



Energy for a better B.C.

FortisBC 2025 Sustainability Report

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2025 sustainability highlights¹

acquired

50% more RNG² compared with 2024's total,

enough to meet the annual energy demand of more than **53,000 homes**³

planning to invest

\$4.9 billion

in B.C.'s gas and electricity infrastructure from 2026 to 2030

installed more than

220,000 advanced meters

that will provide safety improvements and help customers make cost-effective energy choices

supported

370 initiatives in 72 B.C. communities

through our Community Investment Program funding

invested about

\$267 million

in gas and electricity demand side management (DSM) programs

participation in our gas DSM initiatives helped our customers lower associated emissions by about

92,500 tCO₂e

nearly tripled the amount of LNG⁴

provided for marine and on-road transportation in 2025 compared with the total in 2024

recognized as one of

BC's Top Employers⁵

for the third year in a row

supported Canada's first

ship-to-ship LNG refuelling⁶

¹Values in this report are rounded to the nearest hundredth. Precise values can be found in the Appendix. ²Renewable Natural Gas (also called "RNG") is produced from biogas at dedicated RNG production facilities. Biogas is derived from decomposing organic waste at landfills or agricultural and other organic waste such as wastewater from treatment facilities. The biogas is captured, upgraded and processed to create RNG that is added to existing energy infrastructure. This means we're unable to direct RNG to a specific customer. However, because RNG displaces conventional natural gas, the more RNG that is added to the gas system, the less conventional natural gas is used. ³Based on a typical residential gas customer with an average annual consumption of 79 gigajoules. ⁴Liquefied natural gas. ⁵Annual "Top 100" rankings are conducted by Mediacorp Canada Inc. ⁶FortisBC supplied Seaspan Energy with the LNG bunkered during this transaction.

About us

Territorial acknowledgment

We acknowledge and respect Indigenous Peoples on whose Traditional Territories we all live and work. We are grateful for the wisdom shared with us by Indigenous Peoples, including Elders, community members, employees, economic partners and corporate trainers. It is through our relationships that we have learned and continue to learn to be a good partner, reliable energy provider and employer to Indigenous Peoples. We are thankful for the opportunity to live and learn on these Territories.



Lower Mainland

1. Shíshálh (Sechelt First Nation)
2. səllilwətaʔ (Tsleil-Waututh Nation)
3. Skwxwú7mesh Úxwumixw (Squamish Nation)
4. xʷməθkʷəyəm (Musqueam Indian Band)
5. scəwaθən məsteyəxʷ (Tsawwassen First Nation)
6. Semiahmoo First Nation
7. qícəy (Katzie First Nation)
8. Məthxwi (Matsqui First Nation)
9. Semá:th (Sumas First Nation)
10. Áthelets (Aitchelitz First Nation)
11. Sq'ewqeyl (Skowkale First Nation)
12. Yeqwyeqwi:ws (Yakweakwioose First Nation)
13. Sxwoyehálá (Squiala First Nation)
14. Chi'yaqtel (Tzeachten First Nation)
15. Kwaw-Kwaw-Apilt First Nation
16. Soowahlie First Nation
17. Xwchíyò:m (Cheam First Nation)
18. Sq'əwqel (Seabird Island Band)
19. Chawathil First Nation
20. Iwówes (Union Bar First Nation)
21. Shxwháy Village (Skway)
22. Sqwa (Skwah First Nation)
23. Kwantlen First Nation

Vancouver Island

24. Wei Wai Kum First Nation (Campbell River First Nation)
25. Wei Wai Kai Nation
26. K'ómoks First Nation (Comox First Nation)
27. čišaaʔath (Tseshaht First Nation)
28. Hupačasath First Nation
29. Snuneymuxw First Nation
30. Halalt First Nation
31. Cowichan Tribes
32. WŚÍ,ƷEM (Tseycum First Nation)
33. WJŌŁŁP (Tsartlip First Nation)
34. Sʔáutw (Tsawout First Nation)
35. ləkʷəŋən (Songhees First Nation)
36. Xwsepsum (Esquimalt Nation)
37. T'Sou-ke First Nation

Interior B.C.

