Fourth Quarter 2021

Earnings Teleconference
February 25, 2022

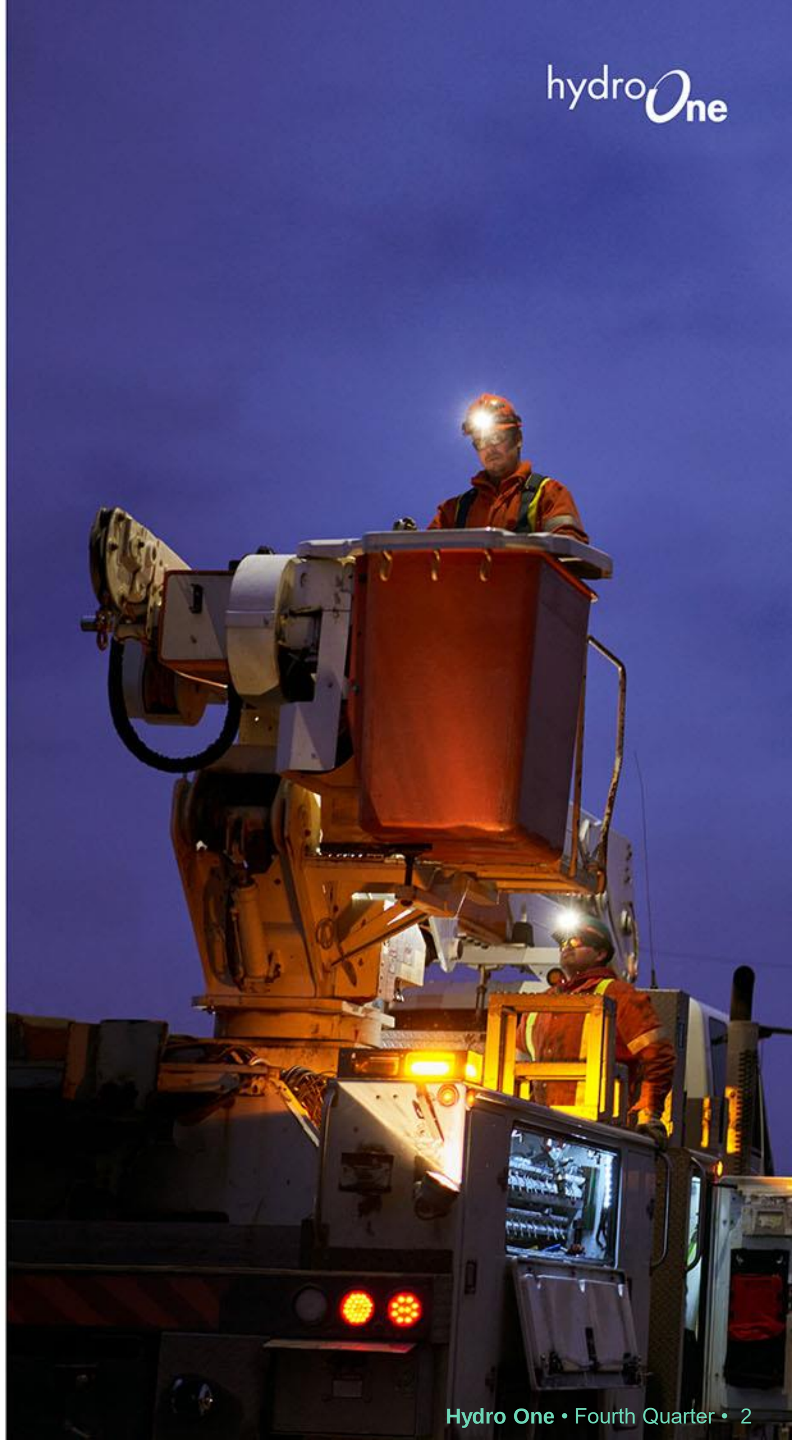
One of North America’s largest electric utilities TSX:H

