

Hydro One Limited
**Annual Meeting
of Shareholders**



Wednesday, June 5, 2024

Hydro One Limited

Annual Meeting of Shareholders

Wednesday, June 5, 2024

Operator: Good morning, everyone, and welcome to Hydro One's annual meeting of shareholders. I am pleased to introduce Mr. Tim Hodgson, chair of the Board of Directors.

Tim Hodgson: Good morning, everyone. I'm delighted to welcome you to the company's 2024 annual meeting of shareholders. I would like to acknowledge that I am on the traditional territory of the Mississaugas of the Credit First Nation, the Haudenosaunee and the Huron-Wendat. We recognize that this land is now home to many diverse First Nations, Inuit, and Métis peoples.

We decided to hold this meeting virtually via a live online audio webcast. Conducting the meeting in a virtual format will maximize shareholder attendance by providing each shareholder, regardless of geographical location, an equal opportunity to participate in the meeting at no additional cost. On behalf of my fellow directors and management, we thank you for your ownership and interest in Hydro One and for participating in today's meeting. I will now call the meeting to order.

In accordance with Hydro One Limited's bylaws I will act as chair of the meeting. Attending the meeting with me this morning are David Lebeter, our president and CEO, Chris Lopez, our Executive Vice president, Chief Financial and Regulatory officer, Cassidy McFarlane, our general counsel, Steve Mantifel, our senior strategic advisor, office of President and CEO, Natasha Bangaroo, our board relations and corporate law clerk. I would also like to introduce my fellow director nominees, each of whom is a current director and other than David Lebeter, are joining us virtually today.

Tim Hodgson: They are Cherie Brant, David Hay, Stacey Mowbray, Mitch Panciuk, Mark Podlasly, Helga Reidel, Melissa Sonberg, Brian Vaasjo, and Susan Wolburg Jenah. We want to take a moment to thank our directors elected in 2023, Helga, Mitch and Brian for their first year of service. These directors have been integral members of the board this past year, in particular regarding oversight of Hydro One's strategy.

On our agenda today, we will first turn to the formal business of the meeting, following which our president and CEO will speak. After David's remarks, there will be time for questions from our shareholders and duly appointed proxy holders. Cassidy McFarlane will provide details regarding our question protocol. Cassidy is appointed to act as the secretary of the meeting today, in the absence of Louise Meegan, our Corporate Secretary, Cassidy will record the proceedings of the meeting. Rosemary Colakic from Broadridge Financial Solutions will act as scrutineer. Before we begin, I will ask Cassidy to speak to forward looking information and to review the rules of conduct for transacting the business of the meeting.

Cassidy McFarlane: Thank you, Chair. Good morning, everyone. First, I would like to draw your attention to the bottom right-hand side of your screen where there is a link entitled Forward Looking Information. This link contains important information regarding forward looking statements that may be made during our remarks this morning, or by those speaking during the following question period. All listeners are encouraged to read this carefully.

To facilitate the formal business of the meeting, the company has asked employee shareholders to propose and second formal motions. I will now provide guidance regarding voting and questions related properly to matters of business before the meeting. If you're a registered shareholder attending online who has not provided voting instructions or appointed a proxy holder, and you wish to vote your shares, you may do so by clicking on the "Vote Here" button on your screen at this time and at any time during the formal business of the meeting. Duly appointed proxy holders may also vote at any time using the same method. The polls will remain open until just before the conclusion of the formal business of the meeting. You must click submit for your vote to be counted.

Shareholders and duly appointed proxy holders attending online may ask questions at any time during the meeting by entering their questions in the "Ask a Question" box at the bottom left hand side of the webcast screen and clicking submit, which may then be answered during the Q&A period as time permits. Alternatively, shareholders with a 16-digit control number or duly appointed proxy holders may also ask a question by calling either the toll free or international phone number listed above the "Ask a Question" box.

If you wish to ask a question on a business item or during the Q&A session, once connected with the operator, press "Star-one" to be placed into the queue. Time permitting and subject to our rules of conduct, we will answer written questions received as well as questions asked over the phone. When asking a question, whether written or over the phone, please state your full name, whether you are a shareholder or a duly appointed proxy holder, and the name of the city and province or state where you live. Please kindly mute or close your web browser when you're asking a question over the phone. We will only respond to questions relating to items of business during the formal portion of the meeting. Other appropriate questions will be addressed during the question period following our president's remarks.