38. Prophet River First Nation
39. Fort Nelson First Nation
40. Lheidli T'enneh First Nation
41. Lhtako Dené Nation
42. T'exelcəmc (Williams Lake Nation People)
43. Skeetchestn Indian Band
44. Tk'emlúps te Secwépəmc (Kamloops Indian Band)
45. Adams Lake Indian Band
46. Neskonlith Indian Band
47. Słatsin First Nation
48. Okanagan Indian Band
49. Lower Nicola Indian Band
50. C'eletkwmx (Coldwater Indian Band)
51. stqáʔtkʷíniwt sqilxʷ (Westbank First Nation)
52. SnPink'tn (Penticton Indian Band)
53. Upper Similkameen Indian Band
54. Osoyoos Indian Band
55. Smelqmix (Lower Similkameen Indian Band)
56. Yaqan nukiy (Lower Kootenay Band)
57. ʔaq'qm
58. Nlaka'pamux Nation (Cook's Ferry Indian Band)

A look at our business

We deliver natural gas, electricity and propane and continue to acquire lower carbon energy,⁷ including natural gas designated as Renewable Natural Gas (RNG). We draw on our more than 100 years of knowledge and expertise to supply reliable and affordable energy and help support the provincial government's climate action goals.

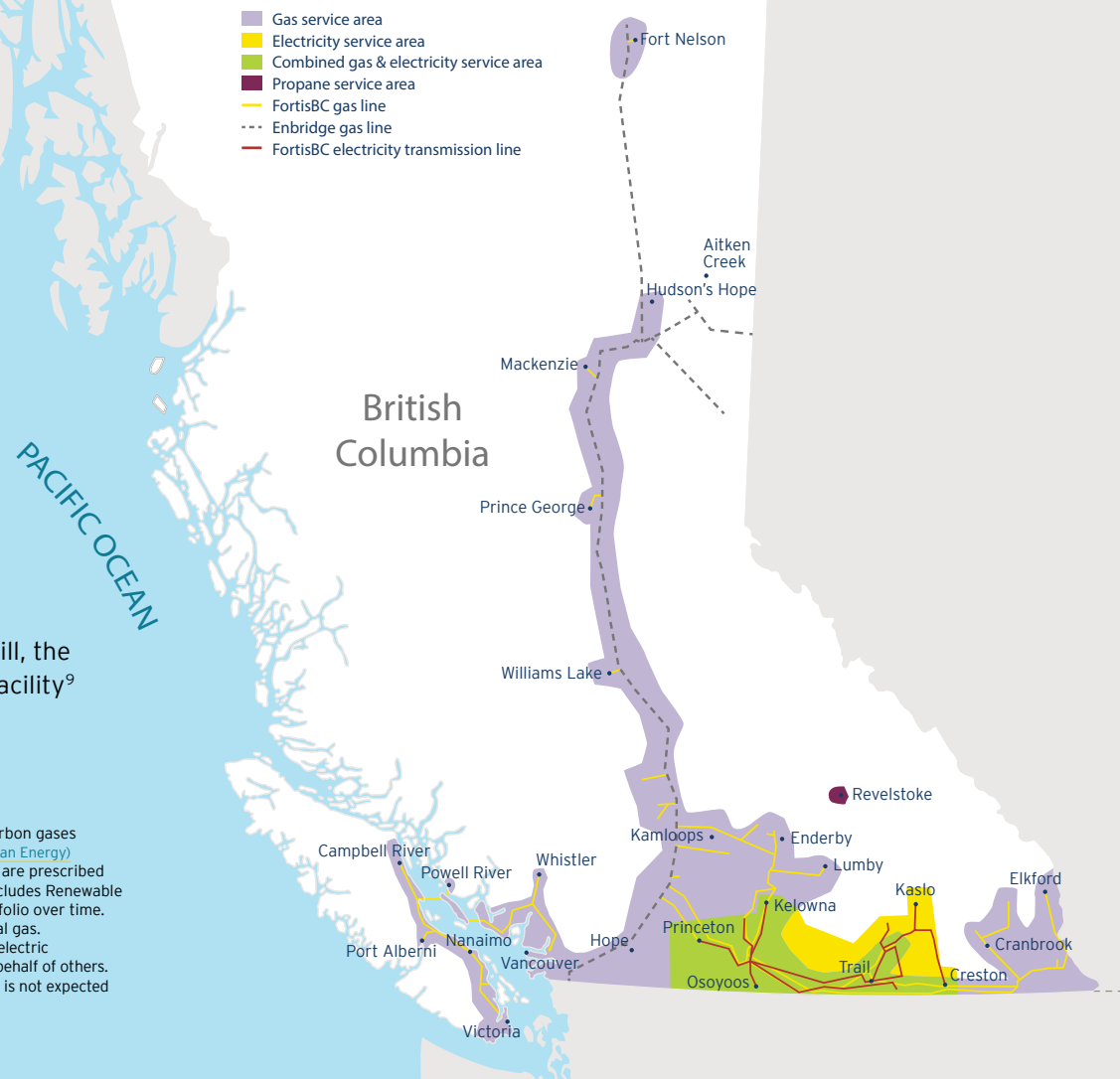
We serve more than 1.3 million customers across our service areas that include 135 B.C. communities and 58 First Nations communities across 150 Traditional Territories. As regulated utilities, we own and operate:

