

# Energizing Life for People & Communities

2021 Sustainability Report



# About This Report

Hydro One Limited (referred to as “Hydro One” or “the Company”) is committed to building a better and brighter future for all.

Through our business, we are energizing life for people, the planet and communities across Ontario.

Our 2021 Sustainability Report provides a balanced account of our performance and is intended to provide stakeholders, partners, customers, communities, employees and investors with a clear understanding of how Hydro One manages the opportunities and challenges associated with our business.

Hydro One is committed to producing an annual Sustainability Report and to continuously increasing the transparency and accountability of our disclosures. We are guided in our reporting by our most recent [materiality assessment](#); the Global Reporting Initiative (GRI) core sustainability reporting standards;<sup>1</sup> the Sustainability Accounting Standards Board (SASB) framework;<sup>2</sup> and the recommendations of the Task Force on Climate-related Financial Disclosures (TCFD).<sup>3</sup> New this year, we are integrating the United Nations Sustainable Development Goals<sup>4</sup> (UN SDGs) into our reporting.

Hydro One’s Board of Directors, the company’s Disclosure Committee and relevant leaders review and approve our annual Sustainability Report. As part of this year’s report, greenhouse gas (GHG) emissions data for 2021 has been verified by external auditors GHD Limited.<sup>5</sup>

This report reflects our performance from January 1 to December 31, 2021. The information contained within this year’s report is for Hydro One Limited. In instances where data is only available for Hydro One Networks Inc. (Hydro One Networks), it will be noted with an asterisk (\*). All financial figures are reported in Canadian dollars.

<sup>1</sup> The GRI core sustainability reporting standards are global standards for sustainability reporting. The [GRI index](#) can be found in the appendix.

<sup>2</sup> SASB is an independent non-profit organization whose mission is to develop and disseminate sustainability accounting standards that help public corporations disclose material, organization decision-useful information to investors. The [SASB table](#) can be found in the appendix.

<sup>3</sup> The TCFD was established by the Financial Stability Board to develop consistent climate-related financial risk disclosures for use by companies, banks and investors in providing information to stakeholders. The [TCFD table](#) can be found in the appendix.

<sup>4</sup> The United Nations [Sustainable Development Goals](#) are the blueprint to achieve a better and more sustainable future for all. They address the global challenges faced, including poverty, inequality, climate change, environmental degradation, peace and justice.

<sup>5</sup> The letter of assurance from GHD Limited can be found in the [appendix](#).



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# Message from Our Chair



**Timothy Hodgson**  
Chair

On behalf of the Board of Directors (“Board”), I want to thank all employees for helping Hydro One energize life for people, the planet and communities across Ontario. Your steadfast commitment to our sustainability goals has strengthened Hydro One’s environmental, social and governance (ESG) performance.

In 2021, under the Board’s oversight, Hydro One officially announced its ambitious climate reduction targets, committing to achieve net-zero GHG emissions by 2050, with an interim emissions reduction target of 30% by 2030.

Hydro One also committed to ending systemic anti-Black racism and diversifying talent through various actions including achieving 3.5% Black executives and Board members, and 5% Black student hires by 2025. As a signatory to the Catalyst Accord, we have surpassed our commitment to achieve at least 30% female executives and Board members by 2022.

The Board commends Hydro One’s determination to advance meaningful economic reconciliation with Indigenous communities in Ontario and to be the employer of choice for Indigenous people – including its commitment to increase Indigenous procurement sourceable spend to 5% of the company’s purchases of materials and services by 2026, and to direct 20% of its community investment donations and sponsorships to Indigenous communities and organizations.

During the year, the Board reviewed and approved Hydro One’s new Indigenous Relations strategy and policy, both of which support meaningful Indigenous reconciliation, as outlined by the Call to Action #92 of Canada’s Truth and Reconciliation Commission (TRC);<sup>6</sup> and as evidenced by its statement of support for the United Nations Declaration on the Rights of Indigenous Peoples (UNDRIP).

Once again this year, Hydro One has enhanced its ESG transparency and disclosures, for the first time integrating the United Nations Sustainable Development Goals into its reporting strategy and aligning the company’s contributions and performance with relevant SDG targets.

I want to thank the executive leadership team and all 9,300 employees for helping Hydro One live up to our greater purpose of energizing life in Ontario and putting people and communities first.



**“We embrace the United Nations Declaration on the Rights of Indigenous Peoples (UNDRIP) as it supports human rights, language, education and governance for Indigenous people. It is a critical lens on our relationship with Indigenous communities.”**

**Hydro One Indigenous Relations Policy**

<sup>6</sup> The Truth and Reconciliation Commission (TRC) of Canada’s Calls to Action commit to a renewed nation-to-nation relationship with Indigenous peoples based on recognition of rights, respect, cooperation and partnership.

# Message from Our Interim President and CEO



**Bill Sheffield**  
Interim President & CEO

The global challenges of climate change, COVID-19 and social unrest have underscored the need for strong sustainability actions and principles that can transform our world through positive change. At Hydro One, we look to the future and what we can do today to help the people and communities of Ontario thrive.

We took significant action in 2021 toward achieving the goals of our sustainability strategy, which is dedicated to energizing life for people, the planet and communities across this province. In partnership with communities and industry and with the support of the entire Hydro One team, we are creating a cleaner, more equitable and more inclusive future for all Ontarians.

**Energizing life for people:** We are building a workplace, culture and team that will support our vision for a better and brighter future for all. To deliver on our vision, mission and corporate strategy, we are creating a workplace where employees feel safe, valued, inspired, equipped to win and ready for the future. We are transforming the way we develop leaders and nurture talent in support of our strategy, while building a workplace that reflects the diversity of Ontario where we live and work.

While we continue our journey to becoming the safest and most efficient utility, we remember the tragic loss of our teammate in 2021 due to a third-party motor vehicle accident. Our leadership team remains committed to eliminating life-altering injuries by implementing the concrete recommendations made by our employee-led Safety Improvement Team.

**Energizing life for the planet:** The energy transition, driven by the race to net zero, represents an historic opportunity to decarbonize and meet our collective climate targets. Hydro One is uniquely positioned to enable electrification to achieve this important shift to a low-carbon economy.

Ontario is already home to one of the lowest carbon-emitting electricity grids in North America, with Hydro One delivering electricity that is approximately 94% carbon emission-free. And we are doing our part to reduce Hydro One's environmental footprint by committing to achieving net-zero GHG emissions by 2050. Our ability to deliver sustainable and reliable power will continue to attract new industries and enable economic growth in the province.



**“Together, we made good progress toward achieving our goals and energizing life for people, the planet and communities across Ontario.”**

## Message from Our Interim President and CEO

At the same time, we are adapting to climate change by investing in automation and hardening our equipment to withstand more severe weather. Our 2023–2027 Investment Plan, if approved by our regulator, the OEB, will energize life for future generations by investing in a resilient, reliable and sustainable electricity grid. Our plan will reduce the impacts of power outages by approximately 25% for our distribution customers, enable economic growth and prepare for the impacts of climate change.

**Energizing life for communities:** Guided by our purpose of energizing life in Ontario, we continued to put people and communities first in 2021. We helped more than 16,800 customers access financial relief, partnered with Feed Ontario to distribute nutritious food to more than 1,200 hunger-relief organizations in more than 130 communities, and supported local organizations that are working to keep their communities safe and healthy.

Indigenous communities have historically borne the impacts of infrastructure development in their traditional territories without seeing the benefits. Our industry-leading step to offer First Nations communities a 50% equity stake in new major capital transmission line projects will transform the benefits of infrastructure development for First Nations communities for generations to come. We also focused on increasing and retaining our Indigenous employee base, setting aggressive procurement targets for our procurement from Indigenous businesses, and engaging with Indigenous communities to gain their input and guidance as we develop and implement our strategic goals.

I am pleased to report that we increased our total procurement with Indigenous businesses to \$58.3 million or approximately 3.4% of our total sourceable spend, our highest spend to date. In partnership with the Canadian Council for Aboriginal Business (CCAB), we also created

the Hydro One Business Grant to provide direct financial support to 28 Indigenous-owned businesses. We will continue to leverage our unique position in the province and the reach of our network to further reconciliation and nurture respectful, positive and mutually beneficial relationships with Indigenous communities.

At Hydro One, our people are the strength of this great company, and they are responsible for energizing life for Ontarians. On behalf of our executive team, I want to thank each and every employee for their hard work and dedication this year. Together, we made important progress toward achieving our goals and energizing life for people, the planet and communities across Ontario.

**“Guided by our purpose of energizing life in Ontario, we continued to put people and communities first in 2021.”**

## Our 2023–2027 Investment Plan to create a better and brighter Ontario

**~50,000**

Ontarians told us they wanted a more resilient electrical system that is ready for the future

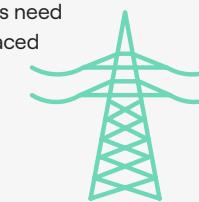


The majority of our system was built in the **1950s** and **1960s**

Nearly **1 in 4** steel transmission towers are more than 80 years old

**~4,000 circuit km**

of high-voltage power lines need to be replaced



## Our five-year Investment Plan will

**1**

Reduce the impacts of power outages for our distribution customers by **~25%**

**2**

Renew or replace critical infrastructure

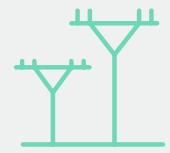


**3**

Prepare for impacts of climate change

**4**

Build a grid for the future



# Corporate Profile

## Hydro One Limited (TSX: H)

Hydro One Limited, through its wholly-owned subsidiaries, is Ontario's largest electricity transmission and distribution provider with approximately 1.5 million valued customers, approximately \$30.4 billion in assets as of December 31, 2021, and annual revenues in 2021 of approximately \$7.2 billion. Our team of approximately 9,300 skilled and dedicated employees proudly build and maintain a safe and reliable electricity system which is essential to energizing life for people and communities across the province. In 2021, Hydro One invested approximately \$2.1 billion in its transmission and distribution networks and supported the economy through buying approximately \$1.7 billion of goods and services. We are committed to the communities where we live and work through community investment, sustainability and diversity initiatives. We are designated as a Sustainable Electricity Company by Electricity Canada (formerly Canadian Electricity Association). Hydro One Limited's common shares are listed on the TSX and certain of Hydro One Inc.'s medium term notes are listed on the NYSE. Additional information can be accessed at [www.hydroone.com](http://www.hydroone.com); [www.sedar.com](http://www.sedar.com) or [www.sec.gov](http://www.sec.gov).



# Hydro One's Business Network & Role in Ontario's Electricity System

## Our Rate-Regulated Business

**Transmission:** Our transmission system transmits high-voltage electricity from nuclear, hydroelectric, natural gas, wind and solar sources to local distribution companies and industrial customers across Ontario. Our system accounts for approximately 98%<sup>7</sup> of Ontario's transmission capacity with approximately 30,000 circuit kilometres of high-voltage transmission lines. We also own and operate 25 cross-border interconnections with neighbouring provinces and the United States, which allow electricity to flow into and out of Ontario.

**Distribution:** Our distribution system is the largest<sup>8</sup> in Ontario. It consists of approximately 125,000 circuit kilometres of primary low-voltage power lines serving approximately 1.5 million customers, mostly in rural areas. As well, Hydro One Remote Communities Inc. serves customers in one grid-connected community and 21 off-grid communities in Ontario's far north.

<sup>7</sup> Based on revenue approved by the Ontario Energy Board (OEB)

<sup>8</sup> Based on customers (per OEB yearbook)



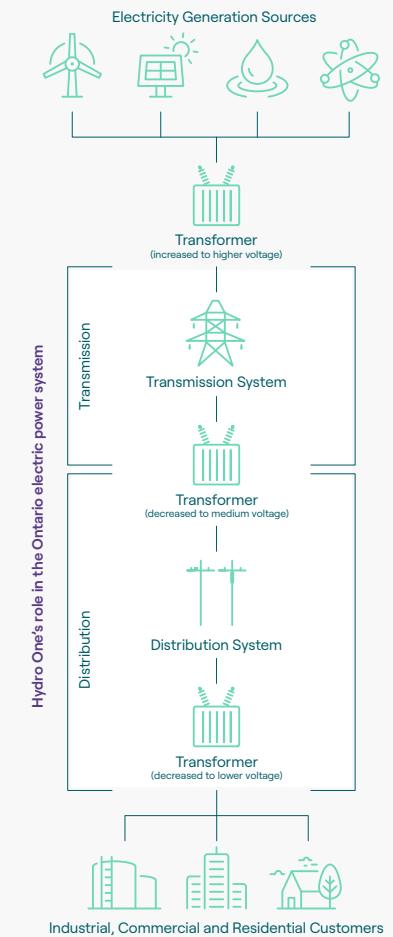
## Our Other Business

In addition to supporting Hydro One's regulated business segments, Acronym Solutions Inc. (formerly Hydro One Telecom, Inc.) offers a comprehensive suite of information and communications technology within a number of categories including: Network and Internet; Operations; Cloud; Managed Security; and Voice and Collaboration, that extend beyond its fibre optic network, in a competitive commercial market. We also invested in Ivy™ Charging Network ("Ivy"), a joint venture between Hydro One and Ontario Power Generation Inc. (OPG), which provides electric vehicle (EV) charging network services. We have also established an Energy Management Services business and are providing behind-the-meter battery energy storage system solutions to commercial and industrial customers, in partnership with PowerFlex, an EDF Renewables company.

## Our Role as a Transmission and Distribution Company

Our transmission and distribution system safely and reliably serves communities throughout Ontario. Hydro One's transmission business operates and maintains most of the high-voltage transmission system that carries electricity from generators to local distribution companies or large industrial customers, such as manufacturers.

Through our distribution business, we also operate and maintain low-voltage distribution systems that carry electricity from transformer stations to distribution stations, to pole-top transformers through power lines, and into homes and businesses. A mix of private companies and government-owned entities generate power for all of Ontario and the sources of power are managed by the Independent Electricity System Operator (IESO).



# Our 2021 ESG Highlights

We play a critical role in meeting the needs of our customers, building a grid for the future and supporting economic growth. Guided by our purpose of energizing life in Ontario, we are living up to our responsibility to put people, planet and communities first.



## People



## Planet



## Community



**Building a Stronger Safety Culture** While we achieved a best-in-class recordable injury rate of 0.74 in 2021 and, since 2004, have succeeded in reducing that rate by approximately 90%, our success was overshadowed by the tragic death of our teammate. To build a stronger safety culture and eliminate serious injuries at Hydro One, we will continue implementing recommendations made by the employee-led Safety Improvement Team with the goal to eliminate life-altering injuries.

**Advancing Women in Business** We exceeded our Catalyst Accord commitment by having over 30% female Board and executive-level representation last year.

**Power to Give** Our employee giving program, Power to Give, ran the most successful fundraising campaign in our history, raising over \$1.4 million for 881 charities, with employees volunteering more than 4,000 hours to make a meaningful difference in their communities.

**Taking Action for a Sustainable Future** We have developed goals in our key priority areas including a commitment to achieve net-zero GHG emissions by 2050 with a target of a 30% GHG reduction by 2030.<sup>(i)</sup>

**Engaging to Create a Better, Brighter Environment** We reduced our Scope 1 and 2 GHG emissions by 9% from the 2018 baseline largely through the successful implementation of our GHG mitigation programs yielding reduction in our sulfur hexafluoride (SF<sub>6</sub>) emissions. Our Scope 2 line loss emission levels lowered due to our ability to transmit and distribute a more GHG-favourable energy mix over the reporting period.

**Environmental Leadership** We won an Electricity Canada (formerly Canadian Electricity Association) Centre of Excellence Award for our climate mitigation strategy, in addition to winning an award from the Electricity Distributors Association for our pollinator program.

(i) Measured against the 2018 baseline.

**Enabling Innovative, Sustainable Growth** We submitted Hydro One's 2023–2027 Investment Plan to the OEB to energize life for communities. The plan, informed by customer feedback and if adopted by the OEB, will reduce the impacts of power outages for distribution customers by approximately 25%, enable economic growth and prepare Ontario for the impacts of climate change.

**Progressive Indigenous Relations** We increased total procurement with Indigenous businesses to \$58.3 million or approximately 3.4% of our total sourceable spend. This puts us on track to achieving our goal of 5% of our total sourceable spend by 2026. In January 2022, we became the first organization in Canada to incorporate a Sustainability Performance Measure that is based on increasing Indigenous procurement spend into our syndicated lines of credit.

**Standing Up for Communities** Our Feed Ontario partnership served up the equivalent of 450,000 meals to Ontarians facing hunger. We also proudly supported local organizations that are working to keep our communities safe and healthy.

# Our Approach to Sustainability

Hydro One is committed to being an industry leader in sustainability. We understand that our long-term performance depends on incorporating sustainability into all aspects of our business. We remain focused on what matters – standing up for people, the planet and communities across Ontario.

Hydro One is committed to delivering on our [vision](#) of a better and brighter future for all and to fulfilling our [mission](#), which is to energize life for people and communities across Ontario through a network built for the possibilities of tomorrow.

Our vision for a better and brighter future for all guides our sustainability priorities. With the identification of our key ESG issues through our [materiality assessment](#), we understand what matters most to our business, stakeholders, customers, Indigenous communities and community partners.

As a transmission and distribution company, we are focused on executing the sustainability priorities of our corporate strategy where we believe we can make the greatest impact. We plan to annually review our priority areas and publicly report our progress on achieving these goals in our future sustainability reports.

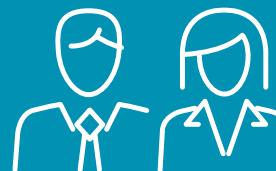


# ESG Performance Scorecard

In 2021, we made good progress on advancing our performance in our priority areas of People, Planet and Community. We know we have work to do, and we are committed to reporting transparently on our progress toward achieving our goals. To demonstrate our strong commitment to our ESG goals, we amended our syndicated lines of credit to include a pricing adjustment which can increase or decrease our cost of funding based on our performance in these three priority areas.

## People

Diversity, Equity and Inclusion



## Planet

Climate Change Mitigation and Adaptation



## Community

Indigenous and Community Partnerships



### Goals

Hydro One signed the BlackNorth Initiative Pledge and is committed to achieving 3.5% Black executives and Board directors, and 5% Black student hires by 2025.

As a signatory to the Catalyst Accord, Hydro One is committed to achieving at least 30% female executives and Board members.

### Goals

Hydro One is committed to achieving net-zero GHG emissions by 2050. We have established a target to achieve a 30% GHG reduction by 2030.<sup>(i)</sup>

We plan to convert 50% of our fleet of sedans and SUVs to electric vehicles or hybrids by 2025 and 100% by 2030.

(i) Measured against the 2018 baseline

### Goals

Hydro One is committed to increasing our Indigenous procurement spend to 5% of the company's purchases of materials and services by 2026.

As part of our community investment program, we are committed to ensuring that 20% of our corporate donations and sponsorships support Indigenous communities.

### 2021 Performance

- By year-end, we had 9% Black students and no Black executives or Board directors in our ranks.
- Our 2021 annual average of executives and Board members identifying as female was 31% of executives and 50% of independent Board directors.

### 2021 Performance

- In 2021, we reduced our GHG emissions by 9% compared to our 2018 baseline.
- We converted approximately 14% of our fleet of sedans and SUVs to electric or hybrid vehicles, a slower pace than anticipated due to ongoing supply chain disruptions, including a global shortage of vehicle computer chips.

### 2021 Performance

- We surpassed our Indigenous procurement target for 2021, spending \$58.3 million – or 3.4% of our total sourceable spend – with Indigenous businesses, our highest to date.
- We allocated 25% of our community investment donations and sponsorships to support Indigenous communities, beyond our original impact goal of 20%.

