

# Fixed Income Investor Overview

Post Fourth Quarter 2025

# Disclaimers



## Forward Looking Information

This presentation contains “forward-looking information” within the meaning of applicable Canadian securities laws and “forward-looking statements” within the meaning of applicable U.S. securities laws (collectively, “forward-looking information”). Statements containing forward-looking information are made pursuant to the “safe harbour” provisions of applicable Canadian and U.S. securities laws and is based on current expectations, estimates, forecasts and projections about Hydro One Limited’s business and the industry in which Hydro One operates and includes beliefs of and assumptions made by management of Hydro One. Such information includes, but is not limited to: statements related to Hydro One’s transmission and distribution regulatory applications; Hydro One’s projected rate base and cash flows; statements regarding Hydro One’s organic growth profile and expected rate base CAGR; expectations regarding the Company’s deemed debt/equity structure; expectations regarding future equity and debt issuances, including under the Sustainable Financing Framework; expectations to modernize infrastructure and to invest in the health of the distribution system; statements regarding Hydro One’s projected capital investments, and related plans, funding and expectations; statements related to Hydro One’s ongoing and planned projects, including estimated cost and anticipated in-service dates of capital projects; statements regarding Hydro One’s consolidation strategy, including expectations regarding potential synergies to the Company; statements relating to Hydro One’s strategy, statements about Hydro One’s ongoing and planned sustainability priorities and commitments, including target dates, as they relate to diversity, equity and inclusion, climate change mitigation and adaptation, Indigenous and community partnerships and other initiatives and related plans; Hydro One’s commitment to achieving a target of 30% reduction of GHG emissions by 2030 and net-zero GHG emissions by 2050 including the Company’s review of its 2030 30% GHG reduction target; Hydro One’s commitment to increasing Indigenous procurement spend to 5% of total procurement spend by 2026 including the Company’s review of such target; plans to convert 50% of Hydro One’s fleet of sedans and SUVs to electric or hybrid EVs by 2025 and 100% by 2030; expectations regarding Hydro One’s maturing debt and standby credit facilities; and statements related to credit ratings.

Words such as “aim”, “could”, “would”, “expect”, “anticipate”, “intend”, “attempt”, “may”, “plan”, “will”, “believe”, “seek”, “estimate”, “goal”, “target” and variations of such words and similar expression 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. In particular, the forward-looking information contained in this presentation is based on a variety of factors and assumptions including, but not limited to: no unforeseen changes in the legislative and operating framework for Ontario’s electricity market or for Hydro One specifically; favourable decisions from the OEB and other regulatory bodies concerning outstanding and future rate and other applications; no unexpected delays in obtaining required 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; the continued use and availability of US GAAP; a stable regulatory environment; no significant changes to Hydro One’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; completion of operating and capital projects that have been deferred; Ontario’s electricity demand and immigration into Ontario will continue to grow; energy generation and supply composition will be favourable and support the achievement of GHG emission reduction targets; new GHG mitigation technologies will become more available and more affordable; Hydro One’s growth and activities will be consistent with the information included in its first joint rate application; the number of Hydro One vehicles and facilities will not change significantly; 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 by Hydro One 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 and 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 and the sections entitled “Risk Management and Risk Factors” and “Forward-Looking Statements and Information” in the Annual MD&A. Hydro One does not intend, and it disclaims any obligation, to update any forward-looking information, except as required by law.

In this presentation, Hydro One presents information about future rate base growth and potential future capital investments. The purpose of providing information about future rate base growth and potential future capital investments is to give context to the nature of some of Hydro One’s future plans and may not be appropriate for other purposes. Information about future rate base growth and potential future capital investments, including the various assumptions underlying it, should be read in conjunction with “Forward Looking Information” above and as may be found in Hydro One’s filings with the securities regulatory authorities in Canada, which are available under its profile on SEDAR+ at [www.sedarplus.com](http://www.sedarplus.com) and on EDGAR at [www.sec.gov](http://www.sec.gov).

## General Advisory

This informational meeting regarding Hydro One is for you to familiarize yourself with the Company. Hydro One is not making any offers of any securities at this time and cannot accept orders for any securities at this time.

## Third Party Information

This presentation includes market, industry and economic data which was obtained from various publicly available sources and other sources believed by the Company to be true. Although the Company believes it to be reliable, the Company has not independently verified any of the data from third party sources referred to in this presentation, or analyzed or verified the underlying reports relied upon or referred to by such sources, or ascertained the underlying economic and other assumptions relied upon by such sources. The Company believes that its market, industry and economic data is accurate and that its estimates and assumptions are reasonable, but there can be no assurance as to the accuracy or completeness thereof. The accuracy and completeness of the market, industry and economic data used throughout this presentation are not guaranteed and the Company does not make any representation as to the accuracy or completeness of such information.

## Currency and Fiscal Year

All dollar amounts in this presentation are in Canadian dollars, unless otherwise indicated. Due to rounding, certain totals, subtotals and certain percentages may not reconcile. The Company’s fiscal year ends on December 31. Unless otherwise expressly stated herein, all information in this presentation is presented as at December 31, 2025.