4Q21 Financial summary

	Fourth Quarter			Year-to-Date		
(millions of dollars, except EPS)	2021	2020	% Change	2021	2020	% Change
Revenue						
Transmission	$421	$398	5.8%	$1,824	$1,740	4.8%
Distribution	*1,347*	*1,457*	(7.5)%	*5,359*	*5,507*	(2.7)%
Distribution Revenues(Net of Purchased Power)[2]	433	411	5.4%	1,780	1,653	7.7%
Other	11	12	(8.3)%	42	43	(2.3)%
Consolidated	*1,779*	*1,867*	(4.7)%	*7,225*	*7,290*	(0.9)%
Consolidated (Net of Purchased Power)	$865	$821	5.4%	$3,646	$3,436	6.1%
OM&A Costs	279	273	2.2%	1,112	1,070	3.9%
Earnings before financing charges and income taxes (EBIT)						
Transmission	188	200	(6.0)%	942	890	5.8%
Distribution	158	114	38.6%	694	617	12.5%
Other	(7)	(5)	(40.0)%	(24)	(25)	4.0%
Consolidated	339	309	9.7%	1,612	1,482	8.8%
Net income[1]	159	161	(1.2)%	965	1,770	(45.5)%
Adjusted net income[1 2]	159	161	(1.2)%	965	903	6.9%
Basic EPS	$0.27	$0.27	0.0%	$1.61	$2.96	(45.6)%
Basic Adjusted EPS[1,2]	$0.27	$0.27	0.0%	$1.61	$1.51	6.6%
Capital investments	532	577	(7.8)%	2,125	1,878	13.2%
Assets placed in-service						
Transmission	526	565	(6.9)%	1,008	948	6.3%
Distribution	257	308	(16.6)%	738	684	7.9%
Other	3	5	(40.0)%	11	7	57.1%
Total assets placed in-service	786	878	(10.5)%	1,757	1,639	7.2%

Financial Statements reported under U.S. GAAP

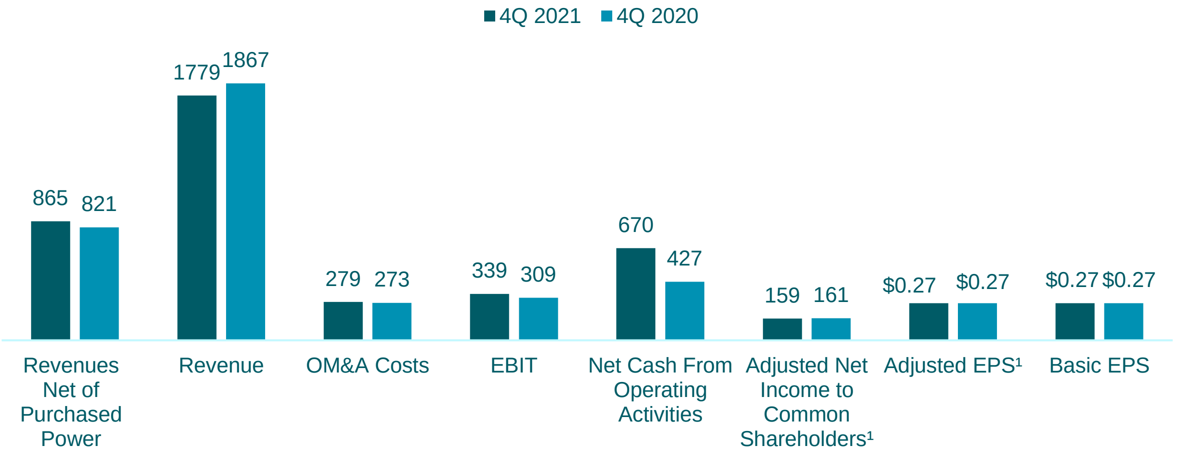
1. Net Income is attributable to common shareholders and is after non-controlling interest, and dividends to preferred shareholders
2. Revenues, net of purchased power, Adjusted Net Income and Basic Adjusted EPS are non-GAAP financial measures. Non-GAAP financial measures do not have a standardized meaning under US GAAP, which is used to prepare the Company's financial statements and accordingly, these measures might not be comparable to similar financial measures presented by other entities. Additional disclosure for these non-GAAP financial measures are incorporated by reference herein and can be found under the section titled "Non-GAAP Measures" in the Annual management's discussion and analysis of Hydro One Limited for the year ended December 31, 2021 available on SEDAR under the company's profile at www.sedar.com



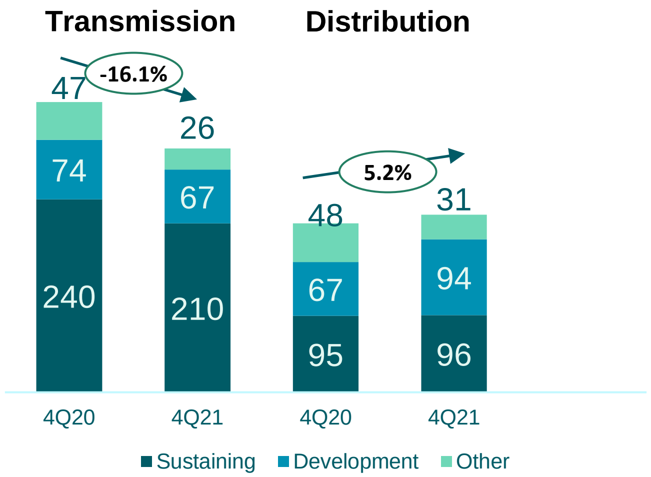
4Q21 Financial summary

The Company continues to support its customers and communities while focusing on economic growth, sustainability and innovation