# Customer, Partner, Stakeholder and Indigenous Community Engagement

Key Stakeholders and Partners	Some of the Ways We Engage
Employees	 <ul style="list-style-type: none"> <li>Quarterly employee calls</li> <li>Regular virtual Town Hall meetings</li> <li>Annual Employee Engagement Survey</li> <li>Focus groups</li> <li>Pulse surveys</li> <li>Employee resource groups</li> </ul>
Customers	 <ul style="list-style-type: none"> <li>Information campaign to educate customers about choice and pricing options</li> <li>Media campaign to inform customers about our Connected for Life initiative</li> <li>Proactive outreach to support customers struggling to pay bills</li> <li>Regular satisfaction surveys and focus groups</li> <li>Ongoing exchanges with account executives and customer service representatives</li> </ul>
Communities	 <ul style="list-style-type: none"> <li>Dedicated Community Relations team</li> <li>Flexible engagement opportunities held both virtually and in-person with communities to collect input on proposed infrastructure development plans</li> <li>Community investment and sponsorship opportunities</li> </ul>
Investors	 <ul style="list-style-type: none"> <li>Press releases, quarterly reports, quarterly investor and financial media calls, annual report</li> <li>Virtual annual general meeting of shareholders</li> <li>Virtual investor events</li> <li>Directors, including Board Chair, as appropriate, engage virtually with shareholders</li> </ul>
Regulators and Government	 <ul style="list-style-type: none"> <li>Advocacy on behalf of our customers for relief during the pandemic</li> <li>Virtual interaction with all levels of government, the Independent Electricity System Operator (IESO) and our main regulator, the OEB</li> <li>Advocacy on policy related to our corporate priorities including updating the regulatory framework to facilitate investment and operation of distributed energy resources; modernizing the environmental assessment process; identifying areas of growth across the province and advocating for critical infrastructure investments; and expanding broadband internet</li> </ul>
Unions	 <ul style="list-style-type: none"> <li>Joint committees for key initiatives</li> <li>Collective bargaining</li> <li>Regular calls with the three largest unions to address the impact of the COVID-19 pandemic on the workforce and on other key issues</li> </ul>
Non-Governmental Organizations and Industry Associations	 <ul style="list-style-type: none"> <li>Virtual participation in industry association conferences and events, councils, committees and working groups</li> <li>Partnerships with industry associations and shared research and advocacy activities</li> </ul>

Engaging with our customers, partners, stakeholders and Indigenous communities remains a priority as we continued to navigate recovery from COVID-19 and work with our community partners to address their evolving needs and protect society's most vulnerable. In 2021, technology again allowed us to meaningfully engage with an even greater number of stakeholders and community members through direct video calls, virtual public sessions and virtual conferences. The following table provides a snapshot of how we engaged with our stakeholders, partners and rights holders throughout the year.

Key Rights Holders	Some of the Ways We Engage
Indigenous Communities	 <ul style="list-style-type: none"> <li>Dedicated Indigenous Relations team</li> <li>Virtual engagement with Indigenous communities due to COVID-19 pandemic restrictions, with limited in-person engagement</li> <li>Community-specific engagement plans with capacity funding agreements for proposed major infrastructure development projects</li> <li>Proactive outreach to provide Indigenous-owned businesses with the opportunity to provide goods and services to Hydro One</li> <li>In-depth consultation during and beyond the environment assessment process for major capital infrastructure development projects to ensure that Indigenous Knowledge and comments are considered in the development and execution phases to ensure respect for Indigenous Rights and interests.</li> <li>Offering opportunities for employment and training for Indigenous community members</li> <li>Early engagement of our construction contractors with Indigenous businesses for major transmission projects</li> <li>Rigorous assessment and a scored evaluation of Indigenous content and plan of construction contractor bids</li> <li>Community investment and sponsorship opportunities</li> <li>Customer-focused issues resolution and collaboration to meet community energy needs</li> </ul>



# Governance

Strong governance strengthens our practices and performance, and upholds our values and standards in an ethically responsible manner. We have adopted a sustainability oversight and management structure to ensure accountability at all levels of the company.

## Board Oversight

Hydro One's Board of Directors (the Board) oversees the company's approach to ESG matters relating to the long-term health and sustainability of the company. This oversight includes reviewing and approving the company's sustainability priorities, its program, and its annual sustainability report.

The Board of Directors' Indigenous Peoples, Safety & Operations Committee oversees the company's programs and approaches related to our sustainability objectives, including in the areas of Indigenous Relations, community investment, and safety and the environment.

The Governance & Regulatory Committee oversees Hydro One's regulatory, customer and public policy matters.

The Human Resources Committee oversees Hydro One's diversity, equity and inclusion programs and initiatives, and our wellness programs, including our support for employees' mental health.

Furthermore, the Board retains accountability for the oversight of the ESG risks within the Corporate Risk profile; delegating components of this risk to the various committees based on their respective mandates.

## Management Oversight

Hydro One's ESG approach, program and strategy are overseen at an executive level by the Chief Corporate Affairs and Customer Care Officer, supported by the extended executive team with accountability in key areas of people, planet and community. These executives are critical to enabling the successful implementation of our ESG program.

Due to its cross-functional nature, ESG is overseen by the Sustainability Committee chaired by the Chief Corporate Affairs and Customer Care Officer. This leadership-level sustainability committee provides strategic advice and perspectives on current, emerging and key sustainability issues. This committee provides directional oversight for all other ESG-related committees at the company.

## Aligning Standards & Performance

Underscoring the importance of ESG, Hydro One directly links a variety of ESG measures to compensation outcomes through our short-term incentive plan. The 2021 Corporate Performance Scorecard included safety, system reliability and customer measures, with additional ESG indicators included on individual scorecards. We will continue to review the ESG indicators linked to our compensation plans as we further develop our program. For more information, please review our [Management Information Circular](#).

Our ESG program is guided by our [Code of Business Conduct](#) and supporting policies, which uphold our vision, mission and values. Our employees complete annual refresher training on the Code of Business Conduct, which includes information on our anti-fraud and anti-corruption policies. For more information on these policies and programs, please visit our [website](#).

## Ombudsman

The Office of the Hydro One Ombudsman provides a confidential, impartial and independent review of customer complaints that could not otherwise be resolved by the company. The Ombudsman reports directly to the Board to ensure independence. For more information, please visit the Office of the Hydro One Ombudsman at [www.HydroOneOmbudsman.com](http://www.HydroOneOmbudsman.com).



# People

Hydro One strives for a workplace that reflects the diversity of Ontario where we live and work while ensuring that we build a corporate culture of dignity, respect, trust and belonging. We empower our employees to achieve our greater purpose of energizing life for people and communities and to promote accountability, trust and a healthy work environment.

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# Health and Safety

## ESG Corner

Key ESG policies, programs and management systems guiding our actions include:

- **Health and safety policy**
- **Public safety policy**
- Safety Absolutes
- Health, safety and environmental management system (HSEMS)

## 2021 Performance

Our safety performance goal is to eliminate life-altering injuries and fatalities at Hydro One by 2024. In 2021, we achieved our lowest-ever recordable injury rate of 0.74 and, since 2004, we have succeeded in reducing that rate by approximately 90%.

While the improvement of recordable injuries is encouraging, it remains overshadowed by the tragic death of our teammate. Our leadership team is unwavering in its commitment to improve our safety culture and preventative measures are being implemented in conjunction with our Safety Improvement Plan. There was a reduction in the number of serious injuries from 2020.

## Approach

Hydro One prioritizes the health and safety of our employees and we are committed to eliminating life-altering injuries and fatalities through the implementation of our Safety Improvement Plan.

As part of our strategy to become the safest and most efficient utility, the employee-led Safety Improvement Team developed 12 key recommendations in 2020, which have been incorporated into our multi-year Safety Improvement Plan. The implementation of the plan will lead us to our goal of a workplace free of life-altering injuries and fatalities along with an improved safety culture at Hydro One.

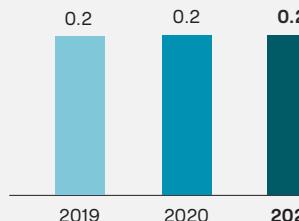
Our approach to health and safety is guided by our Health, Safety and Environmental Management System (HSEMS),<sup>9</sup> which is aligned with the ISO 45001 standard. Our system applies to all Hydro One activities, products and services, as well as to our contractors.

<sup>9</sup> Hydro One's HSEMS approach is aligned with International Organization for Standardization (ISO) reference standards (14001:2015 Environmental Management Systems and 45001:2018 Occupational Health and Safety). Our HSEMS is supported by corporate policies, operational procedures, guidance documents and assurance controls.



**Serious injury and fatality rate**  
(number of serious injuries and fatalities per 200,000 hours worked)

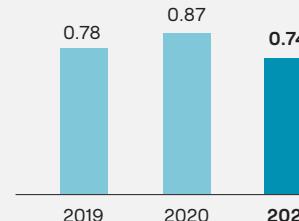
**0.2**



Our goal is to have a workplace free of life-altering serious injuries and fatalities. We conduct investigations after any serious or potentially serious event, which allows us to learn from the incident and improve our safety culture.

**Total annual recordable injury rate**  
(number of recordable injuries per 200,000 hours worked)

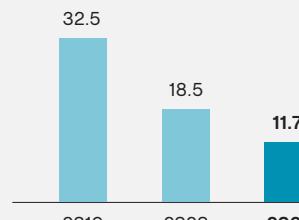
**0.74**



Our recordable injury rate is considered world class among peer utilities. Hydro One has made tremendous progress in reducing the rate of recordable injuries, which has declined by approximately 90% since 2004.

**Lost time injury frequency rate**  
(days lost per 200,000 hours worked)<sup>10</sup>

**11.7**



Our lost time injury frequency rate is declining as employees are needing less time off to recover from their injuries.

<sup>10</sup> In 2020, we began using an online portal to calculate the lost time injury frequency rate. This portal allows us to report lost time injury days that accumulate due to injuries that occur in prior years. We have updated the 2019 and 2020 data accordingly.

## Health and Safety

### Near Misses and Safety Catches

Near misses and safety catches are a reflection of our employees' willingness to report events when they occur. How organizations respond to events can greatly influence whether workers feel comfortable reporting incidents, which ultimately prevents serious injuries and fatalities. Since implementing the Near Miss and Safety Catch Initiative in 2018, we have seen a significant increase in reporting, with 2021 being the highest employee participation rate yet.

Enhanced employee engagement in near miss and safety catch reporting, combined with our stellar recordable injury performance, reflects our effort to increase transparency and improve safety culture in the workplace in order to prevent life-altering injuries.

Supporting employees' mental health is a key element of our safety program. In 2021, we continued to provide mental health training programs through our partners. These programs focus on the four pillars of wellness – mental, physical, financial and social. Over 450 employees received this training through courses on *Mental Health First Aid* and *The Working Mind*.

### Key Programs & Future Initiatives

#### Our Safety Improvement Plan

2021 was the first year in our four-year safety improvement journey to eliminate life-altering injuries and fatalities at Hydro One. The plan consists of initiatives that are focused on creating strong operational discipline and safety culture. We made considerable progress in 2021 on the critical milestones within the Safety Improvement Plan, setting a strong foundation for the coming years.

- **Enhancing our safety culture.** The Health & Safety team provides support to our operational groups, front line workers and supervisors on safe work practices, job planning and incident investigations. They also encourage the use of Human Success awareness training to anticipate and catch errors, which creates a working culture that empowers people to speak up and reinforce good behavioural habits. In 2021, approximately 7,000 employees received the Human Success awareness training.

- **Strengthening our management systems.** We have established quarterly reporting of event types, hazards and risks to identify emerging trends and confirm the effectiveness of corrective actions and improvement initiatives.

- **Improving apprenticeship training.** We are committed to safeguarding our apprentices through safety training and development programs for the skilled trades. Our Trades Mentorship Program pilot is progressing, with the pilot designed to keep our apprentices safe at each step of their Hydro One journey – from a rigorous selection process to comprehensive training courses to meaningful work in the field.

- **Implementing industry best practices.** We have developed robust safety analytics capabilities to better track and respond to high-volume incidents and high-risk activities performed in the field. Additionally, the investigation process has been streamlined and trends are being identified, with meaningful corrective actions being broadly implemented across the organization.
- **Establishing a Safety Centre of Excellence.** Hydro One's "One Vision, Total Commitment" was defined in 2021 and solidifies safety performance expectations and engrains how we all contribute to a positive safety culture. Hydro One also established Safety Absolutes to highlight significant risks to employees. Both of these initiatives were launched in 2022.

**Near misses and safety catches are a reflection of our employees' willingness to report events when they occur**



## Health and Safety

### Energizing Life for People & Communities Safety Absolutes

Safety Absolutes are a set of guiding principles focused on the most critical hazards that could lead to a life-altering injury. Committing them to memory and following them every day will help us achieve zero life-altering injuries.



#### Mobile equipment and light vehicles

##### **Key principle**

Responsible vehicle operation.

##### **Commitment**

I will safely operate only those vehicles and equipment I am authorized to use.



#### Energy isolation

##### **Key principle**

Establish energy isolation to provide a safe work environment.

##### **Commitment**

I will establish safe conditions prior to working on identified energy sources (dynamic, potential, kinetic).



#### Grounding and bonding

##### **Key principle**

To prove and protect against back feed voltage, induction and accidental re-energization.

##### **Commitment**

I will identify all sources of electricity/induction and will use approved grounding and bonding procedures to eliminate and control any hazards.



#### Working at heights

##### **Key principle**

Protect against falls and provide effective rescue.

##### **Commitment**

I will protect myself and others against a fall when working at heights by maintaining 100% tie-off.



#### Personal protective equipment

##### **Key principle**

PPE only works if you wear it.

##### **Commitment**

I will wear the right PPE in the right way to protect myself against potential workplace hazards.



#### Equipment safeguards and protective devices

##### **Key principle**

Protect people, environment and equipment.

##### **Commitment**

I will not alter or remove equipment safeguards or protective devices unless authorized to do so.



#### Designated work area

##### **Key principle**

Identify, understand and be aware of the boundaries of all established work areas.

##### **Commitment**

I will understand the hazards and related controls within the workplace before entering.



#### Cranes and hoists

##### **Key principle**

Perform safe lifting operations.

##### **Commitment**

I will ensure all lifting operations are planned and executed safely.

We plan to take the following actions in 2022 to help us build a stronger safety culture at Hydro One:

- Continue rollout of our multi-year Safety Improvement Plan to deliver on the recommendations made by our Safety Improvement Team.
- Roll out and implement Safety Absolutes, which have been established to highlight significant risks to employees.
- Continue to integrate training into our operational processes and tools in order to identify and act upon situations where potential errors could result in workplace injuries, customer interruptions, or damage to assets and equipment.
- Implement our new Trades Mentorship Program to keep apprentices safe at each step of their Hydro One journey.



#### Safety Innovation – Detecting safety threats in the workplace.

Hydro One is currently developing a multi-year technology roadmap to modernize our approach to safety, including using artificial intelligence (AI) to help prevent worker injuries and detect risks to utility infrastructure. The team has engaged with innovative partners to help us identify hazards in the workplace that must be monitored to keep our employees safe. In 2022, we plan to leverage an AI-powered solution to help us analyze safety and operations data, providing us with a real-time view of safety threats to support our decision-making.

# Our Approach to People

Our focus on people will help us deliver on the corporate strategy through an integrated approach to engaging, developing and enabling our people to build the grid of the future for Ontarians.

Our approach is focused on four aspirational commitments:



We are heard,  
valued and  
belong



**Heard** We aspire to have a culture where our voices matter, where we speak up for ourselves, each other and our collective values, and where we see our contributions in action.

**Value** We aspire to break down silos and have a culture where we win as one no matter where we work or our job function, and where our contributions are recognized and valued as core to our overall success.

**Belonging** We aspire to have a diverse and truly inclusive company where we have a sense of belonging in our past and future, recognizing the "familial" nature of our teamwork and a mandate that requires us to depend on each other to be safe and thrive.

We are safe, well and  
ready to perform



**Safe** We aspire to be relentless towards fulfilling the outcomes of our Safety Improvement Team and to live a culture where all our actions demonstrate that safety is our #1 priority.

**Well** We aspire to have a culture that expressly recognizes the direct link between being physically, emotionally and psychologically well, and provides the programming and leadership support to assist all of us towards greater wellness.

**Ready to Perform** We aspire to have a culture that supports all of us to make the right decision everyday about our readiness to perform our work and has as our primary consideration the safety and wellness impact to ourselves and others.

We are supported  
and equipped to win

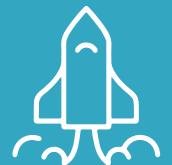


**Supported** We aspire to have programs, rewards and performance systems which support us to be our best.

**Equipped** We aspire to create an efficient and optimized workplace where we are equipped with the right knowledge and tools to do our best work and act like owners.

**Win** We aspire to create a culture of winning, by recognizing that with great power comes great responsibility. Our future depends on our curiosity and readiness to adapt and innovate to meet the needs of our changing industry and customer expectations.

We are ready  
for our future



**Ready** We aspire to commit now to retain, develop and motivate the next generation of leaders at every level and to be continually building the internal capabilities needed for the future.

**Our** We aspire to expressly recognize our potential and the highly specialized skills and leadership at all levels required to achieve our aspirations safely and effectively.

**Future** We aspire to be future focused by hiring and developing the right people with the right skills from both internal and external talent pools, who will embody our culture and drive future success.

# Employees and the Workplace – Talent

## ESG Corner

Key ESG policies, programs and management systems guiding our actions include:

- **Code of Business Conduct**
- Workplace violence, human rights and anti-harassment procedure

## Approach

Our people and culture remain pivotal to the overall success of our business. We take a proactive and thoughtful approach to identifying and recruiting talent and to building the skills and capabilities for the next generation of Hydro One leaders. We have embarked on a leading Talent Management program that is transforming the way we develop leaders and nurture talent.

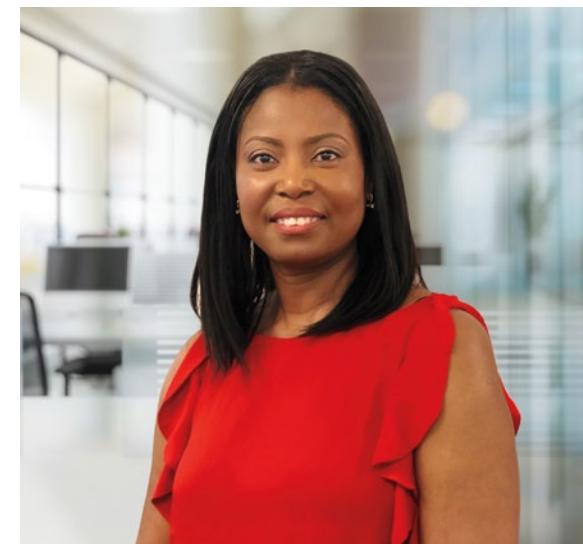
## 2021 Performance

We tested and launched our Leading Talent Management program during the year, evolving our overall approach to succession and development planning to ensure we are *Ready for Our Future*.

We have developed the ideal success profiles for the Hydro One Leader of Tomorrow, identifying core competencies and critical experiences, and embarking on development assessments for our executive leadership team (ELT). As part of our goal of providing development and exposure opportunities for our Leaders of Tomorrow,

we developed a new Colleague Experience Council (CEC) – an advisory group of top talent senior leaders, focused on providing thought leadership and expertise on the execution of priority people initiatives that touch all lines of businesses. The CEC acts as a champion for building the “Colleague Experience” at Hydro One and plays a critical advisory role as we look to engage and inspire our people to deliver on our corporate strategy.

In addition, we successfully renewed a mutually beneficial collective agreement with the Society of United Professionals. The two-year agreement includes extended physical and mental health benefits, with a renewed emphasis on diverse and inclusive practices, providing Hydro One with the flexibility we require to successfully execute our corporate strategy.



**Our Colleague Experience Council acts as a champion for building the “Colleague Experience” at Hydro One**

## Employees and the Workplace – Talent

### Key Programs & Future Initiatives

As part of our journey to ensure every colleague at Hydro One feels heard, valued and belongs, we launched *myExperience* – our new, fully digital engagement survey and a key pillar in Hydro One's employee listening strategy. The survey was open to all Hydro One employees and asked in-depth questions regarding employee engagement, job enablement and manager effectiveness, as well as physical and psychological safety in the workplace. The employee participation rate was approximately 69% for this first survey round, with employees telling us we are doing well in areas such as safety, job enablement and sustainability, and have opportunities to improve in performance accountability and work processes, among others. We are combining these key insights with "on the ground" observations to take action in 2022 to improve the overall employee experience at Hydro One.

### Energizing Life for People & Communities

#### The Future of Work

We understand the world is changing and employees' expectations for how they work are changing too. Prior to COVID-19, for office-based workers Hydro One was largely a "five days per week in the office" culture. The pandemic accelerated the trend toward remote work, and when we surveyed our office-based employees, the vast majority of them wanted flexibility in where they work.