## Presentation of Information

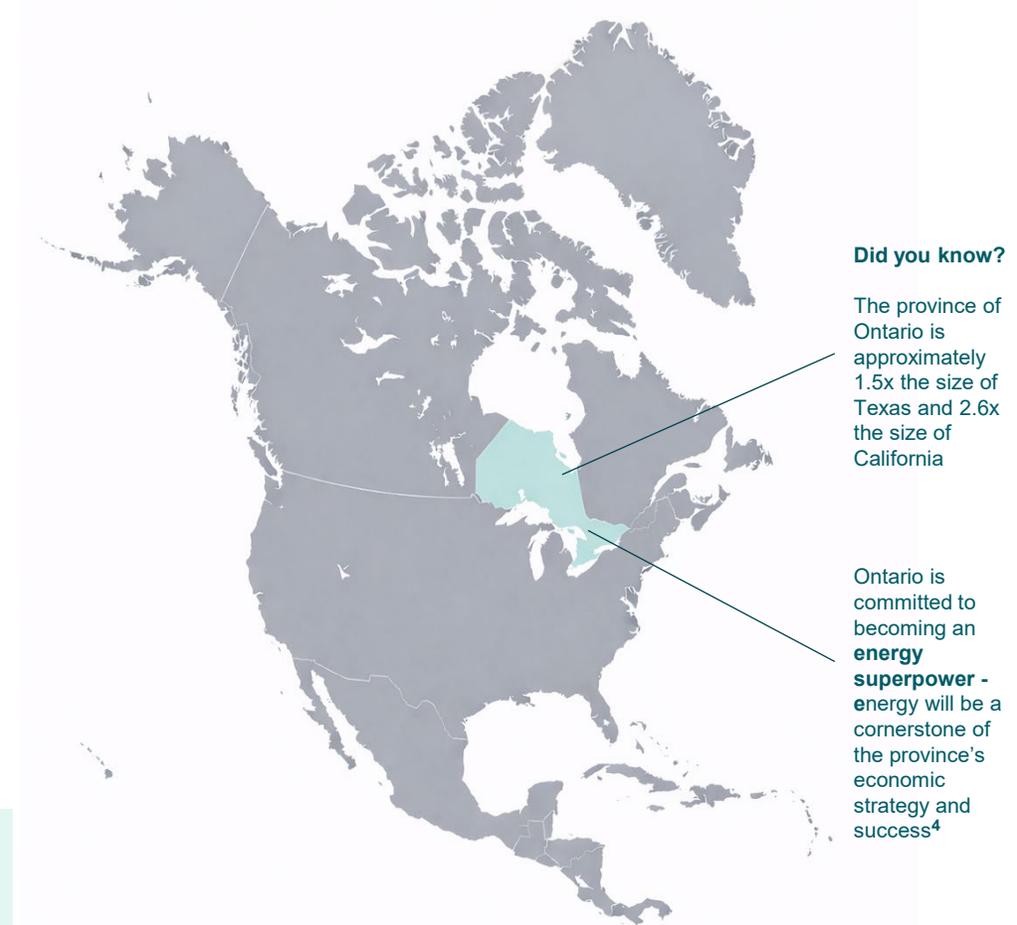
Unless otherwise noted or the context otherwise requires, references to “Hydro One” or the “Company” refer to Hydro One Limited and its subsidiaries taken together as a whole. References to “Hydro One Inc.” or “HOI” refer only to Hydro One Inc. and references to “Hydro One Limited” or “HOL” refer only to Hydro One Limited.

# Credit Highlights

# Hydro One Credit Highlights

## A large scale regulated electric transmission and distribution utility

- One of the largest electric utilities in North America with significant scale; largest transmitter and distributor across Ontario - Canada's most populated province
- Accounts for ~91% of Ontario's transmission capacity<sup>1</sup> and 75% of the province is served by Hydro One's distribution network
- Unique combination of **pure-play** electric power transmission and local distribution, with no generation or material exposure to commodity prices
- Stable and growing cash flows with **99% of business** fully rate-regulated in a constructive, transparent and collaborative regulatory environment
- One of the strongest **investment grade** balance sheets in the North American utility sector
- Hydro One's purpose is to energize life with reliable and sustainable solutions for a brighter future and it is actively taking steps to position itself as an **enabler of the energy transition**



Combined 2026 Transmission & Distribution **Rate Base of ~\$30.5B<sup>2</sup>**



Historic commitment to **strong credit metrics**



Predictable self-funding organic growth profile during current rate period (2023 - 2027) with **~6% expected rate base CAGR<sup>3</sup>**



**Regulatory environment** expected to remain transparent, predictable and credit supportive

1) Based on the network component of the revenue requirement approved by the Ontario Energy Board (OEB). The network component of the revenue requirement is Hydro One's portion of the transmission revenue requirement attributed to assets that are used for the common benefit of all Hydro One and non-Hydro One customers in the province. Hydro One owns and operates approximately 94% of the transmission system in Ontario when based on the total OEB approved revenue requirement.

