply

☑ Policy

☑ Market

☑ Reputation

☑ Technology

(5.1.1.6) Temperature alignment of scenario

Select from:

☑ 1.5°C or lower

(5.1.1.7) Reference year

2022

(5.1.1.8) Timeframes covered

Select all that apply

☑ 2030

☑ 2050

(5.1.1.9) Driving forces in scenario

Regulators, legal and policy regimes

☑ Global regulation

☑ Level of action (from local to global)

Relevant technology and science

☑ Other relevant technology and science driving forces, please specify **:**Uptake in renewable and low-carbon energy sources, electrification of buildings, transportation and industrial processes.

Macro and microeconomy

☑ Domestic growth

(5.1.1.10) Assumptions, uncertainties and constraints in scenario

See response to RCP 2.6: SSP1

(5.1.1.11) Rationale for choice of scenario

See response to RCP 2.6: SSP1 Additionally, country-specific data sources were prioritized for the analysis wherever available. In cases where such data was not available, regional data or global trends were utilized (for example, IRENA for Central America and IEA for world trends).

Climate change

(5.1.1.1) Scenario used

Climate transition scenarios

☑ IRENA

(5.1.1.3) Approach to scenario

Select from:

☑ Qualitative

(5.1.1.4) Scenario coverage

Select from:

☑ Organization-wide

(5.1.1.5) Risk types considered in scenario

Select all that apply

☑ Policy

☑ Market

☑ Reputation

☑ Technology

(5.1.1.6) Temperature alignment of scenario

Select from:

☑ 1.5°C or lower

(5.1.1.7) Reference year

2019

(5.1.1.8) Timeframes covered

Select all that apply

☑ 2030

☑ 2050

(5.1.1.9) Driving forces in scenario

Regulators, legal and policy regimes

☑ Global regulation

☑ Level of action (from local to global)

Relevant technology and science

☑ Other relevant technology and science driving forces, please specify **:**Uptake in renewable and low-carbon energy sources, electrification of buildings, transportation and industrial processes.

Macro and microeconomy

☑ Domestic growth

(5.1.1.10) Assumptions, uncertainties and constraints in scenario

See response to RCP 2.6: SSP1

(5.1.1.11) Rationale for choice of scenario

See response to IEA NZE 2050

Climate change

(5.1.1.1) Scenario used

Climate transition scenarios

☑ Customized publicly available climate transition scenario, please specify **:**The following were also considered for the low-emissions scenario: CER 2023 Canada's Energy Future; ESMIA's 2022 net-zero by 2050 scenario; Princeton's NZA Study; OLADE 2022 Energy Outlook for L. America and the Carrib. and; PRO Net-O H2 scenario

(5.1.1.3) Approach to scenario

Select from:

☑ Qualitative

(5.1.1.4) Scenario coverage

Select from:

☑ Organization-wide

(5.1.1.5) Risk types considered in scenario

Select all that apply

☑ Policy

☑ Market

☑ Reputation

☑ Technology

(5.1.1.6) Temperature alignment of scenario

Select from:

☑ 1.5°C or lower

(5.1.1.7) Reference year

2021

(5.1.1.8) Timeframes covered

Select all that apply

☑ 2030

☑ 2050

(5.1.1.9) Driving forces in scenario

Regulators, legal and policy regimes

☑ Global regulation

☑ Level of action (from local to global)

Relevant technology and science

☑ Other relevant technology and science driving forces, please specify :Uptake in renewable and low-carbon energy sources, electrification of buildings, transportation and industrial processes.

Macro and microeconomy

☑ Domestic growth

(5.1.1.10) Assumptions, uncertainties and constraints in scenario

See response to RCP 2.6: SSP1

(5.1.1.11) Rationale for choice of scenario

See response to IEA NZE 2050

Climate change

(5.1.1.1) Scenario used

Physical climate scenarios

☑ RCP 8.5

(5.1.1.2) Scenario used SSPs used in conjunction with scenario

Select from:

☑ SSP5

(5.1.1.3) Approach to scenario

Select from:

☑ Qualitative

(5.1.1.4) Scenario coverage

Select from:

☑ Organization-wide

(5.1.1.5) Risk types considered in scenario

Select all that apply

☑ Acute physical

☑ Chronic physical

(5.1.1.6) Temperature alignment of scenario

Select from:

☑ 4.0°C and above

(5.1.1.7) Reference year

2015

(5.1.1.8) Timeframes covered

Select all that apply

☑ 2030

☑ 2050

(5.1.1.9) Driving forces in scenario

Local ecosystem asset interactions, dependencies and impacts

☑ Climate change (one of five drivers of nature change)

Stakeholder and customer demands

☑ Impact of nature service delivery on consumer

(5.1.1.10) Assumptions, uncertainties and constraints in scenario

See response to RCP 2.6: SSP1 The RCPs (8.5 and 2.6) informed the climate physical assessments.

(5.1.1.11) Rationale for choice of scenario

See response to RCP 2.6: SSP1

Climate change

(5.1.1.1) Scenario used

Climate transition scenarios

☑ IRENA

(5.1.1.3) Approach to scenario

Select from:

☑ Qualitative

(5.1.1.4) Scenario coverage

Select from:

☑ Organization-wide

(5.1.1.5) Risk types considered in scenario

Select all that apply

☑ Policy

☑ Market

☑ Reputation

☑ Technology

(5.1.1.6) Temperature alignment of scenario

Select from:

☑ 2.0ºC - 2.4ºC

(5.1.1.7) Reference year

2022

(5.1.1.8) Timeframes covered

Select all that apply

☑ 2030

☑ 2050

(5.1.1.9) Driving forces in scenario

Regulators, legal and policy regimes

☑ Global regulation

☑ Level of action (from local to global)

Relevant technology and science

☑ Other relevant technology and science driving forces, please specify **:**Uptake in renewable and low-carbon energy sources, electrification of buildings, transportation and industrial processes.

Macro and microeconomy

☑ Domestic growth

(5.1.1.10) Assumptions, uncertainties and constraints in scenario

See response to RCP 2.6: SSP1

(5.1.1.11) Rationale for choice of scenario

See response to IEA NZE 2050

Climate change

(5.1.1.1) Scenario used

Climate transition scenarios

☑ Customized publicly available climate transition scenario, please specify **:**The following were also considered for the high-emissions scenario: CER 2023 Canada's Energy Future; ESMIA's 2022 net-zero by 2050 scenario; Princeton's NZA Study, and; OLADE 2022 Energy Outlook for L. America and the Carrib.

(5.1.1.3) Approach to scenario

Select from:

☑ Qualitative

(5.1.1.4) Scenario coverage

Select from:

☑ Organization-wide

(5.1.1.5) Risk types considered in scenario

Select all that apply

☑ Policy

☑ Market

☑ Reputation

☑ Technology

(5.1.1.6) Temperature alignment of scenario

Select from:

☑ 2.5ºC - 2.9ºC

(5.1.1.7) Reference year

2022

(5.1.1.8) Timeframes covered

Select all that apply

☑ 2030

☑ 2050

(5.1.1.9) Driving forces in scenario

Regulators, legal and policy regimes

☑ Global regulation

☑ Level of action (from local to global)

Relevant technology and science

☑ Other relevant technology and science driving forces, please specify **:**Uptake in renewable and low-carbon energy sources, electrification of buildings, transportation and industrial processes.

Macro and microeconomy

☑ Domestic growth

(5.1.1.10) Assumptions, uncertainties and constraints in scenario

See response to RCP 2.6: SSP1

(5.1.1.11) Rationale for choice of scenario

See response to IEA NZE 2050
[Add row]

(5.1.2) Provide details of the outcomes of your organization’s scenario analysis.

Climate change

(5.1.2.1) Business processes influenced by your analysis of the reported scenarios

Select all that apply

☑ Risk and opportunities identification, assessment and management

☑ Strategy and financial planning

☑ Resilience of business model and strategy

☑ Target setting and transition planning

(5.1.2.2) Coverage of analysis

Select from:

☑ Organization-wide

(5.1.2.3) Summarize the outcomes of the scenario analysis and any implications for other environmental issues

To assess physical risks and opportunities, priority assets were identified. Physical risks are specific to geography, therefore, local climate data was used for each prioritized asset to get a true reflection of the exposure and vulnerability. More than 700 data points for priority assets were assessed using geography-specific climate science. The priority assets were assessed in relation to nine climate hazards ((1)extreme heat and high ambient temperatures, (2) summer temperatures and cooling demand, (3) extreme cold and low ambient temperatures, (4) winter temperatures and heating demand, (5) water stress, (6) strong winds, (7) climate conditions for wildfire, (8) flooding and (9) snowfall). The climate hazards were selected based on historically experienced climate hazards, research on potential hazards in the future and climate data availability. The physical risks and opportunities were assessed under two climate scenarios (low and high) and over three time horizons (present day, 2030 and 2050). The exposure of priority assets and the vulnerability of these assets were assessed to determine the potential business impacts. The findings under both climate scenarios and over all time horizons, no high or very high potential business impacts were identified. Approximately 75% of priority assets assessed are expected to experience minimal climate change exposure when compared to the present day. The three most significant climate exposures are strong winds, warmer temperatures and wildfire risk. Exposure to these hazards exists in the present day and strong mitigation measures are in place. Opportunities exist to invest in asset resiliency and make informed capital investments to mitigate climate risk. To assess transition risks and opportunities, a framework was developed, which applied the Fortis ERM approach. The process was led by the Director, Internal Audit at Fortis Inc. This position has responsibility for the internal audit and enterprise risk management programs. Five transition risks and opportunities were identified for further assessment: (1) Uptake in renewable and low-carbon energy sources (2) Aggressive decarbonization policy and regulation (3) Change in demand for natural gas (4) Electrification of vehicles (5) Electrification of building heating systems and industrial processes. These were selected based on material transition risks and opportunities identified in the 2022 climate scenario analysis, pertinence to our business, and key data sources from international referenced scenarios. The framework was validated by ERM leads at each Fortis utility to ensure alignment with ERM processes. Workshops were held at each Fortis utility, led by each respective ERM lead with participation from leadership and climate leads. A consistent approach was used across all workshops. The transition risks and opportunities were assessed under two climate scenarios (low and high) and over two time horizons (2030 and 2050). The potential business impacts were evaluated by analyzing workshop findings for each Fortis

utility. The assessment used an ERM impact scale specific to each Fortis utility, assessing the likelihood and impact of each transition risk and opportunity occurring. The results were consolidated using the same approach used for the Fortis ERM program. The transition-related potential business impacts vary for electric utilities and natural gas utilities. For example, an increase in demand for electricity might be an opportunity for an electric utility, and might also be a risk for a natural gas utility. We aim to provide both perspectives. For electricity operations, potential business impacts from transition opportunities are very significant in both scenarios. The most significant transition opportunity is increased demand for electricity in relation to aggressive decarbonization policy/regulation and electrification of vehicles. The most significant transition risk is the challenge to achieve mandated emission reductions targets while maintaining resiliency, reliability and affordability. For natural gas operations, potential business impacts from transition opportunities relate to changing demands for natural gas (such as expansion of LNG markets for marine bunkering and transportation, and producing and/or delivering hydrogen and renewable natural gas). These opportunities are dependent on the economy transitioning to a lower-carbon economy as outlined in the low emissions scenario. The most significant transition risk is the aggressive decarbonization policy and regulation, particularly if natural gas is not considered as part of the transition to a lower-carbon economy. Fortis and its utilities will use this information to inform our long-term strategy and operational plans. More detailed vulnerability assessments and mitigation measures will be developed by subsidiaries.
[Fixed row]

(5.2) Does your organization’s strategy include a climate transition plan?

(5.2.1) Transition plan

Select from:

☑ No, but we have a climate transition plan with a different temperature alignment

(5.2.2) Temperature alignment of transition plan

Select from:

☑ 2°C aligned

(5.2.3) Publicly available climate transition plan

Select from:

☑ Yes

(5.2.4) Plan explicitly commits to cease all spending on, and revenue generation from, activities that contribute to fossil fuel expansion

Select from:

☑ No, and we do not plan to add an explicit commitment within the next two years

(5.2.6) Explain why your organization does not explicitly commit to cease all spending on and revenue generation from activities that contribute to fossil fuel expansion

Beyond 2035, the majority of scope 1 emissions will be associated with natural gas generation at Fortis subsidiary, TEP. Our 2050 net-zero target will require advancements in technology, such as the ability to use lower-carbon fuel (such as hydrogen). We are making investments now to help make these required technology advancements a reality. Current technology does not allow us to commit to cease spending while also continuing to maintain affordable and reliable energy service that our customers and regulators demand. TEP's 2023 Integrated Resource Plan (IRP) included plans to rely less on coal generation from 2028–2032 by ramping up renewable energy and hydrogen-ready natural gas generation capacity, lowering expected cumulative emissions during the period. Natural gas will play an important role in TEP's plans to lower carbon emissions and increase renewable energy integration. TEP anticipates to fully exit coal generation by 2032, resulting in Fortis having a coal-free generation mix by 2032 (TEP is the only Fortis utility with coal-fired generation). Net electricity generated by coal has decreased by 47% since 2019. In 2023, coal generation represented 3.6% of total revenue, 0.6% of capital expenditures and 3.1% of total midyear rate base. These metrics have consistently decreased each year over the last five years. The FortisBC gas system plays an important role in the energy mix of BC and is relied on for home heating for approximately half of the homes in BC and for industrial heating for over 1 million customers. FortisBC is the largest distributor of natural gas in British Columbia, serving approximately 1,087,000 residential, commercial, industrial, and transportation customers. As a utility regulated by the BC Utilities Commission, FortisBC has a duty to serve new and existing customers. The utility has established carbon-reduction targets and is decarbonizing its natural gas supply. FortisBC is pursuing opportunities for using natural gas as a switching fuel for higher-carbon options, resulting in increased demand and exports. The utility has established targets to: reduce absolute scope 1 GHG emissions by 35% by 2035 from 2019 levels; reduce customers' GHG emissions by 200,000 tonnes through participation in conservation and energy management initiatives by the end of 2027, and; invest CAD690 million to help customers save 3.8 million gigajoules (GJ) of gas and 115 GWh of electricity by the end of 2027.