We listened to our employees and, in response, we are currently conducting a year-long hybrid pilot for most office-based employees, which gives them the flexibility to work remotely for up to three days a week. We believe this model will help ensure we are creating an inclusive environment and attracting and retaining top talent. This hybrid pilot, coupled with a free-address model at our head office, also supports our commitment to reducing GHG emissions as we will use less office space and our employees will not have to commute to work each day.

In the field, we are also focused on supporting our employees. For this group of employees, we are looking at work enablement and flexibility, including technology improvements and fleet investments.



**For our field employees, we are looking at work enablement and flexibility, including technology improvements and fleet investments**

## Employees and the Workplace – Talent

Energizing Life for People & Communities

### Power to Give

Employee giving campaign



Raised\*



**90+**

Power to Give Volunteer  
Employee Ambassadors



**881**

Charities  
Supported



**4,315**  
Volunteer  
Hours

\* All fundraising totals include Hydro One's corporate match.

In 2021, the effects of the COVID-19 pandemic continued to be deeply felt by the charitable sector and recovery will be challenging for many organizations. Hydro One employees have responded generously to this crisis, giving back to the communities where we live, work and play.

Power to Give is Hydro One's employee giving program that provides an opportunity for employees to connect with their colleagues to make a meaningful difference in their communities. We know there are many causes and charitable organizations our employees are passionate about, which is why Power to Give provides employees with the opportunity to donate to their charities of choice. In 2021, Hydro One was proud to offer a two-to-one corporate match on donations employees made to registered Canadian charities.

Power to Give is championed by more than 90 volunteer employee Ambassadors from across the province. Together, they help promote Power to Give and lead local fundraising by organizing virtual and in-person events.

Ambassador Blair Sullivan, Forestry Manager in Northern Ontario, led a small team of his peers to coordinate a fundraising campaign with proceeds going to support local chapters of the Canadian Mental Health Association. Hundreds of foresters from Northern Ontario raised over \$30,000 that included a corporate match from Hydro One.

Ambassadors Dhruvi Patel, Revenue Metering Officer and Gillian Benish, Meter Data Agent from the Matheson Advanced Metering Infrastructure Operations office in Mississauga,

held several virtual engagement events, including a fitness challenge, trivia and a virtual escape room. Together their office, paired with the Power to Give matching program, raised over \$13,000 for the MLSE Foundation which supports engaging youth facing systemic barriers in sport.

Power to Give initiatives like these help build, strengthen and energize life in communities across Ontario. In 2021, Hydro One and our employees raised almost \$1.4 million to support charities that mean the most to our employees. The generosity of our employees demonstrates that we all have the Power to Give.

We plan to take the following actions in 2022 to build an even stronger team:

- Launch our Leading Talent Management program at-scale across the organization, taking learnings from our ELT development program to evolve our overall approach to talent development and succession planning in readiness for our future.
- Launch our Middle Management development program, equipping middle managers to drive forward all aspects of our strategy – the most important being our unrelenting safety focus.
- Deploy our refreshed Onboarding and Orientation program pilot to field and apprentice groups, providing both new and internal-move employees with a consistent and rich onboarding experience that bridges the learning and performance gap, and contributes to improving employee productivity, engagement and retention.



**Power to Give**  
is Hydro One's  
giving program

# Employees and the Workplace Diversity, Equity & Inclusion (DEI)

## ESG Corner

Key ESG policies, programs and management systems guiding our actions include:

- Diversity, Equity and Inclusion Commitment Statement
- Diversity, Equity and Inclusion Council

## Approach

Hydro One strives for a workplace where all people are valued, respected and have equal access to opportunities and advancement.

With our Diversity, Equity and Inclusion commitment statement as our guide, Hydro One's Diversity, Equity and Inclusion Council was established to advocate for and help embed DEI throughout the company's social, governance and business practices. In addition, the Council's primary mandate is to ensure DEI is reflected in corporate policies, practices, initiatives and programming and to help promote a culture of belonging across the company.

DEI remains a source of our strength and a significant competitive advantage – positively impacting innovation, engagement, trust and talent retention, while improving safety, the customer experience and our business performance.

## Diversity<sup>13</sup>

### Board diversity<sup>14</sup>

45%  
women directors



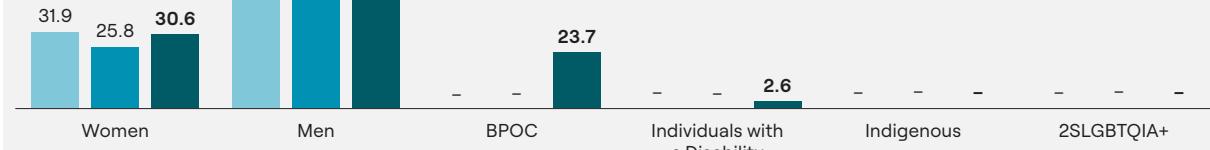
- Women (45%)
- Men (55%)
- Black and People of Colour (BPOC) (0%)
- Individuals with a Disability (9%)
- Indigenous (9%)
- 2SLGBTQIA+ (0%)

<sup>13</sup> Diversity data is based on employees voluntarily self-identifying.

<sup>14</sup> Based on self-identification, currently one of 11 board members identifies as an Indigenous Person. There is one board member who has self-identified as a person with disabilities.

## Executive diversity<sup>15,16</sup> (% of executive management)

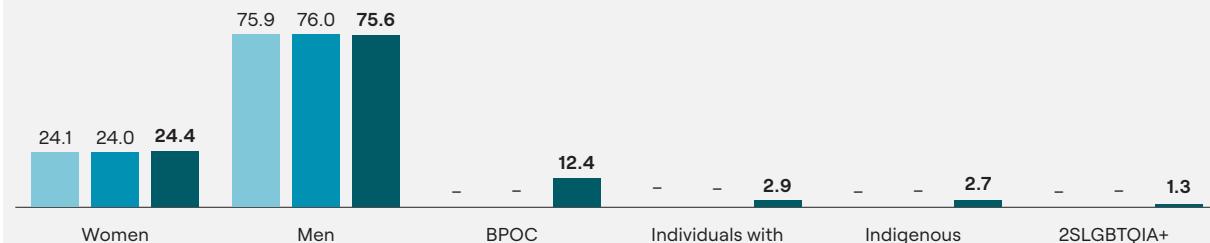
■ 2019 ■ 2020 ■ 2021



Representation of women in the executive ranks increased by approximately 5% which positions us well as we strive to achieve at least 30% women executives by 2022 as outlined in our commitment as a Catalyst Accord signatory.

## Employee diversity<sup>16</sup> (% of regular employees)

■ 2019 ■ 2020 ■ 2021



Representation of women in the employee population remained steady.

<sup>15</sup> Executive refers to Vice President and above.

<sup>16</sup> Diversity by gender is calculated as a yearly average and therefore comparable across 2019, 2020 and 2021. All other categories are reported as point-in-time as of December 31, 2021 and not comparable across the years. 2021 is the first year that we are reporting – the % of executive management who self-identify as individuals with a disability and the % of executive management and % of regular employees who identify as being 2SLGBTQIA+.

## Employees and the Workplace – Diversity, Equity & Inclusion (DEI)

### 2021 Performance

We aspire to have a culture that expressly recognizes the direct link between inclusive and supportive leadership and being physically, emotionally and psychologically well. We also aspire to provide the programming and leadership support to assist all employees toward greater wellness. This requires us to work together as a team and depend on each other to be safe and thrive.

We conducted CEO conversations on racism with our employees who identify as Black, Indigenous and People of Colour (BIPOC). The goal of these sessions was to hear first-hand employee experiences with racism in our company and to help develop programming to eliminate systemic barriers at work. We heard clearly that they felt strongly about the importance of diversity in leadership roles and



### Diversifying Our Apprenticeship Pool

Building a diverse pipeline of talent is critical to achieving our DEI goals. In 2021, we took steps to continue to promote diversity across our apprenticeship hiring practices and programs. The teams ensured diverse candidate pools and the outcome was that 21% of the people hired for Lines Apprentices and almost 50% for Electrical Apprentices were diverse. We are looking to hire the best apprentice talent and we are endeavouring to remove bias and barriers in the hiring and selection process while paying attention to creating an inclusive environment for all of our employees.

the need for foundational training and education about anti-racism. Many of our employees suggested that leaders needed the tools to support BIPOC employees by listening, having open conversations and stepping up when they witnessed micro-aggressions, bias and discrimination. As a first step to what we heard, we launched our first anti-Black racism workshop as part of our broader DEI Symposium. This workshop reached over 500 employees.

We continued to partner with our eight Employee Resource Groups (ERGs), which are voluntary groups of employees dedicated to advancing inclusion and organized around a specific identity or interest. Collectively our ERGs have over 1,500 members, demonstrating that our employees are dedicated to being part of the change they wish to see at Hydro One.

We continued to conduct Men Advocating Real Change workshops for our field managers and supervisors focused on how to advance gender equity in the workplace. We held five sessions with approximately 200 participants and our goal is to continue to offer these workshops to employees.

### Key Programs & Future Initiatives

The 2021 *myExperience* survey included a diversity census that incorporated diversity dimensions on gender identity, race, ethnicity, sexual orientation, people with disabilities and immigrant professionals. The data collected will inform our future programming as well as target setting. The baseline figures established through the census will serve as a foundation for a comprehensive systemic bias review in 2022. The review will identify and bring forward recommendations on how to remove and prevent systemic barriers and biases throughout Hydro One's talent management life cycle, including attraction, hiring, development, promotion and retention. This will also include a comprehensive review of Hydro One's joint apprenticeship and hiring practices for other groups.

#### We plan to take the following actions in 2022 to create a diverse, equitable and inclusive work environment:

- Roll out foundational DEI 101 workshop to employees at all levels of the organization. This training is a critical first step in education and awareness creation among our employees of the workplace inclusion barriers faced by underrepresented groups.
- Launch a comprehensive systemic bias review to help identify and bring forward recommendations on how to remove and prevent systemic barriers and biases throughout the talent management life cycle, including attraction, hiring, development, promotion and retention.

- Implement a Women in Trades, Technology and Engineering Mentoring program to encourage, empower and inspire more female-identifying employees to participate at all levels of the organization.
- Develop an enterprise-wide Upward Mentoring program to educate senior leaders on diversity, equity and inclusion based on employees sharing their lived experiences.
- Roll out anti-Black racism workshops with our senior leaders and executives, and then plan subsequent sessions for our people leaders.



# Planet

Clean, green growth is our province's way forward. Hydro One enables that growth, delivering electricity that is approximately 94%<sup>17</sup> carbon emission-free.

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  - 26 Environmental Management

<sup>17</sup> The Canadian Energy Regulator has been used historically as the data source for this indicator. Going forward, Hydro One will report on this metric using data provided directly from the IESO for Ontario.



# Climate Change: Adaptation and Mitigation

## ESG Corner

Key ESG policies, programs and management systems guiding our actions include:

- **Environmental policy**
- Climate change policy
- Climate change management plan
- Grid resiliency strategy
- Climate change committee
- Health, safety and environmental management system (HSEMS)

## Approach

We are committed to adapting to and mitigating the impacts of climate change in a complex business and regulatory environment.

Global policies, Canadian laws, government commitments and investor expectations are influencing all organizations to reduce GHG emissions to mitigate the impacts of future climate changes.

Electricity transmission and distribution companies like Hydro One must adapt our infrastructure and business to operate in an environment where:

- future temperature and weather changes may impact the resiliency and life of our infrastructure;
- extreme weather events and fires may impact customer service and critical electricity supply; and
- vegetation growth may hinder access to and operation of our supply network.

We must also adapt quickly to operate in a decarbonized environment where:

- electricity demands may increase; and
- transmission and distribution load increases may impact infrastructure resiliency.

In 2021, Hydro One took significant steps to understand, balance and make commitments to sustainably adapt our infrastructure, operations and business to future climate changes and needs while mitigating carbon emissions. Our work is overseen by a cross-functional leadership-level committee and guided by Hydro One's environmental policy, climate change policy and management strategy.

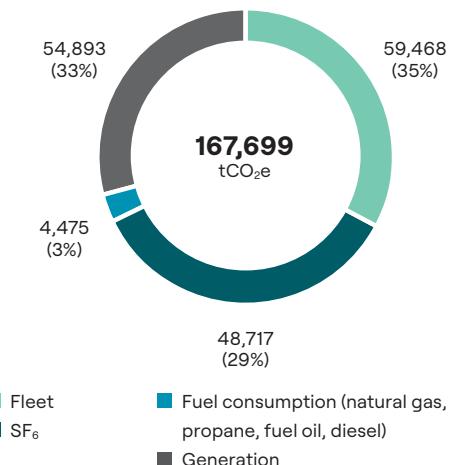
## 2021 Performance

Hydro One's total reported GHG emissions<sup>18</sup> are estimated to be 305,129 metric tonnes of carbon dioxide equivalents (tCO<sub>2</sub>e). This is a reduction of 9% compared to the 2018 baseline year and is on track for our planned goals to maintain GHG emissions at 2018 baseline emission levels. The decrease is primarily due to a reduction of SF<sub>6</sub><sup>19</sup> emissions through the implementation of planned improvements. The improvements included identifying and replacing equipment that contributes to leaks, improving gas handling through training and eliminating, whenever possible, the usage of SF<sub>6</sub> in our equipment. The decrease is also attributable to the reduction of transmission line losses due to the favourable changes in Ontario's energy mix and decreases in electricity demand during the COVID-19 pandemic.

## Low-Carbon Energy Mix

Ontario has one of the lowest carbon emitting electricity grids in North America. Ontario's electricity sources are largely carbon free – Hydro One transmits and distributes electricity that is approximately 94%<sup>21</sup> carbon emission-free<sup>22</sup> and our GHG emissions are estimated to account for 0.21% of Ontario's total GHG emissions.<sup>23</sup>

## Scope 1 Emissions<sup>24</sup>



In 2021, Hydro One avoided approximately 4,273 tCO<sub>2</sub>e of emissions as a result of renewable energy technology, conservation programs, the expansion of the Ivy network and the increase of customers choosing the e-billing option on their bill. These avoided emissions are equivalent to a year's exhaust from approximately 1,309 passenger vehicles.<sup>20</sup>

<sup>18</sup> Hydro One's GHG Inventory is aligned with the GHG Protocol Corporate Accounting and Reporting Standard; ISO 14064-1:2018; Greenhouse Gas Emissions: Quantification, Reporting and Verification Regulation (O.Reg. 390/18). Emission Factors are from Canada's National Inventory Report 1990–2020 and Global Warming Potential (GWP) from the IPCC Fifth Assessment Report, 2014 (AR5).

<sup>19</sup> SF<sub>6</sub> is used to insulate high-voltage circuit breakers and gas-insulated switchgear.

<sup>20</sup> Calculated from <https://oee.nrcan.gc.ca/corporate/statistics/neud/dpa/calculator/ggh-calculator.cfm>.

<sup>21</sup> As determined by the Canadian Energy Regulator.

<sup>22</sup> The average Ontario system grid emissions five-year average is 26.4 gCO<sub>2</sub>e/kWh (2016–20). Source of data: Canada's National Inventory Report, 1990–2020, Part 3, Annex 13, Table A13-7: Electricity Generation and GHG Emissions Details for Ontario.

<sup>23</sup> All data is from the Environment and Climate Change Canada's National Inventory Report 1990–2020: Greenhouse Gas Sources and Sinks in Canada, Part 3. Hydro One's emissions are those that directly relate to the electricity sector.

<sup>24</sup> Scope 1 – Direct emissions from sources owned or controlled by Hydro One (e.g., use of fossil fuels in our owned and operated fleet vehicles). R22 is not represented on the graph as it's less than 1% of Scope 1 emissions, at 145 tCO<sub>2</sub>e.

<sup>25</sup> Scope 2 – Indirect emissions from the generation of acquired and consumed electricity, steam, heat or cooling from sources owned or controlled by an external organization (e.g., from energy purchased for use in our facilities and GHG emissions related to transmission and distribution).

## Scope 2 Emissions<sup>25</sup>



## Climate Change: Adaptation and Mitigation

### Key Programs & Future Initiatives

#### Adaptation Strategies

Hydro One owns and operates vital infrastructure necessary to help Ontario achieve its climate change goals and transition toward a low-carbon economy.

We are focused on supporting our customers in Ontario with their efforts to manage future impacts of climate change through electrification. We expect these efforts will help us unlock the potential in our provincial economy. To achieve this, Ontario's grid requires investments in efficient, smart and flexible system infrastructure. Smarter and reinforced transmission and distribution infrastructure will play an important role in integrating additional renewable electricity-generating capacity, such as large-scale wind and solar generation assets and smaller decentralized renewable sources, as well as managing interconnections, ensuring security of supply and a resilient grid.

We continue to adapt to keep pace with rapidly evolving changes in our industry. We are also adjusting how we engage with customers to ensure we are deploying the latest technology to meet their needs.

Climate change and extreme weather are predicted to have a significant impact on the planning, design and operation of electricity transmission and distribution infrastructure. Preparing the grid to withstand future weather changes has been a priority at Hydro One for several years. We undertook a number of initiatives in 2021 to adapt to climate changes:

- We began updating our planning criteria for different climate scenarios, assessing the potential impacts on our business of a change in temperature from 30 to 35 degrees Celsius.
- We applied our new design standards to improve pole line resiliency for extreme weather events.

- We updated Hydro One's engineering design standards to mitigate risks occurring from basement flooding, wind and ice damage on substations, lightning strikes for substations or large volumes of snow accumulation.

We also undertook studies to assess the financial risks and opportunities anticipated under various future temperature change scenarios. These studies have provided valuable baseline information that will be used for future adaptation planning. More information can be found in our [TCFD disclosure](#).

#### Mitigation Strategies

In 2021, Hydro One's Board of Directors approved the company's targets to reduce GHG emissions. We are committed to achieving net-zero GHG emissions by 2050, in support of Canada's commitments, with a target of a 30% Scope 1 and 2 emissions reduction by 2030, based on 2018 levels. In support of these commitments, we established plans and mitigation targets to reduce our most significant emission sources and agreed on annual emission reduction targets.

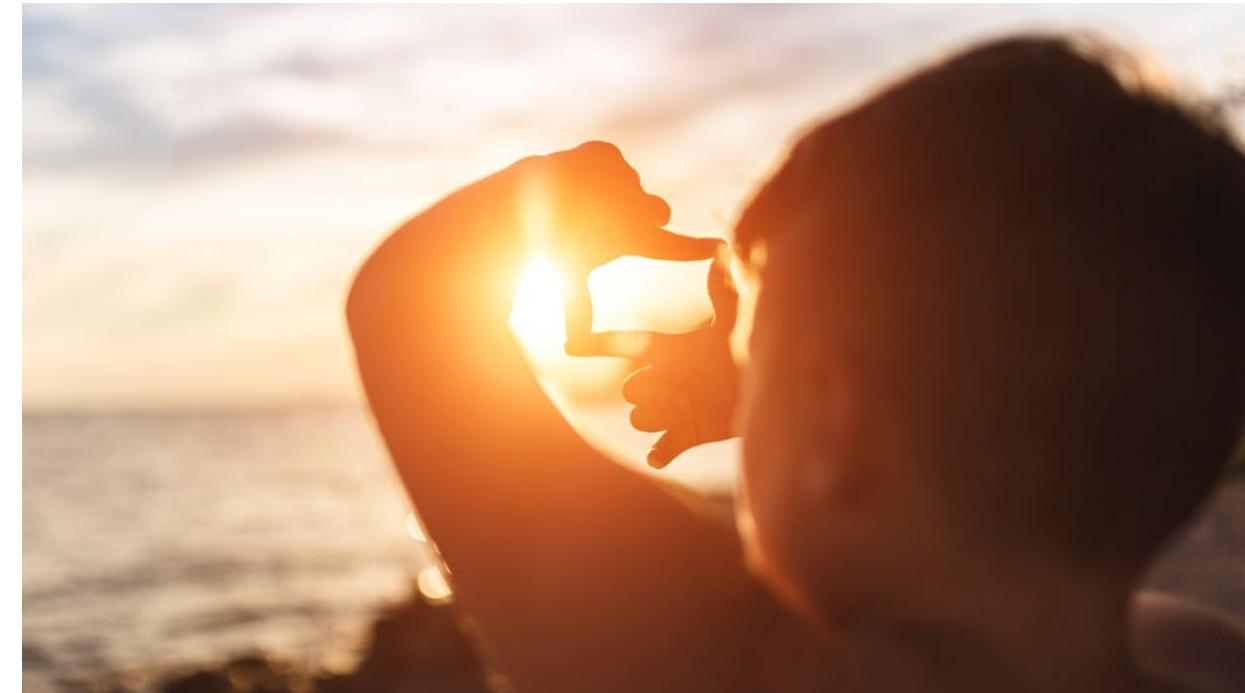
In support of this goal, we developed workplans, budgets and targets to reduce emissions for the major sources of carbon emissions by 2030. These include:

- reducing fleet carbon emissions by 40% through the conversion of feasible fleet vehicles to electric or hybrid and the modification of driving behaviours;
- reducing SF<sub>6</sub> emissions by 25%; and
- reducing emissions from Hydro One Remotes diesel fuel electricity generation by 50% by connecting Northwestern Ontario remote communities to the Hydro One electricity grid and using renewable resources to generate electricity.

