

**2022 ANNUAL AND SPECIAL MEETING OF FORTIS INC.
QUESTIONS RECEIVED AND ANSWERED**

Question:

This is more of a compliment to the Board of Directors for providing the captioning on the left and on my right. As a hard of hearing person, it's a blessing. And I thank when I brought it first to Mr. Perry a number of years ago about this and he agreed with it and brought it to the Board. I would like to add to that captioning, if possible. If the captioning could be on the video portion shown at the top of the screen in this auditorium. I have experienced this in previous conferences with the hearing association, which I have attended nationally, and internationally, over my number of years. It is possible. I think if hard of hearing people who are shareholders could look straight up instead of having to look to the side, to the left, or to the right or sit appropriately, but it's straight before them, they would understand the proceedings a lot clearer. Again, I thank you, Board of Directors, and especially Mr. Perry for making this possible and hope this suggestion will go through at our next Annual Meeting. Thank you very much.

Response (David Hutches):

Thank you, appreciate that, and we will take your comments to heart. I know I saw Karen McCarthy who runs all of this shaking her head up and down so we'll make sure we address those concerns and thank you for the compliments for the Board. I couldn't agree more.

Question:

I wanted to commend the Board of Fortis because 21 years ago I stood up at a shareholders' meeting and said that there was one female, Dr. Linda Inkpen, on the Board of Directors. 13 years later, there were 2. So, it's an absolute pleasure to see 7, I believe, this time on the Board of Directors. So, congratulations to Fortis for achieving this. Thank you.

Response (David Hutchens):

Thank you and if I'm not mistaken, were you here in 2014 as well? Because, yes, I remember you standing up. I was sitting in a different seat and I remember you standing up. It was when Tracey Ball, I think, joined the Board and Ida Goodreau was on the Board, and you said "it's good to see two, when are you going to get more?" I have to say that's because of the leadership of folks like Barry Perry, who's here today, and the focus of Doug Haughey, as Chair, and David Norris, as prior Chair, that kind of drive and those kinds of comments and understanding the value of diversity on the Board have been, again, taken to heart. A lot of people have policies - but we can show you. That's a testament to this company, the management team, and the Board of Directors.

Question:

First of all, let me, on behalf of all shareholders, thank all 9100 company personnel for helping to make this company as successful as it is. Thank you. First question is addressed to management. Mr. President, the Board, being extremely proud of its 48 years of consecutive dividend increases, states that with the help of its aggressive projected rate-base growth over the next 5 years, it will be able to maintain its 6% average annual dividend growth. With its adjusted dividend payout ratio of almost 80%, can you shed some light on how you plan to position the company for future growth through acquisition given this policy? Thank you.

Response (David Hutchens):

Yes, thank you, Mr. Hutchens, for that. It's odd for Mr. Hutchens to say "thank you to Mr. Hutchens" but that is the name of the person who submitted the question as well. Thank you, Mr. Hutchens, for those questions. I hope you're listening online as well and I hope all things are well with you.

I'll say that the \$20 billion, 5-year capital plan that we have is, while it's a big capital plan, and as I have said many times, it's low-risk and highly executable, we think the best way for us to provide value is to grow organically and we are not just looking at that \$20 billion capital plan but looking at additional opportunities. I mentioned that long runway as we go into a cleaner energy transition period and find additional growth opportunities. That's our number one organic growth view that we have because, again, that does provide the best value for you as a shareholder, that 1 for 1 dollar investment turning into rate base and eventually earnings. Also, we are a management team with fiduciary duties and we look at everything that we can out there in the market to find additional opportunities for creating value for you, our shareholders, so all of those things are in our view and in our mind.

Question:

Mr. Chairman, Fortis has a unique operating model, as you are aware, but I was wondering if you have ever considered that there may be a lot of "senior management fat" given all the independent board members and senior management personnel at each of the subsidiary companies. Thank you.

Response (Douglas Haughey):

Well, great to hear from you, Derek, and look, I think it's a reasonable question and, in our view, I think the answer is actually quite the opposite. We strongly believe in the autonomous operating model of Fortis. Largely with an independent board, focused on local issues, in local markets, with local regulators, and, honestly, if you look at the results, it's hard to argue with the Fortis model. We've generated those results and a big reason for that is that local focus.

I'm looking at our subsidiary CEOs right here and I can tell you that I'm convinced that they can deliver better results by operating with an independent board and largely autonomously in their

local regions and it seems to me that if we can generate those kinds of results with a business model that may be a little more experience than others, it's still definitely the right thing to do. So, I think the Board has concluded that the benefits clearly outweigh the costs and the results clearly speak for themselves.

Question:

Mr. Chairman, in your Management Information Circular, you provided pertinent information about your named executives, including Board members. In the future, may I suggest that the same information be provided for the full list of company senior executives listed in the Annual Report. Thank you.

Response (Douglas Haughey):

That's an interesting one. So, Derek, the way I would look at it is that there's four, sort of principles of executive compensation. It has to be performance-driven, it has to be balanced in terms of objectives, we have to pay competitively, and it has to be risk-balanced, or risk-managed, so we don't get results that we didn't expect from compensation systems.

I can give you high confidence that that's the way we run our business, that we pay at the median and that our salaries for all of our executives are competitive with the market, and we have processes in place to make sure that they are not outlandish. The idea of disclosing beyond our top five named executive officers: number one, it's not required; and number two, it's highly unusual. I don't know of another company that would do that. I will acknowledge it's more prevalent in public enterprises and government enterprises where we have sunshine lists and whatever but, I think that the Fortis shareholder is benefiting from not having that kind of disclosure. I can tell you with virtual certainty that many of our executives don't want their compensation published and it would probably put the company at some kind of competitive disadvantage so, look, I hear you, but this is one where I don't think we'll be doing that anytime soon.

