



Fraud Risk Policy

hydroOne

Application

This Policy applies to all of Hydro One Limited and Hydro One Inc., and their respective subsidiaries (together “Hydro One”), its employees and its Board of Directors. This Policy also applies to any third party that performs services on behalf of Hydro One or acts on behalf of Hydro One. This includes, but is not limited to, individuals such as agents, consultants, business partners, intermediaries, service providers, suppliers and vendors that may interact with public officials on behalf of Hydro One.

Consistent with our Values, Hydro One is committed to always conducting business in a completely ethical manner. Hydro One seeks to constantly maintain a highly ethical work culture and will not tolerate any instances of fraud committed by our employees or people working with us. Instances of unethical or fraudulent behaviour can severely impact not only our employees, but also Hydro One’s business and reputation. We will rigorously investigate any instances of suspected fraud. Employees who are found to have engaged in fraud will be subject to discipline, up to and including termination.

Hydro One is committed to

- Maintaining a highly ethical work environment at all times.
- Applying and enforcing our Values, the Code of Business Conduct, Supplier Code of Conduct, Hydro One policies and procedures, as well as all applicable laws and regulations.
- Deterring, detecting and preventing any instances of fraud.
- Implementing and enforcing a robust fraud risk program that is consistent with our Values.
- Training our employees to increase their awareness of the nature of fraud risks and “red flags”, including how to recognize and report instances of potential fraud.
- Providing employees with the tools and techniques to prevent and detect fraud.
- Ensuring all employees understand their respective roles, responsibilities and accountabilities with respect to combating fraud and promoting a fraud-free environment.
- Encouraging employees to actively participate in the protection and preservation of Hydro One’s reputation and resources.
- Empowering employees with any suspicions of fraud to speak up, and protecting them from retaliation for doing so.
- Ensuring employees are treated fairly and in a manner that is consistent with their rights and our Values, should they become involved in an investigation related to potential fraud.
- Monitoring, maintaining and improving Hydro One’s fraud risk program, including conducting an updated fraud risk assessment every two years.
- Meeting or exceeding legal requirements wherever we operate.



Definition

Fraud is defined as an intentional dishonest act or omission made for the purpose of personal gain, or to cause a loss to Hydro One. It includes, but is not limited to, acts such as theft, false statements or representations, manipulation, criminal deception and abuse of Hydro One's property or time.

Procedures

Hydro One has in place measures to prevent and detect fraud and wrongdoing, which include, but are not limited to: the Code of Business Conduct; the Whistleblower Policy; the Supplier Code of Conduct; Board and Management monitoring; defined management approval thresholds; segregation of duties; internal audits; and external audits.

Hydro One has identified a non-exhaustive list of fraudulent activities, details of which can be found in the Code of Business Conduct.

For further information relating to this Policy and Hydro One's fraud risk program please refer to the following corporate governance documents:

- SP 0829, Code of Business Conduct
- SP 1761, Whistleblower Policy
- SP 1567, Corporate Compliance Policy
- SP 1422, Corporate Policy on Regulatory Compliance
- SP 1994, Anti-Bribery and Anti-Corruption Policy
- SP 1996, Supplier Code of Conduct

Approved by the Board on February 13, 2026

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