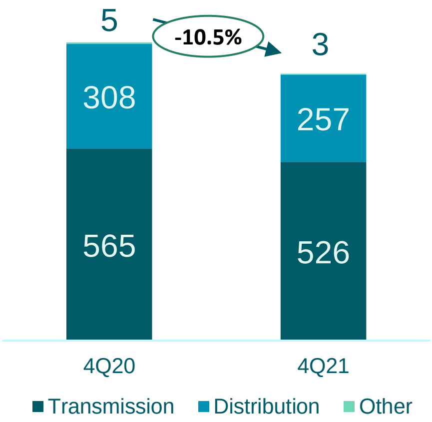
Financial Highlights ($M) – 4Q21 Year over Year Comparison



Regulated Capital Investments ($M)



Assets Placed in Service ($M)



Selected Financial Highlights:

The year-over-year increase of $23 million or 5.8% in quarterly transmission revenues was primarily due to the following:

- higher revenues resulting from the Deferred Tax Asset (DTA) Recovery Amounts pursuant to the DTA Implementation Decision; and OEB-approved 2021 rates; partially offset by higher regulatory adjustments, including those related to external revenues.

The year-over-year increase of $22 million or 5.4% in quarterly distribution revenues, net of purchased power, was primarily due to the following:

- OEB-approved 2021 rates; higher revenues resulting from the DTA Recovery Amounts pursuant to the DTA Implementation Decision; and higher revenues year-over-year following the temporary suspension of late payment charges in the prior year, which were accompanied by the Company's efforts to help customers access relief programs, including flexible payment options; partially offset by higher regulatory adjustments mainly related to the Earnings Sharing Mechanism.

The year-over-year increase of $30 million or 41.1% in quarterly transmission OM&A costs was primarily due to the following:

- higher project write-offs; lower insurance proceeds received in 2021; higher corporate support costs; and higher volume of work on vegetation management

The year-over-year decrease of $24 million or 13.0% in distribution OM&A costs during the quarter was primarily due to:

- lower bad debt expenses and lower costs within the Peterborough Distribution and Orillia Power operations.

Income tax expense for the fourth quarter of 2021 increased by $28 million compared to the same period in 2020. This resulted in a realized effective tax rate of approximately 25.5% in the fourth quarter of 2021, compared to approximately 14.2% in the fourth quarter of the prior year. The increase was primarily due to:

- tax expense relating to the DTA Recovery Amounts pursuant to the OEB's DTA Implementation Decision which is offset by a corresponding increase in revenues and is net income neutral; and higher pre-tax earnings.

Hydro One makes capital investments to maintain the safety, reliability and integrity of its transmission and distribution system assets and to provide for the ongoing growth and modernization required to meet the expanding and evolving needs of its customers and the electricity market.

- Transmission capital investments decreased by $58 million or 16.1% in the quarter ended December 31, 2021 compared to the quarter ended December 31, 2020
- Distribution capital investments increased by $11 million or 5.2% in the quarter ended December 31, 2021 compared to the quarter ended December 31, 2020.

1. Revenues, net of purchased power, Adjusted Net Income and Adjusted EPS are non-GAAP financial measures. Non-GAAP financial measures do not have a standardized meaning under US GAAP, which is used to prepare the Company's financial statements and accordingly, these measures might not be comparable to similar financial measures presented by other entities. Additional disclosure for these non-GAAP financial measures are incorporated by reference herein and can be found under the section titled "Non-GAAP Measures" in the Annual management's discussion and analysis available on SEDAR under the company's profile at www.sedar.com

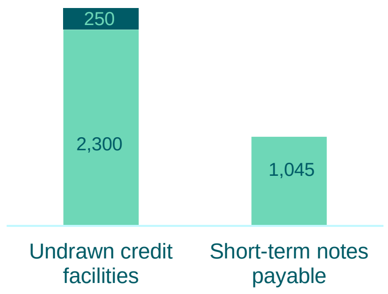
* Adjusted Net Income excludes items related to the ODC's July 2020 Decision and the Ontario Energy Board's ("OEB") Deferred Tax Asset Decision on Hydro One Networks' distribution and transmission businesses

Strong balance sheet and liquidity

(as at December 31, 2021)

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

Significant available liquidity ($M)