(5.2.7) Mechanism by which feedback is collected from shareholders on your climate transition plan

Select from:

☑ We have a different feedback mechanism in place

(5.2.8) Description of feedback mechanism

The Fortis Board of Directors supports open and constructive dialogue with shareholders. Our shareholder engagement policy outlines the Board's commitment to transparency and facilitate communication and engagement with shareholders. The Board communicates information annually about the Board, individual directors and corporate governance and executive compensation practices through the management information circular. The Board encourages shareholder participation at the annual shareholder meeting and informal meetings held throughout the year. Between annual shareholder meetings, Fortis supports an open and transparent process for shareholders to contact the Board, including the chairs of each Board committee, through the Chair. The Chair and/or the Chair of the Governance and Sustainability Committee may, upon request and after consultation with the Corporation's President and Chief Executive Officer (CEO) and Executive Vice President, Sustainability and Chief Legal Officer (CLO), meet with significant shareholders to discuss governance, environmental, social and sustainability matters. We conduct

shareholder engagement throughout the year to discuss the top priorities of our investors, including our climate transition plan. The primary mode of communication is through investor relations, which communicates with shareholders on a regular basis. Members of our executive team, including our President & CEO, our EVP, CFO and our EVP, Sustainability and CLO, Fortis utility President and CEOs, and our investor relations and sustainability teams meet with shareholders throughout the year directly, and via investor roadshows. Fortis also participates in several third party hosted investor conferences. Executive also communicates with shareholders through the Corporation's annual and quarterly reports, annual information form, sustainability reports and updates, news releases, website and through presentations at industry and investor conferences. Management holds conference calls to discuss quarterly earnings and major corporate developments as soon as practicable after they are publicly released. Pre-proxy ESG engagement opportunities are also provided to shareholders annually, to discuss ESG advancements from the previous year and future priorities. These communication avenues encourage feedback from shareholders on the Fortis strategy, including its climate strategy and related transition plan.

(5.2.9) Frequency of feedback collection

Select from:

☑ More frequently than annually

(5.2.10) Description of key assumptions and dependencies on which the transition plan relies

Regulated utilities account for 99% of Fortis' assets. Regulators administer legislation covering material aspects of the utilities' business. While Fortis is well-positioned to maintain constructive regulatory relationships through local management teams and boards, it cannot predict future legislative or regulatory changes. As economies transition toward decarbonization, risks may arise related to associated policy, legal, technological and market changes, which may have related capital and financial implications. The impacts of the transition to a cleaner energy future will require effective management of, among other things, regulatory and legislative requirements, new resiliency standards, the integration of new technologies and impacts on customer demand and rates. Failure to appropriately respond to climate change and decarbonize may disrupt the ability of the utilities to provide safe and cost-effective service, which could cause reputational harm and other impacts. Approx. 21% of Fortis' revenue is derived from the delivery of natural gas, primarily at FortisBC. Through its Long-Term Resource Planning process, FortisBC has developed its Diversified Energy Planning Scenario. This work was undertaken in compliance with its regulator, the BC Utilities Commission. The Diversified Energy Planning Scenario describes a scenario to reduce emissions in alignment with the province's 2030 and 2040 emissions targets. If gas becomes less competitive due to price or other factors, such as government policy or public perception of natural gas or its carbon intensity relative to other energy sources, the ability to add new customers could be impaired. Existing customers could also reduce their consumption or switch to electricity, placing further pressure on rates and, in the extreme, could ultimately lead to an inability to recover the utility's cost of service through customer rates. Government policy could further impact competitiveness.

(5.2.11) Description of progress against transition plan disclosed in current or previous reporting period

Fortis is primarily an electricity and natural gas delivery company, comprised of 93% transmission and distribution assets. The purpose of Fortis is to deliver a cleaner energy future. Our transition plans are included in our annual sustainability report, which is publicly available. Fortis has established corporate-wide scope 1 emissions reduction targets of 50% by 2030, 75% by 2035 and net-zero by 2050. We have achieved considerable progress towards these targets, with a 33% decrease since 2019. Actions to achieve these targets, and report progress regularly, form the basis of our transition plan. Scope 1 and 2 emissions are assured at a limited level by a third party on an annual basis. These targets were approved and are reviewed regularly by the governance and sustainability committee of the Fortis Board of Directors. Each Fortis subsidiary approaches the energy transition in a unique way, tailored to the local environment, customer needs, and the service it

provides. For example, ITC, a fully regulated electric transmission company, has a different approach when compared to TEP, which is a vertically integrated electric utility, and FortisBC, which primarily delivers natural gas and electricity to customers. While the approach may differ, the end goal is the same — to deliver a cleaner energy future. As an example, FortisBC is expanding lower carbon energy solutions and helping customers save energy. RNG supply has grown from 0.7 petajoules (PJ) in 2021 to 2.8 PJ in 2023. It was the first energy utility in North America to automatically designate RNG for customers, and it is also a significant investor in energy efficiency in British Columbia. The utility is enabled by the province of British Columbia (BC) to deliver on its low-carbon transportation objectives and is developing programs to support investments in fueling infrastructure for zero emissions vehicles and liquified natural gas (LNG) for marine vessels. Energy efficiency is one of the most cost effective GHG emissions mitigation option. Fortis utilities work with customers directly on their changing energy needs. In 2023, Fortis subsidiaries spent 204 million on energy efficiency programs. Additional climate-related metrics that measure performance of our plans to transition to cleaner energy include: annual renewable generation, avoided emissions from the use of RNG, and capital expenditures related to cleaner energy, resiliency and modernization. All of these metrics have consistently trended in a favourable direction over the last five years. As part of its annual sustainability report, Fortis also reports climate-related financial metrics, including breakdowns of revenue, midyear rate base and capital expenditures by type of generation and by transmission and distribution of electricity and natural gas.

(5.2.12) Attach any relevant documents which detail your climate transition plan (optional)

Fortis-2024-Sustainability-Report-FINAL.pdf,fts-2024-climate-report-final.pdf,pre-proxy-esg-engagement_q4-2023_final.pdf

(5.2.13) Other environmental issues that your climate transition plan considers

Select all that apply

☑ Water

(5.2.14) Explain how the other environmental issues are considered in your climate transition plan

Fortis reports annually on metrics related to water used during fossil fuel generation, including: groundwater and surface water withdrawn, water returned to source, water consumed in electricity generation (covering significant use) and percent of water returned to source. Generally, these metrics have trended in a favourable direction over the last five years, largely due to coal generation retirements at TEP. By ramping down reliance on coal-fired resources, TEP will help keep service affordable for customers while significantly reducing air emissions and water consumption, and eliminating the use of surface water for power generation.

(5.2.16) Explain why your organization does not have a climate transition plan that aligns with a 1.5°C world

Beyond 2035, the majority of scope 1 emissions will be associated with natural gas generation at Fortis subsidiary, TEP. Our 2050 net-zero target will require advancements in technology, such as the ability to use lower-carbon fuel (such as hydrogen). We are making investments now to help make these required technology advancements a reality. Current technology does not allow us to commit to this alignment while also continuing to maintain affordable and reliable energy service that our customers and regulators demand. TEP's 2023 Integrated Resource Plan (IRP) included plans to rely less on coal generation from 2028–2032 by ramping up renewable energy and hydrogen-ready natural gas generation capacity, lowering expected cumulative emissions during the period. Natural gas will play an important role in TEP's plans to lower carbon emissions and increase renewable energy integration. TEP anticipates to fully exit coal generation by 2032, resulting in Fortis having a coal-free generation mix by 2032 (TEP is the only Fortis utility with coal-fired generation). Net electricity generated by coal has decreased by 47%

since 2019. In 2023, coal generation represented 3.6% of total revenue, 0.6% of capital expenditures and 3.1% of total midyear rate base. These metrics have consistently decreased each year over the last five years. Natural gas continues to play an important role in the energy mix. FortisBC is the largest distributor of natural gas in British Columbia, serving over one million customers across the residential, commercial, industrial, and transportation sectors. The utility has published its Clean Growth Pathway which advances low-carbon solutions in four areas: expanding supply of renewable and low-carbon energy (including RNG), investing in energy efficiency, providing lower-carbon energy for road transport and supplying LNG to substitute higher-carbon marine fuels for shipping. FortisBC supports the provincial and federal government's goals to reach net-zero GHG emissions; however, achieving net-zero emissions and following a transition plan will require policy and political leadership, infrastructure and low-carbon energy investment, technological advancement and changes in the way energy is used. This requires collaboration between utilities, different levels of government, Indigenous communities, regulators, industry and customers.
[Fixed row]

(5.3) Have environmental risks and opportunities affected your strategy and/or financial planning?

(5.3.1) Environmental risks and/or opportunities have affected your strategy and/or financial planning

Select from:
☑ Yes, both strategy and financial planning

(5.3.2) Business areas where environmental risks and/or opportunities have affected your strategy

Select all that apply
☑ Products and services
☑ Operations
[Fixed row]

(5.3.1) Describe where and how environmental risks and opportunities have affected your strategy.

Products and services

(5.3.1.1) Effect type

Select all that apply
☑ Risks
☑ Opportunities

(5.3.1.2) Environmental issues relevant to the risks and/or opportunities that have affected your strategy in this area

Select all that apply

☑ Climate change

(5.3.1.3) Describe how environmental risks and/or opportunities have affected your strategy in this area

Fortis uses information from its climate scenario analysis to inform our long-term strategy and operational plans. Fortis integrates environmental risks and opportunities into decision-making, financial planning, and overall strategy. Capital plan decisions are made at the subsidiary level. Findings of 2024 Climate Report are one input into the capital decision making process. Products and services that have affected the strategy of Fortis subsidiaries include: new energy solutions related to increased customer demand due to electrification, charging options for electric vehicles, and offering distributed energy resource solutions.

Operations

(5.3.1.1) Effect type

Select all that apply

☑ Risks

☑ Opportunities

(5.3.1.2) Environmental issues relevant to the risks and/or opportunities that have affected your strategy in this area

Select all that apply

☑ Climate change

(5.3.1.3) Describe how environmental risks and/or opportunities have affected your strategy in this area

Fortis uses information from its climate scenario analysis to inform our long-term strategy and operational plans. Fortis integrates environmental risks and opportunities into decision-making, financial planning, and overall strategy. Capital plan decisions are made at the subsidiary level. Findings of 2024 Climate Report are one input into the capital decision making process. Findings are also incorporated into the ERM process.
[Add row]

(5.3.2) Describe where and how environmental risks and opportunities have affected your financial planning.

Row 1

(5.3.2.1) Financial planning elements that have been affected

Select all that apply

☑ Capital allocation

(5.3.2.2) Effect type

Select all that apply

☑ Risks

☑ Opportunities

(5.3.2.3) Environmental issues relevant to the risks and/or opportunities that have affected these financial planning elements

Select all that apply

☑ Climate change

(5.3.2.4) Describe how environmental risks and/or opportunities have affected these financial planning elements

Capital allocation decisions are made at the subsidiary level, then aggregated for the Fortis corporate-wide capital plan. The Fortis 2025-2029 Capital Plan of 26 billion is the largest in our history and is 1 billion higher than the previous five-year plan. The increase is driven by organic growth, largely reflecting regional transmission projects at ITC, as well as investments in Arizona to support TEP's exit from coal. Investments supporting system adaptation and resiliency, customer growth and economic development are also driving capital growth across our regulated utilities. Fortis' 2025-2029 capital plan includes cleaner energy investments of approximately 7 billion, with investments focused on connecting renewables to the grid, renewable energy and energy storage, and cleaner natural gas solutions. In support of the capital plan, Fortis' unsecured 1.3 billion revolving term committed credit facility agreement incorporates a sustainability-linked loan structure based on the achievement of targets related to diversity on the Board and reduction of scope 1 GHG emissions through 2025. Beyond the five-year Capital Plan, additional opportunities to expand and extend growth include: further expansion of the electric transmission grid in the U.S. to facilitate the interconnection of cleaner energy, including infrastructure investments associated with the IRA and the MISO LRTP; climate adaptation and grid resiliency investments; RNG solutions and LNG infrastructure in British Columbia; and the acceleration of cleaner energy infrastructure investments across our jurisdictions.
[Add row]

(5.4) In your organization’s financial accounting, do you identify spending/revenue that is aligned with your organization’s climate transition?

	Identification of spending/revenue that is aligned with your organization’s climate transition	Methodology or framework used to assess alignment with your organization’s climate transition
	Select from: ☑ Yes	*Select all that apply* ☑ Other methodology or framework

[Fixed row]

(5.4.1) Quantify the amount and percentage share of your spending/revenue that is aligned with your organization’s climate transition.

Row 1

(5.4.1.1) Methodology or framework used to assess alignment

Select from:

☑ Other, please specify :Cleaner energy

(5.4.1.5) Financial metric

Select from:

☑ CAPEX

(5.4.1.6) Amount of selected financial metric that is aligned in the reporting year (currency)

719000000

(5.4.1.7) Percentage share of selected financial metric aligned in the reporting year (%)

16.6

(5.4.1.12) Details of the methodology or framework used to assess alignment with your organization's climate transition

Cleaner energy capital includes investments that reduce emissions (including renewable energy, lower emitting energy and low-carbon transportation investments) and/or increase customer energy efficiency. These investments include direct investment to improve the environment (i.e., building of renewables), investments to support environmental improvement (i.e., building charging stations to support EV's) or investments that may not be deemed "clean" but are in place to support the transition to a lower-carbon economy (i.e., firm generation that supports intermittent renewables or lower carbon fuel switching). Examples: Investment in any renewable energy project (i.e. wind/solar infrastructure, energy storage), energy smart technology (i.e. smart meters), renewable natural gas or liquified natural gas for fuel-switching purposes that displaces a higher fossil fuel alternative.

Row 2

(5.4.1.1) Methodology or framework used to assess alignment

Select from:

☑ Other, please specify **:**Resiliency and modernization

(5.4.1.5) Financial metric

Select from:

☑ CAPEX

(5.4.1.6) Amount of selected financial metric that is aligned in the reporting year (currency)

2212000000

(5.4.1.7) Percentage share of selected financial metric aligned in the reporting year (%)

51

(5.4.1.12) Details of the methodology or framework used to assess alignment with your organization's climate transition

Resiliency and modernization capital includes strategic actions taken to make equipment/infrastructure "smarter" and more resilient using technologies, equipment, and controls that communicate and work together to deliver electricity more reliably. The goal being to reduce the frequency and duration of power outages, reduce storm impacts, and enable faster restoration following outages.