Question:

Mr. Chairman, many of your Board members and senior management personnel serve on the boards of various subsidiaries. Do they receive directors' fees or similar compensation from the subsidiaries? If so, will you put a stop to this policy immediately as this, in my opinion, is double-dipping? Thank you.

Response (Douglas Haughey):

Oh Derek, you're going deep today. Look, yes, I'll say yes, we do have Board members and executives who serve on subsidiary boards and they do receive the normal board fees that would be payable to those board members.

But when you think about it, it makes sense, right? Directors of those independent subsidiaries have a fiduciary obligation primarily to that company. And, so, it makes sense that we treat our executives who are directors of those companies, and one or two of our Board members here, to treat them the same as the independent directors on that board.

I can also tell you that, and I think this is particularly important, in the case of our executives who are serving on those subsidiary boards, our policy is that we will independently benchmark their total compensation, and we include those board fees in that total. So, to say it's double-dipping, I think, is wrong. It's not.

The last thing you mentioned was Board members, Fortis Board members, who are serving on subsidiary boards. We have two directors who do that now: Margarita Dilley chairs the CH board; Tracey Ball chaired the FortisAlberta board and is currently on the FortisBC board. I can tell you they ought to be compensated for the work they do on those committees because they are vital contributors to those boards. And I guess to corollate all of that, we get huge benefit from our executives and directors sitting on those subsidiary boards. I always talk about communication, coordination and cooperation across business and that is one terrific way to make it happen. So, I hear you, but I think it's the right thing to do and we've carefully considered it, and we are probably going to continue to it.

Question:

Mr. President Hutchens, can you give some details on Fortis' plans more forward, specifically in Newfoundland and Labrador? Any big plans or projects coming up that you would like to highlight? Thanks.

Response (David Hutchens):

There aren't any large projects coming up in the near future. As we have said over the years, my predecessor has said it, I've said it, we're interested in being more involved in the energy plan here in Newfoundland, and we will raise our hand and do what we can to help solve the energy issues that, of course, every province and every state within our jurisdiction faces.

We would love to look for additional opportunities and actively do that. So, I guess, take this as notice that we have always got our hand up to look at additional things to do here in Newfoundland and Labrador.

Question:

Management, how confident are you that you can reach the 75% GHG reduction target by 2035? Can you please elaborate?

Response (David Hutchens):

Yes, that's a great question and I would love to elaborate. How much time do you have, because this one of my most exciting things to talk about. If you ask our shareholders: what are the top three things that they're looking for: obviously, they're looking for growth, they're looking for low-risk, and they're looking for a great ESG story.

As I mentioned, we start with a great ESG story by being primarily a transmission and distribution company but that little bit of percentage that we have as generation, fossil generation, which is only 5% of our assets, is where we're focusing a lot of our energy to remove that. Pun intended, I guess. A lot of our focus is removing that fossil energy. And the way that we're doing it is very straightforward and you can see it. You can see it in our documents. You can see it in our presentations. Most of this emissions reduction will happen in Arizona as we shut down fossil fleets there and replace them with renewable energy, wind and solar, and battery storage. That's a great story. It's a clear path. We don't need any brand new, fancy technology or innovation to do it. We know exactly what to do and we can do it cost-effectively, actually saving our customers money, in most cases, and so we have that clear path. We have such a clear path for that 75% reduction that, just already in the first two years of setting that target, having reduced those emissions by 20%, we felt it was so clear we needed to stretch a little bit and that's why we added that net-zero goal just the other day. And that is so that we can continue that focus where everybody needs to look, which is having that net-zero world out in that future in 2050. So as we go from here to 75%, it's clear as a bell how we're going to get there. Obviously, things can change along the way, and we'll adapt, but we absolutely are confident in being able to hit that target and now we've raised the bar and said now we've got to remove that last 25%, and we'll be paying attention to new technology as it develops and making sure that we can get there. That's what you as shareholders want, that's what our stakeholders want, that's what our employees want, and that's what our customers want. So, that's a great spot to end on unless there are other questions.

FORWARD-LOOKING INFORMATION

Fortis includes forward-looking information in this document 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: forecast capital expenditures for the period from 2022 through 2026, including cleaner energy investments; additional opportunities beyond the capital plan; forecast rate base and rate base growth for 2022 through 2026; targeted average annual dividend growth through 2025; the 2050 net-zero GHG emissions target; the 2035 GHG emission reduction target; how GHG reduction targets are expected to be achieved and the projected asset mix upon achieving the targets; the expectation that capital expenditures will support continuing growth in earnings and dividends.

Forward-looking information involves significant risks, uncertainties and assumptions. Certain material factors or assumptions have been applied in drawing the conclusions contained in the forward-looking information. These factors or assumptions are subject to inherent risks and uncertainties surrounding future expectations generally, including those identified from time to time in the forward-looking information. Such assumptions include, but are not limited to: no material impact from volatility in energy prices, the global supply chain or inflation; the successful execution of the five-year capital expenditure plan; no material capital project or financing cost overruns; reasonable regulatory decisions and the expectation of regulatory stability; sufficient human resources to deliver service and execute the capital expenditure plan; the realization of additional opportunities; and our Board of Directors exercising its discretion to declare dividends, taking into account our financial performance and condition. 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 document. Fortis disclaims any intention or obligation to update or revise any forward-looking information, whether as a result of new information, future events or otherwise.

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