Shareholders on the phone lines wishing to ask a question should press "Star-one" to be placed into the queue. If you voted your shares before the start of this meeting, your vote has been received by the scrutineers and there is no need to vote those shares during the meeting unless you wish to revoke or change your vote. Following the meeting, we will post the final voting results on the Investor Relations page of our website. The results will also be filed on SEDAR+.

We've been advised by Broadridge Financial Solutions, Inc. that based on the proxies already deposited with them, enough votes have been cast to carry each of the motions. Chair, those are the rules of conduct for the meeting.

Tim Hodgson: Thank you, Cassidy. We will now proceed with the meeting. The notice of the meeting and the form of proxy or voting instruction form were mailed on May 3rd, 2024, to all shareholders of record as of the close of business on April 8th, 2024. The 2024 Management Information Circular for the meeting, together with our 2023 Annual Report containing the audited Annual Financial Statements for the year ended December 31st, 2023. The auditor's report thereon and the related management's discussion and analysis, were made available through the "Notice and Access" System of the Canadian securities regulators. They are also available on the bottom right-hand side of your screen under "Meeting Materials". We have received an affidavit from Broadridge as to the proper mailing of the notice of this meeting and form a proxy to shareholders, and a copy of the affidavit will be kept with the minutes of this meeting.

Cassidy McFarlane: The scrutineers have provided a report regarding shareholder attendance. Based on the preliminary tabulation of proxies received to date, a quorum is present.

Tim Hodgson: I accept the scrutineers' report and declare that a quorum of shareholders is present. As a quorum is present, and proper notice of the meeting has been given, this meeting is now duly and properly constituted for the transaction of business. The final scrutineers' report will be incorporated into the minutes of the meeting.

The first item of business is for the shareholders to receive the company's audited consolidated financial statements for the year ended December 31st, 2023, together with the auditor's report, both of which can be found in our 2023 Annual Report. The 2023 Annual Report is available to all shareholders through the Investor Relations page of our website and on SEDAR+. You can also access the 2023 Annual Report on the right-hand side of your screen under "Meeting Materials".

The next item of business is the election of the directors of the company. The Management Information circular for the meeting lists the 11 director nominees. The nominees identified in the 2024 Management Information Circular for election as directors, in addition to myself, are Cherie Brant, David Hay, David Lebeter, Stacey Mowbray, Mitch Panciuk, Mark Podlasly, Helga Reidel, Melissa Sonberg, Brian Vaasjo, and Susan Wolburgh Jenah. I now turn to Steven Mantifel, Senior Strategic Advisor, office of the president and CEO to make the nomination.

Steven Mantifel: Thank you, Chair. I nominate each of the director nominees named in the 2024 Management Information Circular for this meeting for election as a director of Hydro One Limited to serve until the next annual meeting of shareholders, or until their respective successor is elected or appointed.

Tim Hodgson: Thank you. As no notice of additional director nominees was received in accordance with the company's bylaws, I declare the nominations closed. Cassidy, have we received any questions relating to this item of business?

Cassidy McFarlane: We have not received any written questions. Operator, have we received any questions over the phone?

Operator: No, we have not received any questions over the phone.

Cassidy McFarlane: Chair, there are no further questions.

Tim Hodgson: Thank you, Cassidy. We will now proceed with a vote on this matter. I will ask Cassidy to provide instructions for those voting.

Cassidy McFarlane: You can vote on this item of business by clicking "Vote Here". In the center of your screen. Under item number one, you will find the names of the 11 director nominees listed in the 2024 Management Information Circular. You may "Vote For" or "Withhold" from voting for each of the nominees.

Tim Hodgson: Thank you, Cassidy. As a reminder, if you have already provided voting instructions or submitted a proxy, you do not need to vote on this matter unless you wish to change your vote.

The next item of business is the appointment of the company's external auditors for the ensuing year and authorizing the board of directors to fix their remuneration. I will turn to Steven to make the motion.