- 7,380 kilometres (km) of electricity transmission and distribution power lines
- 51,870 km of gas transmission and distribution lines
- four hydroelectric generating plants, in addition to operating five hydroelectric generating plants that are owned by others⁸
- two liquefied natural gas (LNG) facilities
- RNG upgrading equipment at Kelowna's Glenmore Landfill, the Salmon Arm Landfill and the City of Vancouver Biogas Facility⁹

⁷FortisBC uses the term lower carbon energy to refer collectively to electricity and the lower carbon gases or fuels that the utility can produce, use and/or acquire under the [Greenhouse Gas Reduction \(Clean Energy\) Regulation](#) ("Regulation"). The Regulation identifies different sources of electricity and gas that are prescribed based on their feedstock and production processes. FortisBC's lower carbon energy portfolio includes Renewable Natural Gas (also called "RNG") and electricity. Other gases and fuels may be added to the portfolio over time. FortisBC's lower carbon energy portfolio is lower carbon when compared to conventional natural gas.

⁸The environmental performance data provided in the appendix of this report is for the four hydroelectric generating plants FortisBC owns and operates and does not include the five plants we operate on behalf of others.

⁹The City of Vancouver Biogas Facility is still in a commissioning and evaluation stage. Therefore, it is not expected to contribute appreciable volumes to the FortisBC RNG portfolio until 2026.



Our approach to sustainability

We operate critical energy infrastructure delivering natural gas, electricity and propane to homes and businesses across B.C. In this work, our values help shape our approach to sustainability. Sustainability underlies how we invest in, operate and continuously improve our business, while providing the energy our customers need, safely, affordably and reliably.

Our values

Safe: We put safety first.

Customer centric: We value the customers' business.

Collaborative: We work as one company, one team with shared success.

Respectful: We are respectful, honest and ethical.

Progressive: We seek better ways.

Our approach to sustainability focuses on four areas:



Energy transition and environment



Indigenous and local communities



Operational performance and adaptation



People and culture



The Corra Linn Dam is one of four hydroelectric generating plants we own and operate on the Kootenay River.

The terms FortisBC, our, we, us, our organization and the company refer to FortisBC Energy Inc. and FortisBC Inc. collectively. FortisBC Inc. (also FBC) and FortisBC Energy Inc. (also FEI), both regulated utilities, do business as FortisBC. Throughout this report, we use the terms FortisBC, our, we, us, our organization and the company interchangeably to refer collectively to FortisBC Energy Inc. (our gas utility) and FortisBC Inc. (our electricity utility).

FortisBC is indirectly and wholly owned by Fortis Inc., a leader in the North American regulated electricity and gas utility industry. Fortis Inc. is primarily an energy provider, with gas and electricity utilities serving approximately 3.5 million customers across North America and the Caribbean. Our sustainability targets and performance help support Fortis Inc.'s goals and objectives and are featured in its [reporting](#).

Sustainability governance and oversight

Strong governance is important, and that is why we continuously work to integrate our sustainability focus areas throughout our governance structure. This structure includes an executive advisory group, a director-level operating committee, a sustainability advisory committee and a carbon management committee to oversee governance of sustainability reporting, compliance and risk. This structure supports our work to advance sustainability throughout our organization and achieve our sustainability targets and commitments. In addition, our enterprise risk management program is responsible for assessing and reporting risks in consideration of our long-term business strategy. Complementing our governance structure is a compliance and ethics program that seeks to ensure compliance with all applicable laws, regulations, policies and industry and ethical standards.

FortisBC board of directors

- FortisBC has a majority independent board of directors.
- The chair of the board and each of the committees is independent.
- At every meeting, the board and committees have an opportunity to meet without FortisBC management present.
- We maintain board member term limits to promote independence, diversity of views and fresh insight. Regular rotation of chairs is conducted as part of the board’s succession planning processes.
- At the end of 2025, six of our board members were female and four were male.