[Add row]

(5.5) Does your organization invest in research and development (R&D) of low-carbon products or services related to your sector activities?

(5.5.1) Investment in low-carbon R&D

Select from:

☑ Yes

(5.5.2) Comment

Fortis' culture of innovation underlies a continuous drive to find better ways to safely, reliably and affordably deliver the energy and services that customers need, and the choice and control they increasingly seek. Fortis is a partner in Energy Impact Partners, a strategic private venture fund that invests in emerging technologies, products, services and business models that are transforming the industry. The Corporation is also involved in the Low Carbon Resources Initiative, a collaboration between EPRI and GTI Energy, along with other major utilities, to develop and demonstrate the low- and zero-carbon energy technologies needed to enable pathways to decarbonization. Fortis has also joined EPRI's Climate READi, an initiative involving major North American utilities, regulators, policy makers, and other stakeholders focused on developing an industry-wide best practice framework for managing physical climate risk.
[Fixed row]

(5.5.7) Provide details of your organization's investments in low-carbon R&D for your sector activities over the last three years.

Row 1

(5.5.7.1) Technology area

Select from:

☑ Other, please specify **:**Hydrogen development

(5.5.7.6) Explain how your R&D investment in this technology area is aligned with your climate commitments and/or climate transition plan

Fortis subsidiary TEP has invested in hydrogen development through The Center for an Arizona Carbon Neutral Economy. The Centre brings together industry, Arizona universities and utilities to identify and invest in projects designed to develop a hydrogen economy in Arizona.

Row 2

(5.5.7.1) Technology area

Select from:

☑ Other, please specify **:**SF6 emissions reduction

(5.5.7.6) Explain how your R&D investment in this technology area is aligned with your climate commitments and/or climate transition plan

Fortis subsidiary Newfoundland Power recently piloted a new type of high voltage circuit breaker (66kV) to replace its SF6 breakers. SF6 is considered a potent GHG gas. The new breaker being piloted uses a vacuum instead of SF6 gas. If the pilot is successful, the new breakers may be used more broadly across the company.

Row 3

(5.5.7.1) Technology area

Select from:

☑ Unable to disaggregate by technology area

(5.5.7.6) Explain how your R&D investment in this technology area is aligned with your climate commitments and/or climate transition plan

Fortis subsidiary FortisBC has established a Clean Growth Innovation Fund (CGIF), as approved by the BC Utilities Commission. The purpose of the CGIF is to accelerate the pace of clean energy innovation and to support the transition to a lower carbon economy while maximizing the use of FortisBC's energy delivery system for its customers. The utility collects 0.40 per month from each customer through a basic charge fixed rate rider, which results in approximately 5 million collected each year for the fund. The CGIF is in effect through the end of 2024, and FortisBC has requested an extension for 2025 to 2027. Since the CGIF was established in 2020, FortisBC has approved 12.4 million in grants. This grant funding has been allocated to a variety of innovative initiatives and projects that will

enable the utility to transition more quickly to lower carbon fuels. The funding has been allocated to projects and initiatives related to renewable gases, transportation, combined heat and power, and carbon capture, among other areas.
[Add row]

(5.7) Break down, by source, your organization's CAPEX in the reporting year and CAPEX planned over the next 5 years.

	CAPEX in the reporting year for power generation from this source (unit currency as selected in 1.2)	CAPEX in the reporting year for power generation from this source as % of total CAPEX for power generation in the reporting year	Explain your CAPEX calculations, including any assumptions
Coal – hard	*27000000*	*0.6*	*Capital spend on coal-fired generation facilities*
Oil	*104000000*	*2.4*	*Capital spend on diesel and oil-fired generation facilities*
Gas	*180000000*	*4.2*	*Capital spend on natural gas-fired generation facilities*

[Fixed row]

(5.7.1) Break down your total planned CAPEX in your current CAPEX plan for products and services (e.g. smart grids, digitalization, etc.).

Row 1

(5.7.1.1) Products and services

Select from:
☑ Other, please specify **:**Emerging technologies, products and services

(5.7.1.2) Description of product/service

Fortis is a partner in Energy Impact Partners, a strategic private venture fund that invests in emerging technologies, products, services and business models that are transforming the industry. The Corporation is also involved in the Low Carbon Resources Initiative, a collaboration between EPRI and GTI Energy, along with other

major utilities, to develop and demonstrate the low- and zero-carbon energy technologies needed to enable pathways to decarbonization. Fortis has also joined EPRI's Climate READi, an initiative involving major North American utilities, regulators, policy makers, and other stakeholders focused on developing an industry-wide best practice framework for managing physical climate risk.
[Add row]

(5.10) Does your organization use an internal price on environmental externalities?

	Use of internal pricing of environmental externalities	Environmental externality priced
	Select from: ☑ Yes	*Select all that apply* ☑ Carbon

[Fixed row]

(5.10.1) Provide details of your organization's internal price on carbon.

	Type of pricing scheme
Row 1	*Select from:* ☑ Other, please specify :In certain situations, carbon pricing assumptions are used by Fortis utilities to reflect carbon price impacts

[Add row]

(5.11) Do you engage with your value chain on environmental issues?

	Engaging with this stakeholder on environmental issues	Environmental issues covered
Suppliers	*Select from:* ☑ Yes	*Select all that apply* ☑ Climate change
Customers	*Select from:* ☑ Yes	*Select all that apply* ☑ Climate change
Investors and shareholders	*Select from:* ☑ Yes	*Select all that apply* ☑ Climate change
Other value chain stakeholders	*Select from:* ☑ Yes	*Select all that apply* ☑ Climate change

[Fixed row]

(5.11.9) Provide details of any environmental engagement activity with other stakeholders in the value chain.

Climate change

(5.11.9.1) Type of stakeholder

Select from:

☑ Customers

(5.11.9.2) Type and details of engagement

Innovation and collaboration

☑ Other innovation and collaboration, please specify **:**Distributed energy resource program

(5.11.9.5) Rationale for engaging these stakeholders and scope of engagement

Fortis utility TEP has developed a scaled distributed energy resource pilot project with residential customers to provide distributed flexible capacity. Through the project, TEP partners with customers to help meet the need for peak energy resources in a way that supports customer affordability, reliability and clean energy objectives while diversifying the resource mix and providing a hedge against wholesale price increases. The project includes a thermostat demand response program, called "Smart Rewards". Fortis utility FortisAlberta also facilitates distributed energy resources, such as solar panels and wind turbines. To meet the growing need, FortisAlberta created a team to guide customers through the process. New engineering processes have also been implemented to accommodate the increase in distributed energy resource connections, ensuring the safety and reliability of its system now, and in the future.

(5.11.9.6) Effect of engagement and measures of success

At TEP, participating customers benefit from deep discounts on smart thermostats that provide ongoing energy efficiency savings of up to 5% of HVAC usage. Customers also have the ability to save more by shifting HVAC energy usage to off-peak times in coordination with time-of-use pricing plans. In addition, customers who participate receive a USD50 sign-up incentive and annual incentives of USD40 per thermostat for each summer season they participate (up to 2 thermostats/household). The Smart Rewards pilot began in the summer 2023 and has quickly grown to more than 16,000 thermostats in use. The project has helped support reliable operations and customer affordability through Arizona's extreme summer heat. At FortisAlberta, 19 large distributed generation sources were connected in 2023, with a total capacity of 307 megawatts. That's more than double the amount from three years prior.

Climate change

(5.11.9.1) Type of stakeholder

Select from:

☑ Customers

(5.11.9.2) Type and details of engagement

Innovation and collaboration

☑ Align your organization's goals to support customers' targets and ambitions

(5.11.9.5) Rationale for engaging these stakeholders and scope of engagement

Fortis utility TEP has developed energy programs to support customers meet their specific ESG goals or to execute on their climate action plans. TEP has a "GoSolar Shares" program in place, whereby participating customers can purchase 150 kilowatt hour "shares" of solar energy produced by TEP's community-scale photovoltaic arrays. Each share will offset an equivalent amount of traditional power, allowing customers to enjoy the benefits of more clean, green renewable energy for an affordable price. Customers can buy enough solar power to cover some or potentially all of their energy use, offsetting the need for power from conventional resources.

(5.11.9.6) Effect of engagement and measures of success

Customers that participate in energy programs trend towards higher customer satisfaction scores, as measure by anecdotal comments captured in an annual customer satisfaction survey.

Climate change

(5.11.9.1) Type of stakeholder

Select from:

☑ Customers

(5.11.9.2) Type and details of engagement

Education/Information sharing

☑ Other education/information sharing, please specify **:**Educate customers on EV smart charging, thereby limiting costs and optimizing the electricity distribution grid.

(5.11.9.5) Rationale for engaging these stakeholders and scope of engagement

Fortis utility FortisAlberta initiated an EV Smart Charging Pilot Project to better understand customer charging habits. The pilot provides critical data to explore how EV charging impacts the grid. While drivers learn about scheduled charging, FortisAlberta learns how to incentivize managed charging, when electricity demand is high. This can help limit costs and optimize the grid. The pilot is a "first of its kind" in rural Alberta, and has continued in 2024.

Climate change

(5.11.9.1) Type of stakeholder

Select from:

☑ Customers

(5.11.9.2) Type and details of engagement

Other

☑ Other, please specify **:**Energy conservation and energy efficiency program

(5.11.9.5) Rationale for engaging these stakeholders and scope of engagement

Fortis utility FortisBC actively engages with its customers through multi-pronged communication channels and activities related to its conservation and energy-efficiency programs and Renewable Natural Gas (RNG) programs to improve awareness and increase program uptake. Activities include, but are not limited to: customer service delivery, community outreach, community education programs (school and public safety), customer bills, bill inserts and emails, customer surveys, websites, social media. FortisBC's programs are designed to lower energy use, reduce emissions, and support affordability. In addition, by the acceptance of FortisBC's latest Demand Side Management expenditures plans, the utility is able to evolve its incentive program for future hybrid heating systems, gas heat pumps and deep energy retrofits for customers.

(5.11.9.6) Effect of engagement and measures of success

2023 saw FortisBC make record investments in energy-efficiency programs— 124.2 million in gas programs and 11.7 million in electricity programs—that helped customers make their homes and businesses more energy efficient while also piloting the next generation of high-efficiency technologies such as dual fuel systems, gas heat pumps and deep energy retrofits. These investments resulted in annual gas energy reductions of more than 1.4 million GJ and in annual electricity energy savings of 31.4 GWh. FortisBC's voluntary RNG program allows customers to have the choice of designating five, 10, 25, 50 or 100 per cent of their gas use as RNG. In addition, as of July 2, 2024, all FortisBC gas customers have one per cent of their gas designated as RNG, known as designated RNG blend. As RNG works seamlessly in the existing gas system, homeowners and businesses can continue to receive the benefits that the gas system has to offer without the need for retrofits or upgrades to existing appliances.

Climate change

(5.11.9.1) Type of stakeholder

Select from:

☑ Investors and shareholders

(5.11.9.2) Type and details of engagement

Education/Information sharing

☑ Share information on environmental initiatives, progress and achievements

(5.11.9.5) Rationale for engaging these stakeholders and scope of engagement

We conduct shareholder engagement throughout the year to discuss the top priorities of our investors. The Fortis executive team communicates with shareholders in a number of ways. The primary mode of communication is through investor relations, which communicates with shareholders on a regular basis. Members of our executive team, including our President & CEO, our EVP, CFO and our EVP, Sustainability and CLO, Fortis utility President and CEOs, and our investor relations and sustainability teams meet with shareholders throughout the year directly, and via investor roadshows. Fortis also participates in several third party hosted investor conferences. Executive also communicates with shareholders through the Corporation's annual and quarterly reports, annual information form, sustainability reports and updates, news releases, website and through presentations at industry and investor conferences. Management holds conference calls to discuss quarterly earnings and major corporate developments as soon as practicable after they are publicly released. Pre-proxy ESG engagement opportunities are also provided to shareholders annually, to discuss ESG advancements from the previous year and future priorities. These communication avenues encourage feedback from shareholders on the Fortis strategy, including its climate strategy and related transition plan.

(5.11.9.6) Effect of engagement and measures of success

A measure of success is formal feedback from investors on our climate strategy and disclosures.
[Add row]

C6. Environmental Performance - Consolidation Approach

(6.1) Provide details on your chosen consolidation approach for the calculation of environmental performance data.

Climate change

(6.1.1) Consolidation approach used

Select from:

☑ Financial control

(6.1.2) Provide the rationale for the choice of consolidation approach

The GHG inventory is consolidated using the financial control approach across Fortis operations. This aligns to the same approach used in financial accounting. Over the last two years, Fortis has taken steps to increase integration between sustainability and financial reporting. Last year, we identified ways to strengthen internal controls and review processes related to collection and reporting of key performance indicator data, and we continue to implement our findings. Key performance indicators are corporate-wide, include data from all Fortis utilities, and are reported annually in our sustainability report. Specifically for GHG emissions, scope 1 and 2 emissions have been assured at a limited level by a third party.

Biodiversity

(6.1.1) Consolidation approach used

Select from:

☑ Financial control

(6.1.2) Provide the rationale for the choice of consolidation approach

Fortis follows a standalone business model where Fortis utilities operate with substantial autonomy. Each Fortis utility manages its approach to biodiversity, taking steps to avoid and minimize impacts, while also restoring and preserving biodiversity. Fortis utilities look for opportunities to have a positive contribution to conservation, such as providing protected habitat space and supporting research. For example, Fortis subsidiary ITC has enrolled 98,000 acres of land in a federal program designed to protect and grow habitat for the threatened monarch butterfly. ITC will manage the land to improve monarch habitat, including timing seasonal mowing to avoid the monarch breeding season, selective brush removal and developing more grassland and prairie habitat. ITC will regularly monitor and report on monarch habitat and population in these areas. While each Fortis utility is responsible for its biodiversity strategy, we do collect and report corporate-wide data on

certain biodiversity-related metrics, which are reported annually in our sustainability report. These metrics include: water used during fossil fuel generation (ground and surface water withdrawn, water consumed in electricity generation and percent returned to source); waste management (amount of hazardous waste manifested for disposal and amount of recycled hazardous waste); and, environmental compliance (number of spills with an associated fine 9zero over the last five years), percentage of Fortis utilities with an emergency spill response plan (100%); and, percentage of Fortis utilities with extensive environmental management programs aligned with ISO 14001 (100%).
[Fixed row]

C7. Environmental performance - Climate Change

(7.1) Is this your first year of reporting emissions data to CDP?