**We plan to take the following actions in 2022 to mitigate carbon emissions and adapt to climate change:**

- Progress our adaptation plan to guide and focus future work.
- Maintain carbon emissions at 2018 levels while advancing mitigation programs.
- Develop programs to offset GHG emissions through the creation of carbon offsets.

**Hydro One is committed to achieving net-zero GHG emissions by 2050**



# Environmental Management

## ESG Corner

Key ESG policies, programs and management systems guiding our actions include:

- **Environmental policy**
- Environmental stewardship plan
- Resource management plan
- Contaminated land management plan
- Spill response program
- Land assessment and remediation program
- Avian protection plan
- Invasive species guidance documents
- HSEMS
- Environment Committee

## Approach

Climate change is one of the four key programs at Hydro One that address our highest environmental risks. The other programs are:

### Our Environmental Management Programs and Components

<b>Environmental stewardship</b>	Environmental planning; community and Indigenous engagement; biodiversity enhancement; heritage resource management; compliance assurance
<b>Resource management</b>	Air, water and waste management; chemical management including polychlorinated biphenyls (PCBs)
<b>Contaminated land management</b>	Spills, land and groundwater assessment and management; soil management and site remediation

We regularly review our activities to assess the risk of impacting the environment, based on the likelihood and severity of impact. We consider emerging environmental issues, and our environmental management programs have been effective in helping us address emerging industry-wide issues.

### 2021 Performance

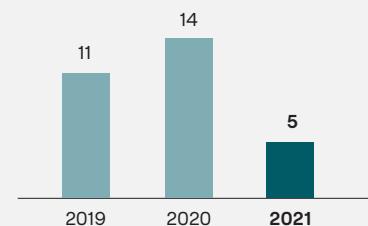
Hydro One's environmental compliance obligations are broad ranging and stem from federal, provincial and municipal legal requirements; commitments to our communities and customers; industry and investor expectations; and Hydro One's own policies.

In 2021, to meet these compliance obligations, we:

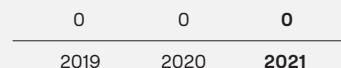
- enhanced many of our environmental management standards and policies;
- introduced new approaches to manage birds, endangered species, and excess soil;
- worked with government agencies to streamline our legal environmental assessment process;
- established new approaches to work with local conservation authorities and national and provincial parks;
- strengthened review of the effectiveness of our environmental management process to assure compliance and continually improve our environmental performance; and
- assessed the effectiveness of our processes to manage PCBs, track and dispose of waste, apply herbicides on our corridors and safely maintain containment and drainage systems at our transformer stations.

### Number of environmental inspections, orders and warnings\*

### Number of Inspections/Investigations by Ministry of Environment, Conservation and Parks

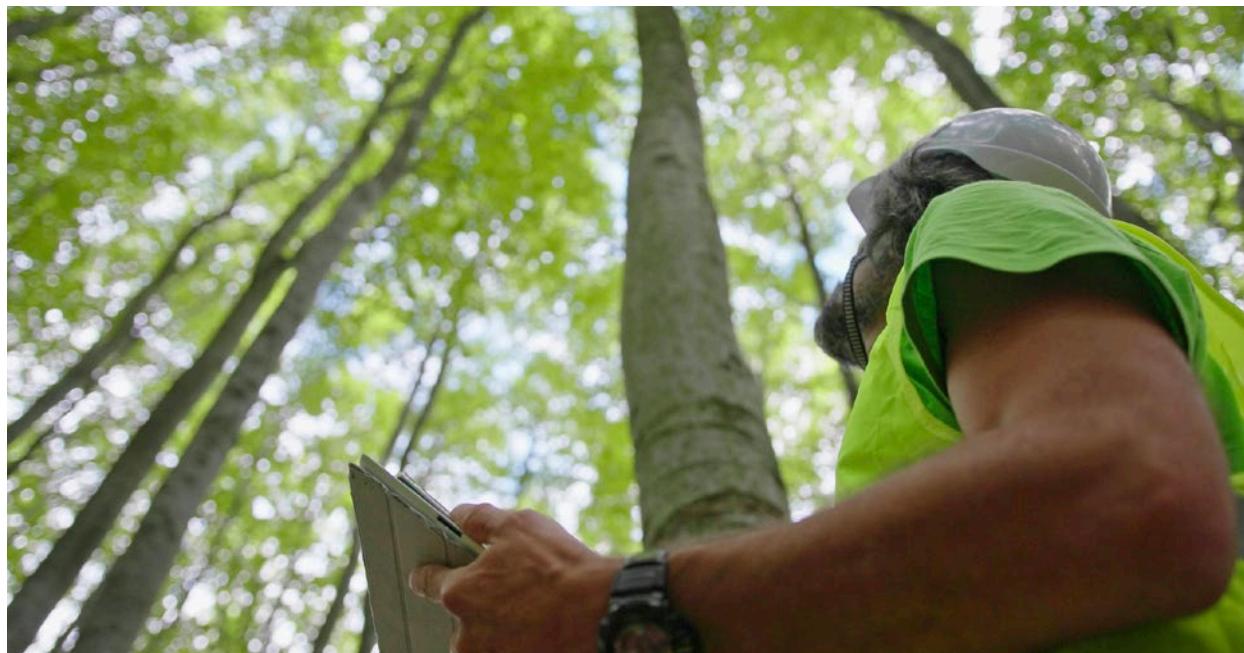


### Number of Inspections/Investigations resulting in orders/actions being issued



In 2021, five inspections were conducted by either provincial or federal environmental regulatory agencies. Four investigations pertained to the storage of PCB waste and other waste material at Hydro One's waste management storage sites, while the other pertained to Hydro One stations' compliance with conditions outlined in provincially regulated Environmental Compliance Approvals. No non-compliance issues were identified from these inspections and no orders were issued to Hydro One by environmental government agents.

## Environmental Management



### Key Programs & Future Initiatives

#### Environmental Stewardship Plan

Our environmental stewardship approach is guided by our commitment to actively consult with communities, partners, Indigenous communities, and stakeholders to inform, seek input and address their concerns. Our goal is to build partnerships based on trust and cooperation. This approach is incorporated into our infrastructure projects and programs through the execution and completion of legislated environmental assessments (EAs), environmental reviews, the permitting process and by implementing environmental protection plans during construction.

These stewardship processes allow us to identify the potential environmental effects of our projects, positive and negative, and apply mitigation measures where necessary. Our teams continue to improve our rigorous approach to stakeholder consultation and Indigenous community engagement by:

- proactively consulting with communities, government officials and agencies, and interested persons and organizations throughout the EA process; and
- supporting capacity building in local communities, from the earliest stages of project planning and EAs.

#### Energizing Life for People & Communities

### Conserving Ontario's Biodiversity

In Ontario, we are surrounded by great natural wealth and biodiversity. Hydro One is committed to pursuing best practices for maintaining biodiversity and working closely with our community and environmental partners to identify critical habitats and species that need to be protected. This helps us to support the sustainability of local ecosystems and our province's agricultural and horticultural economies.

Our efforts focus on minimizing the impact of our large capital projects on natural habitats and ecosystems, and on strengthening beneficial outcomes. In 2021, we advanced a number of initiatives designed to conserve and protect Ontario's biodiversity, including:

- Supporting Algoma Highlands Conservancy's Wolf Study in northern Ontario, the goal of which is to understand how movement, habitat use and prey relations may be influenced by anthropogenic linear features (such as Hydro One transmission lines and corridors) and human disturbances (i.e., off-road recreational vehicles like ATVs).
- Creating habitat for pollinators by planting 20 hectares of Ontario pollinator mix, mainly in the Peterborough and London areas. We continued research and trials on a "coated" seed mix that works better with Hydro One equipment and monitored existing pollinator sites. We also identified locations for further pollinator habitat creation in 2022 and made plans to engage with Indigenous communities and the New York Power Authority to develop standardized methodology to sustainably implement pollinator and native species planting as a vegetation management tool for Hydro One.
- Installing 13 platforms for osprey nests, with a target of installing 22 osprey nest platforms in 2022.
- Working with the Hamilton Naturalists' Club to restore wetlands and remove invasive species – as part of a Line Refurbishment capital project in Ontario's Golden Horseshoe region under the control of the Hamilton Conservation Authority.



## Environmental Management

Hydro One's activities impact the natural, social and economic environment. We undertake environmental planning to determine the potential impacts of our activities and implement measures to reduce negative impacts and strengthen beneficial outcomes. The highest impacts and benefits are generally associated with our transmission capital projects.

In 2021, we conducted environmental work<sup>26</sup> to support the planning, development and construction of approximately 460 capital transmission projects and programs. The environmental team successfully completed and/or significantly advanced the environmental assessments (EAs) on the Waasigan and Chatham-to-Lakeshore projects and prepared environmental protection plans (EPPs)<sup>27</sup> for 82 projects, with a goal to offset impacts and reduce our environmental footprint through biodiversity enhancement, land management practices or community initiatives.

### Resource Management Plan

We have well-established programs in place for matters relating to air, water and waste and we continue our journey to phase out PCB-containing electrical equipment at our sites by December 31, 2025, as required by law.

In 2021, we reviewed the operation of well-water supply systems at our small, unmanned station locations and replaced existing treatment systems with more modern technology.

Hydro One's liquid and non-hazardous waste management programs also recycle metal and oil from the disposal of oil-filled electrical equipment. In 2021, we generated 128,000\* tonnes of solid waste in the operation of our facilities and were able to recycle approximately 8,767\* tonnes of this waste and over 1.7 million\* litres of oil, resulting in approximately \$4.4 million\* in rebates. We also achieved approximately \$52.6 million\* in savings during 2021 for costs or materials related to our material recycling, recovery programs and technology enhancements in our fleet.

### Contaminated Land Management Plan

Hydro One has well-established processes regarding the management of contaminated lands, including a spill response program and a land assessment and remediation program. Our team of specially trained responders share on-call duties providing 24 hour/7 days per week spill management services, supported by external environmental contractors. Our goal when responding to spills is to prevent or mitigate potential impacts on the environment and to minimize customer service interruptions. In 2021, we recorded 415 spills,\* with 111 spills\* resulting from extreme weather. Our recovery rate for liquid spills in 2021 was 97%\* which exceeded our target of 90% recovery.

Additionally in 2021, we remediated or assessed 24 Hydro One sites that have been historically contaminated.

<sup>26</sup> Environmental support includes EAs, environmental approvals and permits, environmental studies, stakeholder consultation, community and Indigenous consultation, geo-environmental investigation, construction support, remediation, waste management and monitoring.

<sup>27</sup> EPPs document measures to mitigate identified environmental impacts of projects and may include measures to protect or minimize impacts to natural habitats, water courses, built heritage assets, archaeologic features, and consider contaminated materials such as soil, groundwater or building materials in execution of the project.



**We plan to take the following actions in 2022 to advance our key environmental programs:**

- Continue to progress the PCB phase-out initiative and implement recommendations to improve PCB equipment testing and removal efficiencies.
- Continue to prepare EPPs for all capital transmission projects where a potential impact on the environment, or environmental deliverables such as approvals and permits, are anticipated.
- Work with facilities and facility operations service contractors to optimize management of well-water treatment systems and waste water collection and drainage systems at our major transmission station sites.
- Remediate or assess 18 Hydro One sites that have been historically contaminated.
- Maintain spill tracking and continue to target 90% recovery of liquid spills; enhance our spill tracking to identify preventable spills and determine whether any recommendations could be made to reduce preventable spills.



**8,767\* tonnes of waste recycled**



**1.7M+\* litres of oil recycled**



**\$4.4M\* in rebates**

# Community

Hydro One is in the business of providing more than safe and reliable power – we are responsible for energizing life for people and communities across Ontario.

We continue to stand with our partners – Indigenous communities, customers, industry stakeholders, government and all Ontarians – to build safer, more resilient communities and to promote a more equitable future for all.



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# Indigenous Relations

## ESG Corner

Key ESG policies, programs and management systems guiding our actions include:

- **Indigenous Relations policy**
- **Progressive Aboriginal Relations program of the Canadian Council for Aboriginal Business (CCAB)**

In 2021, Hydro One continued implementing our new Indigenous Relations strategy to support meaningful Indigenous reconciliation, as outlined by [Call to Action #92 of Canada's Truth and Reconciliation Commission \(TRC\)](#), which calls on corporate Canada to adopt the United Nations Declaration on the Rights of Indigenous Peoples (UNDRIP) as a reconciliation framework. This includes committing to meaningful consultation; building respectful relationships; obtaining the free, prior and informed consents of Indigenous peoples before proceeding with economic development projects; ensuring Indigenous peoples have equitable access to jobs, training and education opportunities; and educating management and staff on the history of Indigenous peoples.

We have dedicated new resources to support meaningful community engagement and are working to create a culture of understanding across our employee base. We have also revised our Indigenous Relations Policy to include a statement in support of UNDRIP.

## 2021 Performance

In 2021, we made meaningful progress on implementing our Indigenous Relations strategy and on advancing key projects and initiatives – all of which have required a paradigm shift in our thinking and interactions with Indigenous communities. We continue to address barriers to working with Hydro One for Indigenous businesses and we are working to finalize a transparent framework on economic benefits for Indigenous communities, including equity partnerships.



**Call to Action #92 of Canada's Truth and Reconciliation Commission (TRC) calls on corporate Canada to adopt the UNDRIP as a reconciliation framework**

## Indigenous Relations

### Energizing Life for People & Communities

## Spotlight On Hydro One's Indigenous Relations Strategy



### Excelling at engagement

During projects and throughout the life of Hydro One assets; as part of an integrated Hydro One team



### Working with integrity

Establishing corporate approaches on: equity; economic benefits; UNDRIP/FPIC; historic grievances and reconciliation



### Breaking barriers

Providing innovative and lasting benefits to Indigenous communities in procurement, employment, economic benefits and investment opportunities



### Holding ourselves accountable

Measuring progress and setting targets

In 2021, our efforts focused on these initiatives to build trust, advance our strategy and achieve our desired outcomes.

#### Understanding the Indigenous communities we most impact

We identified the communities we interact with most frequently and whose territories we may impact the most. We plan to engage with these communities to understand their goals and aspirations, and build relationship plans to address initiatives and focus on areas of importance to them.

#### Advancing economic prosperity in Indigenous communities

We are advancing prosperity by exploring equity investments on new major greenfield transmission line projects through economic partnerships, as well as through education and training that provide Indigenous communities with the experience they need to manage economic opportunities internally.

Working with integrity, we are committed to using clear, consistent principles in our approach to **Equity Partnerships**. On new greenfield transmission lines over \$100 million in capital costs, we are offering proximate First Nations communities the opportunity to invest in 50% of the equity in those projects. This industry-leading partnership model will transform the way First Nations participate in and benefit from critical infrastructure development in Ontario. It will provide generational revenues for participating First Nations communities on new large-scale transmission line projects.

**Increasing Hydro One project and corporate Indigenous procurement** We have set aggressive targets to increase overall sourceable Indigenous procurement at Hydro One – increasing the spend to 5% of our total spend by 2026. We will encourage our major contractors and vendors to increase their own Indigenous procurement by improving capacity for Indigenous subcontractors and providing business opportunities.

**Becoming an Employer of Choice** We are focused on addressing barriers to Indigenous employment and supporting recruitment, growth and retention of Indigenous employees. We have established expectations with our contractors and vendors that they also support, measure, report and increase Indigenous employment and training.

**Transforming Hydro One as an organization** We will make Indigenous Relations part of our corporate fabric that informs our goals and priorities, and a focus of all employees. We will build awareness of Indigenous history, culture and rights. We will ensure ours is a culture of respect at all levels in Hydro One that informs our interactions in the field, through customer care and in our engagement and negotiations.

**Addressing Key Issues** We have committed to supporting UNDRIP which envisions a means of working with Indigenous communities for mutual benefit. We plan to build a process for understanding and addressing grievances in Indigenous communities.

## Indigenous Relations

### Key Programs & Future Initiatives

Despite the ongoing impact of COVID-19 on our engagement activities, we continued to meet with and address concerns expressed by Indigenous communities regarding electricity reliability, affordability and connection processes, as well as interest in securing business and procurement opportunities.

In 2021, we increased total procurement spending with approximately 82 Indigenous businesses to \$58.3 million, our highest spend to date in this category. This was approximately 3.4% of our total sourceable spend, and we are on track to achieving our goal of 5% by 2026. All Requests for Proposals require a consideration for Indigenous businesses and communities. We informed our suppliers of our commitment to advance Indigenous procurement and made it clear that we expect the same level of commitment from our suppliers.

We also continued to support education and training opportunities for Indigenous people, and retained a third-party expert to undertake an Indigenous Employment Barrier Review of Hydro One. The review will be completed in 2022 and will enable us to develop a plan to address and remove barriers to employment and retention. We worked with Skills Ontario to develop promotional materials to introduce Indigenous youth to training and career opportunities across Hydro One.

Key Concerns	Actions Taken to Address Issues
Indigenous communities are experiencing poor electricity reliability	<ul style="list-style-type: none"> <li>Hydro One is working on improving reliability for First Nations communities with the poorest reliability through targeted distribution investments in our investment plan development. The pace and scale of these investments are contingent on the Ontario Energy Board's approval of our joint rate application currently before the Board.</li> </ul>
Indigenous communities are still struggling with electricity affordability	<ul style="list-style-type: none"> <li>Offered new support programs for residential customers and for small businesses/registered charities with overdue amounts owing from one or more previous electricity bill(s) incurred since the start of the pandemic</li> </ul>
Indigenous communities have expressed increased concerns related to connection process and timelines	<ul style="list-style-type: none"> <li>Streamlined the connection process and timelines and provided additional support to Indigenous communities by presenting an overview of the household and three-phase power connection processes to support economic growth</li> <li>Focused on resolving connection issues with specific Indigenous communities who have raised such concerns</li> </ul>
Indigenous communities expressed interest in more procurement, ownership and other business opportunities	<ul style="list-style-type: none"> <li>Increased visibility of procurement opportunities for Indigenous businesses</li> <li>Set internal and external procurement targets and have evolved our approach to working with Indigenous businesses directly and indirectly</li> <li>Engaged with suppliers to set expectations with respect to Indigenous participation in support of Hydro One work</li> </ul>
Indigenous communities expressed concerns with their capacity to engage on projects and that engagement has become harder due to COVID-19	<ul style="list-style-type: none"> <li>Evolved our engagement techniques to online/virtual which has helped advance consultations where appropriate. Alternatively, if virtual engagement has not been appropriate, considered adjustments to project timelines</li> <li>Worked directly with Indigenous communities on major projects consultation capacity support</li> </ul>



**82 Indigenous businesses and \$58.3M total procurement spend**

## Indigenous Relations

### Building knowledge, capacity & transferable skills

Hydro One is committed to developing the Waasigan Transmission Line with enhanced engagement and consideration of the proximate Indigenous communities. We are taking the necessary time to understand Indigenous interests in the proposed new Waasigan project in Northwestern Ontario to ensure that development is conducted in a way that respects and maintains Indigenous rights and self-determination. This includes incorporating Indigenous Knowledge throughout the EA process and learning about the area's natural environment, history, culture and traditional practices.

One step is building capacity to support meaningful participation during the EA process – including engagement, providing feedback on EA-related documents, and conducting field studies and monitoring programs.