Sustainability oversight	Responsibility
Board of directors	• supports a strategic planning process that considers the opportunities and risks to the business, including sustainability • composed of the audit committee and the governance and sustainability committee
Governance and sustainability committee	• oversees our governance practices and reviews and approves our key sustainability disclosures • advises the board on progress in meeting our sustainability objectives
CEO and executive leadership team	• oversees the development and progression of the overarching business strategy and direction of the sustainability initiatives • helps drive improvement by developing and overseeing our business and sustainability strategies and targets
Executive advisory group	• oversees progress toward sustainability targets and commitments
Operating committee	• consists of director-level management responsible for coordinating enterprise-wide activities • oversees progress toward sustainability targets and commitments
Sustainability advisory committee	• supports advancement toward and reporting on sustainability targets and commitments • identifies and advances emissions reduction opportunities, including providing strategic direction on reduction initiatives
Carbon management committee	• oversees activities related to complying with carbon policy frameworks, the generation and sale of carbon credits and aligning carbon compliance into other business objectives • co-ordinates regulatory compliance obligations and disclosure requirements to optimize value

2025 sustainability target performance

In 2025, we continued to monitor the performance of our sustainability targets and commitments. Ongoing evaluation helps us measure performance annually and identify areas for improvement across our four sustainability focus areas. Detailed performance updates for the targets and commitments are included in each of the corresponding sections of the report.

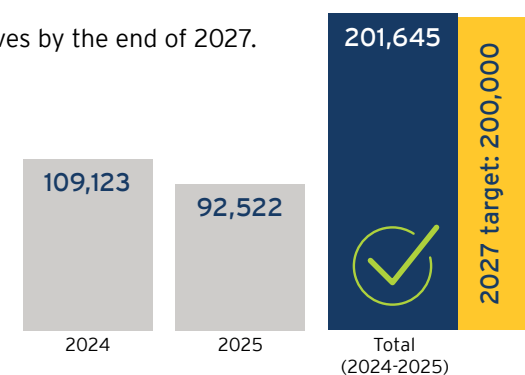
Longer-term DSM targets

Supporting the energy transition and reducing greenhouse gas (GHG) emissions

Target: reduce customers' GHG emissions by 200,000 tonnes¹⁰ through participation in our DSM¹¹ initiatives by the end of 2027.

Target achieved

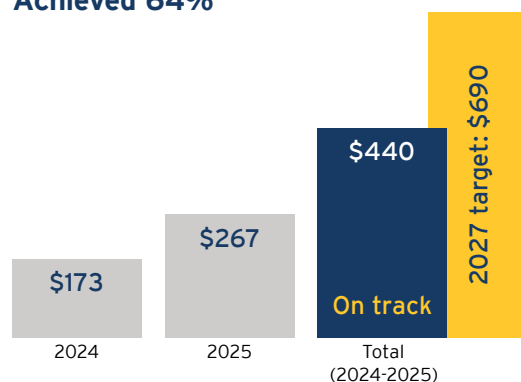
201,645 tonnes of carbon dioxide equivalent (tCO₂e)



Target: invest \$690 million to help customers save 3.8 million gigajoules (GJ) of gas and 115 gigawatt hours (GWh) of electricity by the end of 2027.¹²

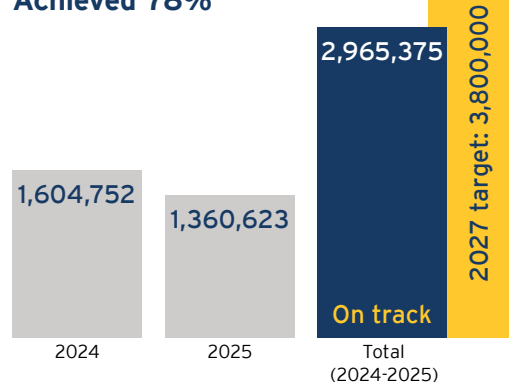
FEI and FBC investment combined (in millions)

Achieved 64%



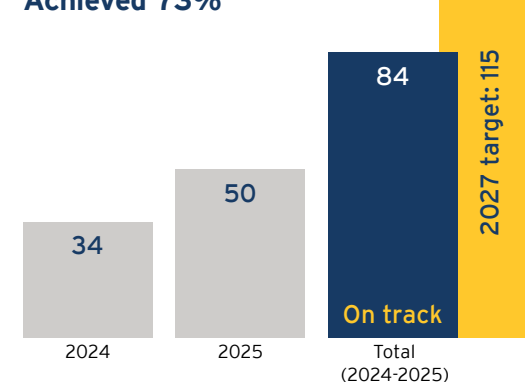
FEI energy savings (in GJ)

Achieved 78%



FBC energy savings (in GWh)