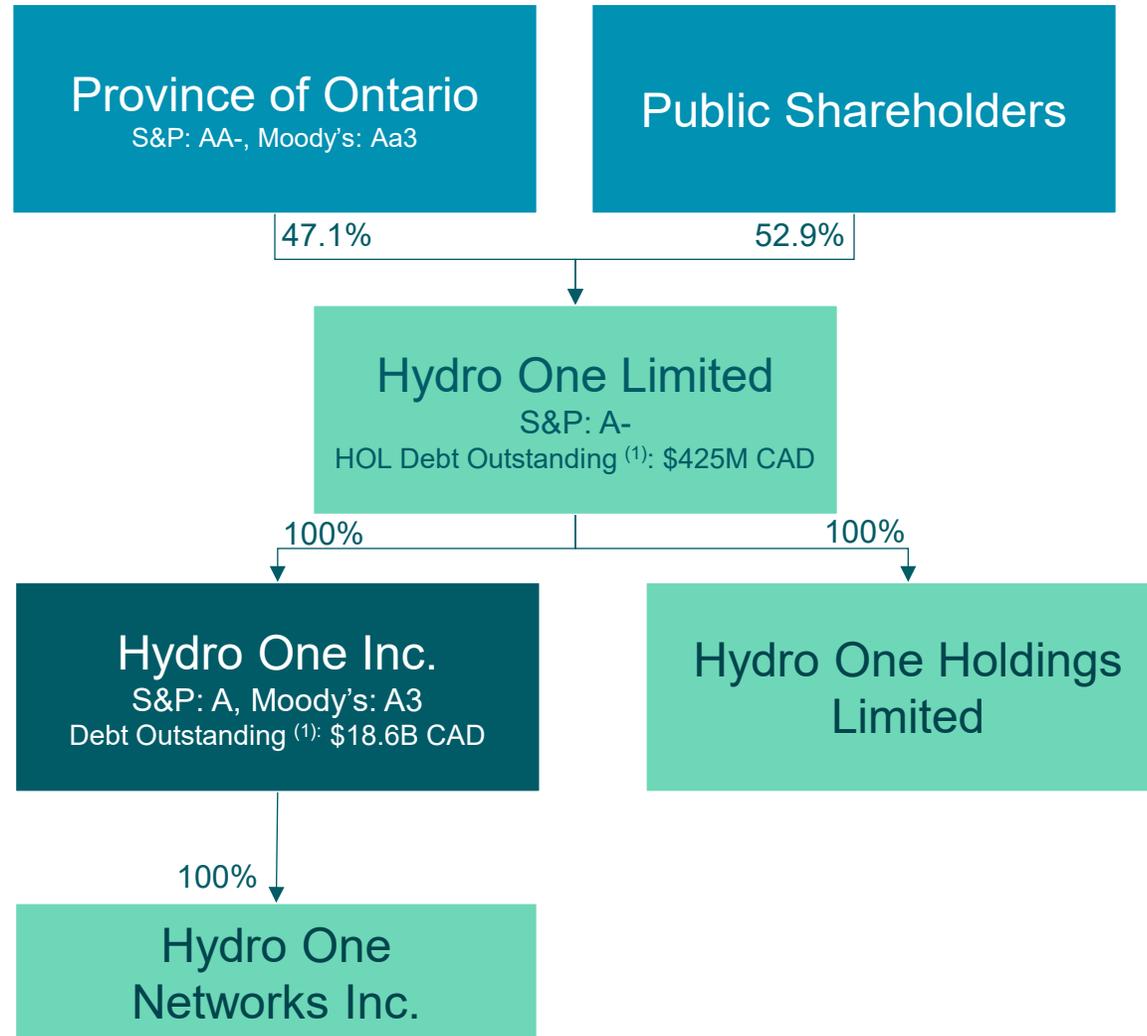
2) Company estimates subject to change

3) Compounded Annual Growth Rate

4) <https://www.ontario.ca/page/ontarios-affordable-energy-future-pressing-case-more-power>

# Business Overview

# A look at the organization



(1) As of December 31, 2025  
This chart does not include all entities in Hydro One's organization structure

# Rate regulated business<sup>1</sup>

Hydro One's regulated business operates under a 5-year rate regulated Custom Incentive Rate Making Framework. Committed to energizing life for people and communities and helping Ontarians live a better and brighter future