Select from:
☑ Yes

(7.2) Select the name of the standard, protocol, or methodology you have used to collect activity data and calculate emissions.

Select all that apply
☑ The Greenhouse Gas Protocol: A Corporate Accounting and Reporting Standard (Revised Edition)

(7.3) Describe your organization's approach to reporting Scope 2 emissions.

	Scope 2, location-based	Scope 2, market-based	Comment
	Select from: ☑ We are reporting a Scope 2, location-based figure	*Select from:* ☑ We are reporting a Scope 2, market-based figure	*Fortis reports Scope 2 location-based and market-based emissions in accordance with the GHG Protocol.*

[Fixed row]

(7.4) Are there any sources (e.g. facilities, specific GHGs, activities, geographies, etc.) of Scope 1, Scope 2 or Scope 3 emissions that are within your selected reporting boundary which are not included in your disclosure?

Select from:
☑ Yes

(7.4.1) Provide details of the sources of Scope 1, Scope 2, or Scope 3 emissions that are within your selected reporting boundary which are not included in your disclosure.

Row 1

(7.4.1.1) Source of excluded emissions

Excludes immaterial emissions sources (

(7.4.1.2) Scope(s) or Scope 3 category(ies)

Select all that apply

☑ Scope 1

(7.4.1.3) Relevance of Scope 1 emissions from this source

Select from:

☑ Emissions are not relevant

(7.4.1.10) Explain why this source is excluded

Excludes immaterial emissions sources (

(7.4.1.11) Explain how you estimated the percentage of emissions this excluded source represents

Fortis utilities employ the best available activity and emission factor data to calculate relevant emissions, including regional emissions data, direct third-party emissions data, and governmental reports.

Row 2

(7.4.1.1) Source of excluded emissions

Scope 3: Purchased goods and services from all Fortis operations

(7.4.1.2) Scope(s) or Scope 3 category(ies)

Select all that apply

☑ Scope 3: Purchased goods and services

(7.4.1.6) Relevance of Scope 3 emissions from this source

Select from:

☑ Emissions are not relevant

(7.4.1.10) Explain why this source is excluded

In 2023, Fortis completed a project to identify material scope 3 emissions categories using the GHG Protocol Corporate Value Chain (scope 3) Accounting and Reporting Standard. Based on the analysis, the material scope 3 emissions categories for Fortis are category 3 (Fuel and Energy Related Activities) and 11 (Use of Sold Products) which account for 98% of Fortis' Scope 3 inventory.

(7.4.1.11) Explain how you estimated the percentage of emissions this excluded source represents

In 2023, Fortis completed a project to identify material scope 3 emissions categories using the GHG Protocol Corporate Value Chain (scope 3) Accounting and Reporting Standard. Immaterial Scope 3 categories were estimated using spend based data and publicly available emission factors.

Row 3

(7.4.1.1) Source of excluded emissions

Scope 3: Capital goods from all Fortis operations

(7.4.1.2) Scope(s) or Scope 3 category(ies)

Select all that apply

☑ Scope 3: Capital goods

(7.4.1.6) Relevance of Scope 3 emissions from this source

Select from:

☑ Emissions are not relevant

(7.4.1.10) Explain why this source is excluded

In 2023, Fortis completed a project to identify material scope 3 emissions categories using the GHG Protocol Corporate Value Chain (scope 3) Accounting and Reporting Standard. Based on the analysis, the material scope 3 emissions categories for Fortis are category 3 (Fuel and Energy Related Activities) and 11 (Use of Sold Products) which account for 98% of Fortis' Scope 3 inventory.

(7.4.1.11) Explain how you estimated the percentage of emissions this excluded source represents

In 2023, Fortis completed a project to identify material scope 3 emissions categories using the GHG Protocol Corporate Value Chain (scope 3) Accounting and Reporting Standard. Immaterial Scope 3 categories were estimated using spend based data and publicly available emission factors.

Row 4

(7.4.1.1) Source of excluded emissions

Scope 3: Upstream transportation and distribution from all Fortis operations

(7.4.1.2) Scope(s) or Scope 3 category(ies)

Select all that apply

☑ Scope 3: Upstream transportation and distribution

(7.4.1.6) Relevance of Scope 3 emissions from this source

Select from:

☑ Emissions are not relevant

(7.4.1.10) Explain why this source is excluded

In 2023, Fortis completed a project to identify material scope 3 emissions categories using the GHG Protocol Corporate Value Chain (scope 3) Accounting and Reporting Standard. Based on the analysis, the material scope 3 emissions categories for Fortis are category 3 (Fuel and Energy Related Activities) and 11 (Use of Sold Products) which account for 98% of Fortis' Scope 3 inventory.

(7.4.1.11) Explain how you estimated the percentage of emissions this excluded source represents

In 2023, Fortis completed a project to identify material scope 3 emissions categories using the GHG Protocol Corporate Value Chain (scope 3) Accounting and Reporting Standard. Immaterial Scope 3 categories were estimated using spend based data and publicly available emission factors.

Row 5

(7.4.1.1) Source of excluded emissions

Scope 3: Waste generated from all Fortis operations

(7.4.1.2) Scope(s) or Scope 3 category(ies)

Select all that apply

☑ Scope 3: Waste generated in operations

(7.4.1.6) Relevance of Scope 3 emissions from this source

Select from:

☑ Emissions are not relevant

(7.4.1.10) Explain why this source is excluded

In 2023, Fortis completed a project to identify material scope 3 emissions categories using the GHG Protocol Corporate Value Chain (scope 3) Accounting and Reporting Standard. Based on the analysis, the material scope 3 emissions categories for Fortis are category 3 (Fuel and Energy Related Activities) and 11 (Use of Sold Products) which account for 98% of Fortis' Scope 3 inventory.

(7.4.1.11) Explain how you estimated the percentage of emissions this excluded source represents

In 2023, Fortis completed a project to identify material scope 3 emissions categories using the GHG Protocol Corporate Value Chain (scope 3) Accounting and Reporting Standard. Immaterial Scope 3 categories were estimated using spend based data and publicly available emission factors.

Row 6

(7.4.1.1) Source of excluded emissions

Scope 3: Business travel from all Fortis operations

(7.4.1.2) Scope(s) or Scope 3 category(ies)

Select all that apply

☑ Scope 3: Business travel

(7.4.1.6) Relevance of Scope 3 emissions from this source

Select from:

☑ Emissions are not relevant

(7.4.1.10) Explain why this source is excluded

In 2023, Fortis completed a project to identify material scope 3 emissions categories using the GHG Protocol Corporate Value Chain (scope 3) Accounting and Reporting Standard. Based on the analysis, the material scope 3 emissions categories for Fortis are category 3 (Fuel and Energy Related Activities) and 11 (Use of Sold Products) which account for 98% of Fortis' Scope 3 inventory.

(7.4.1.11) Explain how you estimated the percentage of emissions this excluded source represents

In 2023, Fortis completed a project to identify material scope 3 emissions categories using the GHG Protocol Corporate Value Chain (scope 3) Accounting and Reporting Standard. Immaterial Scope 3 categories were estimated using spend based data and publicly available emission factors.

Row 7

(7.4.1.1) Source of excluded emissions

Scope 3: Employee commuting from all Fortis operations

(7.4.1.2) Scope(s) or Scope 3 category(ies)

Select all that apply

☑ Scope 3: Employee commuting

(7.4.1.6) Relevance of Scope 3 emissions from this source

Select from:

☑ Emissions are not relevant

(7.4.1.10) Explain why this source is excluded

In 2023, Fortis completed a project to identify material scope 3 emissions categories using the GHG Protocol Corporate Value Chain (scope 3) Accounting and Reporting Standard. Based on the analysis, the material scope 3 emissions categories for Fortis are category 3 (Fuel and Energy Related Activities) and 11 (Use of Sold Products) which account for 98% of Fortis' Scope 3 inventory.

(7.4.1.11) Explain how you estimated the percentage of emissions this excluded source represents

In 2023, Fortis completed a project to identify material scope 3 emissions categories using the GHG Protocol Corporate Value Chain (scope 3) Accounting and Reporting Standard. Immaterial Scope 3 categories were estimated using spend based data and publicly available emission factors.

Row 8

(7.4.1.1) Source of excluded emissions

Scope 3: Downstream transportation and distribution from all Fortis operations

(7.4.1.2) Scope(s) or Scope 3 category(ies)

Select all that apply

☑ Scope 3: Downstream transportation and distribution

(7.4.1.6) Relevance of Scope 3 emissions from this source

Select from:

☑ Emissions are not relevant

(7.4.1.10) Explain why this source is excluded

In 2023, Fortis completed a project to identify material scope 3 emissions categories using the GHG Protocol Corporate Value Chain (scope 3) Accounting and Reporting Standard. Based on the analysis, the material scope 3 emissions categories for Fortis are category 3 (Fuel and Energy Related Activities) and 11 (Use of Sold Products) which account for 98% of Fortis' Scope 3 inventory.

(7.4.1.11) Explain how you estimated the percentage of emissions this excluded source represents

In 2023, Fortis completed a project to identify material scope 3 emissions categories using the GHG Protocol Corporate Value Chain (scope 3) Accounting and Reporting Standard. Immaterial Scope 3 categories were estimated using spend based data and publicly available emission factors.

Row 9

(7.4.1.1) Source of excluded emissions

Scope 3: Investments from all Fortis operations

(7.4.1.2) Scope(s) or Scope 3 category(ies)

Select all that apply

☑ Scope 3: Investments

(7.4.1.6) Relevance of Scope 3 emissions from this source

Select from:

☑ Emissions are not relevant

(7.4.1.10) Explain why this source is excluded

In 2023, Fortis completed a project to identify material scope 3 emissions categories using the GHG Protocol Corporate Value Chain (scope 3) Accounting and Reporting Standard. Based on the analysis, the material scope 3 emissions categories for Fortis are category 3 (Fuel and Energy Related Activities) and 11 (Use of Sold Products) which account for 98% of Fortis' Scope 3 inventory.

(7.4.1.11) Explain how you estimated the percentage of emissions this excluded source represents

In 2023, Fortis completed a project to identify material scope 3 emissions categories using the GHG Protocol Corporate Value Chain (scope 3) Accounting and Reporting Standard. Immaterial Scope 3 categories were estimated using spend based data and publicly available emission factors.
[Add row]

(7.5) Provide your base year and base year emissions.

Scope 1

(7.5.1) Base year end

12/31/2019

(7.5.2) Base year emissions (metric tons CO2e)

12308000

(7.5.3) Methodological details

The base year Scope 1 emissions is presented in accordance with The Greenhouse Gas Protocol Corporate Accounting Standards. The emissions were consolidated using the financial control approach across Fortis operations. Scope 1 emissions stated as CO2-equivalent using 100-year time horizon global warming potentials (GWPs) per the IPCC Fourth Assessment Report (AR4). For Scope 1 inventory, where available, Fortis utilities reference GHG data primarily from emissions monitoring systems that are used to satisfy regulatory reporting requirements. When regulatorily submitted data is not available, Fortis utilities employ the best available activity data and fuel combustion emission factors to calculate relevant emissions. Excludes immaterial emissions sources (

Scope 2 (location-based)

(7.5.1) Base year end

12/31/2023

(7.5.2) Base year emissions (metric tons CO2e)

158000

(7.5.3) Methodological details

Fortis has not established Scope 2 targets. 2023 data was the first year Fortis disclosed this information.

Scope 2 (market-based)

(7.5.1) Base year end

12/31/2022

(7.5.2) Base year emissions (metric tons CO2e)

179000

(7.5.3) Methodological details

Fortis has not established Scope 2 targets. 2022 Scope 2 emissions data was first year these emissions underwent third party assurance and is an appropriate base year to compare future Scope 2 emissions against.

Scope 3 category 3: Fuel-and-energy-related activities (not included in Scope 1 or 2)

(7.5.1) Base year end

12/31/2023

(7.5.2) Base year emissions (metric tons CO2e)

96806000

(7.5.3) Methodological details

Fortis has not established Scope 3 targets. Full Scope 3 emissions from Category 3 were disclosed for the first time in 2023, therefore, 2023 is an appropriate base year.

Scope 3 category 11: Use of sold products

(7.5.1) Base year end

12/31/2020

(7.5.2) Base year emissions (metric tons CO2e)

16045000

(7.5.3) Methodological details

Fortis has not established Scope 3 targets. Full Scope 3 emissions from Category 11 were disclosed for the first time in 2020, therefore 2020 is an appropriate base year.
[Fixed row]

(7.6) What were your organization's gross global Scope 1 emissions in metric tons CO2e?

Reporting year

(7.6.1) Gross global Scope 1 emissions (metric tons CO2e)

8155000

(7.6.3) Methodological details

For Scope 1 inventory, where available, Fortis utilities reference GHG data primarily from emissions monitoring systems that are used to satisfy regulatory reporting requirements. When regulatory submitted data is not available, Fortis utilities employ the best available activity data and fuel combustion emission factors to calculate relevant emissions. Fuel combustion emission factors are sourced from publicly available resources including, but not limited to, the Emission Factors for Greenhouse Gas Inventories by the U.S. Environmental Protection Agency and the 2006 IPCC Guidelines for National Greenhouse Gas Inventories. Fortis completed the sale of Aitken Creek on November 1, 2023. 2023 data from Aitken Creek is based on an estimate using 10 months of 2022 data.

Past year 1

(7.6.1) Gross global Scope 1 emissions (metric tons CO2e)

8748000

(7.6.2) End date

12/31/2022

(7.6.3) Methodological details

For Scope 1 inventory, where available, Fortis utilities reference GHG data primarily from emissions monitoring systems that is used to satisfy regulatory reporting requirements. When regulatorily submitted data is not available, Fortis utilities employ the best available activity data and fuel combustion emission factors to calculate relevant emissions. Fuel combustion emission factors are sourced from publicly available resources including, but not limited to, the Emission Factors for Greenhouse Gas Inventories by the U.S. Environmental Protection Agency and the 2006 IPCC Guidelines for National Greenhouse Gas Inventories.

