



POLITICAL ENGAGEMENT POLICY

1.0 OBJECTIVE

- 1.1 Fortis Inc. ("**Fortis**" or "**we**") supports the democratic process. We may engage in public policy discussions where relevant to our operations and beneficial to our stakeholders. We may also contribute to political parties, campaigns or candidates. This Political Engagement Policy (the "**Policy**") describes how Fortis may engage in the political process, subject to compliance with applicable laws.
- 1.2 This Policy should be read in conjunction with our *Code of Conduct*. Reference should also be made to our *Anti-Corruption Policy* and *Anti-Corruption Procedures*, which set out internal procedures to be followed regarding lobbying activity and approval of political contributions made by or on behalf of Fortis.

2.0 APPLICATION

- 2.1 This Policy applies to Fortis. Subsidiaries of Fortis may choose to implement their own political engagement policy provided such policy substantially follows the basic principles set forth in this Policy. Each subsidiary's policy shall comply with the applicable laws where it operates.

3.0 ALLOWABLE CONTRIBUTIONS

- 3.1 Fortis may contribute to political parties and candidates only if in compliance with the objectives of this Policy and applicable laws. Any such contribution must be approved in advance by either the President and Chief Executive Officer or the Executive Vice President, Chief Financial Officer. Fortis shall comply with requirements for public disclosure of such contributions.
- 3.2 Fortis is authorized to (i) contribute up to \$10,000 per year to any registered political party in Newfoundland and Labrador, which may be increased to \$20,000 per party during an election year; and (ii) participate in selected fund-raising initiatives by any registered political party in Newfoundland and Labrador.
- 3.3 Canadian federal legislation prohibits contributions to federal political parties and candidates by corporate entities. Fortis may participate in selected fund-raising initiatives not constituting political activity and otherwise permitted under applicable law.

4.0 PROHIBITED ACTIVITIES

4.1 No Fortis employee, contractor or director shall:

- (a) use or associate their Fortis position or office with any political activity or donation or in any manner through which any such association could be reasonably inferred;
- (b) use or donate Fortis property, including business premises, for a political activity; or
- (c) engage in campaigning for or promoting any political party or candidate in the workplace or seek to pressure or influence co-workers to vote for any particular political party or candidate.

5.0 TRADE ASSOCIATIONS AND POLICY ADVOCACY

5.1 Fortis may participate in trade associations that represent our industry and engage in advocacy on public policy issues of relevance to our business. We may also engage directly in public policy discussions, including with public officials. When engaging in such activities, Fortis shall comply with applicable lobbying laws, and our Communications Department shall maintain records of such activities as required under our *Anti-Corruption Policy* and *Anti-Corruption Procedures*.

5.2 Memberships in and contributions to trade associations and tax-exempt organizations that conduct lobbying or public policy-related activity shall be reviewed annually to assess whether there is any material misalignment with our corporate values and policies.

6.0 DISCLOSURE

6.1 Fortis shall provide periodic disclosure regarding:

- (a) political contributions;
- (b) contributions to trade associations;
- (c) contributions to tax-exempt organizations that conduct lobbying or public policy-related activity (including political advertising); and
- (d) any findings of material misalignment between the policy-related lobbying activities of those entities referred to in section 6.1(b) and 6.1(c) and our corporate values and policies, and any steps taken as a result of such findings.

7.0 POLICY REVIEW

7.1 This Policy shall be reviewed periodically.