2025 Revenues, Net of Purchased Power<sup>2</sup>

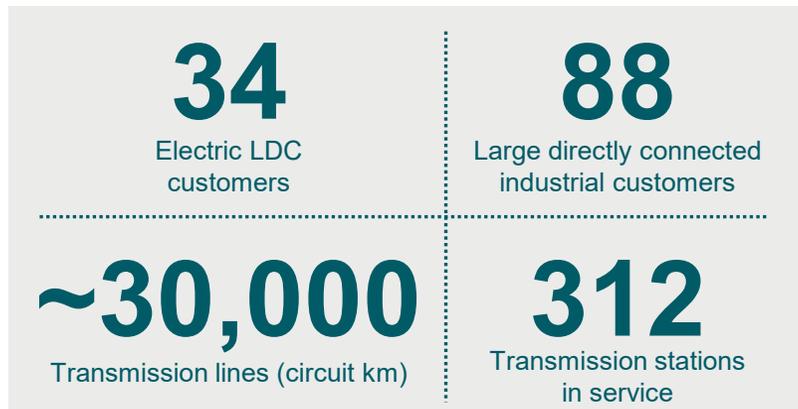


2025 Rate Base

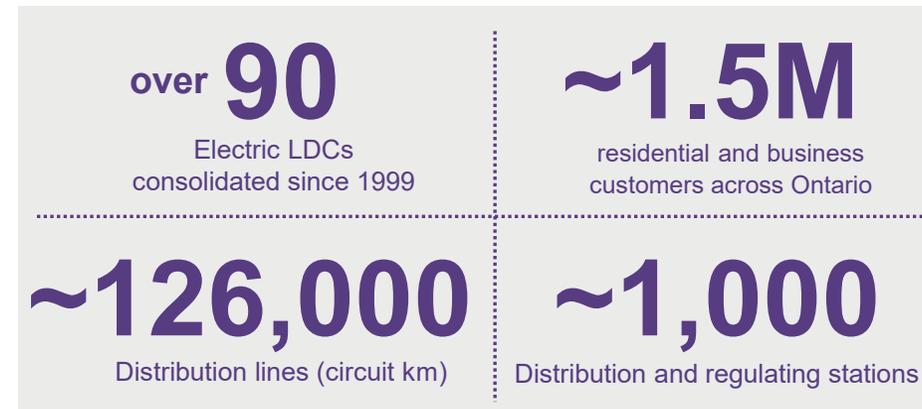


■ Transmission  
■ Distribution  
■ Other

## Transmission



## Distribution



1) The rate regulated business here refers to the business of Hydro One Inc., which is the operating company wholly owned by Hydro One Limited. The disclosures here are sourced from 2025 Q4 HOL MD&A.

2) Revenues, net of purchased power is a non-GAAP financial measure. Non-GAAP financial measures do not have a standardized meaning under United States (U.S.) generally accepted accounting principles (GAAP), which is used to prepare the Hydro One Limited's financial statements and accordingly, these measures might not be comparable to similar financial measures presented by other entities. Additional disclosure in respect of this non-GAAP financial measure is incorporated by reference herein and can be found under the section titled "Non-GAAP Financial Measures" in Hydro One Limited's annual management's discussion and analysis for the year ended December 31, 2025 (Annual MD&A) of Hydro One Limited, available on SEDAR+ under the Company's profile at [www.sedarplus.com](http://www.sedarplus.com).

# Comparing Regulatory Jurisdictions

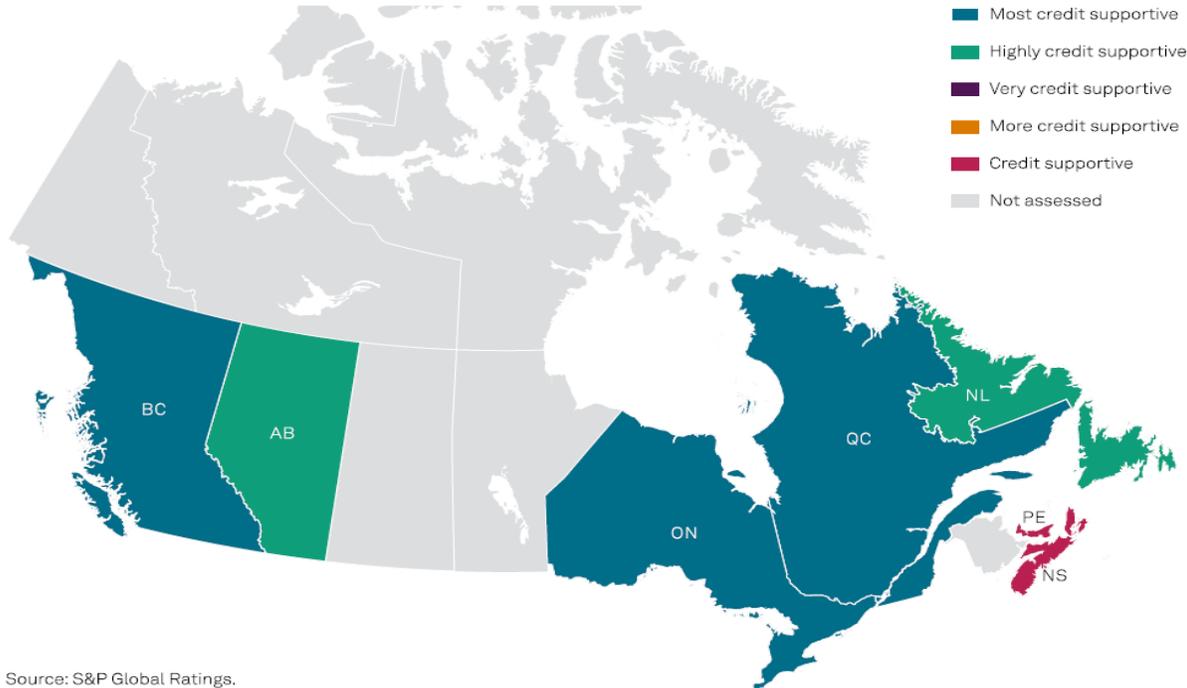
“We concluded our review on Ontario’s regulatory environment, including the Ontario Energy Board (OEB), and left our assessment unchanged at **most credit supportive**.”<sup>1</sup>