We offered a Training and Skills Development Program (TSDP) to enhance local Indigenous communities' knowledge and skills relating to the planning, development and EA phase of Waasigan, which is transferable and can be applied to other projects. We offered two training modules – *Environmental Assessment Preparation and Review* and *Natural Environment, Field Studies and*

*Monitoring* – which also included hands-on practical field exercises. The modules train participants to assist in the project as environmental monitors or field technicians.

To date, we have delivered a total of 16 TSDP training sessions to 116 people from the approximately 21 Indigenous communities and organizations engaged in the Waasigan EA.

### Powering Beausoleil First Nation

We have been working for over six years with Beausoleil First Nation (FN) to bring 3-phase power to their community. While negotiations have been lengthy and challenging – with concerns raised about the project scope, timelines and costs – in 2021, we successfully created a new plan in close consultation with the community, which gained approval of the Chief and Council. This line upgrade will allow Beausoleil FN with additional capacity to power future infrastructure facilities such as a water treatment plant, along with greater reliability against weather-related outages. Hydro One has agreed to cover the costs of enabling internet to the community and recently chose an Indigenous vendor to complete approximately \$1.6 million worth of construction work.



### Indigenous Partnerships

The Hydro One Business Grant, developed in partnership with the CCAB, further empowers Indigenous businesses by awarding 28 recipients grants and CCAB memberships. Many of these Indigenous-owned businesses have experienced challenges arising from the COVID-19 pandemic.

The grants were administered through CCAB's Tools and Financing for Aboriginal Business program to enhance Aboriginal entrepreneurship by providing access to development and networks. In 2021, the first year of the program, 105 applications from Indigenous businesses were received and the winners were announced in October. The grant program has been renewed for 2022.

In addition, in 2020, CCAB advanced Hydro One to a Silver certification in its Progressive Aboriginal Relations program, from our Bronze level in 2017.

**We plan to take the following actions in 2022 to support Indigenous reconciliation, advance economic reconciliation, and become the trusted partner for Indigenous communities in Ontario:**

- Continue to implement the Indigenous Relations strategy within Hydro One and with Indigenous communities and governments.
- Support the 2026 Indigenous business procurement target of 5% of sourceable spend.
- Apply land valuation principles that recognize the unique character and function of Indigenous reserve lands when we negotiate permits.

- Mature our framework for providing economic benefits like equity on major greenfield transmission lines projects.
- Support Human Resources to develop a framework to address Indigenous employment barriers at Hydro One.
- Deliver new mandatory foundational Indigenous cultural awareness training to Hydro One employees, executive leadership, lines of business, and our Board of Directors.

## Indigenous Relations

### Energizing Life for People & Communities

# Spotlight on Indigenous Relations & Reconciliation

#### A conversation with Jason Fitzsimmons, Hydro One's Chief Corporate Affairs and Customer Care Officer

Hydro One interacts with approximately 100 First Nations communities. Our Indigenous Relations strategy demonstrates our commitment to being a trusted partner to these Indigenous communities. Jason Fitzsimmons gives his own perspective on why Indigenous Relations is everyone's business at Hydro One.

#### What role does Hydro One play in contributing to the spirit of the Truth and Reconciliation Commission (TRC)? Why does it matter?

The TRC calls on corporate Canada to advance reconciliation with Indigenous communities. We're committed to answering that call through meaningful actions. As Ontario's largest electricity transmission and distribution company, we can play a major role in advancing economic reconciliation by creating lasting benefits for Indigenous communities and businesses. The action we take now can build momentum and progress for generations to come.

#### How does your Indigenous Relations strategy advance economic reconciliation with Indigenous communities?

It is a guide to doing the work required to become a trusted partner to Indigenous people in a spirit of cooperation, transparency and shared responsibility. We acknowledge that Indigenous people have deep historic and cultural

relationships with the land and a unique knowledge of the natural environment. We are engaging with Indigenous communities, listening to them, understanding their unique needs and taking their input into consideration when we prepare our investment plan and make investments to grow the Ontario economy.

#### How exactly is Hydro One building strong economic connections and partnerships with Indigenous communities?

Reconciliation requires companies to act. Equity partnerships and economic participation are not only good business practice, they're the right thing to do and we are committed to advancing more of them. We contributed nearly \$60 million to the Indigenous economy this past year by sourcing goods and services from Indigenous businesses and we're committed to growing this spend year over year. We also want to remove barriers and become a better business partner for Indigenous businesses and communities.

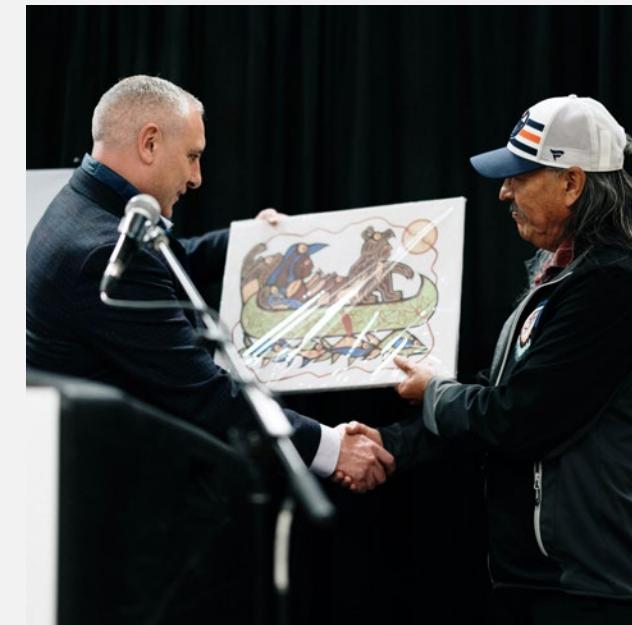
On equity partnerships, we have seen joint success on the Niagara Reinforcement Line. Hydro One, in partnership with Six Nations of the Grand River Development Corporation, a community-owned corporation of the Six Nations of the Grand River First Nation, and Mississaugas of the Credit First Nation, completed the 76 km Niagara Reinforcement Line. It is expected to provide long-term benefits through

an equity ownership model. We also witnessed mutual success on the Bruce to Milton Transmission Line, which provided an opportunity to develop an equity ownership model with the Saugeen Ojibway Nation, which is providing community benefits for generations to come.

#### Many companies say they're aiming to hire a more inclusive workforce. What does that mean to Hydro One?

We know a key to our success is building a workforce that reflects the communities where we work and live. We've set out on a path to better understand how to attract and retain Indigenous employees – by identifying and removing the barriers that exist in our current policies and practices. We will work closely with our union partners to enhance Indigenous representation in our workforce especially since over 90% of our workforce is unionized.

We believe meaningful progress must start at the top. It's critical to have representation at the highest levels, and we are guided by the advice and knowledge from a strong Indigenous female leader on our Board of Directors. At the 2022 AGM, we appointed a second Indigenous leader to our Board of Directors. We also established the Indigenous Peoples, Safety & Operations Committee of the Board in order to elevate the importance of strengthening partnerships with Indigenous communities. We're committed to continuing to build an internal culture of knowledge and understanding in the workplace.



# Thriving Communities

## ESG Corner

Key ESG policies, programs and management systems guiding our actions include:

- **Supplier Code of Conduct**
- Supply chain policy
- **Indigenous Procurement Procedure**
- Community investment policy

## Approach

As a partner in the province's economic recovery, Hydro One is finding new ways to build, strengthen and energize life in communities across Ontario.

We generate direct economic value by proudly investing in our communities, supporting local charitable organizations, hiring locally, and buying goods and services from local and Indigenous suppliers.

## 2021 Performance

### Thriving Communities

Hydro One proudly supports local organizations that are working to build, strengthen and energize life in communities across Ontario. In 2021, we exceeded our community impact and investment goals. We supported partnerships that reached approximately 700,000 individuals through our programs and events, exceeding our goal of 600,000 individuals. We also allocated 25% of our corporate donations and sponsorships to support Indigenous communities, exceeding our 20% commitment.

We maintained support for the signature partners of our **Building Safe Communities** platform, which is dedicated to teaching young people to play safely and to save a life in the communities where we live, work and play:

- **Advanced Coronary Treatment (ACT) Foundation**, which provides free CPR and defibrillator training to high school students across Canada;
- **Coaches Association of Ontario** which recognizes coaching excellence and provides coaches with resources and strategies to create physical, emotional and mental safe spaces for young athletes;
- **Jack.org** which provides free and accessible mental health resources to young people across Ontario; and
- **Scouts Canada**, which develops resources and programming to educate children and families on how to play safe and prevent injuries.

### Energizing Economies

We continued to energize economies and help communities across Ontario thrive by buying goods and services from local and Indigenous suppliers. During the year, we established a goal to increase our Indigenous procurement spend to 5% of our annual company purchases of materials and services by 2026. We also began working with the DEI team to establish a broader supplier diversity approach for our procurement work.

We worked closely with regional suppliers to advance our work programs and projects while addressing ongoing supply chain disruptions, market volatility and price escalations which impacted the availability of materials and equipment.

**Community investment donations and sponsorships (millions)**

**\$3.3 Million**



Hydro One's Community Investments for 2021 increased as we provided additional support to respond to the continued impact of the pandemic in communities across Ontario.

## Energizing Economies

- \$8.245 billion in economic value distributed<sup>28</sup> across Canada
- \$1.38 billion of goods and services (approximate) purchased from Ontario suppliers
- 81% of our total spend was in Ontario<sup>29</sup>
- \$58.3 million of goods and services purchased from Indigenous businesses
- 9,300 people, on average, directly employed by Hydro One

28 Economic value distributed as defined by the GRI disclosure 201-1. This is not a financial reporting indicator and should not be confused with our year-end financial statements.

29 We define Ontario goods and services as those purchased by the vendor address.

We supported partnerships that reached approximately 700,000 individuals through our programs and events



## Thriving Communities

### Economic Value Distributed<sup>30</sup>

Economic value created for stakeholders as of December 31, 2021.

All amounts approximate, in millions of dollars.



**\$5,101**  
Payments to  
Suppliers

**\$1,513**  
Payments to  
Employees

**\$1,141**  
Payments to  
Providers of  
Capital

**\$428**  
Payments to  
Governments

**\$58.3**  
Payments to  
Indigenous  
Businesses

**\$3.3**  
Community  
Investments



**\$8.245B in economic  
value distributed  
across Canada**

<sup>30</sup> Hydro One operates within the OEB's regulatory framework for electricity transmitters and distributors, which is designed to support the cost-effective planning and operation of the electricity network and to provide an appropriate alignment between a sustainable, financially viable electricity sector and the expectations of customers for reliable service at a reasonable price. As Hydro One operates in a regulated environment, the OEB approves both the revenue requirements and the rates charged by Hydro One's regulated transmission and distribution businesses. Under the OEB's regulatory framework, the rates are designed to permit the company's transmission and distribution businesses to recover the allowed operating costs and to earn a formula-based annual rate of return on its rate base. Rate base represents the company's investments in sustaining and developing capital assets. This regulatory framework has the effect of deferring the generation of revenues into future periods over the useful life of the capital assets. This number does not include economic value generated or distributed outside of Canada.

Economic value generated includes revenues and gains on asset dispositions.

Economic value distributed includes capital expenditures which are recovered in revenues over the life of the asset as per OEB's regulatory framework. The capital expenditure amounts are presented as gross figures and include all payments related to capital work. Therefore, they are different from the year-end numbers presented in our 2021 financial statements.

Payments to suppliers include the cost of goods and services provided by vendors and contractors in Canada, including amounts paid for the cost of power. Excludes amounts paid to Indigenous businesses as separately disclosed.

Payments to employees include wages, taxable benefits and severance paid to employees and pensioners per T4 and T4A info, in addition to health and dental benefits and annual share grants. This includes Peterborough Distribution Inc. and Orillia Power Distribution Corporation from June 1 – December 31, 2021.

Payments to providers of capital include dividends paid, interest paid on debt, and costs to secure capital including amounts paid to credit agencies.

Payments to government include amounts paid for income taxes, excise taxes, payroll taxes and property taxes. Excludes deferred taxes.

Payments to Indigenous businesses include amounts spent on the purchase of goods and services.

Disbursements to communities include amounts paid for community investment donations and sponsorships.

## Thriving Communities

### Key Programs & Future Initiatives

In 2021, we proudly launched Hydro One's Energizing Life Community Fund, that supports projects that promote the physical, psychological and emotional safety of Ontarians. By supporting organizations who energize life for so many, we are able to build safer and more resilient communities. The fund provided up to \$25,000 in financial support to 35 selected Indigenous communities, charitable organizations and municipalities, including the following:

- Children's Safety Village of Windsor & Essex and local Emergency Service providers created virtual safety programming to equip teachers with information and tutorials on how to keep children safe, reaching over 13,000 children.
- City of Dryden created a universal, barrier-free change space to ensure all residents feel welcome when visiting the Dryden Pool and Fitness Centre.
- Gravenhurst Against Poverty began building a Young Adult Centre to create a safe space where youth can further develop skills and connect with peers.
- Let's Move Tweed (Municipality of Tweed) enhanced its recreation area trail to promote well-being and safety for adults and seniors within the community, adding rest areas, benches and a new walking loop.

#### Energizing Life for People & Communities

##### Equal Access for All – Connecting Communities to Broadband

In an increasingly digital world, people and businesses across Ontario must have access to high-speed internet and cellular services.<sup>31</sup> The government of Ontario has developed an ambitious plan to expand broadband access to rural, remote and northern communities. Hydro One is committed to doing our part to help the government of Ontario enable greater broadband deployment in the communities where our customers live, work and play.

Hydro One has for many years, permitted telecommunication companies and other third-party companies access to our poles – while we work to improve existing electrical infrastructure and safeguard Hydro One's operational and safety interests – and achieve the province's connectivity goals. This will allow more communities to get online sooner and faster. It will also improve the quality of life for all Ontarians and allow connected communities to attract significant and lasting investments, which boost the local and provincial economy.



#### Sparking Economic Growth in Southwest Ontario

The government of Ontario directed Hydro One to develop five new transmission projects in Southwest Ontario, to meet the growing needs of communities and businesses in the region. These new transmission lines will run between London, Sarnia, Chatham, Lakeshore and Windsor, bringing power to the region eight times that of the City of Windsor. Hydro One's comprehensive transmission system is integral to sparking economic growth. With a portfolio of projects, Hydro One will be able to change how we build Indigenous partnerships and conduct community engagement while developing these projects. Instead of engaging on a project-by-project basis, we have the opportunity to work with our partners on the portfolio of projects, working transparently and collaboratively. This will create predictability, consistency, and a greater number of opportunities for partners.

<sup>31</sup> The government of Ontario currently estimates that as much as 12% of the province's population live in communities – mostly rural, remote or northern areas – that are unserved or underserved in terms of access to the broadband or cellular connections they need.

# Customers for Life

## ESG Corner

Key ESG policies, programs and management systems guiding our actions include:

- Customer Commitments
- Connected for Life Promise

## Approach

Our customers are making different choices in their lives – choices that keep them connected, give them more flexibility, and choices that help them protect the planet and support a greener Ontario.

Hydro One is committed to meeting our customers' current and future energy needs and expectations, through a focus on customer experience, the expansion of digital channels and the development of new products and services.

Our customer-driven strategy aims to support Hydro One customers through the energy transition, helping them participate in the energy future and build more energy resilience and independence for themselves. It will also help address our customers' needs for affordability and reliability, enabling access and striving to achieve a cleaner, more equitable and more inclusive future for all Ontarians in a net-zero carbon economy.

## 2021 Performance

The investments and efforts we made in customer service helped us achieve record-high customer satisfaction scores. Residential and small business customer satisfaction scores were the highest in ten years at 89%, and transmission customer satisfaction increased to 92% from 83% in 2020. Commercial and industrial satisfaction scores decreased to 80% from 86% in 2020.

## Customer Service

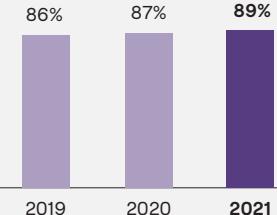
As part of Hydro One's commitment to excellent customer service, we are continuously innovating to provide our customers with the easy and convenient self-serve tools they expect. We expanded our digital customer channels to include a webchat function, making us one of the first electric utilities in Canada to offer this tool. We also added a myEnergyInsights dashboard to myAccount, helping customers break down electricity use in their homes and provide personalized insights and recommendations on how they can save on electricity and improve their carbon footprint. The myEnergyInsights dashboard is directly linked to the myEnergyInsights marketplace, allowing customers to action their energy recommendations and purchase energy-efficient products with available rebates from a range of partners.

We received a record-high transmission customer satisfaction rate of 92%



### Distribution – residential and small business

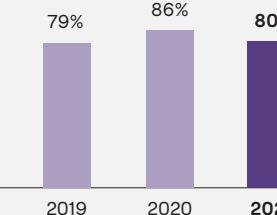
**89%**



The main drivers of residential and small business customer satisfaction are core factors such as reliability and affordability, but also customer-centric aspects like ease of doing business with Hydro One, understanding customer needs, and a perception that Hydro One represents fairness, trust and good value for money. All of these drivers have been trending upwards over the past years, suggesting that we have made important improvements in customer service.

### Distribution<sup>32</sup> – commercial and industrial

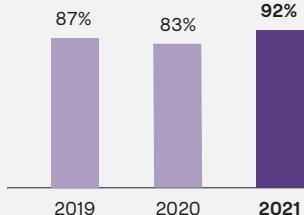
**80%**



Satisfaction levels among our Commercial & Industrial Customers and Large Distribution Accounts remain at a high level, despite a decline in satisfaction among Large Distribution Accounts since 2020. Good reliability, the speed of power restoration in the event of an outage, and quality of customer service are the top mentions for customer satisfaction. The cost of electricity continues to be a burden for this customer segment.

### Transmission

**92%**



We saw a new high in customer satisfaction in 2021 for large customers who are directly connected to our transmission system. Customers in this segment mention the quality of customer service and the relationship with their Account Executive as the main reasons for their satisfaction. Reliable service and minimal outages, as well as outage planning procedures, also contribute to high satisfaction levels.

## Customers for Life

Our customers are becoming increasingly interested in EVs, and we have undertaken a comprehensive study to prepare for Ontario's EV transformation. The study was designed to explore e-Mobility from three angles:

- Customer experience – taking the customer's perspective to understand the need for a new customer journey that offers convenience and helps customers save money;
- Grid readiness – the need to estimate EV adoption in order to develop technical requirements for grid modernization; and
- Charging solutions – exploring charging solutions that improve customer experience and optimize the capability of our networks to accommodate EVs.

## Affordability

Our customers continue to benefit from regulated rate mitigation measures that significantly address affordability concerns. Hydro One remains sensitive to the needs of our low-income customers and customers who are impacted by COVID-19. We have supported them through this difficult period using a variety of measures, including the launch of a Pandemic Relief Program and connecting them to available assistance programs, such as the COVID-19 Emergency Assistance Program and the Low-income Energy Assistance Program.

### Reliability

The electricity system is the backbone of our economy and is expected to play a critical role in Ontario's economic recovery. To attract new businesses, create jobs and help communities grow, we invested approximately \$2.1 billion in capital in 2021 to expand the electricity grid and renew and modernize existing infrastructure. These investments continue to maintain the frequency of customer interruptions on our distribution network and provide reliability performance improvements for our transmission system.

We are building a grid for the future by deploying smart-switch installations, communicating sensors and storage capacity to serve our customers' needs. The digital transformation of the electricity sector enables us to leverage technology to respond more quickly to power outages and improve service to customers. In 2021, we deployed approximately 950 smart devices in communities across the province to enable remote monitoring and control of the distribution grid. This avoided approximately 12 million customer minutes of power outages in 2021.

We improved the System Average Interruption Duration Index (SAIDI) of our distribution network by approximately 11% compared to our 2020 results, which also resulted in the best distribution reliability result in 15 years. We also improved our Customer Average Interruption Duration Index (CAIDI), a key measure of success in delivering reliable power, by 3% in 2021 from 2020.