Achieved 73%



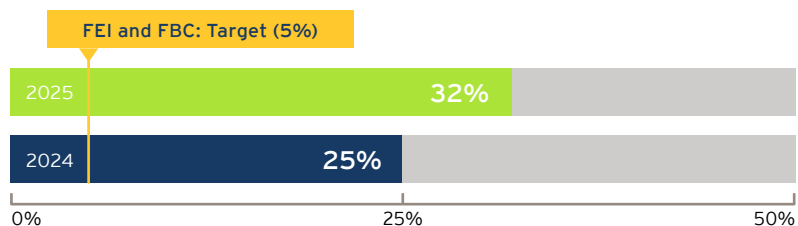
¹⁰As footnoted in our FEI 2024-2027 DSM Expenditures Plan, incremental annual gas GHG emissions reductions in tCO₂e/yr. GHG emissions reductions are based on the long run combustion emission factor of 0.0516 tCO₂e/GJ for natural gas from the Ministry of Environment and Climate Change Strategy. ¹¹GHG emissions savings and energy savings from our energy-efficiency incentives derived from FEI's Demand-Side Management Plan Annual Report. As outlined in the FEI 2024-2027 DSM Expenditures Plan Application. ¹²Net incremental gas and electricity savings are after consideration of free ridership and spillover.

Annual targets

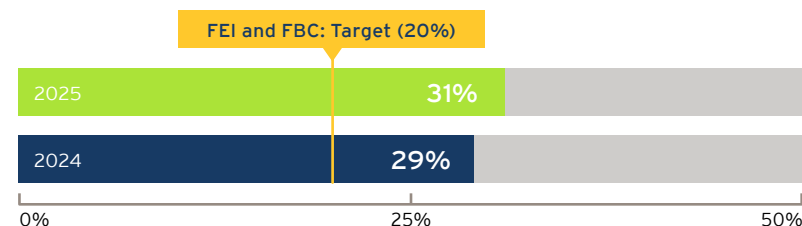


Building strong relationships with Indigenous businesses and communities

Target: allocate a minimum of five per cent of the total annual contracting expenditures for major projects in the design-execution stage to Indigenous-owned and affiliated businesses.

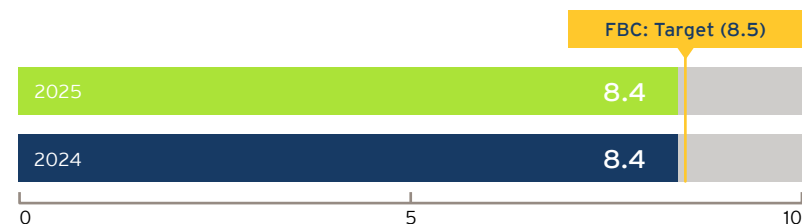
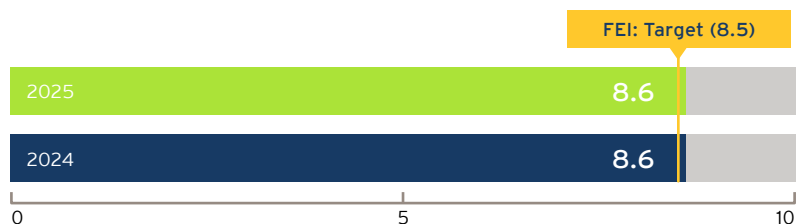


Target: invest 20 per cent of our community investment funding annually in Indigenous community investment initiatives.



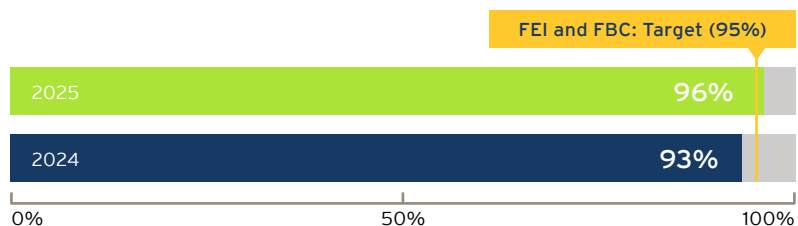
Ensuring energy infrastructure is resilient and reliable while delivering high-value customer experiences

Target: achieve annual customer satisfaction index scores of 8.5 out of 10.



Supporting our people and building an inclusive culture

Target: achieve an on-time safety improvement rate of 95 per cent annually.



Energy transition and environment

Supporting the energy transition

Supporting provincial climate action goals and helping our customers lower overall emissions requires:

- enabling and supportive government policies
- investing in energy efficiency, lower carbon energy, innovative technologies and infrastructure
- collaborating with academia and industry
- providing customers with timely and helpful energy use information to help them make cost-effective energy choices



Investing in innovation to advance technology adoption in B.C.

Through our Clean Growth Innovation Fund, we support CleanBC objectives by advancing innovative technologies that can help our gas customers reduce overall emissions and support the transition to a lower carbon economy.