-S&P Global Ratings

North American Utility Regulatory Jurisdictions Update, March 11, 2024

## Regulatory assessment by Canadian province/territory

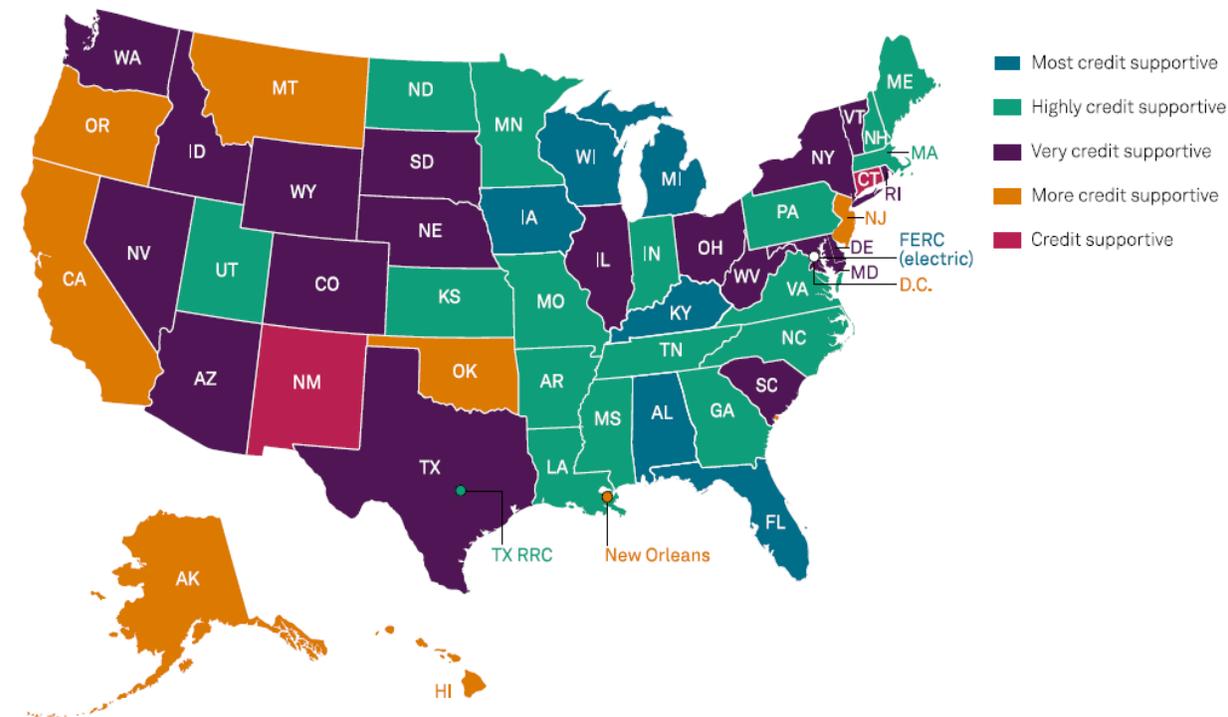
As of October 2025



Source: S&P Global Ratings.

## Regulatory assessment by state

As of October 2025



Source: S&P Global Ratings.

<sup>1</sup> The assessment of Ontario’s regulatory jurisdiction by S&P Global Ratings in 2025 was ‘unchanged’

# Constructive rate regulator

Ontario Energy Board (OEB) is a consistent, independent regulator with a transparent rate-setting process

- Formulaic Return on Equity (ROE)
- Deemed debt / equity ratio of 60% / 40% for both transmission and distribution segments through 2027
- Reduced regulatory lag through forward-looking test years
- The Joint Rate Application Proposal (JRAP) for transmission and distribution under the OEB’s Custom Incentive Rate Making Framework for 2023 – 2027 (5-year term) was successfully settled and approved by the OEB on November 29, 2022



1) Allowed ROE for 2023-2027 for JRAP Transmission and Distribution reflects the cost of capital update from the OEB on October 20, 2022.  
 2) JRAP Transmission rate base excludes 100% of B2M Limited Partnership (LP), Niagara Reinforcement LP, Hydro One Sault Ste. Marie LP and new transmission lines.  
 3) JRAP Distribution rate base excludes LDC acquisitions (Peterborough Distribution Inc., Orillia Power Distribution Corporation, Chapleau Public Utilities Corporation) and Hydro One Remote Communities.  
 4) Reflects OEB Approved Settlement on November 29, 2022.