Past year 2

(7.6.1) Gross global Scope 1 emissions (metric tons CO2e)

9742000

(7.6.2) End date

12/31/2021

(7.6.3) Methodological details

For Scope 1 inventory, where available, Fortis utilities reference GHG data primarily from emissions monitoring systems that is used to satisfy regulatory reporting requirements. When regulatorily submitted data is not available, Fortis utilities employ the best available activity data and fuel combustion emission factors to calculate relevant emissions. Fuel combustion emission factors are sourced from publicly available resources including, but not limited to, the Emission Factors for Greenhouse Gas Inventories by the U.S. Environmental Protection Agency and the 2006 IPCC Guidelines for National Greenhouse Gas Inventories.

Past year 3

(7.6.1) Gross global Scope 1 emissions (metric tons CO2e)

10418000

(7.6.2) End date

12/31/2020

(7.6.3) Methodological details

For Scope 1 inventory, where available, Fortis utilities reference GHG data primarily from emissions monitoring systems that is used to satisfy regulatory reporting requirements. When regulatorily submitted data is not available, Fortis utilities employ the best available activity data and fuel combustion emission factors to calculate relevant emissions. Fuel combustion emission factors are sourced from publicly available resources including, but not limited to, the Emission Factors for Greenhouse Gas Inventories by the U.S. Environmental Protection Agency and the 2006 IPCC Guidelines for National Greenhouse Gas Inventories.

Past year 4

(7.6.1) Gross global Scope 1 emissions (metric tons CO2e)

12308000

(7.6.2) End date

12/31/2019

(7.6.3) Methodological details

For Scope 1 inventory, where available, Fortis utilities reference GHG data primarily from emissions monitoring systems that is used to satisfy regulatory reporting requirements. When regulatorily submitted data is not available, Fortis utilities employ the best available activity data and fuel combustion emission factors to calculate relevant emissions. Fuel combustion emission factors are sourced from publicly available resources including, but not limited to, the Emission Factors for Greenhouse Gas Inventories by the U.S. Environmental Protection Agency and the 2006 IPCC Guidelines for National Greenhouse Gas Inventories.
[Fixed row]

(7.7) What were your organization’s gross global Scope 2 emissions in metric tons CO2e?

Reporting year

(7.7.1) Gross global Scope 2, location-based emissions (metric tons CO2e)

158000

(7.7.2) Gross global Scope 2, market-based emissions (metric tons CO2e) (if applicable)

158000

(7.7.4) Methodological details

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, like the Emissions & Generation Resource Integrated Database (eGRID).

Past year 1

(7.7.2) Gross global Scope 2, market-based emissions (metric tons CO2e) (if applicable)

179000

(7.7.3) End date

12/31/2022

(7.7.4) Methodological details

For 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, like the Emissions & Generation Resource Integrated Database (eGRID).

Past year 2

(7.7.2) Gross global Scope 2, market-based emissions (metric tons CO2e) (if applicable)

158000

(7.7.3) End date

12/31/2021

(7.7.4) Methodological details

For 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, like the Emissions & Generation Resource Integrated Database (eGRID).

Past year 3

(7.7.2) Gross global Scope 2, market-based emissions (metric tons CO2e) (if applicable)

173000

(7.7.3) End date

12/31/2020

(7.7.4) Methodological details

For 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, like the Emissions & Generation Resource Integrated Database (eGRID).

Past year 4

(7.7.2) Gross global Scope 2, market-based emissions (metric tons CO2e) (if applicable)

173000

(7.7.3) End date

12/31/2019

(7.7.4) Methodological details

For 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, like the Emissions & Generation Resource Integrated Database (eGRID).
[Fixed row]

(7.8) Account for your organization’s gross global Scope 3 emissions, disclosing and explaining any exclusions.

Purchased goods and services

(7.8.1) Evaluation status

Select from:

☑ Not relevant, explanation provided

(7.8.5) Please explain

In 2023, Fortis completed a project to identify material scope 3 emissions categories using the GHG Protocol Corporate Value Chain (scope 3) Accounting and Reporting Standard. Based on the analysis, the material scope 3 emissions categories for Fortis are category 3 (Fuel and Energy Related Activities) and 11 (Use of Sold Products). We report scope 3 emissions for our two material categories.

Capital goods

(7.8.1) Evaluation status

Select from:

☑ Not relevant, explanation provided

(7.8.5) Please explain

In 2023, Fortis completed a project to identify material scope 3 emissions categories using the GHG Protocol Corporate Value Chain (scope 3) Accounting and Reporting Standard. Based on the analysis, the material scope 3 emissions categories for Fortis are category 3 (Fuel and Energy Related Activities) and 11 (Use of Sold Products). We report scope 3 emissions for our two material categories.

Fuel-and-energy-related activities (not included in Scope 1 or 2)

(7.8.1) Evaluation status

Select from:

☑ Relevant, calculated

(7.8.2) Emissions in reporting year (metric tons CO2e)

96806000

(7.8.5) Please explain

Fortis prepares and reports Scope 3 emissions in accordance with the GHG Protocol.

Upstream transportation and distribution

(7.8.1) Evaluation status

Select from:

☑ Not relevant, explanation provided

(7.8.5) Please explain

Not applicable

Waste generated in operations

(7.8.1) Evaluation status

Select from:

☑ Not relevant, explanation provided

(7.8.5) Please explain

In 2023, Fortis completed a project to identify material scope 3 emissions categories using the GHG Protocol Corporate Value Chain (scope 3) Accounting and Reporting Standard. Based on the analysis, the material scope 3 emissions categories for Fortis are category 3 (Fuel and Energy Related Activities) and 11 (Use of Sold Products). We report scope 3 emissions for our two material categories.

Business travel

(7.8.1) Evaluation status

Select from:

☑ Not relevant, explanation provided

(7.8.5) Please explain

In 2023, Fortis completed a project to identify material scope 3 emissions categories using the GHG Protocol Corporate Value Chain (scope 3) Accounting and Reporting Standard. Based on the analysis, the material scope 3 emissions categories for Fortis are category 3 (Fuel and Energy Related Activities) and 11 (Use of Sold Products). We report scope 3 emissions for our two material categories.

Employee commuting

(7.8.1) Evaluation status

Select from:

☑ Not relevant, explanation provided

(7.8.5) Please explain

In 2023, Fortis completed a project to identify material scope 3 emissions categories using the GHG Protocol Corporate Value Chain (scope 3) Accounting and Reporting Standard. Based on the analysis, the material scope 3 emissions categories for Fortis are category 3 (Fuel and Energy Related Activities) and 11 (Use of Sold Products). We report scope 3 emissions for our two material categories.

Upstream leased assets

(7.8.1) Evaluation status

Select from:

☑ Not relevant, explanation provided

(7.8.5) Please explain

In 2023, Fortis completed a project to identify material scope 3 emissions categories using the GHG Protocol Corporate Value Chain (scope 3) Accounting and Reporting Standard. Based on the analysis, the material scope 3 emissions categories for Fortis are category 3 (Fuel and Energy Related Activities) and 11 (Use of Sold Products). We report scope 3 emissions for our two material categories.

Downstream transportation and distribution

(7.8.1) Evaluation status

Select from:

☑ Not relevant, explanation provided

(7.8.5) Please explain

In 2023, Fortis completed a project to identify material scope 3 emissions categories using the GHG Protocol Corporate Value Chain (scope 3) Accounting and Reporting Standard. Based on the analysis, the material scope 3 emissions categories for Fortis are category 3 (Fuel and Energy Related Activities) and 11 (Use of Sold Products). We report scope 3 emissions for our two material categories.

Processing of sold products

(7.8.1) Evaluation status

Select from:

☑ Not relevant, explanation provided

(7.8.5) Please explain

Not applicable

Use of sold products

(7.8.1) Evaluation status

Select from:

☑ Relevant, calculated

(7.8.2) Emissions in reporting year (metric tons CO2e)

16268000

(7.8.5) Please explain

Fortis prepares and reports Scope 3 emissions in accordance with the GHG Protocol.

End of life treatment of sold products

(7.8.1) Evaluation status

Select from:
☑ Not relevant, explanation provided

(7.8.5) Please explain

Not applicable

Downstream leased assets

(7.8.1) Evaluation status

Select from:
☑ Not relevant, explanation provided

(7.8.5) Please explain

Not applicable

Franchises

(7.8.1) Evaluation status

Select from:
☑ Not relevant, explanation provided

(7.8.5) Please explain

Not applicable

Investments

(7.8.1) Evaluation status

Select from:

☑ Not relevant, explanation provided

(7.8.5) Please explain

In 2023, Fortis completed a project to identify material scope 3 emissions categories using the GHG Protocol Corporate Value Chain (scope 3) Accounting and Reporting Standard. Based on the analysis, the material scope 3 emissions categories for Fortis are category 3 (Fuel and Energy Related Activities) and 11 (Use of Sold Products). We report scope 3 emissions for our two material categories.

Other (upstream)

(7.8.1) Evaluation status

Select from:

☑ Not relevant, explanation provided

(7.8.5) Please explain

Not applicable

Other (downstream)

(7.8.1) Evaluation status

Select from:

☑ Not relevant, explanation provided

(7.8.5) Please explain

Not applicable
[Fixed row]

(7.8.1) Disclose or restate your Scope 3 emissions data for previous years.

Past year 1

(7.8.1.1) End date

12/31/2022

(7.8.1.4) Scope 3: Fuel and energy-related activities (not included in Scopes 1 or 2) (metric tons CO2e)

90488000

(7.8.1.12) Scope 3: Use of sold products (metric tons CO2e)

17282000

(7.8.1.19) Comment

Fortis prepares and reports Scope 3 emissions in accordance with the GHG Protocol.

Past year 2

(7.8.1.1) End date

12/31/2021

(7.8.1.4) Scope 3: Fuel and energy-related activities (not included in Scopes 1 or 2) (metric tons CO2e)

80268000

(7.8.1.12) Scope 3: Use of sold products (metric tons CO2e)

17818000

(7.8.1.19) Comment

Fortis prepares and reports Scope 3 emissions in accordance with the GHG Protocol.

Past year 3

(7.8.1.1) End date

12/31/2020

(7.8.1.4) Scope 3: Fuel and energy-related activities (not included in Scopes 1 or 2) (metric tons CO2e)

87628000

(7.8.1.12) Scope 3: Use of sold products (metric tons CO2e)

16045000

(7.8.1.19) Comment

Fortis prepares and reports Scope 3 emissions in accordance with the GHG Protocol.

Past year 4

(7.8.1.1) End date

12/31/2019

(7.8.1.4) Scope 3: Fuel and energy-related activities (not included in Scopes 1 or 2) (metric tons CO2e)

100399000

(7.8.1.12) Scope 3: Use of sold products (metric tons CO2e)

17955000

(7.8.1.19) Comment

Fortis prepares and reports Scope 3 emissions in accordance with the GHG Protocol.
[Fixed row]

(7.9) Indicate the verification/assurance status that applies to your reported emissions.

	Verification/assurance status
Scope 1	*Select from:* ☑ Third-party verification or assurance process in place
Scope 2 (location-based or market-based)	*Select from:* ☑ Third-party verification or assurance process in place
Scope 3	*Select from:* ☑ No third-party verification or assurance

[Fixed row]

(7.9.1) Provide further details of the verification/assurance undertaken for your Scope 1 emissions, and attach the relevant statements.

Row 1

(7.9.1.1) Verification or assurance cycle in place

Select from:
☑ Annual process

(7.9.1.2) Status in the current reporting year

Select from:

☑ Complete

(7.9.1.3) Type of verification or assurance

Select from:

☑ Limited assurance

(7.9.1.4) Attach the statement

Fortis-Limited-Assurance-Report-FINAL.pdf

(7.9.1.5) Page/section reference

Pages 1-4

(7.9.1.6) Relevant standard

Select from:

☑ ISAE3000

(7.9.1.7) Proportion of reported emissions verified (%)

100

Row 2

(7.9.1.1) Verification or assurance cycle in place

Select from:

☑ Annual process

(7.9.1.2) Status in the current reporting year

Select from:

☑ Complete

(7.9.1.3) Type of verification or assurance

Select from:
☑ Limited assurance

(7.9.1.4) Attach the statement

Fortis-Limited-Assurance-Report-FINAL.pdf

(7.9.1.5) Page/section reference

Pages 1-4

(7.9.1.6) Relevant standard

Select from:
☑ ISAE 3410

(7.9.1.7) Proportion of reported emissions verified (%)

100
[Add row]

(7.9.2) Provide further details of the verification/assurance undertaken for your Scope 2 emissions and attach the relevant statements.

Row 1

(7.9.2.1) Scope 2 approach

Select from:
☑ Scope 2 location-based

(7.9.2.2) Verification or assurance cycle in place

Select from:

☑ Annual process

(7.9.2.3) Status in the current reporting year

Select from:

☑ Complete

(7.9.2.4) Type of verification or assurance

Select from:

☑ Limited assurance

(7.9.2.5) Attach the statement

Fortis-Limited-Assurance-Report-FINAL.pdf

(7.9.2.6) Page/ section reference

Pages 1-4

(7.9.2.7) Relevant standard

Select from:

☑ ISAE3000

(7.9.2.8) Proportion of reported emissions verified (%)

100

Row 2

(7.9.2.1) Scope 2 approach

Select from:

☑ Scope 2 location-based

(7.9.2.2) Verification or assurance cycle in place

Select from:

☑ Annual process

(7.9.2.3) Status in the current reporting year

Select from:

☑ Complete

(7.9.2.4) Type of verification or assurance

Select from:

☑ Limited assurance

(7.9.2.5) Attach the statement

Fortis-Limited-Assurance-Report-FINAL.pdf

(7.9.2.6) Page/ section reference

Pages 1-4

(7.9.2.7) Relevant standard

Select from:

☑ ISAE 3410

(7.9.2.8) Proportion of reported emissions verified (%)

100

Row 3

(7.9.2.1) Scope 2 approach

Select from:

☑ Scope 2 market-based

(7.9.2.2) Verification or assurance cycle in place

Select from:

☑ Annual process

(7.9.2.3) Status in the current reporting year

Select from:

☑ Complete

(7.9.2.4) Type of verification or assurance

Select from:

☑ Limited assurance

(7.9.2.5) Attach the statement

Fortis-Limited-Assurance-Report-FINAL.pdf

(7.9.2.6) Page/ section reference

Pages 1-4

(7.9.2.7) Relevant standard

Select from:

☑ ISAE3000

(7.9.2.8) Proportion of reported emissions verified (%)

100

Row 4

(7.9.2.1) Scope 2 approach

Select from:
☑ Scope 2 market-based

(7.9.2.2) Verification or assurance cycle in place

Select from:
☑ Annual process

(7.9.2.3) Status in the current reporting year

Select from:
☑ Complete

(7.9.2.4) Type of verification or assurance

Select from:
☑ Limited assurance

(7.9.2.5) Attach the statement

Fortis-Limited-Assurance-Report-FINAL.pdf

(7.9.2.6) Page/ section reference

Pages 1-4

(7.9.2.7) Relevant standard

Select from:
☑ ISAE 3410

(7.9.2.8) Proportion of reported emissions verified (%)

100
[Add row]

(7.10) How do your gross global emissions (Scope 1 and 2 combined) for the reporting year compare to those of the previous reporting year?