We continue to prepare our transmission and distribution system for more severe weather and to better protect our customers from power outages by:

We invested approximately \$2.1B in capital to expand the electricity grid and renew and modernize existing infrastructure



- including climate considerations in our asset investment plans, updating technical requirements and standards for new facilities and the renewal of existing facilities, informed by learnings from past extreme events;
- renewing and enhancing critical infrastructure that enables an interconnected and flexible transmission grid with our neighbouring jurisdictions;
- continuing to apply standards to improve pole-line resiliency to extreme weather events and to deploy devices that enable remote monitoring and control of the distribution grid to enable faster outage response and remote restoration of power; and
- continuing to develop and apply standards to enable the future needs of the distribution system, including accommodating for broadband deployments.

Our transmission system allows us to send vast amounts of electricity from hydroelectric, wind, solar, nuclear, and natural gas generators over long distances to the local distribution companies that power Ontario homes and businesses. We continue to invest in our transmission infrastructure to ensure the grid can continue to power the province's economy. Our efforts to maintain and improve our reliability performance are centred on the following initiatives:

- Investments in Northwestern Ontario to improve reliability and meet the growing demand from communities. This includes reconfiguring three stations so we can connect them with the new transmission line, which will allow us to provide electricity to more customers in Northern Ontario. We expect this line to be operational and supplying electricity to communities in the region in 2022.

## Customers for Life

- Providing ongoing support for the rebuild/upgrade of transmission stations that connect nuclear generation such as Bruce Power and hydroelectric generation facilities in Niagara Falls, the Ottawa Valley and Northwestern Ontario which will connect generation to the grid and further advance clean reliable power for our customers across the province.
- Supporting the electrification of industry projects, including a project to support a company constructing two new state-of-the-art electric-arc-furnaces (EAF) to replace its existing blast furnace and basic oxygen steelmaking operations. The transformation is expected to reduce the company's carbon emissions by approximately 70%. Another such project is helping a company transition away from using blast furnace-basic oxygen furnace steelmaking production to the Direct Reduced Iron (DRI), which carries a significantly lower carbon footprint.
- Supporting the rapid growth of the EV automotive industry and production of battery systems is a high priority for Hydro One. Connecting these new loads will enable the adoption of Ontario-made vehicles and the transition towards lower emissions.

### Powering clean, green growth

We are harnessing the power of innovation to support our customers and communities as they transition to cleaner, greener growth through sustainable energy options.

#### Residential Energy Storage

We are piloting battery energy storage systems (BESS) to test the feasibility of installing these systems to provide backup power to households when there is a power outage, thereby improving power reliability. We are planning to install these behind-the-meter systems for up to 100 customers who experience more than 50 hours of outages annually. These battery systems are expected to provide approximately nine hours of backup power. We have completed battery installations in approximately 29 homes to date and the pilot is expected to reduce customer outage hours by up to 60%.

#### Home Solar

We are expanding our capacity to accommodate rooftop solar projects by using Smart Inverter technology, which would allow for participation in Net Metering programs. We will use the first few trial projects to establish a standard process that would then become available to all applicants going forward.



#### Vehicle-to-Home Power

We are piloting how EVs can become active contributors to the grid to increase reliability and cut costs. Partnering with Peak Power, we are testing the capability of Vehicle-to-Home (V2H) charging technology to enable EV batteries to provide back-up electricity to residences. We expect installations for the pilot to take place in 2022.

#### Community Battery Storage Projects

We are investing in innovative energy solutions to improve power reliability to First Nations communities and rural customers who are experiencing poor reliability. We brought the Aroland First Nation centralized BESS into service at the end of 2021. The system will allow the community to be supplied by the BESS during a power interruption, which could reduce the duration of customer outages by over 60%.

The BESS pilot is expected to reduce customer outage hours by up to 60%

## Customers for Life

### Cyber security investments

Cyber security investments are crucial to ensure the safe and effective operation of Hydro One's transmission and distribution system. Hydro One has a cyber security strategy to effectively and consistently manage the risks that face our business. Our enterprise cybersecurity program takes a pragmatic risk-based approach to identify investment needs, supported by investments that are aligned with the company's corporate strategy, enterprise-risk tolerances and the prudent mitigation of relevant threats/risks. This approach ensures enterprise-wide visibility and situational awareness regarding cyber security-related risks, enabling a continuous feedback loop to improve the company's cyber security culture and program. Through investments in people, process and technology, the company strives to continually evolve and improve the maturity of our cyber security program, so as to maintain a robust security posture and ensure resilience to security risks across the organization.

#### Supporting Electrification

We support a ferry service by providing it with significant electrical upgrades to facilitate the electrification of the diesel ferry fleets. We also worked with this ferry service to enable Energy Storage Technology to alleviate loading/capacity concerns during the peak of operations and ultimately lessen its dependence on generation capabilities.

We are working in partnership to connect one of the largest battery storage projects in the world in Southern Ontario. Once operational, this battery storage will have a 1,000 MWh capacity and it is estimated that it will help reduce 4.1 million tonnes of carbon dioxide.

#### Ivy™ Charging Network

We are building one of Ontario's largest and most connected EV charging networks, offering Ontarians clean solutions for the future of electrification through the Ivy Charging Network, our joint venture with OPG. In 2021, Ivy joined forces with ONroute, the Ministry of Transportation and Canadian Tire Corporation to offer EV drivers more fast-charging stations along the province's busiest highways. Ivy expects to open 17 fast-charger Charge & Go locations at ONroute locations along Highways 401 and 400 in time for summer 2022, with another three opening before the end of 2022. Ivy's Charge & Go network currently has 29 locations with 64 fast-chargers and expects to have over 60 locations with 160 fast-chargers by the end of 2022.



Ivy's Charge & Go network expects to have over 60 locations with 160 fast-chargers by the end of 2022

#### We plan to take the following actions in 2022 to support our customers:

- Continue to improve our customer channels and provide energy advice that helps customers achieve their affordability, reliability and sustainability goals.
- Help customers make informed decisions when they plan for the purchase of an EV and choose their charging station. We will continue to investigate innovative solutions to plan for and accommodate the anticipated increase of EVs on the distribution system.
- Complete feasibility assessments and plan to implement the next six energy storage projects to continue to improve reliability and increase grid resiliency in 2023 and 2024.

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# Connect with Us

Your feedback is a key element of our reporting process. It helps us to address the issues that matter most to our stakeholders. Please email us at [Sustainability@HydroOne.com](mailto:Sustainability@HydroOne.com)

Discover more about sustainability at Hydro One:

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# ESG Performance Overview

All information is for Hydro One Limited unless there is an asterisk, in which case the information is just for Hydro One Networks.

Indicator	2019	2020	2021
<strong>People</strong>			
Total recordable injury rate per 200,000 hours worked	0.78	0.87	<b>0.74</b>
Lost time injury frequency rate per 200,000 hours worked <sup>33</sup>	32.5	18.5	<b>11.7</b>
Serious injury and fatality rate per 200,000 hours worked	0.2	0.2	<b>0.2</b>
Fatalities from work-related incidents (number)	1	1	<b>1</b>
Average number of learning & development (L&D) per employee (hours)	34.0	45.9	
Unionized employees (new indicator for 2021) (%)			<b>90</b>
Employee volunteer hours	3,870	4,315	
Employee turnover rate <sup>34</sup> (%)	4.0	5.3	
Executive diversity <sup>35</sup> (%)			
Women	31.9	25.8	<b>30.6</b>
Men	68.1	74.2	<b>69.4</b>
BPOC			<b>23.7</b>
Indigenous			<b>0</b>
2SLGBTQIA+ (new indicator for 2021)			<b>0</b>
Disability (new indicator for 2021)			<b>2.6</b>
Number of unresolved well-founded privacy complaints <sup>36</sup> as determined by the Privacy Commissioner of Canada	0	0	<b>0</b>
Number of cases received by our corporate ethics office <sup>37</sup>	265	293	<b>296</b>
<strong>Planet</strong>			
Scope 1 GHG emissions (tCO <sub>2</sub> e)	163,792	183,056	<b>167,699</b>
Scope 2 GHG emissions (tCO <sub>2</sub> e)	161,757	161,666	<b>137,430</b>
VOC emissions (tonnes)		29.9	<b>30.4</b>
NOX emissions (tonnes)		1,075.2	<b>1,084.4</b>
SOX emissions (tonnes)		35.4	<b>35.8</b>
Total particulate matter emissions (tonnes)		23.1	<b>19.4</b>
Electricity use (new indicator for 2021) (kWh)		42,856,242	
Energy use (new indicator for 2021) (GJ)			<b>936,271</b>
Spill recovery rate (%)*	96	98	<b>97</b>
Total solid waste produced (tonnes)*	126,900	154,000	<b>128,000</b>
Total solid waste recycled (tonnes)*	8,880	11,000	<b>8,767</b>
Pollinator habitat established (Ha)*	20	20	<b>20</b>

Indicator	2019	2020	2021
<strong>Community</strong>			
Capital Investments (\$ millions)	1,667	1,878	<b>2,125</b>
Investment in research & development (\$ millions)	4.4	4.7	<b>6.0</b>
Indigenous procurement spend (\$ millions)	41.3	42.0	<b>58.3</b>
% Indigenous procurement spend to total sourceable procurement spend (new indicator for 2021) (%)			<b>3.4</b>
Community investment donations and sponsorships (\$ millions)	2.8	3.1	<b>3.3</b>
Transmission customer satisfaction (%)*	87	83	<b>92</b>
Commercial and industrial satisfaction (%)*	79	86	<b>80</b>
Residential and small business customer satisfaction (%)*	86	87	<b>89</b>
Productivity savings (\$ millions)	202.3	286.0	<b>343.9</b>
Bill savings through the AFT (\$ millions)	2.1	3.1	<b>1.0</b>
Transmission SAIDI* <sup>38</sup> (per delivery point per year) (minutes)	7.9	4.6	<b>4.2</b>
Transmission System Average Interruption Frequency Index (SAIFI)* <sup>39</sup> (per delivery point per year)	0.3	0.2	<b>0.3</b>
Distribution SAIDI* <sup>40</sup> (per customer per year) (hours)	7.0	7.3	<b>6.5</b>
Distribution SAIFI* <sup>41</sup> (per customer per year)	2.5	2.5	<b>2.4</b>
CAIDI (per customer per year) (hours)	2.8	2.9	<b>2.8</b>

<sup>33</sup> In 2020, we began using an online portal to calculate the lost time injury frequency rate. This portal allows us to report lost time injury days that accumulate due to injuries that occur in prior years. We have updated the 2019 and 2020 data accordingly.

<sup>34</sup> The rate is calculated based on voluntary, involuntary, retirement and other departures as a percentage of the average annual number of permanent employees.

<sup>35</sup> We define executive level as Vice President and above and all values represent averages over the year.

<sup>36</sup> The term well-founded is used by the Office of the Privacy Commissioner of Canada when the Commissioner has found that an organization has failed to respect a provision of the *Personal Information Protection and Electronic Documents Act*.

<sup>37</sup> Over the past three years, we have seen an increase in cases received. Hydro One welcomes this, as we believe it points to the effectiveness of our training program and our employees' comfort in reporting.

<sup>38</sup> In 2021, we are reporting the Transmission SAIDI for multi-circuit supplied delivery points. The 2019 and 2020 figures were updated to also reflect multi-circuit supplied delivery points. The Transmission SAIDI numbers do not include any events with more than 10,000 MW\* minutes unsupplied energy, initiated by uncontrollable causes, such as weather, environment, or foreign object interference.

<sup>39</sup> In 2021, we are reporting the Transmission SAIFI for multi-circuit supplied delivery points. The 2019 and 2020 figures were updated to also reflect multi-circuit supplied delivery points. The Transmission SAIFI numbers do not include any events with more than 10,000 MW\* minutes unsupplied energy, initiated by uncontrollable causes, such as weather, environment, or foreign object interference.

<sup>40</sup> The Distribution SAIDI numbers do not include any force majeure events. We define a force majeure event to have occurred when electricity service to 10% or more of our distribution customers has been interrupted by an event.

<sup>41</sup> The Distribution SAIFI numbers do not include any force majeure events. We define a force majeure event to have occurred when electricity service to 10% or more of our distribution customers has been interrupted by an event.

# SASB Table

As an electricity transmission and distribution company, we report according to the SASB framework for the Electric Utilities and Power Generation industry. We address all indicators in the standard that we consider to be material for our business and are legally able to report on as an Ontario-based utility.

All information is for Hydro One Limited unless there is an asterisk, in which case the information is just for Hydro One Networks.

SASB Topic	Indicator	2019	2020	2021
Energy Affordability	Average retail electric rate (\$/kWh)	0.16, residential 0.18, commercial 0.16, industrial	0.16, residential 0.21, commercial 0.15, industrial	0.16, residential 0.19, commercial 0.14, industrial
	Typical monthly electric bill for residential customers for 500 and 1,000 kWh of electricity delivered per month (\$)	94.39 for 500 kWh 158.15 for 1,000 kWh	94.57 for 500 kWh 158.50 for 1,000 kWh	98.27 for 500 kWh 161.32 for 1,000 kWh
	Residential customer electric disconnections for non-payment, percentage reconnected within 30 days	70% reconnected within 30 days	There were zero disconnections <sup>42</sup>	71% reconnected within 30 days
	Discussion of impact of external factors on customer affordability of electricity, including the economic conditions of the service territory	Our customers continue to benefit from regulated rate mitigation measures that significantly address affordability concerns. At the same time, Hydro One remains sensitive to the needs of our low-income customers and customers who are impacted by COVID-19. We have supported them through this difficult period using a variety of measures, including the launch of a Pandemic Relief Program and connecting them to available assistance programs, such as the COVID-19 Emergency Assistance Program (CEAP) and the Low-income Energy Assistance Program (LEAP).		

<sup>42</sup> In 2002, there were zero disconnections because the Winter Disconnection Moratorium, a ban on disconnections, was extended throughout 2020 to assist customers who were struggling financially as a result of the COVID-19 pandemic.

SASB Topic	Indicator	2019	2020	2021
Workforce H&S	Total recordable incident rate (%)	See <a href="#">ESG Performance Overview</a> of the Sustainability Report		
	Total fatality rate (%)	0.01	0.01	0.01
	Near-miss frequency rate (%)	5.7	19.4	17.7
End-Use Efficiency and Demand	Percentage of electricity utility revenues from rate structures that are decoupled and contain a lost revenue adjustment mechanism <sup>43</sup>	• 51% revenue from Fixed charges • 49% revenue from Volumetric charges • None of our rate structures for our distribution or transmission contained an automatic lost revenue adjustment mechanism in 2019	• 57% revenue from Fixed charges • 43% revenue from Volumetric charges • None of our rate structures for our distribution or transmission contained an automatic lost revenue adjustment mechanism in 2020	• 62% revenue from Fixed charges • 38% revenue from Volumetric charges • None of our rate structures for our distribution or transmission contained an automatic lost revenue adjustment mechanism in 2021
	Percentage of electric load served by smart grid technology (%) <sup>44</sup>	91.0	95.3	94.9
	Customer electricity savings from efficiency measures, by market (MWh)	185,017	183,189 <sup>45</sup>	93,773 <sup>46</sup>

<sup>43</sup> Calculated for our distribution business. The 2019 numbers were updated to include Hydro One Remote Communities Inc.

<sup>44</sup> To calculate the percentage of electric load delivered by smart grid technology, we calculated the total amount of electrical energy delivered to our customers with (or by) an active smart meter.

<sup>45</sup> The 2020 figure was updated from 183,156; this figure was based on information available at year-end.

<sup>46</sup> Energy savings were lower in 2021 due to the cancellation of the Conservation and Demand Management Framework in March 2019, resulting in fewer remaining projects in Hydro One's pipeline in 2021.

## SASB Table

SASB Topic	Indicator	2019	2020	2021
Grid Resiliency	Number of incidents of non-compliance with physical and cybersecurity standards or regulations	Hydro One is unable to disclose this information as it is subject to the confidentiality provisions of the IESO market rules.		
	(1) SAIDI (2) SAIFI and (3) CAIDI, inclusive of major event days	See <a href="#">ESG Performance Overview</a> of the Sustainability Report		
Distribution: Number of residential, commercial, industrial and other retail customers served (#) <sup>47</sup>	1,226,149, residential 112,549, commercial 8,074, industrial 34,169, other retail customers	1,242,291, residential 113,412, commercial 8,305, industrial 33,552, other retail customers	1,300,698, residential 118,710, commercial 9,033, industrial 48,044, other retail customers	
Transmission: Number of customers served (#) <sup>48</sup>	683	690	688	
Distribution: Total electricity delivered to residential, commercial, industrial, all other retail customers and wholesale distribution customers (MWh) <sup>49</sup>	12,872,825, residential 3,120,146, commercial 8,739,963, industrial 163,547, other retail customers 10,585,392, wholesale distribution customers	13,502,663, residential 2,997,600, commercial 8,981,474, industrial 157,966, other retail customers 10,420,732, wholesale distribution customers	13,991,403, residential 3,179,223, commercial 9,867,063, industrial 159,204, other retail customers 10,151,816, wholesale distribution customers	
Total electricity delivered to our Transmission system (MWh) <sup>50</sup>	230,966	229,877	231,917	
Length of transmission and distribution lines (km)*	2019 Sustainability Report (page 7), <a href="#">Hydro One At-A-Glance</a>	2020 Sustainability Report (page 5), <a href="#">Hydro One At-A-Glance</a>	2021 Sustainability Report, <a href="#">Hydro One At-A-Glance</a>	
Total wholesale electricity purchased (MWh)*	27,536,661	28,379,018	29,965,814	

<sup>47</sup> Numbers as of December 31. Other retail customers includes local distribution companies connected to Hydro One's distribution system, distributed generators, street lights, sentinel lights and unmetered scattered load.

<sup>48</sup> Numbers as of December 31. The number of customers our transmission system serves includes transmission delivery points of local distribution companies, transmission business customers and generators, as defined by the IESO.

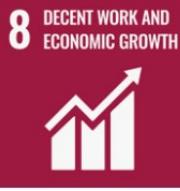
<sup>49</sup> Other retail customers includes distributed generators, street lights, sentinel lights and unmarrried scattered load and Wholesale customers includes local distribution companies connected to Hydro One's distribution system.

<sup>50</sup> This includes electricity delivered to local distribution companies, generators, transmission business customers and transmission delivered points as defined by the IESO and is calculated as the sum of 12 monthly peak demand from all transmission delivery points.

# UN SDG Chart

Hydro One aligns with the following United Nations Sustainable Development Goals (SDGs).

In 2015, the United Nations developed 17 Sustainable Development Goals as a universal call for action to end poverty, protect the planet and ensure all people enjoy peace and prosperity. At Hydro One we are supportive of the SDGs and have identified seven SDGs that are aligned with our business and sustainability objectives and where we can make a positive impact.

UN SDGs	Alignment or Progress on the SDGs	UN SDGs	Alignment or Progress on the SDGs
 <b>5 GENDER EQUALITY</b>	<ul style="list-style-type: none"> <li>We exceeded our Catalyst Accord commitment by having over 30% female director and executive-level representation last year</li> <li>We took steps to continue to promote diversity across our apprenticeship hiring practices and programs</li> <li>See page <a href="#">21</a> for our initiatives to promote gender equality within Hydro One</li> </ul>	 <b>11 SUSTAINABLE CITIES AND COMMUNITIES</b>	<ul style="list-style-type: none"> <li>We are helping transition our customers and communities to cleaner, greener growth through sustainable energy options</li> <li>See page <a href="#">40</a> for examples of some of our projects to facilitate this transition (Residential Energy Storage, V2H, etc.)</li> </ul>
 <b>7 AFFORDABLE AND CLEAN ENERGY</b>	<ul style="list-style-type: none"> <li>Our customers benefit from regulated rate mitigation measures that address affordability concerns</li> <li>We supported customers through the pandemic with programs including the Pandemic Relief Program</li> <li>We support the delivery of one of the lowest carbon-emitting electricity grids in North America</li> <li>For additional information, see our <a href="#">Affordability</a> and <a href="#">Planet</a> sections</li> </ul>	 <b>13 CLIMATE ACTION</b>	<ul style="list-style-type: none"> <li>We have set a number of targets to combat climate change: <ul style="list-style-type: none"> <li>Net-zero commitments by 2050</li> <li>Reduce by 30% our Scope 1 and 2 GHG emissions by 2030</li> <li>Convert 50% of our fleet of sedans and SUVs to EVs or hybrids by 2025 and 100% by 2030</li> </ul> </li> <li>We have undertaken a number of initiatives to reduce SF<sub>6</sub> gas releases and leaks</li> <li>Our commitment to climate action is highlighted in our <a href="#">Planet</a> section</li> </ul>
 <b>8 DECENT WORK AND ECONOMIC GROWTH</b>	<ul style="list-style-type: none"> <li>To attract new businesses, create jobs and help communities grow, we invested approximately \$2.1 billion in capital in 2021</li> <li>We purchased approximately \$1.38 billion of goods and services from Ontario suppliers, including \$58.3 million from Indigenous businesses</li> <li>We employ, on average, 9,300 people</li> <li>We modernized our approach to safety, including using AI to help prevent worker injuries</li> <li>For additional information, see our <a href="#">Health and Safety</a> and <a href="#">Thriving Communities</a> sections.</li> </ul>	 <b>15 LIFE ON LAND</b>	<ul style="list-style-type: none"> <li>We are committed to pursuing best practices on biodiversity</li> <li>We support the sustainability of local ecosystems and the province's agricultural and horticultural sectors</li> <li>See page <a href="#">27</a> for biodiversity initiatives</li> </ul>
 <b>9 INDUSTRY, INNOVATION AND INFRASTRUCTURE</b>	<ul style="list-style-type: none"> <li>We are investing in our electricity grid and renewing and modernizing existing infrastructures</li> <li>We are building a grid for the future by deploying smart-switch installations, additional communication sensors, devices and storage capacity</li> <li>For additional information, see our <a href="#">Planet</a> and <a href="#">Customers for Life</a> sections</li> </ul>		

# Task Force on Climate-related Financial Disclosures – 2021

The Task Force on Climate-related Financial Disclosures (TCFD) was established to improve and increase reporting of consistent and comparable climate-related financial risk disclosures in the private sector.