# Expected Low Wildfire Risk in Ontario

Due to Topography, Population and Asset Density of Operating Area

- **Current Regulatory Recovery Mechanism for Environmental Damages**
  - Assets damaged from wildfires would receive the same treatment as those damaged by storms
  - Track record of regulatory support for recovery of natural disaster costs
- **Hydro One's Wildfire Mitigation Policies and Procedures**
  - Frequent asset inspections, system renewal and hardening, advanced grid operations practices, power system automation and monitoring
- **Hydro One holds Comprehensive Insurance Coverage**

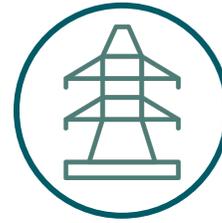


Source: North American Hazard Maps, <https://catnet.swissre.com/index.html>

# Capital Plan and Balance Sheet

# Capital Plan to support rate base growth

- Organic growth continues to be driven by ongoing rate base expansion focused on renewing and modernizing the grid.
- Significant volumes of end-of-service-life and aged infrastructure must be replaced or upgraded to maintain reliability and resiliency.
- Customers remain broadly supportive of investments to replace aging assets.
- No equity issuance is anticipated to fund the current capital investment program, which is expected to be fully self-funded.



**\$11.8 billion**

2023 – 2027 JRAP Capital Plan

Agreement on ~\$11.8 billion in capital expenditure reflects a balanced settlement for all stakeholders<sup>1</sup>

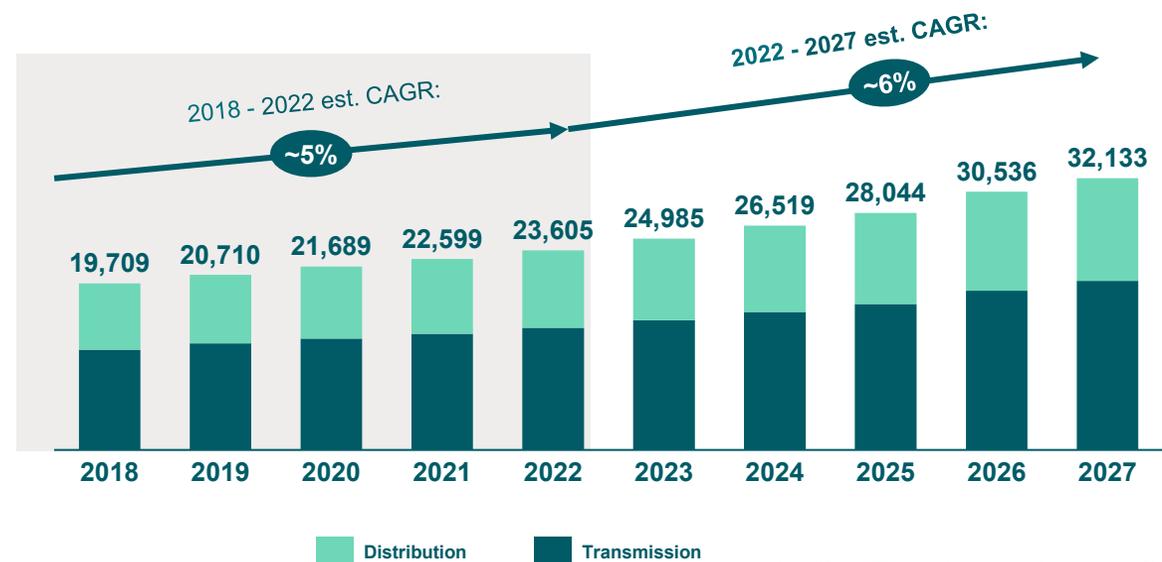


**~6%**

Rate Base CAGR

Rate base forecast to grow from \$23.6 billion in 2022 to \$32.1 billion in 2027

Historical and Projected Rate Base Growth<sup>2</sup> (\$M)



1) Reflects settlement agreement approved by the OEB on November 29, 2022.  
 2) Figures include investments in certain development projects of Hydro One Networks not included in the investment plan approved with JRAP. 2026-2027 years contain Chatham by Lakeshore Transmission Line, Broadband and Waasigan Transmission Line.

# Significant portfolio of transmission lines driving rate base growth

Project Name	Location	Type	Length (KM)	Estimated Cost (\$M)	Anticipated In-service Date
St. Clair Transmission Line <sup>1</sup>	Southwestern Ontario	230 kV	64	472	2027
Waasigan Transmission Line <sup>1</sup>	Northwestern Ontario	230 kV	360	1,200	2027
Welland Thorold Power Line	Southern Ontario	230 kV	18.5	311	2029
Wawa Timmins Power Line <sup>4</sup>	Northeastern Ontario	500 kV <sup>2</sup>	260	TBD	2030 <sup>3</sup>
Wellington to Preston Transmission Line	Southwestern Ontario	230 kV	TBD	TBD	2031
Greenstone Transmission Line	Northwestern Ontario	230 kV	TBD	TBD	2032
Sudbury to Barrie Transmission Line	Central Ontario	500 kV	290	TBD	2032
Bowmanville to Parkway <sup>4</sup>	Southern Ontario	500 kV	TBD	TBD	Early 2030s
Longwood to Lakeshore Transmission Line	Southwestern Ontario	500 kV	TBD	TBD	TBD
Second Longwood to Lakeshore Transmission Line	Southwestern Ontario	500 kV	TBD	TBD	TBD
Windsor to Lakeshore Transmission Line	Southwestern Ontario	230 kV	TBD	TBD	TBD
North Shore Link <sup>4</sup>	Northeastern Ontario	230 kV	~75	TBD	TBD
Northeast Power Line <sup>4</sup>	Northeastern Ontario	500 kV	~200	TBD	TBD
Durham Kawartha Power Line <sup>4</sup>	Eastern Ontario	230 kV	~50	TBD	TBD

1) Data as per regulatory filings.