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

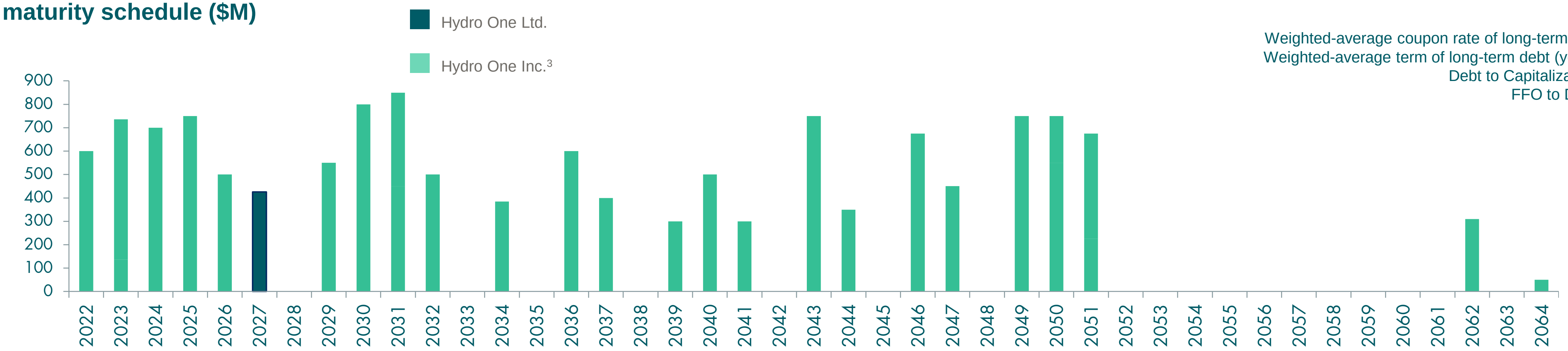
	Hydro One Ltd. (HOL)	Hydro One Inc. (HOI)
S&P	BBB+ / n/a / stable	A- / A-1 (low) / stable
DBRS	A / n/a / stable	A (high) / R-1 (low) / stable
Moody's	n/a	A3 / Prime-2 / stable

Shelf registrations

HOL
Universal shelf[1]
$2.0B

HOI
Medium term note shelf[2]
$4.0B

Debt maturity schedule ($M)



Weighted-average coupon rate of long-term debt: 3.8%
Weighted-average term of long-term debt (years): 14.8
Debt to Capitalization[4]: 56.5%
FFO to Debt[5]: 14.5%

1. In August 2020, HOL filed the 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, up to $2.0 billion of debt, equity or other securities, or any combination thereof, and expires in September 2022. At December 31, 2021, $1.575 billion remained available for issuance under the Universal Base Shelf Prospectus.
2. In April 2020, HOI filed a Medium Term Note (MTN) Program prospectus, which has a maximum authorized principal amount of notes issuable of $4.0 billion, expiring in May 2022. At December 31, 2021, $1.9 billion remained available for issuance under the MTN Program prospectus. A new MTN Program prospectus is expected to be filed in the first half of 2022.
3. Includes long-term debt of Hydro One Sault Ste. Marie LP, a subsidiary of Hydro One Inc., in the principal amount of $136 million due in 2023.
4. Debt to capitalization is a non-GAAP ratio. Non-GAAP ratios do not have a standardized meaning under GAAP used to prepare the Company's financial statements and might not be comparable to similar financial measures presented by other entities. See the section titled "Non-GAAP Measures" in the Annual MD&A for a discussion of this non-GAAP ratio and its component elements. Debt to capitalization ratio has been calculated as total debt (including total long-term debt and short-term borrowings, net of cash and cash equivalents) divided by total debt plus total shareholders' equity, but excluding any amounts related to noncontrolling interest. Management believes that the debt to capitalization ratio is helpful as a measure of the proportion of debt in the Company's capital structure
5. FFO to Debt is a non-GAAP ratio. Non-GAAP ratios do not have a standardized meaning under US GAAP used to prepare the Company's financial statements and might not be comparable to similar financial measures presented by other entities. FFO to Debt has been calculated as: FFO for the last twelve months ending December 31, 2021 divided by total debt (including total long-term debt, and short-term borrowings, net of cash and cash equivalents). Management believes this is a helpful ratio because Management believes that FFO is helpful as a supplemental measure of the Company's operating cash flows as it excludes timing-related fluctuations in non-cash operating working capital and cash flows not attributable to common shareholders. As such, management believes that FFO provides a consistent measure of the cash generating performance of the Company's assets. See the section titled "Non-GAAP Measures" in the Annual MD&A for a discussion of the component elements.