Steven Mantifel: Thank you. Chair. I move that KPMG LLP be appointed as the company's external auditors for the ensuing year, and that the board of directors be authorized to fix the remuneration.

Tim Hodgson: I will now turn to Natasha Bangaroo to second the motion.

Natasha Bangaroo: Thank you, Chair. I second the motion.

Tim Hodgson: Thank you, Natasha. Cassidy, have we received any questions relating to this item of business?

Cassidy McFarlane: We have not received any written questions. Operator, have we received any questions over the phone?

Operator: No, we have not received any questions over the phone.

Cassidy McFarlane: Chair, there are no further questions.

Tim Hodgson: Thank you, Cassidy. We will now proceed with a vote on this matter. I will ask Cassidy to first provide instructions for those voting.

Cassidy McFarlane: To vote online, click "Vote Here" in the center of your screen to vote on this item of business. Under item number two, you may either "Vote For" or "Withhold" from voting in respect of the motion. You also may not vote for any accounting firm other than KPMG LLP.

Tim Hodgson: Thank you, Cassidy. As a reminder, if you've already provided voting instructions or submitted a proxy, you do not need to vote on this matter unless you wish to change your vote.

The last item of business today is an advisory vote on executive compensation, otherwise known as a "Say on Pay" resolution. As described in the 2024 Management Information Circular for this meeting, Hydro One's Executive Compensation program provides total compensation opportunities that are market competitive relative to peer companies and are performance-based to attract, retain, motivate and reward management talent. It is important to note that the president and CEO and executive leadership team compensation is entirely funded by the company's earnings, and it is not recovered through rates or paid by customers. This "Say on Pay" vote forms an important part of our ongoing process of engagement with shareholders. I will now turn to Steven to make the motion.

Steven Mantifel: Chair, I move on an advisory basis, and not to diminish the role and responsibilities of the board of directors, that the shareholders accept the approach to executive compensation disclosed in the Management Information Circular delivered in advance of the 2024 annual meeting of shareholders of the company.

Tim Hodgson: I will now turn to Natasha to second the motion.

Natasha Bangaroo: Chair, I second the motion.

Tim Hodgson: Thank you, Natasha. Cassidy, have we received any questions relating to this item of business?

Cassidy McFarlane: We have not we have not received any further written questions. Operator, have we received any more questions over the phone?

Operator: No, we have not received any questions over the phone.

Cassidy McFarlane: Chair, there are no further questions.

Tim Hodgson: Thank you, Cassidy. We will now proceed with a vote on this matter. I will ask Cassidy to first provide instructions for those voting.

Cassidy McFarlane: To vote on this item of business, click "Vote Here" in the center of your screen. Under item number three, you may either "Vote For" or "Against" in respect of the motion. You must click submit for your vote to be counted.

Tim Hodgson: Thank you, Cassidy. As a reminder, if you have already provided voting instructions or submitted a proxy, you do not need to vote on this matter unless you wish to change your vote.

Cassidy McFarlane: The polls are now closed with respect to voting on all the motions.

Tim Hodgson: Based on the proxies received, each of the director nominees has received a majority of votes cast in favour of their election as a director. I confirm that each of the 11 director nominees named in the 2024 Management Information Circular have been elected as directors. As the company has received sufficient number of proxies in favor of the appointment of the auditors of the motion to re-appoint KPMG LLP as the company's external auditors is carried and the board of directors is authorized to fix their remuneration.

The company received proxies in favor of the say on pay advisory vote, representing approximately 96.85% of those cast by proxy prior to the meeting. The final report on voting results provided by the scrutineer after the meeting will be incorporated into the minutes of this meeting. We will also post the final voting results of the investor on the Investor Relations page of our website and will file the results on SEDAR+.

Since there are no other matters of business to come before the formal part of the meeting, I declare the meeting terminated. I would now like to turn to David Lebeter, our President and CEO, who will make his remarks. After hearing from David, we will open the floor to take questions from our shareholders and proxy holders.