2) 500 kV line, initially energized at 230 kV.

3) The Wawa Timmins Power Line is expected to be in-serviced by the end of 2030 as recommended by the IESO.

4) Wawa Timmins Power Line (formerly Wawa to Porcupine Transmission Link); North Shore Line (formerly Mississagi to Third Line); Northeast Power Line (formerly Hanmer to Mississagi Line); Durham Kawartha Power Line (formerly Greater Toronto Area Least Line), Bowmanville to Parkway (formerly known as Bowmanville to GTA Line).

# Broad portfolio of transmission lines driving rate base growth



## Major transmission line projects

- ① Windsor Lakeshore Power Line
- ② St. Clair Transmission Line Project
- ③ Chatham to Lakeshore Transmission Line
- ④ Longwood to Lakeshore Project Line#1
- ⑤ Longwood to Lakeshore Project Line#2
- ⑥ Welland Thorold Power Line
- ⑦ Wellington to Preston
- ⑧ Bowmanville to GTA Transmission Line
- ⑨ Durham Kawartha Power Line
- ⑩ Sudbury Barrie Transmission Line
- ⑪ Northeast Power Line
- ⑫ North Shore Link
- ⑬ Wawa Timmins Power Line
- ⑭ Greenstone Transmission Line
- ⑮ Waasigan Transmission Line

**Note:**  
Project routes shown are approximate and not exact.



Last updated February 12, 2026

# First Nations Equity Partnership Model

**Through Hydro One's First Nation equity partnership model, First Nations have the opportunity to invest in a 50% equity stake in the transmission line component of all new large-scale capital transmission line projects with a value exceeding \$100 million**

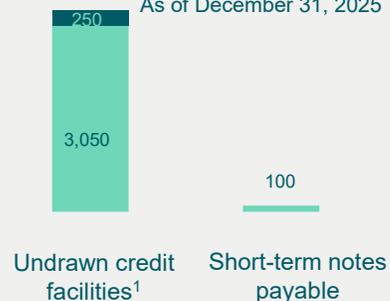


# Strong balance sheet and liquidity

Investment grade balance sheet with one of lowest debt costs in utility sector

## Significant available liquidity (\$M)

As of December 31, 2025



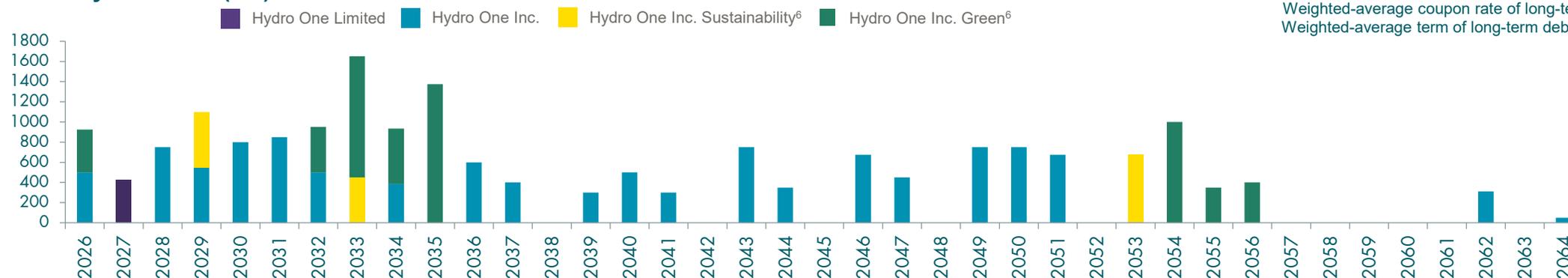
## Strong investment grade debt ratings (long-term/short-term/outlook)

	Hydro One Limited (HOL) HOLDCO	Hydro One Inc. (HOI) OPCO
S&P	A- / n/a / stable	A / A-1 (mid) / stable
Moody's	n/a	A3 / Prime-2 / stable
DBRS	A / n/a / stable	A (high) / R-1 (low) / stable

## Shelf registrations

HOL Universal shelf <sup>2</sup>	HOI Medium-Term Note shelf <sup>3</sup>
HOHL U.S. Debt shelf <sup>4</sup>	HOI U.S. Debt shelf <sup>5</sup>

## Debt maturity schedule (\$M)



Weighted-average coupon rate of long-term debt: 4.2%  
 Weighted-average term of long-term debt (years): 13.7

