



## 2025 ANNUAL GENERAL MEETING OF FORTIS INC.

### QUESTIONS RECEIVED AND ANSWERED

#### QUESTION:

**In regard to tariffs, specifically both in Canada and the US, how will Fortis be impacted in terms of cost of operations and capital projects?**

#### RESPONSE (DAVID HUTCHENS):

As I mentioned in my remarks, we don't really see any material immediate or near-term impacts. There are some, obviously, longer-term considerations as we think about tariffs and the overall impact on people's bills, not just our bills on cost that we must incur and then pass through to our customers, but in every kind of bill that they're getting and grocery bills down to everything else that they have to pay for. So we are very cognizant of those impacts and are very focused on making sure that we are looking at affordability as a key metric for what we do and how we invest on a going-forward basis. But as we sit here today, short-term capital plan, we don't see any impact on that longer-term capital plan.

Again, there's a lot of variability there, but we don't see that pushing back any of our investments. And the ability for us to look at different options and use a little optionality on a going-forward basis and plan flexibility around how we execute our plan. We'll be able to maintain those long-term objectives of good, strong shareholder growth and good, strong customer service, while keeping their rates as affordable as possible.

#### QUESTION:

**In terms of these tariffs, it does like the US and Canada are both on a trajectory to make investments in infrastructure easier. So are there any positive tailwinds the company has seen either in Canada or the US that can make development renewal or expansion easier?**

#### RESPONSE (DAVID HUTCHENS):

That's a great question because a lot of times we talk about all the negative impacts from tariffs and trade conversations which, of course, there's a long list of those, but when we think about tailwinds, specifically in the US and Canada, there are several that are very applicable to our industry and our sector. When you think about wanting to grow the economy, whether it's the Canadian economy or the US economy, both sides of the border are really looking at ways of

improving the ability to grow, whether it's through manufacturing, natural resource development, etc.

All of those things need what we provide: electricity and natural gas energy service. So, on both sides of the border, whether it's the US looking at manufacturing or no matter what you're talking about from a policy perspective, AI is going to be huge everywhere. When you think about the AI investments and the power needs that they have and, of course, that's just power needs – you've got to make the chips, you've got to power the factories that makes the chips, and you've got to mine the materials that go into the chips – there's a very long daisy chain of additional investment opportunities that come with all that. Canada looking to diversify trade and also develop the economy and looking to developing those natural resources also provides a tailwind for us. I don't want to make it sound too rosy like there are tailwinds everywhere, but it's a good time to be in our business.

#### **QUESTION:**

**Mr. Chairman, I'd like to commend you for providing as much information as you do in the annual management information circular as compared to years ago; However, I think it should be expanded to include more information about CEOs of our subsidiaries as well. I welcome your thoughts.**

#### **RESPONSE (JO MARK ZUREL):**

The Management Information Circular is a formal securities document, and the disclosures align with prescribed filing requirements under securities regulations which require that we disclose the compensation of the CEO, the CFO and the three most highly paid executive officers. Several of our subsidiaries have similar disclosure requirements and you can review their compensation for those companies by accessing the public securities documents directly. Overall, our subsidiaries follow a consistent model for setting and evaluating executive compensation across the group.

#### **QUESTION:**

**It's very positive to hear about the TSR performance. In the peer group, I've noticed increased Canadian representation to 22%. However I suggest it should be closer to 33%, considering one third of our assets are in Canada. What are your thoughts on this?**

#### **RESPONSE (JO MARK ZUREL):**

Our TSR is measured against a performance peer group of 23 publicly traded North American utilities – five from Canada and 18 from the US that we compete with for investors. This peer group was updated in 2024. We previously had three Canadian utilities and 22 US utilities

included in the group. We increased our Canadian representation in 2024 by adding two additional Canadian energy companies and removing four US utility companies. With limited investor-owned utilities in Canada, we feel we have the right balance of companies in the US and Canada, but will continue to evaluate the peer group with our compensation advisors.

**QUESTION:**

**When we hit \$100, would we consider splitting the stock?**

**RESPONSE (DAVID HUTCHENS):**

Obviously we don't make decisions like that this premature, but it sure would be a nice conversation to have and I hope we have it soon. At the end of the day, there's a lot that goes into it from a stock price perspective, overall valuation and the number of shares and all those things, so something that we're looking forward to thinking about.

**QUESTION:**

**How do you explain 51 years of annual consecutive dividend growth when the company is only 38 years in existence?**

**RESPONSE:**

From 1974 to 1987, Newfoundland Light & Power Co. Limited annually increased its dividend. In 1987, shareholders of Newfoundland Light & Power Co. Limited voted to create a holding company known as Fortis Inc. to be the 100% owner of the utility. At that time, Newfoundland Light & Power Co. Limited shares were exchanged on a 1-for-1 basis for Fortis Inc. common shares. Since that time, Fortis Inc. has annually increased its dividend. As such, Fortis Inc. has been in existence for 38 years, while the dividend history extends back 51 years.

## 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: the expectation that foreign trade policy, including the imposition of tariffs, will not have a material financial impact on the Corporation in 2025 or the longer-term capital plan; the expectation that the Corporation will be able to maintain long-term objectives of good, strong shareholder growth and good, strong customer service, while keeping customer rates as affordable as possible; and expected and potential additional investment opportunities.*

*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: the successful execution of the capital plan; no material capital project or financing cost overrun; sufficient human resources to deliver service and execute the capital plan; and the Board exercising its discretion to declare dividends, taking into account the business performance and financial condition of the Corporation. 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.*