Since the fund was first approved in 2020, we have committed approximately \$23 million toward nearly 80 projects, supporting initiatives across the gas value chain—from lower carbon fuel production and distribution to end-use applications, and funding carbon capture projects and broader lower carbon innovation. The fund was approved for a second term by the British Columbia Utilities Commission (BCUC) to receive approximately \$5.5 million in annual funding from 2025 to 2027, to support lower carbon energy initiatives. In 2025, we:

- continued collaboration with industry groups that support lowering emissions from the energy sector, including the Canadian Gas Association's Natural Gas Innovation Fund and the Electric Power Research Institute's Low-Carbon Resources Initiative
- supported the continued development of gas absorption heat pump technology with efficiencies greater than 100 per cent from multiple manufacturers
- strengthened relationships with Simon Fraser University's Clean Hydrogen Hub and the University of British Columbia (UBC) Okanagan's hydrogen lab and helped explore hydrogen heating capabilities at UBC Vancouver's Campus Energy Centre
- initiated demonstration and research projects to improve RNG production in B.C.
- launched the first sustained commercial demonstration of a hydrogen-powered Class 8 truck in B.C.

FortisBC and provincial policy objectives

FortisBC engages with local, Indigenous, provincial and national governments to advance policies that prioritize reliability, affordability and resiliency, while helping our customers take steps to help lower their associated emissions. The table shows areas of alignment between FortisBC and various levels of government with emissions reduction policies.

Federal, provincial, local and Indigenous community emissions reduction policies	Alignment between FortisBC and government policies
Powering our Future: BC's Clean Energy Strategy	• expanding our lower carbon energy portfolio, under which most gas customers automatically have a portion of their natural gas use designated as RNG, known as designated RNG blend • making energy efficiency a priority and encouraging innovation, customer energy savings and the resulting emissions reductions in our DSM plans, referenced in the energy transition and environment section • developing meaningful relationships with First Nations to advance Reconciliation and share the benefits related to energy projects • supporting integrated utility planning efforts, highlighting the need for practical solutions that reflect the needs of our customers
Look West: Jobs and Prosperity for a Stronger BC and Canada and B.C.'s Trade Diversification Strategy: A Pathway to Clean and Inclusive Growth	• supporting the development of additional electricity infrastructure by issuing a call for power • expanding LNG marine fuelling infrastructure to establish the Port of Vancouver as the leading LNG marine bunkering hub on the West Coast, advancing B.C.'s economy • supporting the targeted growth of B.C.'s lower carbon energy capacity by expanding our RNG supply • supporting research and assessing technology development for potential hydrogen supply
Buildings: BC Energy Step Code, Zero Carbon Step Code and Demand-Side Measures Regulation	• piloting and expanding access to deep energy retrofits and gas heat pumps • offering dual fuel heating system rebates • aligning New Home Program incentives with the BC Energy Step Code • encouraging energy efficiency through the adoption of technologies such as air source heat pumps • supporting our climate action partners in local and Indigenous communities to advance building policy and improve energy efficiency, health and safety in buildings

Federal, provincial, local and Indigenous community emissions reduction policies

Alignment between FortisBC and government policies

Transportation: [Greenhouse Gas Reduction Regulation \(GGRR\)](#), [B.C. Low Carbon Fuel Standard \(LCFS\)](#) and [Zero-Emission Vehicles Act](#)

- offering our customers lower carbon fuel¹³ options—as compared with diesel—like compressed natural gas (CNG), LNG and designated RNG¹⁴ for existing CNG and LNG customers
- investing in public electric vehicle (EV) charging infrastructure and providing customers with rebates for EV charging stations for homes, multi-unit residential buildings and workplaces

Industrial: [B.C. Output-Based Pricing System \(OBPS\)](#), [Net-Zero New Industry \(NZNI\) Policy](#), [Demand-Side Measures Regulation](#) and [GGRR](#)

- making RNG available as an option for industrial customers to meet their OBPS performance benchmarks
- providing energy-efficiency programs to help reduce industrial energy consumption and emissions, as outlined in the [2025 FEI Natural Gas Demand-Side Management Annual Report](#) and the [2025 FBC Electricity Demand-Side Management Annual Report](#)
- refining net-zero plans for the Tilbury expansion projects under the NZNI policy to align with government guidance, integrating electrification where feasible