Select from:
☑ Decreased

(7.10.1) Identify the reasons for any change in your gross global emissions (Scope 1 and 2 combined), and for each of them specify how your emissions compare to the previous year.

Change in renewable energy consumption

(7.10.1.1) Change in emissions (metric tons CO2e)

21000

(7.10.1.2) Direction of change in emissions

Select from:
☑ Decreased

(7.10.1.3) Emissions value (percentage)

0.24

(7.10.1.4) Please explain calculation

Change in emissions (21,000 MT CO2e) divided by 2022 total scope 1 2 emissions (8,927,000 MT CO2e)

Change in output

(7.10.1.1) Change in emissions (metric tons CO2e)

482000

(7.10.1.2) Direction of change in emissions

Select from:
☑ Decreased

(7.10.1.3) Emissions value (percentage)

5.4

(7.10.1.4) Please explain calculation

Change in emissions (482,000 MT CO2e) divided by 2022 total scope 1 2 emissions (8,927,000 MT CO2e)

Other

(7.10.1.1) Change in emissions (metric tons CO2e)

111000

(7.10.1.2) Direction of change in emissions

Select from:
☑ Decreased

(7.10.1.3) Emissions value (percentage)

1.24

(7.10.1.4) Please explain calculation

Change in emissions (111,000 MT CO2e) divided by 2022 total scope 1 2 emissions (8,927,000 MT CO2e)
[Fixed row]

(7.10.2) Are your emissions performance calculations in 7.10 and 7.10.1 based on a location-based Scope 2 emissions figure or a market-based Scope 2 emissions figure?

Select from:
☑ Market-based

(7.12) Are carbon dioxide emissions from biogenic carbon relevant to your organization?

Select from:
☑ No

(7.15) Does your organization break down its Scope 1 emissions by greenhouse gas type?

Select from:
☑ Yes

(7.15.1) Break down your total gross global Scope 1 emissions by greenhouse gas type and provide the source of each used global warming potential (GWP).

Row 1

(7.15.1.1) Greenhouse gas

Select from:
☑ CO2

(7.15.1.2) Scope 1 emissions (metric tons of CO2e)

7983000

(7.15.1.3) GWP Reference

Select from:

☑ IPCC Fourth Assessment Report (AR4 - 100 year)

Row 2

(7.15.1.1) Greenhouse gas

Select from:

☑ CH4

(7.15.1.2) Scope 1 emissions (metric tons of CO2e)

123000

(7.15.1.3) GWP Reference

Select from:

☑ IPCC Fourth Assessment Report (AR4 - 100 year)

Row 3

(7.15.1.1) Greenhouse gas

Select from:

☑ N2O

(7.15.1.2) Scope 1 emissions (metric tons of CO2e)

24000

(7.15.1.3) GWP Reference

Select from:
☑ IPCC Fourth Assessment Report (AR4 - 100 year)

Row 4

(7.15.1.1) Greenhouse gas

Select from:
☑ SF6

(7.15.1.2) Scope 1 emissions (metric tons of CO2e)

25000

(7.15.1.3) GWP Reference

Select from:
☑ IPCC Fourth Assessment Report (AR4 - 100 year)
[Add row]

(7.16) Break down your total gross global Scope 1 and 2 emissions by country/area.

	Scope 1 emissions (metric tons CO2e)	Scope 2, location-based (metric tons CO2e)	Scope 2, market-based (metric tons CO2e)
Belize	*0*	*0*	*0*
Canada	*237000*	*50000*	*50000*
Cayman Islands	*486000*	*0*	*0*
Turks and Caicos Islands	*209000*	*0*	*0*

	Scope 1 emissions (metric tons CO2e)	Scope 2, location-based (metric tons CO2e)	Scope 2, market-based (metric tons CO2e)
United States of America	*7223000*	*108000*	*108000*

[Fixed row]

(7.17) Indicate which gross global Scope 1 emissions breakdowns you are able to provide.

Select all that apply

☑ By activity

(7.19) Break down your organization’s total gross global Scope 1 emissions by sector production activity in metric tons CO2e.

Electric utility activities

(7.19.1) Gross Scope 1 emissions, metric tons CO2e

7922000

(7.19.3) Comment

Fortis is a well-diversified leader in the North American regulated electric and gas utility industry. In addition to the electric utility activities' Scope 1 emissions, natural gas operations' gross Scope 1 emissions were 233,000 metric tonnes CO2e in 2023.
[Fixed row]

(7.20) Indicate which gross global Scope 2 emissions breakdowns you are able to provide.

Select all that apply

☑ By activity

(7.20.3) Break down your total gross global Scope 2 emissions by business activity.

	Activity	Scope 2, location-based (metric tons CO2e)	Scope 2, market-based (metric tons CO2e)
Row 1	*Electric utility activities*	*156000*	*156000*
Row 2	*Gas utility activities*	*2000*	*2000*

[Add row]

(7.22) Break down your gross Scope 1 and Scope 2 emissions between your consolidated accounting group and other entities included in your response.

Consolidated accounting group

(7.22.1) Scope 1 emissions (metric tons CO2e)

8155000

(7.22.2) Scope 2, location-based emissions (metric tons CO2e)

158000

(7.22.3) Scope 2, market-based emissions (metric tons CO2e)

158000

(7.22.4) Please explain

The GHG inventory is consolidated using the financial control approach across Fortis operations.

All other entities

(7.22.1) Scope 1 emissions (metric tons CO2e)

0

(7.22.2) Scope 2, location-based emissions (metric tons CO2e)

0

(7.22.3) Scope 2, market-based emissions (metric tons CO2e)

0

(7.22.4) Please explain

The GHG inventory is consolidated using the financial control approach across Fortis operations. In situations where Fortis does not have financial control of an entity, those emissions are not accounted for, in accordance with the GHG Protocol approach for financial control.
[Fixed row]

(7.23) Is your organization able to break down your emissions data for any of the subsidiaries included in your CDP response?

Select from:
☑ Yes

(7.23.1) Break down your gross Scope 1 and Scope 2 emissions by subsidiary.

Row 1

(7.23.1.1) Subsidiary name

Caribbean Utilities Co.

(7.23.1.2) Primary activity

Select from:

☑ Energy services & equipment

(7.23.1.12) Scope 1 emissions (metric tons CO2e)

486000

(7.23.1.13) Scope 2, location-based emissions (metric tons CO2e)

0

(7.23.1.14) Scope 2, market-based emissions (metric tons CO2e)

0

(7.23.1.15) Comment

Integrated electric - Grand Cayman

Row 2

(7.23.1.1) Subsidiary name

Central Hudson

(7.23.1.2) Primary activity

Select from:

☑ Energy services & equipment

(7.23.1.12) Scope 1 emissions (metric tons CO2e)

26000

(7.23.1.13) Scope 2, location-based emissions (metric tons CO2e)

34000

(7.23.1.14) Scope 2, market-based emissions (metric tons CO2e)

34000

(7.23.1.15) Comment

Electric transmission and distribution, and natural gas distribution - New York State

Row 3

(7.23.1.1) Subsidiary name

FortisAlberta

(7.23.1.2) Primary activity

Select from:
☑ Energy services & equipment

(7.23.1.12) Scope 1 emissions (metric tons CO2e)

8000

(7.23.1.13) Scope 2, location-based emissions (metric tons CO2e)

5000

(7.23.1.14) Scope 2, market-based emissions (metric tons CO2e)

5000

(7.23.1.15) Comment

Electric distribution - Alberta

Row 4

(7.23.1.1) Subsidiary name

FortisBC

(7.23.1.2) Primary activity

Select from:
☑ Gas utilities

(7.23.1.12) Scope 1 emissions (metric tons CO2e)

143000

(7.23.1.13) Scope 2, location-based emissions (metric tons CO2e)

9000

(7.23.1.14) Scope 2, market-based emissions (metric tons CO2e)

9000

(7.23.1.15) Comment

Natural gas transmission and distribution and integrated electric - British Columbia

Row 5

(7.23.1.1) Subsidiary name

Fortis Belize

(7.23.1.2) Primary activity

Select from:

☑ Energy services & equipment

(7.23.1.12) Scope 1 emissions (metric tons CO2e)

0

(7.23.1.13) Scope 2, location-based emissions (metric tons CO2e)

0

(7.23.1.14) Scope 2, market-based emissions (metric tons CO2e)

0

(7.23.1.15) Comment

Three hydroelectric generation facilities - Belize

Row 6

(7.23.1.1) Subsidiary name

FortisOntario

(7.23.1.2) Primary activity

Select from:
☑ Energy services & equipment

(7.23.1.12) Scope 1 emissions (metric tons CO2e)

9000

(7.23.1.13) Scope 2, location-based emissions (metric tons CO2e)

2000

(7.23.1.14) Scope 2, market-based emissions (metric tons CO2e)

2000

(7.23.1.15) Comment

Integrated electric - Ontario

Row 7

(7.23.1.1) Subsidiary name

FortisTCI

(7.23.1.2) Primary activity

Select from:
☑ Energy services & equipment

(7.23.1.12) Scope 1 emissions (metric tons CO2e)

209000

(7.23.1.13) Scope 2, location-based emissions (metric tons CO2e)

0

(7.23.1.14) Scope 2, market-based emissions (metric tons CO2e)

0

(7.23.1.15) Comment

Integrated electric - Turks and Caicos Islands

Row 8

(7.23.1.1) Subsidiary name

ITC Holdings Corp.

(7.23.1.2) Primary activity

Select from:

☑ Energy services & equipment

(7.23.1.12) Scope 1 emissions (metric tons CO2e)

26000

(7.23.1.13) Scope 2, location-based emissions (metric tons CO2e)

7000

(7.23.1.14) Scope 2, market-based emissions (metric tons CO2e)

7000

(7.23.1.15) Comment

Electric transmission - Michigan, Iowa, Minnesota, Illinois, Missouri, Kansas, Oklahoma and Wisconsin

Row 9

(7.23.1.1) Subsidiary name

Maritime Electric

(7.23.1.2) Primary activity

Select from:

☑ Energy services & equipment

(7.23.1.12) Scope 1 emissions (metric tons CO2e)

5000

(7.23.1.13) Scope 2, location-based emissions (metric tons CO2e)

14000

(7.23.1.14) Scope 2, market-based emissions (metric tons CO2e)

14000

(7.23.1.15) Comment

Integrated electric - Prince Edward Island

Row 10

(7.23.1.1) Subsidiary name

Newfoundland Power

(7.23.1.2) Primary activity

Select from:
☑ Energy services & equipment

(7.23.1.12) Scope 1 emissions (metric tons CO2e)

8000

(7.23.1.13) Scope 2, location-based emissions (metric tons CO2e)

20000

(7.23.1.14) Scope 2, market-based emissions (metric tons CO2e)

20000

(7.23.1.15) Comment

Integrated electric - Newfoundland and Labrador

Row 11

(7.23.1.1) Subsidiary name

UNS Energy

(7.23.1.2) Primary activity

Select from:

☑ Energy services & equipment

(7.23.1.12) Scope 1 emissions (metric tons CO2e)

7171000

(7.23.1.13) Scope 2, location-based emissions (metric tons CO2e)

67000

(7.23.1.14) Scope 2, market-based emissions (metric tons CO2e)

67000

(7.23.1.15) Comment

Integrated electric and natural gas distribution - Arizona

Row 12

(7.23.1.1) Subsidiary name

Aitken Creek Gas Storage

(7.23.1.2) Primary activity

Select from:
☑ Gas utilities

(7.23.1.12) Scope 1 emissions (metric tons CO2e)

64000

(7.23.1.13) Scope 2, location-based emissions (metric tons CO2e)

0

(7.23.1.14) Scope 2, market-based emissions (metric tons CO2e)

0

(7.23.1.15) Comment

Aitken Creek natural gas storage facility - British Columbia
[Add row]

(7.27) What are the challenges in allocating emissions to different customers, and what would help you to overcome these challenges?

Row 1

(7.27.1) Allocation challenges

Select from:
☑ Customer base is too large and diverse to accurately track emissions to the customer level

Row 2

(7.27.1) Allocation challenges

Select from:

☑ Managing the different emission factors of diverse and numerous geographies makes calculating total footprint difficult

[Add row]

(7.28) Do you plan to develop your capabilities to allocate emissions to your customers in the future?

	Do you plan to develop your capabilities to allocate emissions to your customers in the future?
	Select from: ☑ No

[Fixed row]

(7.29) What percentage of your total operational spend in the reporting year was on energy?

Select from:

☑ More than 40% but less than or equal to 45%

(7.30) Select which energy-related activities your organization has undertaken.

	Indicate whether your organization undertook this energy-related activity in the reporting year
Consumption of purchased or acquired electricity	*Select from:* ☑ Yes
Generation of electricity, heat, steam, or cooling	*Select from:* ☑ Yes

[Fixed row]

(7.30.14) Provide details on the electricity, heat, steam, and/or cooling amounts that were accounted for at a zero or near-zero emission factor in the market-based Scope 2 figure reported in 7.7.

Row 1

(7.30.14.1) Country/area

Select from:

☑ Canada

(7.30.14.2) Sourcing method

Select from:

☑ Physical power purchase agreement (physical PPA) with a grid-connected generator

(7.30.14.3) Energy carrier

Select from:

☑ Electricity

(7.30.14.4) Low-carbon technology type

Select from:

☑ Hydropower (capacity unknown)

(7.30.14.6) Tracking instrument used

Select from:

☑ Contract

(7.30.14.7) Country/area of origin (generation) of the low-carbon energy or energy attribute

Select from:

☑ Canada

(7.30.14.8) Are you able to report the commissioning or re-powering year of the energy generation facility?

