

BOARD AND EXECUTIVE DIVERSITY POLICY

1.0 PURPOSE AND SCOPE

- 1.1 Fortis Inc. ("**Fortis**" or the "**Corporation**") values and recognizes the benefits of diversity within its organization, and the inclusion of different experiences, perspectives and ideas. This diversity mitigates the likelihood of group-think bias, enhances the variety of perspectives and experiences among the Corporation's personnel, and improves decision-making and governance within the Corporation. Fortis believes that its employees and leaders should reflect the diversity of the communities served by the Corporation.
- 1.2 This Board and Executive Diversity Policy (the "**Policy**") defines the Corporation's policy on diversity within its Board of Directors (the "**Board**") and executive leadership. This Policy should be read in conjunction with our "*Inclusion and Diversity Commitment*", which more generally outlines the Corporation's commitment to creating a workplace which values and encourages diversity, equity and inclusion.

2.0 DIVERSITY OBJECTIVES

- 2.1 In this Policy, diversity refers to all the characteristics that make individuals unique. It includes, but is not limited to, traits such as gender identity and expression, culture and ethnicity, race, age, sexual orientation, ability and disability, and geographic background. The Corporation supports the spirit and intent of applicable human rights, employment equity and anti-discrimination laws, and is committed to fostering an inclusive culture based on merit and free of conscious or unconscious bias. See the Corporation's *Code of Conduct* for additional direction.
- 2.2 The Board's Governance and Sustainability Committee (the "**GSC**") and Human Resources Committee ("**HRC**") oversee and ensure implementation of this Policy, including establishing and annually assessing achievement against measurable diversity objectives, and reporting to the Board.

3.0 DIVERSITY ON THE BOARD

- 3.1 Diversity is an important consideration in determining the Board's composition. The Corporation believes that a Board made up of highly qualified individuals from diverse backgrounds promotes better corporate governance and performance, and effective decision-making.
- 3.2 When identifying and selecting nominees for our Board, the GSC will:
- 3.2.1 consider the characteristics required of such nominees to ensure the Board is competent and fully capable to effectively perform its oversight role in the best interests of the Corporation;
 - 3.2.2 consider only candidates who are highly qualified based on their experience, functional expertise, and personal skills and qualities;
 - 3.2.3 consider diversity criteria including gender identity, culture and ethnicity, race, age, sexual orientation, ability and disability, and geographic background;
 - 3.2.4 seek to maintain a Board in which women and men each represent at least forty percent (40%) of independent directors;
 - 3.2.5 seek to maintain a Board in which at least two Board members are visible minorities or Indigenous persons; and
 - 3.2.6 use qualified independent external advisors, as appropriate, to assist in evaluating candidates on merit against objective criteria, while giving due consideration to the benefits a diverse Board brings to the Corporation.
- 3.3 The GSC's diversity objectives are supported by the Director Tenure provisions of the Corporation's *Board of Director Governance Guidelines*, which encourage ongoing Board renewal and regular consideration of diversity by the GSC.

4.0 DIVERSITY IN EXECUTIVE LEADERSHIP

- 4.1 Diversity is also an important element of executive leadership. Accordingly, diversity, inclusive of gender identity, culture and ethnicity, race, age, sexual orientation, ability and disability, and geographic background, is a key factor in the Corporation's *Talent Management Strategy*, which

seeks to identify, mentor and develop current executives and employees for more senior positions in the Fortis organization. As part of its mandate to monitor the *Talent Management Strategy*, the HRC is responsible for ensuring the objectives of the Policy are applied when implementing the *Talent Management Strategy* and when identifying and evaluating external candidates for executive leadership positions.

5.0 GENDER DIVERSITY

5.1 Gender diversity is integral to the Corporation's Board and executive leadership diversity strategy.

5.2 As required by applicable corporate and securities laws, the Corporation's annual proxy circular informs shareholders and other stakeholders about the Corporation's diversity commitment by describing:

5.2.1 the Policy's objectives and key provisions;

5.2.2 measures taken to effectively implement the Policy;

5.2.3 annual and cumulative progress in achieving Policy objectives;

5.2.4 whether and how the Board or the GSC measures Policy effectiveness;

5.2.5 how the Board or GSC considers female representation on the Board when identifying and nominating candidates for Board election or re-election;

5.2.6 how the Corporation considers female representation in executive officer positions when making appointments;

5.2.7 voluntary targets adopted (if any) to foster Board and executive officer diversity (in particular, gender diversity) and, if applicable, annual and cumulative progress in achieving the targets;

5.2.8 the number and percentage of Board members and executive officers who are women; and

5.2.9 such other information in respect of Board and/or executive leadership diversity as may be required by applicable corporate and securities laws, or applicable stock exchange requirements, from time to time.

6.0 POLICY REVIEW

6.1 The GSC reviews and updates this Policy as needed, and in any event not less frequently than biennially.