

A YEAR OF PROGRESS



**Carbon emissions reduction target of 75% by 2035** compared to 2019 levels<sup>1</sup>:

- Builds on our existing light emissions profile.
- Aligns with the goals of the Paris Agreement and exceeds the pace of reduction outlined in the two-degree Celsius pathway.

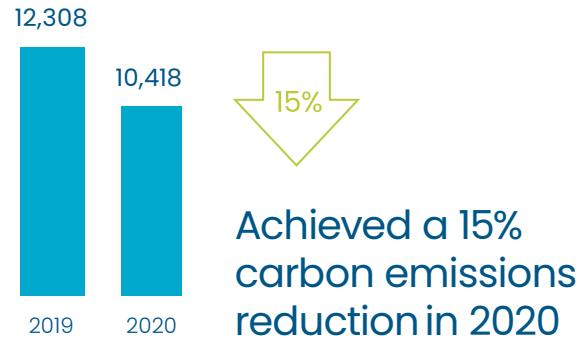
DELIVERING CLEANER ENERGY TO CUSTOMERS

More than \$800 million of our 2020 capital expenditures was **focused on delivering cleaner energy** to customers.

Natural gas customer **energy efficiency savings increased by 23%** over the previous year. FortisBC's commitment to reduce customer emissions 30% by 2030 includes a significant focus on efficiency programs.

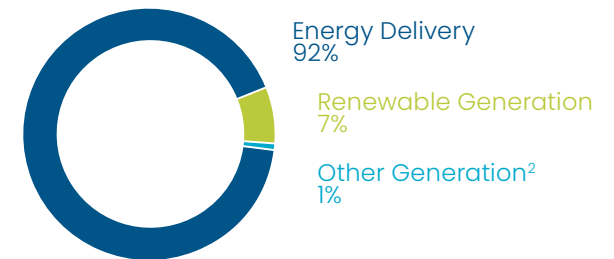
**Coal generation decreased by 18% over the previous year** and, by 2032, Fortis plans to have a coal-free generation mix.

SCOPE 1 EMISSIONS (in ktonnes of CO<sub>2</sub>e)



By 2035, **99% of our assets** will be focused on energy delivery and renewable, carbon-free generation.

PROJECTED 2035 TOTAL ASSETS



**Strengthened linkage between sustainability and executive compensation** by adding a new measure to address carbon reduction and climate change.



**Best safety performance** in our history and top quartile reliability performance relative to industry peers.



The lowest number of gas leaks for every 1,000 customers since we started reporting this indicator in 2016, representing **top decile performance** relative to industry peers.



**No reportable cybersecurity breaches** since we began reporting this indicator in 2018.

<sup>1</sup> Target is based on Scope 1 emissions

<sup>2</sup> Predominantly natural gas generation

## KEY INCLUSION AND DIVERSITY ACCOMPLISHMENTS:



A Fortis-wide council was established to guide our inclusion and diversity strategy and drive its implementation.



We signed the **BlackNorth Initiative** and joined others in efforts to end anti-Black systemic racism.



The Fortis Board of Directors achieved **gender parity**<sup>1</sup> and 60% of Fortis utilities have either a female CEO or Board Chair.

<sup>1</sup> Board members elected at 2021 Annual Meeting

<sup>2</sup> TCFD supporter was previously referred to as TCFD signatory

## Forward-Looking Information

Fortis includes forward-looking information in this sustainability report within the meaning of applicable Canadian securities laws and forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995 (collectively referred to as “forward-looking information”). Forward-looking information reflects expectations of Fortis management regarding future growth, results of operations, performance and business prospects and opportunities. Wherever possible, words such as anticipates, believes, budgets, could, estimates, expects, forecasts, intends, may, might, plans, projects, schedule, should, target, will, would and the negative of these terms and other similar terminology or expressions have been used to identify the forward-looking information, which includes, without limitation: the 2035 carbon emissions reduction target and projected asset mix; and FortisBC’s 2030 GHG emission target.

Forward looking information involves significant risks, uncertainties and assumptions. Certain material factors or assumptions have been applied in drawing the conclusions contained in the forward-looking information, including, without limitation: no material impact from the COVID-19 pandemic; reasonable outcomes for regulatory proceedings and the expectation of regulatory stability; no material capital project or financing cost overruns; sufficient human



**10 utility operations** in Canada, the U.S. & the Caribbean



93% of total assets are **associated with energy delivery** and 99% are regulated

## STRENGTHENING OUR DISCLOSURES

### Solidifying Our Commitment to the **Task Force on Climate-Related Financial Disclosures (“TCFD”)** Recommendations:

- ✓ Fortis has become a TCFD supporter<sup>2</sup> and is committed to fully implementing the TCFD recommendations.
- ✓ Climate scenario analysis ongoing to assess the resiliency of our energy delivery businesses with a progress update planned in 2022.

### Furthering Our Alignment with **Sustainability Accounting Standards Board (“SASB”)** Standards:

- ✓ Added 50+ new key performance indicators to this sustainability update, including 14 that align with SASB standards.

resources to deliver service and execute the capital expenditure plan; no significant variability in interest rates; and no significant changes in government energy plans, environmental laws and regulations that could have a material negative impact. Fortis cautions readers that a number of factors could cause actual results, performance or achievements to differ materially from the results discussed or implied in the forward-looking information. These factors should be considered carefully and undue reliance should not be placed on the forward-looking information. For additional information with respect to certain of these risks or factors, reference should be made to the continuous disclosure materials filed from time to time by the Corporation with Canadian securities regulatory authorities and the Securities and Exchange Commission. All forward-looking information herein is given as of the date of this report. Fortis disclaims any intention or obligation to update or revise any forward-looking information, whether as a result of new information, future events or otherwise.

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