David Lebeter: Thanks, Tim. And good morning to everyone joining us today. This morning, we'll look back on 2023 and provide an update on our recent activities. As I reflect on this past year as CEO, I'm incredibly proud of what we achieved across the organization. Safety comes first. We had another great year of results in 2023. A recordable injury rate and high energy serious incident frequency rate were below our annual targets in 2023. Hydro one achieved a recordable injury rate of 0.56 per 200,000 hours, which remains well below the world class benchmark of 1.0. We must never forget that behind those statistics are people and their families who have been impacted.

I am saddened to report we experienced two serious incidents in 2024. Our team members involved in these incidents continue to recover from their injuries. We know that regardless of the amount of time that has passed, serious injuries have ripple effects that are never forgotten. As an organization, we remain relentlessly focused on our safety absolutes and operational discipline to address the unforgiving nature of our fieldwork and the dangers that exist in the tasks we do each day.

Moving to our results from 2023. This past year, we once again met our capital investment commitments. We deployed approximately \$2.5 billion of capital and in service \$2.3 billion of assets. These investments will energize life and provide sustainable electricity solutions to meet customer demands and Ontario's economic growth. I am pleased that we have done this with a focus on continuous improvement for our customers, prioritize enhanced customer service, efficiency, productivity, and reliability. We know every dollar we invest must be done with our customers in mind, which is why we spend wisely and improve productivity.

In 2023, we had another year of strong productivity savings of approximately \$114 million. On growth, last year, we increased our project pipeline to nine new transmission lines and development or construction. Three of these transmission lines were awarded to Hydro One in the fourth quarter. They will support economic growth and facilitate the growing electricity demand for transportation, mining, steel, forestry and manufacturing industries.

Our top tier execution continues to position Hydro One as a transmitter of choice for the development, construction and operation of priority projects in Ontario. This past November, we announced that the Chatham to Lakeshore transmission line is on track to be completed by the end of 2024, a full year ahead of schedule. The early completion of this project will reduce costs by approximately \$15 million. The line will support economic growth in Agrifoods, the clean energy supply chain and manufacturing in the Windsor-Essex region. Partnerships have been instrumental in the acceleration and awarding of these transmission line projects.

Partnerships remain at the heart of everything we do. Our industry leading 50/50 First Nations equity model supports our transparent and meaningful engagement with First Nations partners. The transmission line in the northwest was the first project to have a signed 50/50 equity model agreement.

In the fourth quarter, we submitted the final environmental assessment report with the support of nine First Nations partners to the Minister of Environment, Conservation and Parks. This is an incredible milestone in the delivery of this critical project that is being developed in true partnership with First Nations. The transmission line will provide local economic benefits, attract jobs and support a clean energy future in Northwest Ontario.

I'm also pleased to share that in December, we expanded our strategic partnerships through the signing of an initial partnership agreement with Five Nations Development, Inc., a wholly owned subsidiary of Five Nations Energy, Inc.

Our efforts to advance economic reconciliation extend beyond our transmission line projects. Hydro One's annual spending on goods and services from Indigenous businesses hit a record high of \$142.3 million, a substantial increase from 2022. This result puts us ahead of our 2026 commitment that 5% of our purchases of materials and services comes from Indigenous businesses.

Turning now to our financial results. For the full year, earnings per share were \$1.81 compared to \$1.75 last year. The key drivers of the higher earnings for the full year were higher OEB approved rates, strong electricity demand, lower income taxes partially offset by a higher work program expenses, higher depreciation, amortization and asset removal costs, and higher financing charges. Last year, we added our sustainable financing framework, a first for a Canadian utility. This framework aligns our funding goals with our sustainability strategy and allows us to most efficiently fund investments in critical infrastructure.

In 2023, we issued \$2.375 billion of sustainable bonds under the Sustainability Financing Framework. Hydro One is one of the largest corporate issuers of green, social and sustainability use of proceeds bonds in Canada.