Select from:

☑ No

Row 2

(7.30.14.1) Country/area

Select from:

☑ United States of America

(7.30.14.2) Sourcing method

Select from:

☑ Physical power purchase agreement (physical PPA) with a grid-connected generator

(7.30.14.3) Energy carrier

Select from:

☑ Electricity

(7.30.14.4) Low-carbon technology type

Select from:

☑ Solar

(7.30.14.6) Tracking instrument used

Select from:

☑ Contract

(7.30.14.7) Country/area of origin (generation) of the low-carbon energy or energy attribute

Select from:

☑ United States of America

(7.30.14.8) Are you able to report the commissioning or re-powering year of the energy generation facility?

Select from:

☑ No

Row 3

(7.30.14.1) Country/area

Select from:

☑ United States of America

(7.30.14.2) Sourcing method

Select from:

☑ Physical power purchase agreement (physical PPA) with a grid-connected generator

(7.30.14.3) Energy carrier

Select from:

☑ Electricity

(7.30.14.4) Low-carbon technology type

Select from:
☑ Wind

(7.30.14.6) Tracking instrument used

Select from:
☑ Contract

(7.30.14.7) Country/area of origin (generation) of the low-carbon energy or energy attribute

Select from:
☑ United States of America

(7.30.14.8) Are you able to report the commissioning or re-powering year of the energy generation facility?

Select from:
☑ No
[Add row]

(7.30.16) Provide a breakdown by country/area of your electricity/heat/steam/cooling consumption in the reporting year.

	Total electricity/heat/steam/cooling energy consumption (MWh)
Belize	*0.00*
Canada	*0.00*

	Total electricity/heat/steam/cooling energy consumption (MWh)
Cayman Islands	*0.00*
Turks and Caicos Islands	*0.00*
United States of America	*0.00*

[Fixed row]

(7.33) Does your electric utility organization have a transmission and distribution business?

Select from:

☑ Yes

(7.33.1) Disclose the following information about your transmission and distribution business.

Row 1

(7.33.1.1) Country/area/region

Select from:

☑ Canada

(7.33.1.2) Voltage level

Select from:

☑ Transmission (high voltage)

(7.33.1.7) Length of network (km)

2900

Row 2

(7.33.1.1) Country/area/region

Select from:

☑ Canada

(7.33.1.2) Voltage level

Select from:

☑ Distribution (low voltage)

(7.33.1.7) Length of network (km)

116500

Row 3

(7.33.1.1) Country/area/region

Select from:

☑ United States of America

(7.33.1.2) Voltage level

Select from:

☑ Transmission (high voltage)

(7.33.1.7) Length of network (km)

31200

Row 4

(7.33.1.1) Country/area/region

Select from:

☑ United States of America

(7.33.1.2) Voltage level

Select from:

☑ Distribution (low voltage)

(7.33.1.7) Length of network (km)

33300

Row 5

(7.33.1.1) Country/area/region

Select from:

☑ Cayman Islands

(7.33.1.2) Voltage level

Select from:

☑ Distribution (low voltage)

(7.33.1.7) Length of network (km)

100

(7.33.1.10) Comment

The length of network includes low voltage distribution for Cayman Islands and Turks and Caicos Islands.

Row 6

(7.33.1.1) Country/area/region

Select from:
☑ Turks and Caicos Islands

(7.33.1.2) Voltage level

Select from:
☑ Distribution (low voltage)

(7.33.1.7) Length of network (km)

1300

(7.33.1.10) Comment

The length of network includes high voltage transmission for Cayman Islands and Turks and Caicos Islands.
[Add row]

(7.45) Describe your gross global combined Scope 1 and 2 emissions for the reporting year in metric tons CO2e per unit currency total revenue and provide any additional intensity metrics that are appropriate to your business operations.

Row 1

(7.45.1) Intensity figure

0.000721803

(7.45.2) Metric numerator (Gross global combined Scope 1 and 2 emissions, metric tons CO2e)

8313000

(7.45.3) Metric denominator

Select from:
☑ unit total revenue

(7.45.4) Metric denominator: Unit total

11517000000

(7.45.5) Scope 2 figure used

Select from:

☑ Market-based

(7.45.6) % change from previous year

11.06

(7.45.7) Direction of change

Select from:

☑ Decreased

(7.45.8) Reasons for change

Select all that apply

☑ Other emissions reduction activities

(7.45.9) Please explain

Combined GHG intensity of energy delivered to customers (ktonnes of CO2 equivalent per PJ) - 7.28 Numerator: Total gross scope 1 and 2 emissions Denominator: Total electric and gas deliveries Average GHG intensity of electricity generated by Fortis (ktonnes of CO2 equivalent per GWh) - 0.50 Numerator: Scope 1 emissions from electricity generation Denominator: Total net electricity generation CDP does not allow for the option to provide these rates with the numerator and denominator inputs.
[Add row]

(7.46) For your electric utility activities, provide a breakdown of your Scope 1 emissions and emissions intensity relating to your total power plant capacity and generation during the reporting year by source.

Coal – hard

(7.46.1) Absolute scope 1 emissions (metric tons CO2e)

3811000

(7.46.2) Emissions intensity based on gross or net electricity generation

Select from:
☑ Net

(7.46.4) Scope 1 emissions intensity (Net generation)

1022.54

Oil

(7.46.1) Absolute scope 1 emissions (metric tons CO2e)

698000

(7.46.2) Emissions intensity based on gross or net electricity generation

Select from:
☑ Net

(7.46.4) Scope 1 emissions intensity (Net generation)

652.34

Gas

(7.46.1) Absolute scope 1 emissions (metric tons CO2e)

3345000

(7.46.2) Emissions intensity based on gross or net electricity generation

Select from:

☑ Net

(7.46.4) Scope 1 emissions intensity (Net generation)

415.01

Hydropower

(7.46.1) Absolute scope 1 emissions (metric tons CO2e)

0

(7.46.2) Emissions intensity based on gross or net electricity generation

Select from:

☑ Net

(7.46.3) Scope 1 emissions intensity (Gross generation)

0.00

(7.46.4) Scope 1 emissions intensity (Net generation)

0.00

Wind

(7.46.1) Absolute scope 1 emissions (metric tons CO2e)

0

(7.46.2) Emissions intensity based on gross or net electricity generation

Select from:

☑ Net

(7.46.3) Scope 1 emissions intensity (Gross generation)

0.00

(7.46.4) Scope 1 emissions intensity (Net generation)

0.00

Solar

(7.46.1) Absolute scope 1 emissions (metric tons CO2e)

0

(7.46.2) Emissions intensity based on gross or net electricity generation

Select from:

☑ Net

(7.46.3) Scope 1 emissions intensity (Gross generation)

0.00

(7.46.4) Scope 1 emissions intensity (Net generation)

0.00

Total

(7.46.1) Absolute scope 1 emissions (metric tons CO2e)

7854000

(7.46.2) Emissions intensity based on gross or net electricity generation

Select from:

☑ Net

(7.46.4) Scope 1 emissions intensity (Net generation)

500.48
[Fixed row]

(7.53) Did you have an emissions target that was active in the reporting year?

Select all that apply

☑ Absolute target

(7.53.1) Provide details of your absolute emissions targets and progress made against those targets.

Row 1

(7.53.1.1) Target reference number

Select from:

☑ Abs 1

(7.53.1.2) Is this a science-based target?

Select from:

☑ No, and we do not anticipate setting one in the next two years

(7.53.1.5) Date target was set

09/23/2020

(7.53.1.6) Target coverage

Select from:

☑ Organization-wide

(7.53.1.7) Greenhouse gases covered by target

Select all that apply

☑ Carbon dioxide (CO2)

☑ Methane (CH4)

☑ Nitrous oxide (N2O)

☑ Sulphur hexafluoride (SF6)

(7.53.1.8) Scopes

Select all that apply

☑ Scope 1

(7.53.1.11) End date of base year

12/31/2019

(7.53.1.12) Base year Scope 1 emissions covered by target (metric tons CO2e)

12308000

(7.53.1.31) Base year total Scope 3 emissions covered by target (metric tons CO2e)

0.000

(7.53.1.32) Total base year emissions covered by target in all selected Scopes (metric tons CO2e)

12308000.000

(7.53.1.33) Base year Scope 1 emissions covered by target as % of total base year emissions in Scope 1

100

(7.53.1.53) Base year emissions covered by target in all selected Scopes as % of total base year emissions in all selected Scopes

100

(7.53.1.54) End date of target

12/31/2035

(7.53.1.55) Targeted reduction from base year (%)

75

(7.53.1.56) Total emissions at end date of target covered by target in all selected Scopes (metric tons CO2e)

3077000.000

(7.53.1.57) Scope 1 emissions in reporting year covered by target (metric tons CO2e)

8155000

(7.53.1.77) Total emissions in reporting year covered by target in all selected scopes (metric tons CO2e)

8155000.000

(7.53.1.78) Land-related emissions covered by target

Select from:

☑ No, it does not cover any land-related emissions (e.g. non-FLAG SBT)

(7.53.1.79) % of target achieved relative to base year

44.99

(7.53.1.80) Target status in reporting year

Select from:

☑ Underway

(7.53.1.82) Explain target coverage and identify any exclusions

Excludes immaterial emissions sources (

(7.53.1.83) Target objective

Delivering a cleaner energy future is a key priority for Fortis. This priority is highlighted in our target to reduce carbon emissions across Fortis by 75% by 2035 from a 2019 base year.

(7.53.1.84) Plan for achieving target, and progress made to the end of the reporting year

The Fortis carbon emissions reduction target will largely be achieved through Tucson Electric Power's carbon emissions reduction plan. TEP is the most significant contributor to Scope 1 emissions within the Fortis group of companies. TEP is a vertically integrated electric utility, and the largest generator within the Fortis group of companies. The utility is transitioning its energy mix to increase renewable energy sources while also supporting growing customer energy use. TEP's five-year 5.2 billion capital plan includes more than 2 billion for energy storage, renewables, and other investments that are associated with its exit from coal generation by 2032. The utility expects to retire its remaining coal generation by 2032 and plans to add over 2,200 MW of wind and solar generation and 1,300 MW of energy storage by 2038. This will be achieved through a mix of owned generation and purchased power agreements. TEP also plans to add 400 MW of natural gas generation to help offset the capacity lost from coal plant retirements and support greater use of wind and solar energy and growing customer demand. TEP's energy resources are expected to more than double over the next 15 years with new wind, solar, natural gas and storage systems.

(7.53.1.85) Target derived using a sectoral decarbonization approach

Select from:

☑ No

Row 2

(7.53.1.1) Target reference number

Select from:

☑ Abs 2

(7.53.1.2) Is this a science-based target?

Select from:

☑ No, and we do not anticipate setting one in the next two years

(7.53.1.5) Date target was set

05/04/2022

(7.53.1.6) Target coverage

Select from:

☑ Organization-wide

(7.53.1.7) Greenhouse gases covered by target

Select all that apply

☑ Carbon dioxide (CO2)

☑ Methane (CH4)

☑ Nitrous oxide (N2O)

☑ Sulphur hexafluoride (SF6)

(7.53.1.8) Scopes

Select all that apply

☑ Scope 1

(7.53.1.11) End date of base year

12/31/2019

(7.53.1.12) Base year Scope 1 emissions covered by target (metric tons CO2e)

12308000

(7.53.1.31) Base year total Scope 3 emissions covered by target (metric tons CO2e)

0.000

(7.53.1.32) Total base year emissions covered by target in all selected Scopes (metric tons CO2e)

12308000.000

(7.53.1.33) Base year Scope 1 emissions covered by target as % of total base year emissions in Scope 1

100

(7.53.1.53) Base year emissions covered by target in all selected Scopes as % of total base year emissions in all selected Scopes

100

(7.53.1.54) End date of target

12/31/2030

(7.53.1.55) Targeted reduction from base year (%)

50

(7.53.1.56) Total emissions at end date of target covered by target in all selected Scopes (metric tons CO2e)

6154000.000

(7.53.1.57) Scope 1 emissions in reporting year covered by target (metric tons CO2e)

8155000

(7.53.1.77) Total emissions in reporting year covered by target in all selected scopes (metric tons CO2e)

8155000.000

(7.53.1.78) Land-related emissions covered by target

Select from:

☑ No, it does not cover any land-related emissions (e.g. non-FLAG SBT)

(7.53.1.79) % of target achieved relative to base year

67.48

(7.53.1.80) Target status in reporting year

Select from:

☑ Underway

(7.53.1.82) Explain target coverage and identify any exclusions

Excludes immaterial emissions sources (

(7.53.1.83) Target objective

Delivering a cleaner energy future is a key priority for Fortis. This priority is highlighted in our target to reduce carbon emissions across Fortis by 50% by 2030 from a 2019 base year.

(7.53.1.85) Target derived using a sectoral decarbonization approach

Select from:

☑ No

[Add row]

(7.54) Did you have any other climate-related targets that were active in the reporting year?

Select all that apply

☑ Net-zero targets

(7.54.3) Provide details of your net-zero target(s).

Row 1

(7.54.3.1) Target reference number

Select from:

☑ NZ1

(7.54.3.2) Date target was set

05/04/2022

(7.54.3.3) Target Coverage

Select from:

☑ Organization-wide

(7.54.3.4) Targets linked to this net zero target

Select all that apply

☑ Abs1

☑ Abs2

(7.54.3.5) End date of target for achieving net zero

12/31/2050

(7.54.3.6) Is this a science-based target?

Select from:

☑ No, and we do not anticipate setting one in the next two years

(7.54.3.8) Scopes

Select all that apply

☑ Scope 1

(7.54.3.9) Greenhouse gases covered by target

Select all that apply

☑ Carbon dioxide (CO2)

☑ Methane (CH4)

☑ Nitrous oxide (N2O)

☑ Sulphur hexafluoride (SF6)

(7.54.3.10) Explain target coverage and identify any exclusions

Excludes immaterial emissions sources (

(7.54.3.11) Target objective

Fortis further demonstrated its commitment to build a clean energy future by announcing a 2050 net-zero direct greenhouse gas ("GHG") emissions target. With a clear path to achieve the Corporation's mid-term targets of reducing GHG emissions 50% by 2030 and 75% by 2035 compared to 2019 levels, the Corporation has established this additional target to reinforce its commitment to decarbonize over the long-term, while preserving customer reliability and affordability.

(7.54.3.12) Do you intend to neutralize any residual emissions with permanent carbon removals at the end of the target?