¹³The B.C. government uses a lifecycle analysis model called GHGenius to determine carbon intensity of various fuel pathways. In this model, the default baseline carbon intensity for diesel is 94.38 grams of carbon dioxide equivalent per megajoule of energy (gCO₂e/MJ). FortisBC does not have fuel codes for its CNG as the diversity and dynamics of its supply and distribution pathways are difficult to analyze reliably so FortisBC uses GHGenius's default recorded carbon intensity of 63.91 gCO₂e/MJ. FortisBC does have fuel codes for LNG that specify the carbon intensity at 65.94 gCO₂e/MJ. This value can be used as-is for road transportation. When considering the potential for methane slip in LNG for marine applications, using the worst-case additional carbon intensity included in the [B.C. government's LCFS calculator](#) of 27.3 gCO₂e/MJ, the overall carbon intensity of LNG for marine applications is 93.24 gCO₂e/MJ. Using this rationale, both CNG and LNG have a lower carbon intensity than the baseline value for diesel. ¹⁴FortisBC's RNG for the purposes of CNG vehicles that is registered with the B.C. LCFS is 0.14 grams of carbon dioxide equivalent per megajoule of energy (gCO₂e/MJ). The B.C. LCFS baseline carbon intensity for diesel is 94.38 gCO₂e/MJ.

Energy efficiency and DSM

Our DSM programs continue to support both our gas and electricity customers with energy savings through the adoption of energy-efficient technologies. Our programs fund initiatives that promote newer technologies and help customers take steps to lower their energy use. In 2025, we processed about 81,800 projects¹⁵ for our commercial, residential, industrial, Indigenous and income-qualified customers, including about 10,100 for our electricity customers and about 71,700 for our gas customers.

Target

Invest \$690 million to help customers save 3.8 million GJ of gas and 115 GWh of electricity by the end of 2027.



Our performance

FEI and FBC investment combined

Nearly \$440 million invested to date. About \$267 million invested in 2025.

FEI energy savings

2,965,375 GJ of gas saved to date. 1,360,623 GJ of gas saved in 2025.

FBC energy savings

Approximately 84 GWh of electricity saved to date. Nearly 50 GWh of electricity saved in 2025.

Our performance reflects strong residential and commercial customer participation in our pilot projects including dual fuel heating and cooling systems and deep energy retrofits. The dual fuel rebate helps offset the cost of installing a new electric heat pump combined with a new, high-efficiency gas furnace. These systems provide customers with access to reliable and efficient heating and cooling while helping them reduce household energy use and associated emissions.¹⁶

¹⁵Projects that received a financial incentive or a rebate payment, and exclude events attended by our teams, as well as sponsorships or contributions to external organizations. ¹⁶When compared to standard efficiency, 80 per cent annual fuel utilization efficiency, gas furnaces and boilers.



The Manor House deep energy retrofit, including the installation of rooftop gas heat pumps, was designed to reduce energy use and associated emissions and to take on challenges common in older affordable housing.

Bringing more comfort to Manor House

Deep energy retrofit projects aim to improve the energy performance of buildings by upgrading the building envelope (including walls, windows, doors, insulation and airtightness) and mechanical systems (heating, hot water and ventilation). In 2025, we continued our work on deep energy retrofit projects by investing nearly \$4.9 million in an ongoing pilot to upgrade four multi-unit residential buildings.

One of these projects is Manor House, a 50-unit affordable rental building owned and operated by Metro Vancouver Housing Corporation. Manor House participated in FortisBC's Deep Energy Retrofit Pilot Program, through which FortisBC funded the design and construction of a deep energy retrofit targeting a minimum 50 per cent reduction in gas use and associated emissions. The retrofit was delivered collaboratively with Metro Vancouver, the Pembina Institute and engineering consulting partners, and was designed not only to reduce energy use and associated emissions, but also to address longstanding challenges typical of older affordable housing, including overheating and limited electrical capacity.

The Manor House serves low-income residents, and the project was designed for durability and enhanced affordability and comfort. Construction planning also minimized disruption so tenants could remain in place throughout the retrofit. This collaborative project, which is now in its evaluation phase, demonstrates how deep energy retrofits can help lower emissions and benefit residents through improved comfort, safer indoor environments and more resilient, long-lasting housing.

Shifting the load: rewarding customers for easing peak demand

Reducing electricity use during peak demand periods helps us manage the demand on our system and the cost of developing the required electricity infrastructure. We work with residential and commercial electricity customers on ways to help lower peak demand, typically between 4 and 9 p.m. in both winter and summer.

Our Power Hours Rewards Program offers bill credits to residential customers with smart thermostats who sign up to reduce energy use during peak demand periods. Customers who sign up and charge their EV outside of peak hours can also earn bill credits. More than 3,500 customers have enrolled.