I'm delighted to also share some recognition we received in 2023. We are recognized by the Edison Electric Institute for Emergency Response. This was Hydro One's 14th Emergency response award for how our teams continue to show up and get the job done, when customers and communities need us most. We also received an award from Electricity Canada for excellence in transmission safety, an acknowledgement that safety goes hand in hand with serving our customers. For the ninth year in a row, Forbes recognized Hydro One on their annual list of Canada's Best Employers for 2024. The ranking is determined by the recommendations made by employees and other professionals who recommended Hydro One as a desirable employer. This award follows Hydro One's recognition by Corporate Knights as one of the best 50 corporate citizens in Canada during 2023.

These accolades are a testament to our continued success in building a safe workplace where teams feel heard, valued, and have a true sense of belonging. We continue to work together to find sustainable solutions and adopt best practices throughout our operations. As we look to the year ahead, I'm confident that we have the right team in place to continue to deliver our shareholders, partners, customers and stakeholders. My top priorities as CEO in 2024 are safety, delivering on our refreshed strategy and continued operational excellence.

We are seeing profound and rapid changes in the industry, and we need to keep pace with the changes happening around us which include changing customer expectations around reliability and choice, and a resurgence of economic growth in Ontario. At its core our refreshed strategy is about the customer. We've retained the best parts of the previous strategy that made us successful and will continue to do so in the future. We changed only the areas where we need to do things differently to meet this moment.

I'm excited about our future, and I'm pleased to announce the addition of a new member of our executive team to help us deliver on our strategic objectives. Earlier this week, we announced that Harry Taylor is joining the company as Executive Vice President and Chief Financial and Regulatory Officer. Harry is a highly regarded leader with significant senior leadership experience who has led organizations through stable growth and expansion. After thorough internal and external search, it was clear that Harry is the right leader to join our team. Please join me in welcoming Harry. I'm confident we have the right team in place to meet customer needs with easy and sustainable solutions for a better and brighter future. I want to thank you once again for attending today's 2024 Annual General Meeting. This is your company and I'm proud to be part of this together. I'll now pass it back to Tim.

Tim Hodgson: Thank you, David. At this time, we would like to open the floor to any other questions that shareholders or duly appointed proxy holders may have relating to the company. I will ask Cassidy to review the guidelines for our question period.

Cassidy McFarlane: Thank you, Chair. Shareholders and duly appointed proxy holders attending online may ask questions at any time during the meeting by entering their questions in the "Ask the Question" box at the bottom left-hand side of the webcast screen and clicking submit, which may then be answered during the Q&A period as time permits.

Alternatively, shareholders with a 16 digit control number or duly appointed proxy holders may also ask a question by calling either the toll free or international phone number listed above the “Ask a Question” box. If you wish to ask a question during the Q&A session, once connected with the operator, press “Star-one” to be placed into the queue. Time permitting and subject to our rules of conduct, we will answer written questions received as well as questions asked over the phone.

When asking a question, whether written or over the phone, please state your full name, whether you are a shareholder or a duly appointed proxy holder, and the name of the city and province or state where you live. Please kindly mute or close your web browser when you are asking a question over the phone. We will read the questions that are submitted and consolidate questions of the same nature. The company will not address any questions or statements that are, among other things, irrelevant to the business and affairs of the company, related to material nonpublic information of the company, related to personal grievances or in furtherance of personal interests, derogatory or that are otherwise in bad taste, repetitive of questions or statements already made by another participant, or out of order, or not otherwise suitable for the conduct of the annual meeting. All of may be determined by the Chair in his reasonable judgment.

Tim Hodgson: Thank you, Cassidy. Cassidy, have we received any questions from our shareholders or proxy holders?

Cassidy McFarlane: We have not received any written questions. Operator, have we received any questions over the phone?

Operator: No, we have not received any questions over the phone.

Cassidy McFarlane: Chair, there are no further questions.

Tim Hodgson: Thank you, Cassidy, I think it’s appropriate to conclude the question period now. We wish to continue to facilitate open, effective and sustained dialogue between the board, management and Hydro One shareholders and other partners. I would like to refer shareholders and our other partners attending the meeting to the company’s corporate, shareholder and stakeholder engagement policy on our website if you have any further questions. On behalf of the entire Board of Directors and management team of Hydro One, we thank you all for attending our 2024 Annual Meeting of Shareholders.

Operator: The meeting has now concluded. Thank you for attending. You may now disconnect from the meeting.