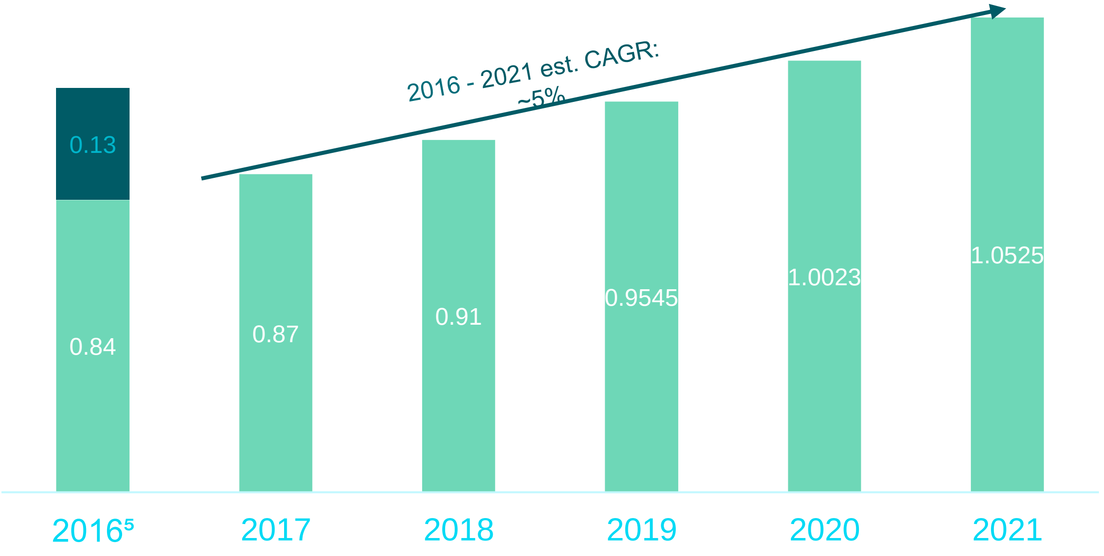
Common share dividends

Key Points

- Quarterly dividend declared at $0.2663 per common share ($1.0652 annualized)
- Targeted dividend payout ratio remains at 70% - 80% of net income
- Attractive and growing dividend supported by stable, regulated cash flows and planned rate base growth
- No equity issuance anticipated to fund planned capital investment program
- Non-dilutive dividend reinvestment plan (DRIP) was implemented post IPO (shares purchased on open market, not issued from treasury)

Dividend Statistics	
Yield[1]	3.2%
Annualized Dividend[2 3]	$1.0652 / share

A Growing and Sustainable Dividend[4]



Expected Quarterly Dividend Dates[3]

Declaration date	Record date	Payment date
February 24, 2022	March 16, 2022	March 31, 2022
May 4, 2022	June 8, 2022	June 30, 2022
August 8, 2022	September 14, 2022	September 29, 2022
November 10, 2022	December 14, 2022	December 31, 2022

1. Based on closing share price on December 31, 2021. Yield is based on annualized dividend.
2. Unless indicated otherwise, all common share dividends are designated as "eligible" dividends for the purpose of the Income Tax Act (Canada)
3. All dividend declarations and related dates are subject to Board approval.
4. Denotes annual cash dividends paid
5. The first common share dividend declared by Hydro One Ltd. following the November 5, 2015 initial public offering of its common stock included 13 cents for the post IPO fourth quarter period of November 5 through December 31 2015.

Disclaimers

Forward Looking Information

This presentation contains “forward-looking information” within the meaning of applicable Canadian securities laws that is based on current expectations, estimates, forecasts and projections about Hydro One’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 regarding Hydro One’s projected rate base and cash flows; statements and expectations regarding Hydro One’s maturing debt and standby credit facilities; expectations regarding future equity issuances; statements related to dividends, including expected dividend growth and Hydro One Limited’s targeted payout ratio of 70-80%; and statements related to credit ratings.

Words such as “aim”, “could”, “would”, “expect”, “anticipate”, “intend”, “attempt”, “may”, “plan”, “will”, “believe”, “seek”, 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: the scope of the COVID-19 pandemic and duration thereof as well as the effect and severity of corporate and other mitigation measures on Hydro One’s operations, supply chain or employees; no unforeseen changes in the legislative and operating framework for Ontario’s electricity market or for Hydro One specifically; favourable decisions from the Ontario Energy Board 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; the continued use and availability of U.S. GAAP; no unfavourable changes in environmental regulation; 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; 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 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, 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 the 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 financial condition and results of operation. Hydro One does not intend, and it disclaims any obligation to update any forward-looking information, except as required by law.