Select from:

☑ Unsure

(7.54.3.13) Do you plan to mitigate emissions beyond your value chain?

Select from:

☑ No, and we do not plan to within the next two years

(7.54.3.17) Target status in reporting year

Select from:

☑ Underway

[Add row]

(7.55) Did you have emissions reduction initiatives that were active within the reporting year? Note that this can include those in the planning and/or implementation phases.

Select from:

☑ Yes

(7.55.1) Identify the total number of initiatives at each stage of development, and for those in the implementation stages, the estimated CO2e savings.

	Number of initiatives
Implementation commenced	*5*

[Fixed row]

(7.55.2) Provide details on the initiatives implemented in the reporting year in the table below.

Row 1

(7.55.2.1) Initiative category & Initiative type

Fugitive emissions reductions

☑ Oil/natural gas methane leak capture/prevention

(7.55.2.3) Scope(s) or Scope 3 category(ies) where emissions savings occur

Select all that apply

☑ Scope 1

(7.55.2.4) Voluntary/Mandatory

Select from:

☑ Voluntary

(7.55.2.9) Comment

FortisBC's action plan to improve measurement and mitigation of methane emissions include: Investing more than 60 million annually to inspect, repair, upgrade and replace equipment; piloting new technology, including satellite leak detection; increasing the frequency of methane measurement to improve leak detection; and, investing approximately 5.8 million in capital improvements in 2023 and 2024 to reduce methane emissions in its compression fleet. Estimated methane emissions from compressor stations are expected to decrease 80% by 2025.

Row 2

(7.55.2.1) Initiative category & Initiative type

Fugitive emissions reductions

☑ Other, please specify**:** Initiative to decrease use of SF6 in high voltage circuit breakers.

(7.55.2.3) Scope(s) or Scope 3 category(ies) where emissions savings occur

Select all that apply

☑ Scope 1

(7.55.2.4) Voluntary/Mandatory

Select from:

☑ Voluntary

(7.55.2.9) Comment

Newfoundland Power recently piloted a new type of high voltage circuit breaker (66kV) to replace its SF6 breakers. SF6 is considered a potent GHG gas. The new breaker being piloted uses a vacuum instead of SF6 gas. If the pilot is successful, the new breakers may be used more broadly across the company.

Row 3

(7.55.2.1) Initiative category & Initiative type

Low-carbon energy consumption

☑ Low-carbon electricity mix

(7.55.2.3) Scope(s) or Scope 3 category(ies) where emissions savings occur

Select all that apply

☑ Scope 2 (location-based)

☑ Scope 2 (market-based)

☑ Scope 3 category 3: Fuel-and-energy-related activities (not included in Scopes 1 or 2)

(7.55.2.4) Voluntary/Mandatory

Select from:

☑ Voluntary

(7.55.2.9) Comment

Renewable energy purchased and resold for customer use increased in 2023, indicating our grids are delivering a cleaner energy mix to customers.

Row 4

(7.55.2.1) Initiative category & Initiative type

Low-carbon energy consumption

☑ Low-carbon electricity mix

(7.55.2.3) Scope(s) or Scope 3 category(ies) where emissions savings occur

Select all that apply

☑ Scope 1

(7.55.2.4) Voluntary/Mandatory

Select from:

☑ Voluntary

(7.55.2.9) Comment

The shift in TEP's energy mix through new wind and solar energy sources and additional natural gas capacity has enabled coal retirements and seasonal operations of remaining coal generation facilities.

Row 5

(7.55.2.1) Initiative category & Initiative type

Company policy or behavioral change

☑ Customer engagement

(7.55.2.3) Scope(s) or Scope 3 category(ies) where emissions savings occur

Select all that apply

☑ Scope 1

☑ Scope 3 category 3: Fuel-and-energy-related activities (not included in Scopes 1 or 2)

(7.55.2.4) Voluntary/Mandatory

Select from:

☑ Mandatory

(7.55.2.9) Comment

Energy efficiency is one of the quickest and most cost effective GHG emissions mitigation options while lowering energy bills and strengthening energy security. Fortis utilities work with customers directly on their changing energy needs. For communities, businesses and individuals, being more energy efficient is critical to reduce costs and enhance sustainability.
[Add row]

(7.55.3) What methods do you use to drive investment in emissions reduction activities?

Row 1

(7.55.3.1) Method

Select from:
☑ Compliance with regulatory requirements/standards

Row 2

(7.55.3.1) Method

Select from:
☑ Dedicated budget for energy efficiency

Row 3

(7.55.3.1) Method

Select from:
☑ Dedicated budget for low-carbon product R&D

Row 4

(7.55.3.1) Method

Select from:
☑ Dedicated budget for other emissions reduction activities
[Add row]

(7.58) Describe your organization’s efforts to reduce methane emissions from your activities.

FortisBC's action plan to improve measurement and mitigation of methane emissions include: • Investing more than $60 million annually to inspect, repair, upgrade and replace equipment • Piloting new technology, including satellite leak detection • Increasing the frequency of methane measurement to improve leak detection • Investing approximately $5.8 million in capital improvements in 2023 and 2024 to reduce methane emissions in its compression fleet. Estimated methane emissions from compressor stations are expected to decrease 80% by 2025.

(7.73) Are you providing product level data for your organization's goods or services?

Select from:

☑ No, I am not providing data

(7.79) Has your organization canceled any project-based carbon credits within the reporting year?

Select from:

☑ No

C11. Environmental performance - Biodiversity

(11.2) What actions has your organization taken in the reporting year to progress your biodiversity-related commitments?

(11.2.1) Actions taken in the reporting period to progress your biodiversity-related commitments

Select from:

☑ Yes, we are taking actions to progress our biodiversity-related commitments

(11.2.2) Type of action taken to progress biodiversity- related commitments

Select all that apply

☑ Land/water protection

☑ Land/water management

☑ Species management

☑ Education & awareness

[Fixed row]

(11.3) Does your organization use biodiversity indicators to monitor performance across its activities?

	Does your organization use indicators to monitor biodiversity performance?
	Select from: ☑ No

[Fixed row]

(11.4) Does your organization have activities located in or near to areas important for biodiversity in the reporting year?

Legally protected areas

(11.4.1) Indicate whether any of your organization's activities are located in or near to this type of area important for biodiversity

Select from:

☑ Data not available

(11.4.2) Comment

This data is assessed at the local utility level, but has not yet been consolidated at the Fortis Inc. parent level.

UNESCO World Heritage sites

(11.4.1) Indicate whether any of your organization's activities are located in or near to this type of area important for biodiversity

Select from:

☑ Data not available

(11.4.2) Comment

This data is assessed at the local utility level, but has not yet been consolidated at the Fortis Inc. parent level.

UNESCO Man and the Biosphere Reserves

(11.4.1) Indicate whether any of your organization's activities are located in or near to this type of area important for biodiversity

Select from:

☑ Data not available

(11.4.2) Comment

This data is assessed at the local utility level, but has not yet been consolidated at the Fortis Inc. parent level.

Ramsar sites

(11.4.1) Indicate whether any of your organization's activities are located in or near to this type of area important for biodiversity

Select from:
☑ Data not available

(11.4.2) Comment

This data is assessed at the local utility level, but has not yet been consolidated at the Fortis Inc. parent level.

Key Biodiversity Areas

(11.4.1) Indicate whether any of your organization's activities are located in or near to this type of area important for biodiversity

Select from:
☑ Data not available

(11.4.2) Comment

This data is assessed at the local utility level, but has not yet been consolidated at the Fortis Inc. parent level.

Other areas important for biodiversity

(11.4.1) Indicate whether any of your organization's activities are located in or near to this type of area important for biodiversity

Select from:

☑ Yes

(11.4.2) Comment

Key aspects of our electricity and natural gas utility operations are overseen by independent regulators. These regulators hold our utilities accountable for operating in the public interest, including mitigating potential negative effects on areas important for biodiversity. Each Fortis utility has a dedicated team of environmental professionals who consider the environmental impacts of our operations and create and implement protection measures to preserve our natural environment. With nearly 250,000 kilometres of electricity lines and natural gas pipelines across North America, vegetation and wildlife management are key focus areas.
[Fixed row]

(11.4.1) Provide details of your organization's activities in the reporting year located in or near to areas important for biodiversity.

Row 1

(11.4.1.2) Types of area important for biodiversity

Select all that apply
☑ Other areas important for biodiversity

(11.4.1.4) Country/area

Select from:
☑ Belize

(11.4.1.5) Name of the area important for biodiversity

Chiquibul-Maya Mountain Massif

(11.4.1.6) Proximity

Select from:
☑ Adjacent

(11.4.1.8) Briefly describe your organization’s activities in the reporting year located in or near to the selected area

Fortis Belize is developing a shared management agreement in partnership with the Government of Belize and the Friends for Conservation and Development to protect a portion of the Chiquibul-Maya Mountain Massif. The full area comprises 1.25 million acres in southwestern Belize and is one of the largest intact blocks of tropical forest north of the Amazon. The mountains surround Fortis Belize’s hydro facilities on the Macal River, and conservation of the natural and cultural resources of the area is key to the sustainable development of Belize. The three groups are working in consultation on biodiversity planning and proposing land use restrictions to protect the natural environment.

(11.4.1.9) Indicate whether any of your organization’s activities located in or near to the selected area could negatively affect biodiversity

Select from:

☑ No

(11.4.1.11) Explain how your organization’s activities located in or near to the selected area could negatively affect biodiversity, how this was assessed, and describe any mitigation measures implemented

Not Applicable.

Row 2

(11.4.1.2) Types of area important for biodiversity

Select all that apply

☑ Other areas important for biodiversity

(11.4.1.4) Country/area

Select from:

☑ United States of America

(11.4.1.5) Name of the area important for biodiversity

Six states across the U.S. Midwest in accordance with the Federal Candidate Conservation Agreement with Assurances (CCAA) designed to engage energy companies in vital conservation efforts

(11.4.1.6) Proximity

Select from:

☑ Overlap

(11.4.1.8) Briefly describe your organization’s activities in the reporting year located in or near to the selected area

A CCAA is a formal agreement to address the conservation needs of at-risk species before they become listed as threatened or endangered under the Federal Endangered Species Act. Landowners voluntarily commit to conservation measures that help stabilize or restore the species with the goal that an endangered listing will become unnecessary. In keeping with a longtime commitment to conservation efforts and good land stewardship for the communities it serves, ITC has enrolled 98,000 acres across six states in this federal program to protect and grow habitat for the threatened monarch butterfly. The monarch butterfly is an important pollinator that has seen drastic population losses over the past 20 years — by as much as 80% for eastern populations of the butterfly and a shocking 99% for western populations.

(11.4.1.9) Indicate whether any of your organization’s activities located in or near to the selected area could negatively affect biodiversity

Select from:

☑ No

(11.4.1.11) Explain how your organization’s activities located in or near to the selected area could negatively affect biodiversity, how this was assessed, and describe any mitigation measures implemented

Not Applicable.
[Add row]

C13. Further information & sign off

(13.1) Indicate if any environmental information included in your CDP response (not already reported in 7.9.1/2/3, 8.9.1/2/3/4, and 9.3.2) is verified and/or assured by a third party?

	Other environmental information included in your CDP response is verified and/or assured by a third party
	Select from: ☑ Yes

[Fixed row]

(13.1.1) Which data points within your CDP response are verified and/or assured by a third party, and which standards were used?

Row 1

(13.1.1.1) Environmental issue for which data has been verified and/or assured

Select all that apply

☑ Climate change

(13.1.1.2) Disclosure module and data verified and/or assured

Environmental performance – Climate change

☑ Base year emissions

☑ Other data point in module 7, please specify **:**Scope 1 and 2 GHG emissions

(13.1.1.3) Verification/assurance standard

General standards

☑ CSAE 3000

Climate change-related standards

☑ CSAE 3410

(13.1.1.4) Further details of the third-party verification/assurance process

Our scope 1 and 2 emissions were assured at a limited level by a third party. The limited assurance audit was conducted in accordance with the Canadian Standard on Assurance Engagements 3000, Attestation Engagements Other Than Audits or Reviews of Historical Financial Information (CSAE 3000) and the Canadian Standard on Assurance Engagements 3410, Assurance on Greenhouse Gas Statements (CSAE 3410). In preparing for the limited assurance, Fortis applied the applicable guidance contained within the Greenhouse Gas Protocol.

(13.1.1.5) Attach verification/assurance evidence/report (optional)

23 - Fortis - Limited Assurance Report - Final.pdf

Row 2

(13.1.1.1) Environmental issue for which data has been verified and/or assured

Select all that apply

☑ Climate change

(13.1.1.2) Disclosure module and data verified and/or assured

Business strategy

☑ Scenario analysis

(13.1.1.3) Verification/assurance standard

Climate change-related standards

☑ Other climate change verification standard, please specify **:**An independent external and qualified consultant was utilized for our corporate-wide climate scenario analysis work.

(13.1.1.4) Further details of the third-party verification/assurance process

Our low emissions scenario considers the Intergovernmental Panel on Climate Change's (IPCC) SSP1-RCP2.6 scenario, which is largely consistent with the Canadian Energy Regulator's (CER) 2023 Canada's Energy Future: global net-zero scenario, ESMIA's 2022: net-zero by 2050 scenario, Princeton's Net-Zero America (NZA) Study I: E RE high electrification and 100% renewable scenario, the International Energy Agency's (IEA) 2023 World Energy Outlook (WEO): net zero emissions by 2050 scenario, the Latin America Energy Organization's (OLADE) 2022 Energy Outlook for Latin America and the Caribbean: PRO Net-0 H2 scenario and the International Renewable Energy Agency's (IRENA) 2022 Renewable Energy Roadmap for Central America: decarbonizing energy scenario. Our high emissions scenario considers the IPCC's SSP5-RCP8.5 scenario and the CER's 2023 Canada's Energy Future: current measures scenario, ESMIA's 2022: reference scenario, Princeton's NZA Study I: reference case scenario (no new policies), OLADE's 2022 Energy Outlook for Latin America and the Caribbean: business as usual scenario and IRENA 2022 Renewable Energy Roadmap for Central America: base energy scenario.
[Add row]

(13.3) Provide the following information for the person that has signed off (approved) your CDP response.

(13.3.1) Job title

Vice President, Sustainability and Climate Strategy

(13.3.2) Corresponding job category

Select from:

☑ Other C-Suite Officer
[Fixed row]