We are committed to aligning with the TCFD recommendations, understanding the risks and opportunities posed by climate change on our business and providing transparent disclosures of our progress. Hydro One, like most organizations, is at the beginning phase of alignment and plans to continue its journey toward the full implementation of the TCFD recommendations. We recognize that implementing the TCFD recommendations within our company is a journey and we are committed to the continuous improvement of our TCFD reporting. In 2021, we undertook additional scenario analysis to begin to understand the quantitative financial impacts of climate change on our business.

A summary of our alignment with the TCFD recommendations is as follows:

Summary of Alignment with TCFD Recommendations	Location
Governance – Hydro One's Board of Directors ("Board") and management acknowledge the importance of good governance practices in management of climate-related issues.	
<b>Board oversight</b>	
<ul style="list-style-type: none"> <li>Hydro One's Board of Directors oversees the company's approach to environmental, social and governance matters relating to the long-term health and sustainability of the company. This includes overseeing, reviewing and, where applicable, approving the company's strategies and approach relating to sustainability matters and approving the annual sustainability report.</li> <li>The Board's Indigenous Peoples, Safety &amp; Operations Committee (the "IPSO Committee") oversees environmental strategies, policies and programs, including climate change.</li> <li>The IPSO Committee is mandated to review material climate and environment events or developments and our progress regarding our sustainability objectives including climate change and other environmental issues. The Committee is expected to assess the company's programs and approaches, including the standards against which the company reports in the areas of climate change.</li> <li>The Enterprise Risk Management (ERM) function delivers quarterly updates to the Board and its committees for the risks relevant to their respective mandates, including ESG and climate-related risks.</li> </ul>	<ul style="list-style-type: none"> <li>• Our Approach section of the Sustainability Report</li> <li>• Board of Directors Mandate</li> <li>• IPSO Committee Mandate</li> <li>• Management Information Circular</li> </ul>
<b>Management oversight</b>	
<ul style="list-style-type: none"> <li>Climate change is overseen by our Chief Safety Officer (CSO) who manages our climate change mitigation and adaptation program. Our CSO works closely with other executives such as our Chief Operating Officer (COO) who manages our climate change adaptation program.</li> <li>Due to the cross-functional nature of ESG, it is managed by various management committees. The Chief Corporate Affairs and Customer Care Officer chairs Hydro One's leadership-level sustainability committee, which provides strategic advice and perspectives on current, emerging, and key sustainability issues, including climate change.</li> <li>Hydro One also has leadership-level committees on environment and on climate change, led by the CSO, that meet quarterly and focus on the implementation of our climate change program.</li> <li>The climate change committee is also supported by working groups on sulfur hexafluoride (SF<sub>6</sub>) use and management; and climate change management in fleet and facility operations. These groups meet regularly to focus on strategies and approaches to mitigate climate change impacts associated with the use of fossil fuels and SF<sub>6</sub> within the context of continually providing safe, cost effective and efficient electricity supply to Hydro One's customers and the people of Ontario.</li> <li>A key metric of our corporate scorecard for all of our management team is reliability, which is impacted by climate-related events.</li> </ul>	
<b>Strategy</b> – Hydro One is committed to the ongoing assessment and understanding of climate change risks and opportunities and the impacts on Hydro One's strategies and business operations.	

## Task Force on Climate-related Financial Disclosures – 2021

Summary of Alignment with TCFD Recommendations	Location
<p>• Climate-related risks and opportunities are assessed across Hydro One's business, and material risks and opportunities are integrated within Hydro One's long-term business planning and strategy.</p> <p>• Hydro One's corporate strategy takes into account the risks of climate change through our "Plan, Design and Build a Grid for the Future" strategic priority. We are pursuing various strategic initiatives to build a grid for our customers that is reliable, resilient and flexible while balancing our environmental responsibility.</p> <p><b>Climate-related risks</b></p> <ul style="list-style-type: none"> <li>• In 2020, we conducted a corporate-wide dedicated climate-related risk assessment process to identify climate-related risks and opportunities, led by our ERM team with input from cross-functional teams. Our material climate-related risks are detailed in our annual and interim management's discussion and analysis.</li> <li>• <b>Physical:</b> Significant climate-related impacts to Hydro One's business are physical risks to our assets. Our facilities are exposed to the effects of severe weather conditions and natural disasters. The company recognizes the risks associated with potential climate change and has developed plans to respond as appropriate. Climate change may have the effect of shifting weather patterns and increasing the severity and frequency of extreme weather events and natural disasters, which could impact Hydro One's business. The company's facilities may not withstand occurrences of these types in all circumstances. Notwithstanding Hydro One's efforts to adapt and increase grid resilience, the company's facilities are exposed to risks which may have an adverse effect on grid resilience.</li> <li>• The company could also be subject to claims for damages from events which may be proximately connected with the company's assets (for example, forest fires), claims for damages caused by its failure to transmit or distribute electricity or costs related to ensuring its continued ability to transmit or distribute electricity. The company does not have insurance for damage to its transmission and distribution wires, poles and towers located outside its transmission and distribution stations resulting from these or other events. Where insurance is available for the company's other assets and for damage claims, such insurance coverage may have deductibles, limits and/or exclusions that may still expose the company to material losses. Losses from lost revenues and repair costs could be substantial, especially for many of the company's facilities that are located in remote areas. In the event that the company is unable to recover such costs, this could have a material adverse effect on the company.</li> <li>• Hydro One's corporate strategy considers these risks, through our "Plan, Design and Build a Grid for the Future" strategic priority.</li> </ul> <hr/> <ul style="list-style-type: none"> <li>• <b>Policy:</b> We regularly monitor climate change policy developments and assess their potential impact on our business. While we are not a large emitter of GHG, we do seek to minimize our GHG emissions as part of our strategy to limit our environmental impact. We have developed internal programs to monitor and mitigate, to the extent reasonable, the impacts of GHG emissions, including emissions from SF<sub>6</sub> leaks, and operational fuel use. In addition, we engage in proactive policy development to support greater electrification in Ontario. Policy and legal-related risks and opportunities are managed by our leadership-level Strategic Policy Committee and our Regulatory and Policy teams.</li> <li>• <b>Regulatory:</b> Our efforts to build a grid for the future and enhance the resilience of the Ontario grid exist within a regulated context. We continually assess, and advocate, where appropriate, changes to the regulatory environment that may impact our ability to implement our strategy, and we seek to identify regulatory barriers and/or changes needed to enhance the grid's resilience. We also regularly review and support development standards, including our distribution material specifications, to account for changes in national standards to ensure we are ordering the proper equipment to address climate change.</li> <li>• <b>Market:</b> Hydro One aims to increase the resilience of the grid and also support Ontario in unlocking the electrification potential of our economy to mitigate climate change. To realize the electrification and decarbonization potential of the grid, while also ensuring electricity security, Ontario's grid requires significant investments in efficient, smart and flexible system infrastructure.</li> </ul>	<ul style="list-style-type: none"> <li>• <b>Planet</b> section of the Sustainability Report</li> <li>• <b>Customers for Life</b> section of the Sustainability Report</li> <li>• <b>2021 Annual Report</b></li> </ul>

## Task Force on Climate-related Financial Disclosures – 2021

### Summary of Alignment with TCFD Recommendations

Location

#### Climate-related opportunities

- There is a potential opportunity for growth in electricity demand as Ontario increases the electrification of transportation, buildings and industry to mitigate climate change. For Hydro One this offers us an opportunity, including but not limited to, providing an expanded set of services including provision of greener solutions and products to manage energy efficiency and usage.
- We provide new products and services to customers to help mitigate climate change impacts. This includes helping to build the electric vehicle charging network infrastructure across the province. We have invested in the Ivy™ Charging Network ("Ivy"), Ontario's largest, most connected EV fast-charger network. Once complete, Ivy will be Ontario's largest fast-charger network, connecting the north to the south and the east to the west.
- We introduce new innovations through our grid resiliency strategy and through our "Innovate and Grow" strategic priority. These are intended to address the impacts of climate change, improve grid reliability and potentially reduce costs.

## Task Force on Climate-related Financial Disclosures – 2021

Summary of Alignment with TCFD Recommendations	Location
<p><b>Scenario analysis outcomes</b></p> <ul style="list-style-type: none"> <li>In 2021, Hydro One conducted a scenario analysis to capture potential financial implications of climate change. Three scenarios were selected – high, intermediate, and low warming scenarios. We used each of the scenarios to perform a high-level, top-down quantitative analysis.</li> <li>A high warming scenario was characterized by a warming of 2.7–3.7 degrees Celsius from baseline<sup>51</sup> by 2100, with minimal changes in global climate policies such as carbon prices or incentives for electrification. A low warming scenario assumed policies were implemented sufficient to meet the goal of net-zero emissions by 2050, limiting warming to below 2 degrees. An intermediate scenario was also developed where there is incremental change in policy to incentivize decarbonization, but policy is insufficient to meet global targets. The scenarios collectively explore a range of plausible climate and policy outcomes.</li> <li>Financial quantification was developed by combining relevant climate and energy scenario modelling data from leading groups such as the Intergovernmental Panel on Climate Change and the IESO.<sup>52</sup> Impact functions<sup>53</sup> were developed that connected the scenario modelling data to a potential financial impact for Hydro One. The impact functions were adapted specifically to Hydro One, by drawing on internal and external stakeholder input as well as leveraging the current body of research for how climate change may impact electricity transmission and distribution utility assets.</li> <li>The results of the quantitative scenario analysis find that Hydro One is exposed to increasing physical climate risks, with the greatest impacts coming in the high warming scenario. Acute impacts of climate change pose a risk to Hydro One through increasing extreme weather, flooding, wildfires, and potential increases in freezing rain. The analysis also suggests that rising temperatures, more days of high heat and more heavy precipitation events may lead to accelerated degradation of infrastructure as well as increased operating costs for activities such as vegetation management. The analysis finds that, while physical impacts are highest in the high warming scenario, risks may be present in all scenarios.</li> <li>The quantitative analysis also illustrated the opportunities of a low-carbon transition by providing greater clarity as to the scale of electricity demand under different scenarios. There is high potential for significant demand increase in all scenarios, but particularly in the low and intermediate warming scenarios. Under a low warming/high carbon transition scenario, the entire electricity industry in Ontario can play an enabling role in providing reliable electricity needed to facilitate a low-carbon transition. To capitalize on this expected increase in demand, Hydro One will need to continue to invest in the grid.</li> <li>The scenario analysis process also revealed significant uncertainties in how we may be impacted by climate change. We plan to continuously assess emerging developments in climate risks and to participate in national and international adaptation forums to keep up to date on the developments in the field.</li> <li>Hydro One's strategic priority to "Plan, Design and Build a Grid for the Future" aligns with the risks and opportunities posed by climate change. Through our adaptation program, we are continually investing in grid resilience.</li> </ul>	

<sup>51</sup> The reference for all scenarios is a baseline of 1980–2010.

<sup>52</sup> Climate data used for the quantitative analysis was also sourced from the IPCC's AR5 report and accessed through the Copernicus Climate Data Store, and the Climate Atlas of Canada. Energy and policy data was sourced from the IESO, the IEA, the Network for Greening the Financial System (NGFS), and other modelling sources relevant to Ontario and Canada.

<sup>53</sup> Impact functions are quantitative relationships connecting exposure variables – that capture exposure of Hydro One assets and business to a changing climate – to asset values or TWh demand.

## Task Force on Climate-related Financial Disclosures – 2021

Summary of Alignment with TCFD Recommendations	Location
<p><b>Risk Management</b> – Hydro One has an ERM (Enterprise Risk Management) process to identify, assess and manage risks across the business, including climate-related risks and opportunities.</p> <ul style="list-style-type: none"> <li>The Board of Directors is responsible for oversight of the principal risks of the business, which includes ESG. The Board ensures that management has an effective risk management framework, programs, and risk mitigation strategies in place, with a view to achieving an appropriate balance between the risks incurred as well as the potential returns and the long-term sustainability of the company.</li> <li>The Board oversees and assesses the adequacy and effectiveness of programs and processes for identifying, assessing, and managing or mitigating the company's principal risks and ensuring that primary oversight responsibility for each of the key risks identified in the ERM framework is assigned to the Board or one of its committees.</li> <li>The ERM team provides an annual corporate risk profile report and quarterly updates on the company's risk profile to the Board of Directors and its committees, consistent with the risk management oversight accountabilities of their mandates and as allocated by the Board. These reports chronicle the most "critical" risks to the achievement of the corporate strategy, including new and emerging risks, and are a key mechanism to integrating climate and other sustainability-related risks into Hydro One's overall risk management process.</li> <li>The identification, assessment and management of climate-related risks are integrated within management's risk accountabilities and Hydro One's ERM process. The ERM process enables Hydro One to proactively consider the critical and emerging enterprise risks essential to the achievement of our strategic objectives in an integrated, systematic and transparent manner. Climate-related risks and opportunities are monitored regularly by management and our ERM team.</li> <li>Climate-related risks and opportunities are identified and assessed through multiple channels within the ERM process as well as through internal audit. This includes project risk assessments, enterprise-wide climate-related scenario planning assessments, and executive leadership team risk workshops conducted by Hydro One's ERM team.</li> </ul>	<ul style="list-style-type: none"> <li>• <a href="#">Management Information Circular</a></li> </ul>
<p><b>Metrics and Targets</b> – Hydro One reports year-over-year performance across many areas, including GHG emissions, capital investments and reliability.</p> <ul style="list-style-type: none"> <li>As an electricity transmission and distribution company, Hydro One does not emit a material amount of GHG. However, we recognize that GHG emissions are important to many of our stakeholders and we disclose our annual GHG emissions.</li> <li>Hydro One has committed to net-zero GHG emissions by 2050. We have set a climate change goal of reducing these emissions by 30% by 2030.</li> <li>For reliability, we report on metrics such as our System Average Interruption Duration Index (SAIDI) and our System Average Interruption Frequency Index (SAIFI) for our distribution and transmission business.</li> </ul>	<ul style="list-style-type: none"> <li>• <a href="#">Planet section of the Sustainability Report</a></li> <li>• <a href="#">GHG Auditor Letter</a></li> <li>• <a href="#">ESG Performance Overview</a></li> </ul>

# GRI Table

Category/Section	Topic	GRI Disclosure	2021
Organizational Profile	Standard Disclosure	GRI 102-1 Name of the organization	Hydro One Limited
Organizational Profile	Standard Disclosure	GRI 102-2 Activities, brands, products, and services	2021 Sustainability Report, <a href="#">Hydro One At-A-Glance</a>
Organizational Profile	Standard Disclosure	GRI 102-3 Location of headquarters	2021 Sustainability Report, <a href="#">Connect with Us</a>
Organizational Profile	Standard Disclosure	GRI 102-4 Location of operations	2021 Sustainability Report, <a href="#">Hydro One At-A-Glance</a>
Organizational Profile	Standard Disclosure	GRI 102-5 Ownership and legal form	2021 Sustainability Report, <a href="#">Hydro One At-A-Glance</a>
Organizational Profile	Standard Disclosure	GRI 102-6 Markets served	2021 Sustainability Report, <a href="#">Hydro One At-A-Glance</a>
Organizational Profile	Standard Disclosure	GRI 102-7 Scale of the organization	2021 Sustainability Report, <a href="#">Hydro One At-A-Glance</a>
Organizational Profile	Standard Disclosure	GRI 102-8 Information on employees and other workers	2021 Sustainability Report, <a href="#">People</a>
Organizational Profile	Standard Disclosure	GRI 102-9 Supply chain	<a href="#">Supplier Code of Conduct</a>
Organizational Profile	Standard Disclosure	GRI 102-10 Significant changes to the organization and its supply chain	There were no significant changes to Hydro One in 2021

**GRI Table**

Category/Section	Topic	GRI Disclosure	2021
Organizational Profile	Standard Disclosure	GRI 102-13 Memberships of associations	In 2021, Hydro One was a member of the Canadian Manufacturers and Exporters, Electricity Canada, C.D. Howe Institute, Edison Electric Institute, Electricity Distributors Association, Energy Storage Canada, Institute of Corporate Directors, North American Transmission Forum, Ontario Chamber of Commerce, Ontario Energy Association, Ontario Energy Network, Plug'n Drive, Public Policy Forum, Toronto Region Board of Trade, Western Energy Institute, Young Energy Professionals Network and a supporter of the Ivey Energy Policy and Management Centre
Strategy	Standard Disclosure	GRI 102-14 Statement from senior decision-maker	2021 Sustainability Report, <a href="#">Message from Our Interim President and CEO &amp; Message from Our Chair</a>
Strategy	Standard Disclosure	GRI 102-15 Key impacts, risk and opportunities	2021 Sustainability Report, <a href="#">Our Approach, ESG Performance Overview</a> <a href="#">2021 Annual Report</a>
Ethics and Integrity	Standard Disclosure	GRI 102-16 Values, principles, standards, and norms of behavior	<a href="#">Code of Business Conduct and Values</a>
Ethics and Integrity	Standard Disclosure	GRI 102-17 Mechanisms for advice and concerns about ethics	<a href="#">Code of Business Conduct, Ombudsman, ESG Performance Overview</a> and <a href="#">Whistleblower Policy</a>
Governance	Standard Disclosure	GRI 102-18 Governance structure	2021 Sustainability Report, <a href="#">Our Approach</a>
Governance	Standard Disclosure	GRI 102-20 Executive-level responsibility for economic, environmental, and social topics	2021 Sustainability Report, <a href="#">Our Approach</a>
Governance	Standard Disclosure	GRI 102-21 Consulting stakeholders on economic, environmental, and social topics	<a href="#">Sustainability Materiality Assessment</a>
Governance	Standard Disclosure	GRI 102-22 Composition of the highest governance body	2021 Sustainability Report, <a href="#">Our Approach, Governance</a>
Governance	Standard Disclosure	GRI 102-23 Chair of the governance body	2021 Sustainability Report, <a href="#">Our Approach, Governance</a>
Governance	Standard Disclosure	GRI 102-24 Nominating and selecting the highest governance body	2021 Sustainability Report, <a href="#">Our Approach, Governance</a>