- The Operating Credit Facilities include a pricing adjustment which can increase or decrease Hydro One's cost of funding based on its performance on certain Sustainability Performance Measures, which are related to Hydro One's sustainability goals.
- In August 2024, HOL filed a universal short form base shelf prospectus (Universal Base Shelf Prospectus) with securities regulatory authorities in Canada, which allows it to offer, from time to time in one or more public offerings, debt, equity or other securities, or any combination thereof, and expires in September 2026. As at December 31, 2025, no securities have been issued under the Universal Base Shelf Prospectus.
- In February 2024, HOI filed a short form base shelf prospectus in connection with its Medium-Term Note (MTN) Program, which expires in March 2026. A new MTN Program prospectus is expected to be filed in the first quarter of 2026.
- In November 2024, Hydro One Holdings Limited (HOHL) filed a short form base shelf prospectus (HOHL U.S. Debt Shelf Prospectus) with securities regulatory authorities in the province of Ontario and a registration statement and the U.S., which allows it to offer, from time to time in one or more public offerings, U.S. debt securities, unconditionally guaranteed by HOL and expires in December 2026. As at December 31, 2025, no securities have been issued under the HOHL U.S. Debt Shelf Prospectus.
- In August 2025, HOI filed a short form base shelf prospectus (HOI U.S. Debt Shelf Prospectus) with securities regulatory authorities in the province of Ontario and a registration statement in the U.S., which allows it to offer, from time to time in one or more public offerings, U.S. debt securities and expires in September 2027. As at December 31, 2025, no securities have been issued under the HOI U.S. Debt Shelf Prospectus.
- Sustainability and Green bonds (MTN) issued pursuant to Hydro One's Sustainable Financing Framework.

# Financial Policy and Credit Metrics



Financial Policy	Credit Metrics															
<ul style="list-style-type: none"> <li>• Maintain annualized FFO to Net Debt HOI metrics above 11%<sup>1</sup></li> <li>• Maintain strong liquidity with sources &gt; 1x uses</li> <li>• Well dispersed maturity ladder with less than 10% of total outstanding debt maturing in one calendar year</li> <li>• Target weighted average maturity of about ~15 years</li> <li>• Financial derivative instruments only used to hedge risk; no derivative trading</li> </ul>	<p style="text-align: center;"><b>Hydro One Inc. FFO to Net Debt Ratio</b></p> <table border="1"> <caption>Hydro One Inc. FFO to Net Debt Ratio Data</caption> <thead> <tr> <th>Year</th> <th>FFO to Net Debt (%)</th> <th>Downgrade Threshold (%)</th> </tr> </thead> <tbody> <tr> <td>2022</td> <td>15.2%</td> <td>11.0%</td> </tr> <tr> <td>2023</td> <td>14.0%</td> <td>11.0%</td> </tr> <tr> <td>2024</td> <td>13.8%</td> <td>11.0%</td> </tr> <tr> <td>2025</td> <td>14.5%</td> <td>11.0%</td> </tr> </tbody> </table>	Year	FFO to Net Debt (%)	Downgrade Threshold (%)	2022	15.2%	11.0%	2023	14.0%	11.0%	2024	13.8%	11.0%	2025	14.5%	11.0%
Year	FFO to Net Debt (%)	Downgrade Threshold (%)														
2022	15.2%	11.0%														
2023	14.0%	11.0%														
2024	13.8%	11.0%														
2025	14.5%	11.0%														

For more information, please refer to the section entitled "Non-GAAP Financial Measures - Annualized FFO to Net Debt" in Hydro One Inc.'s management's discussion and analysis in respect of each of the years ended December 31, 2025, December 31, 2024, December 31, 2023 and December 31, 2022.

Financial Statements reported under U.S. GAAP

(1) Annualized FFO to Net debt is a non-GAAP ratio. See the section titled "Non-GAAP Financial Measures" in the management's discussion and analysis of Hydro One Inc. for the year ended December 31, 2025 ("HOI Annual MD&A") which is incorporated by reference, for a discussion of this non-GAAP ratio and its component elements.

(2) The 11% downgrade threshold is in reference to S&P's FFO to Debt metric and Moody's cash flow from operations before changes in working capital to debt metric and those metrics may contain adjustments to financial data that are proprietary to each rating agency and may differ from the FFO to Net Debt ratio presented above.

# Sustainability

# Sustainability at Hydro One

At Hydro One, we are committed to transmitting and distributing electricity in a safe, and an environmentally and socially responsible manner to meet the needs of customers across Ontario

**Target:** 30% female executives & board



**41.7% / 45%**

of women who are executives (VP and above) / board

**Target:** 50% by 2025, 100% by 2030



**44%**

of fleet of sedans/SUVs converted to EVs or hybrids

**Target:** net-zero by 2050, 30% reduction by 2030

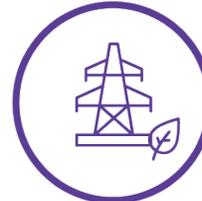


**41%**

Reduction in operations-driven<sup>1</sup> GHG emissions compared to 2018 baseline



Achieved recordable injury rate of 0.68, per 200,000 hours in 2025, well below the industry benchmark of 1.0



~\$3.4 billion in capital investments in 2025 to expand electricity grid and renew and modernize existing infrastructure



~\$158 million in Indigenous procurement spend (ahead of the target of 5.0% by 2026)

1) Operations-driven emissions are those that Hydro One directly controls, including Scope 1 (direct) emissions and Scope 2 – purchased electricity (indirect) emissions.

# Contact

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