**GRI Table**

Category/Section	Topic	GRI Disclosure	2021
Governance	Standard Disclosure	GRI 102-31 Review of economic, environmental, and social topics	2021 Sustainability Report, <a href="#">Our Approach</a> , <a href="#">Governance</a>
Governance	Standard Disclosure	GRI 102-32 Highest governance body's role in sustainability reporting	2021 Sustainability Report, <a href="#">Our Approach</a> , <a href="#">Governance</a>
Stakeholder Engagement	Standard Disclosure	GRI 102-40 List of stakeholder groups and partners	2021 Sustainability Report, <a href="#">Our Approach</a>
Stakeholder Engagement	Standard Disclosure	GRI 102-41 Collective bargaining agreements	<a href="#">2021 Annual Report</a>
Stakeholder Engagement	Standard Disclosure	GRI 102-42 Identifying and selecting stakeholders	2021 Sustainability Report, <a href="#">Our Approach</a>
Stakeholder Engagement	Standard Disclosure	GRI 102-43 Approach to stakeholder engagement	2021 Sustainability Report, <a href="#">Community</a>
Stakeholder Engagement	Standard Disclosure	GRI 102-44 Key topics and concerns raised	2021 Sustainability Report, <a href="#">Community</a>
Reporting Practice	Standard Disclosure	GRI 102-45 Entities included in the consolidated financial statements	2021 Sustainability Report, <a href="#">About This Report</a>
Reporting Practice	Standard Disclosure	GRI 102-46 Defining report content and topic Boundaries	2021 Sustainability Report, <a href="#">About This Report</a>
Reporting Practice	Standard Disclosure	GRI 102-47 List of material topics	<a href="#">Sustainability Materiality Assessment</a>
Reporting Practice	Standard Disclosure	GRI 102-48 Restatements of information	There are no restatements of information given in previous reports
Reporting Practice	Standard Disclosure	GRI 102-49 Changes in reporting	The information contained within this report is for Hydro One Limited. In instances where data is only available for Hydro One Networks Inc., it is noted with an asterisk
Reporting Practice	Standard Disclosure	GRI 102-50 Reporting period	2021 Sustainability Report, <a href="#">About This Report</a>
Reporting Practice	Standard Disclosure	GRI 102-51 Date of most recent report	August 2022
Reporting Practice	Standard Disclosure	GRI 102-52 Reporting cycle	2021 Sustainability Report, <a href="#">About This Report</a>

**GRI Table**

Category/Section	Topic	GRI Disclosure	2021
Reporting Practice	Standard Disclosure	GRI 102-53 Contact point for questions regarding the report	2021 Sustainability Report, <a href="#">Connect with Us</a>
Reporting Practice	Standard Disclosure	GRI 102-54 Claims of reporting in accordance with the GRI Standards	2021 Sustainability Report, <a href="#">About This Report</a>
Reporting Practice	Standard Disclosure	GRI 102-55 GRI content index	GRI Table (also available as a stand-alone document on our <a href="#">website</a> )
Reporting Practice	Standard Disclosure	GRI 102-56 External assurance	GHD Limited verified Hydro One's GHG Emission Report for the compliance period of January 1 to December 31, 2021
Management Approach	Standard Disclosure	GRI 103-1 Explanation of the material topic and its Boundary	2021 Sustainability Report, <a href="#">About This Report</a> , <a href="#">Our Approach</a> and <a href="#">Sustainability Materiality Assessment</a>
Management Approach	Standard Disclosure	GRI 103-2 The management approach and its components	2021 Sustainability Report, within the approach section of each material topic
Our Approach to Sustainability	Governance	GRI 205-1 Discussion on Management Approach	2021 Sustainability Report, <a href="#">Our Approach</a> and <a href="#">Governance</a>
Our Approach to Sustainability	Governance	GRI 205-1 Operations assessed for risks related to corruption	<a href="#">Code of Business Conduct</a>
Our Approach to Sustainability	Governance	GRI 205-2 Communications and training about anti-corruption policies and procedures	The Board of Directors received annual communication on the <a href="#">Code of Business Conduct</a> .  Employees receive annual communication on our Anti-Fraud and Anti-Corruption policies through our Code of Business Conduct Annual Refresher. As of December 31, 2021, 84% <sup>54</sup> of employees completed the 2021 Code of Business Conduct Annual Refresher, which includes information on our Anti-Fraud and Anti-Corruption policies.  Business partners are subject to our <a href="#">Code of Business Conduct</a> and the <a href="#">Supplier Code of Conduct</a> .
People	Talent	GRI 405-1 Discussion on Management Approach	2021 Sustainability Report, <a href="#">People</a>
People	Talent	GRI 405-1 Diversity of governance bodies and employees	2021 Sustainability Report, <a href="#">Governance</a> and <a href="#">People</a>

<sup>54</sup> While all employees are required to complete the Code of Business Conduct Annual Refresher training, employees on leave of absence and/or those whose employment status may have changed during the course of the year may have been unable to complete the refresher.

**GRI Table**

Category/Section	Topic	GRI Disclosure	2021
People	Talent	GRI EU15 Number of employees eligible to retire within 5 years, 10 years (% of workforce, by job category) <sup>55</sup>	<b>Electrical power line and cable workers:</b> -% of Workforce: 5 Year: 2%, 10 Year: 3% -% of NOC Group: 5 Year: 11%, 10 Year: 16%
			<b>Electrical and electronics engineers:</b> -% of Workforce: 5 Year: 2%, 10 Year: 3% -% of NOC Group: 5 Year: 17%, 10 Year: 29%
			<b>Electrical and electronics engineering technologists and technicians:</b> -% of Workforce: 5 Year: 1%, 10 Year: 3% -% of NOC Group: 5 Year: 15%, 10 Year: 27%
			<b>Silviculture and forestry workers:</b> -% of Workforce: 5 Year: 0.5%, 10 Year: 1% -% of NOC Group: 5 Year: 9%, 10 Year: 19%
			<b>Other customer and information services representatives:</b> -% of Workforce: 5 Year: 1%, 10 Year: 2% -% of NOC Group: 5 Year: 25%, 10 Year: 49%
			<b>Professional Occupations in business management consulting:</b> -% of Workforce: 5 Year: 1%, 10 Year: 2% -% of NOC Group: 5 Year: 24%, 10 Year: 42%
			<b>Contractors and supervisors, electrical trades and telecommunications occupations:</b> -% of Workforce: 5 Year: 1%, 10 Year: 2% -% of NOC Group: 5 Year: 35%, 10 Year: 55%
			<b>Power system electricians:</b> -% of Workforce: 5 Year: 1%, 10 Year: 1% -% of NOC Group: 5 Year: 20%, 10 Year: 32%
			<b>General office support workers:</b> -% of Workforce: 5 Year: 1%, 10 Year: 1% -% of NOC Group: 5 Year: 31%, 10 Year: 51%

<sup>55</sup> NOC is the National Occupational Classification and the region for reporting is Canada.

**GRI Table**

Category/Section	Topic	GRI Disclosure	2021	
			2021 New Hire	% of Total New Hires
People	Talent	GRI 401-1 Employee hires and employee turnover <sup>56</sup>	New Hire Count and Rate: 208; 3.4%	Women: 32% Men: 68%
			Ages 20-29: 27% Ages 30-39: 36% Ages 40-49: 21% Ages 50-59: 14% Ages 60-69: 2%	
			2021 Turnover	Count and Rate: 328; 5.3%
			Women: 23% Men: 77%	Ages 20-29: 5% Ages 30-39: 11% Ages 40-49: 10% Ages 50-59: 38% Ages 60-69: 34% Ages 70-79: 3%
People	Health and Safety	GRI 403-1 Discussion on Management Approach	2021 Sustainability Report, People	
People	Health and Safety	GRI 403-1 Occupational health and safety management system	2021 Sustainability Report, People	
People	Health and Safety	GRI 403-8 Workers covered by an occupational health and safety management system	2021 Sustainability Report, People	
People	Health and Safety	GRI 403-9 Work-related injuries	2021 Sustainability Report, People <a href="#">ESG Performance Overview</a>	
Planet	Climate Change and Environmental Management	GRI 305-1 Discussion on Management Approach	2021 Sustainability Report, Planet	
Planet	Climate Change	GRI 305-1 Direct Scope 1 GHG emissions	2021 Sustainability Report, Planet	

<sup>56</sup> Attrition rate is calculated based on voluntary, involuntary, retirement and other departures as a percentage of the average annual number of regular employees.

**GRI Table**

<b>Category/Section</b>	<b>Topic</b>	<b>GRI Disclosure</b>	<b>2021</b>
Planet	Climate Change	GRI 305-2 Energy indirect (Scope 2) GHG emissions	2021 Sustainability Report, <b>Planet</b>
Planet	Environmental Management	GRI 307-1 Non-compliance with environmental laws and regulations	2021 Sustainability Report, <b>Planet</b>
Community	Affordability	GRI 203-1 Discussion on Management Approach	2021 Sustainability Report, <b>Community</b>
Community	Affordability	GRI 203-1 Indirect economic impacts	2021 Sustainability Report, <b>Community</b>
Community	Indigenous Relations	GRI 411-1 Discussion on Management Approach	2021 Sustainability Report, <b>Community</b>
Community	Economic Performance	GRI 201-1 Economic value generated and distributed	2021 Sustainability Report, <b>Community</b>
Community	Supply Chain	GRI 204-1 Proportion of spending on local suppliers	2021 Sustainability Report, <b>Community</b>
Community	Customer Service	GRI EU3 Discussion on Management Approach	2021 Sustainability Report, <b>Community</b>
Community	Customer Service	GRI EU3 Number of residential, industrial, institutional, and commercial customer accounts	2021 Sustainability Report, <b>SASB Table</b>

**GRI Table**

Category/Section	Topic	GRI Disclosure	2021								
Community	Reliability	GRI EU4 Length of above and underground transmission and distribution lines by regulatory regime	<p>2021 Sustainability report, <a href="#">Hydro One At-A-Glance</a></p> <table> <tr> <td>TX OVERHEAD:</td> <td>TX UNDERGROUND:</td> </tr> <tr> <td>115 kV: 10,432 km</td> <td>115 kV: 224 km</td> </tr> <tr> <td>230 kV (including 345 kV): 14,449 km</td> <td>230 kV: 59 km</td> </tr> <tr> <td>500 kV: 4,469 km</td> <td></td> </tr> </table> <p>DX OVERHEAD</p> <ul style="list-style-type: none"> <li>• 14.4/25.01 kV: 5,502 km</li> <li>• 16.0/27.6 kV: 11,341 km</li> <li>• 2.4/4.16 kV: 1,474 km</li> <li>• 4.8/8.32 kV: 50,652 km</li> <li>• 44 kV: 10,030 km</li> <li>• 7.2/12.51 kV: 34,808 km</li> <li>• 8.0/13.8 kV: 305 km</li> </ul> <p>DX UNDERGROUND</p> <ul style="list-style-type: none"> <li>• 14.4/25.01 kV: 101 km</li> <li>• 16.0/27.6 kV: 2,622 km</li> <li>• 2.4/4.16 kV: 367 km</li> <li>• 4.8/8.32 kV: 2,253 km</li> <li>• 44 kV: 60 km</li> <li>• 7.2/12.51 kV: 874 km</li> <li>• 8.0/13.8 kV: 177 km</li> </ul> <p>DX SUBCABLE</p> <ul style="list-style-type: none"> <li>• 14.4/25.01 kV: 407 km</li> <li>• 16.0/27.6 kV: 97 km</li> <li>• 2.4/4.16 kV: 13 km</li> <li>• 4.8/8.32 kV: 341 km</li> <li>• 44 kV: 25 km</li> <li>• 7.2/12.51 kV: 3,093 km</li> <li>• 8.0/13.8 kV: N/A</li> </ul>	TX OVERHEAD:	TX UNDERGROUND:	115 kV: 10,432 km	115 kV: 224 km	230 kV (including 345 kV): 14,449 km	230 kV: 59 km	500 kV: 4,469 km	
TX OVERHEAD:	TX UNDERGROUND:										
115 kV: 10,432 km	115 kV: 224 km										
230 kV (including 345 kV): 14,449 km	230 kV: 59 km										
500 kV: 4,469 km											
Community	Reliability	GRI EU28 Average power outage frequency (Transmission SAIFI) (# of interruptions per delivery point per year)	<b>ESG Performance Overview</b>								

**GRI Table**

Category/Section	Topic	GRI Disclosure	2021
Community	Reliability	GRI EU28 Average power outage frequency (Distribution SAIFI) (# of interruptions per delivery point per year)	<b>ESG Performance Overview</b>
Community	Reliability	GRI EU29 Average power outage duration (Transmission SAIDI) (hours per customer per year)	<b>ESG Performance Overview</b>
Community	Reliability	GRI EU29 Average power outage frequency (Distribution SAIDI) (# of interruptions per customer per year)	<b>ESG Performance Overview</b>
Community	Business Model Pressures	Discussion on Management Approach	2021 Sustainability Report, <b>Community</b>
Community	Business Model Pressures	GRI EU2 Net energy output – Transmission and distribution (%) (input)	Hydro One does not determine the energy mix for the Province of Ontario; this is a key responsibility of the Independent Electricity System Operator (IESO)

# GHD Letter of Assurance



June 14, 2022

Ms. Elise Croll  
Director, Environmental Services  
Hydro One Networks Inc.

Dear Ms. Croll:

**Re: Independent Assurance Statement**

The purpose of this letter is to clarify matters set out in the Assurance Report. It is not an Assurance Report and is not a substitute for the Assurance Report.

This letter and the verifier's Assurance Report, including the opinion(s), are addressed to you and are solely for your benefit in accordance with the terms of the contract. We consent to the release of this letter by you for inclusion in your corporate sustainability report.

In accordance with our engagement with you, and for the avoidance of doubt, we confirm that our *Verification Report: 2021 GHG Inventory* report to you (the "Assurance Report") incorporated the following matters:

**1. Boundaries of the reporting company covered by the Assurance Report:**

Hydro One Limited, through its wholly-owned subsidiaries, is Ontario's largest electricity transmission and distribution provider with approximately 1.4 million valued customers. Emissions from Hydro One Networks Inc. (Networks), Hydro One Remote Communities (Remotes), and Acronym Solutions (Acronym) were included. Verification is completed at the corporate level.

**2. Emissions data verified – broken down by Scope 1, Scope 2, and avoided emissions with figures given:**

**Total Entity-Wide Emissions Verified**  
**Scope 1 Emissions:** 167,699 tonnes CO<sub>2</sub>e  
**Scope 2 Emissions:** 137,430 tonnes CO<sub>2</sub>e  
**Avoided Emissions:** 4,273 tonnes CO<sub>2</sub>e

**3. Period covered:**

The reporting period is between 01/01/21 and 31/12/21.

**4. Verification standard used:**

For the verification of the 2021 GHG Report, GHD has applied ISO 14064-3.

**5. Assurance opinion (including level of assurance and any qualifications):**

The GHG Protocol states, "as a rule of thumb, an error is considered to be materially misleading if its value exceeds 5 percent of the total inventory for the part of the organization being verified".

Consistent with this, and industry practice, GHD established a quantitative materiality for this verification of ±5 percent of the total reported GHG emissions. An individual error, misrepresentation, or a series of discrete errors, omissions or misrepresentations or individual or a series of qualitative factors, when aggregated may be considered material.

The purpose of this verification was to have an independent third party assess Hydro One's 2021 GHG Report, calculations and compliance with the requirements of the ISO Standard *ISO 14064 Greenhouse gases – Part 3: Specification with guidance for the validation and verification of greenhouse gas assertions* (ISO 14064-3), the GHG Protocol and associated guidance. The verification was completed to a reasonable level of assurance.

Based on our verification, the GHG statement is, in all material aspects, in accordance with the verification criteria and is free of material misstatements.

**6. Verification provider and accreditations:**

**VERIFICATION BODY NAME:** GHD Limited  
**VERIFICATION BODY CONTACT:** Mr. Gordon Reusing  
**TITLE:** Principal

Accreditations: GHD is a Canadian based company accredited by the American National Standard Institute (ANSI) National Accreditation Board (ANAB/ANSI) under ISO 14065 to provide organizational level verification services.

**7. Lead verifier name and relevant accreditations/professional membership:**

**LEAD VERIFIER:** Ms. Dana Lauder, P.Eng. (Ontario)  
**TITLE:** Project Manager

Dana Lauder, P.Eng.

Gordon Reusing, M.A.Sc., P.Eng., PE

# Forward-looking Statements

Certain information in this report contains "forward-looking information" within the meaning of applicable Canadian securities laws. Forward-looking information in this report is based on current expectations, estimates, forecasts and projections about Hydro One's business and the industry, and the regulatory and economic environments in which Hydro One operates and includes beliefs of and assumptions made by management. Such statements include, but are not limited to, the company's commitment to producing an annual Sustainability Report and to continuously increasing the transparency and accountability of our disclosures; the company's corporate strategy, including details of its proposed 2023-2027 Investment Plan and the anticipated results thereof and its ongoing and planned sustainability priorities and commitments, including target dates, as they relate to diversity, equity and inclusion, climate change mitigation and adaption, Indigenous and community partnerships and other initiatives and related plans; the company's commitment to achieving 30% female executives and female board members by 2022; the company's commitment to achieving 3.5% Black executives and Board members and 5% Black student hires by 2025; the company's commitment to achieving a target of 30% reduction of Scope 1 and Scope 2 GHG emissions by 2030 and net-zero GHG emissions by 2050; the company's commitment to increasing Indigenous procurement spend to 5% of the company's total procurement spend by 2026 and to direct 20% of its community investment donations and sponsorships to Indigenous communities and organizations; the company's plans for building a stronger safety culture, including its goal to eliminate life-alerting injuries and fatalities at Hydro One by 2024 and related plans; plans to transform 50% of Hydro One's fleet of sedans and SUVs to plug-in electric or hybrid EVs by 2025 and 100% by 2030, to reduce SF<sub>6</sub> gas releases and to invest in energy efficient technologies; the advancement of initiatives to pursue renewable generation opportunities and conserve and protect Ontario's biodiversity; the company's plans to advance its environmental programs, including to phase out PCBs by 2025 and remediate or assess 18 historically contaminated sites and plans to continue implementing TCFD recommendations; expectations regarding the operation of a new transmission line in Northwestern Ontario by 2022; expected future capital investments and expenditures and the nature and timing of these investments and expenditures; and the company's plan to continue to review the ESG indicators linked to its compensation plans.

Words such as "aim", "could", "would", "expect", "anticipate", "intend", "may", "plan", "will", "believe", "seek", "estimate", "goal", "target", "can" and negative and grammatical variations of such words and similar expressions are intended to identify such forward-looking information. These statements are not guarantees of future performance and involve assumptions and risks and uncertainties that are difficult to predict. Therefore, actual outcomes and results may differ materially from what is expressed, implied or forecasted in such forward-looking information.

The forward-looking information in this report is based on a variety of factors and assumptions including, but not limited to: the scope of the COVID-19 pandemic and duration thereof as well as the effect and severity of corporate and other mitigation measures on the company's operations, supply chain or employees; no unforeseen changes in the legislative and operating framework for Ontario's electricity market; favourable decisions from the OEB and other regulatory bodies concerning outstanding and future rate and other applications; no unexpected delays in obtaining required regulatory approvals; no unforeseen changes in rate orders or rate setting methodologies for Hydro One's distribution and transmission businesses; no unfavourable changes in environmental regulation; continued use of U.S. generally accepted accounting principles (GAAP); a stable regulatory environment; no significant changes to the company's current credit ratings; no unforeseen impacts of new accounting pronouncements; no changes to expectations regarding electricity consumption; no unforeseen changes to economic and market conditions; recoverability of costs and expenses related to the COVID-19 pandemic, including the costs of customer defaults resulting from the pandemic; completion of operating and capital projects that have been deferred; and no significant event occurring outside the ordinary course of business. These assumptions are based on information currently available to Hydro One, including information obtained from third-party sources. Actual results may differ materially from those predicted by such forward-looking information. While Hydro One does not know what impact any of these differences may have, Hydro One's business, results of operations, financial condition and credit stability may be materially adversely affected if any such differences occur.

Factors that could cause actual results or outcomes to differ materially from the results expressed or implied by forward-looking information are discussed in more detail in the sections entitled "Forward-Looking Information" and "Risk Factors" in Hydro One Limited's most recent annual information form, the sections entitled "Risk Management and Risk Factors" and "Forward-Looking Statements and Information" in Hydro One Limited's most recent annual management's discussion and analysis of its financial condition and results of operations and the section entitled "Forward-Looking Statements and Information" in Hydro One Limited's most recent interim management's discussion and analysis of its financial condition and results of operations which are filed on SEDAR under Hydro One Limited's profile at [www.sedar.com](http://www.sedar.com). You should review such materials in detail, including the matters referenced therein.

Hydro One does not undertake or assume any obligation to update or revise any forward-looking information for any reason, except as required by applicable securities laws.