Our Power Hours Rewards Program offers incentives to residential customers to reduce electricity use during peak demand periods.

Starting in December 2025, our commercial and industrial customers can also participate in the Power Hours Rewards Program through one of two pathways. Customers that sign up can receive incentives by either reducing electricity use during peak demand periods or shifting electricity consumption to off-peak hours. A range of businesses can participate and earn incentives, such as horticulture, EV transportation and delivery services and industrial facilities.

During 2025's heating season, participants contributed to more than two megawatts (MW) of demand savings, and about three MW during the summer season.¹⁷

Strategic energy management in action

In 2025, strong participation in our Industrial Strategic Energy Management offer helped gas customers save just over 364,100 GJ, representing approximately 27 per cent of total gas savings, and electricity customers save 7.4 GWh of electricity or about 15 per cent of total electricity savings.



Our Industrial Strategic Energy Management offer helps large organizations implement energy-efficiency and conservation measures, and gauge their performance.

This offering supports long-term, continuous improvement in energy performance by helping large organizations incorporate energy management practices into their operations. Participants work with specialized consultants to identify opportunities for energy efficiency, implement energy conservation measures, conduct energy scans, participate in coaching and training sessions and track performance.

The offer has two streams—one delivered in partnership with BC Hydro, which represents the largest portion of the offer, and another delivered independently by FortisBC that manages participants located in our combined gas and electricity service area. Our specialized teams ensure participants receive consistent, tailored guidance throughout the process and help them access rebates for eligible conservation measures.

¹⁷[FBC Electricity Demand-Side Management 2025 Annual Report.](#)

Target

Reduce customers' GHG emissions by 200,000 tonnes through participation in our DSM initiatives by the end of 2027.



Our performance

Participation in our gas program initiatives helped our customers lower their associated emissions by 92,522 tCO₂e.

Our investments in DSM initiatives, and the energy savings these investments have supported, helped us achieve our GHG emissions reduction target before the end of 2027. In 2025, we helped our customers lower their associated emissions by 92,522 tCO₂e, contributing to a total reduction of 201,645 tCO₂e since 2024.



Combining an electric heat pump like this one and a high-efficiency gas furnace can help support household energy savings.

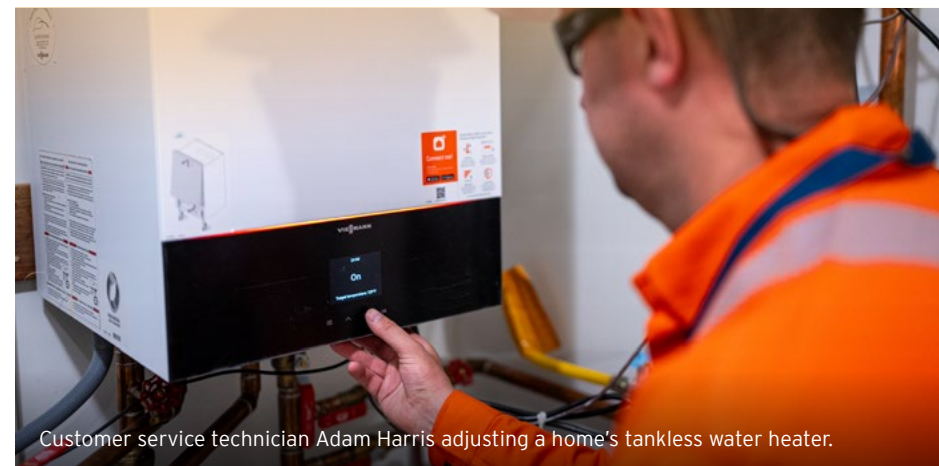
Partnering for energy efficiency in Indigenous communities

The Partners in Indigenous Energy Efficiency and Resilience (PIEER) program was launched in 2025 by FortisBC, BC Hydro and the Ministry of Energy and Climate Solutions. PIEER is a residential energy-efficiency rebate initiative that supports Indigenous communities in upgrading existing homes by providing resources to facilitate improvements and reduce complexity and other barriers to participation. Since its launch, we have engaged with 44 of the 58 First Nations communities we serve, with 14 Indigenous governing bodies submitting a total of 26 applications.

This program is brought to you by



Four projects were completed in 2025, resulting in over \$400,000 in energy-efficiency incentives. These projects focused on replacing aging gas furnaces and water heaters with high-efficiency models or dual fuel heating systems at the Dakelh and Quesnel Community Housing Society and within the Sk̓wx̓wú7mesh Úxwumixw (Squamish Nation) and Skeetchestn Indian Band communities.



Customer service technician Adam Harris adjusting a home's tankless water heater.

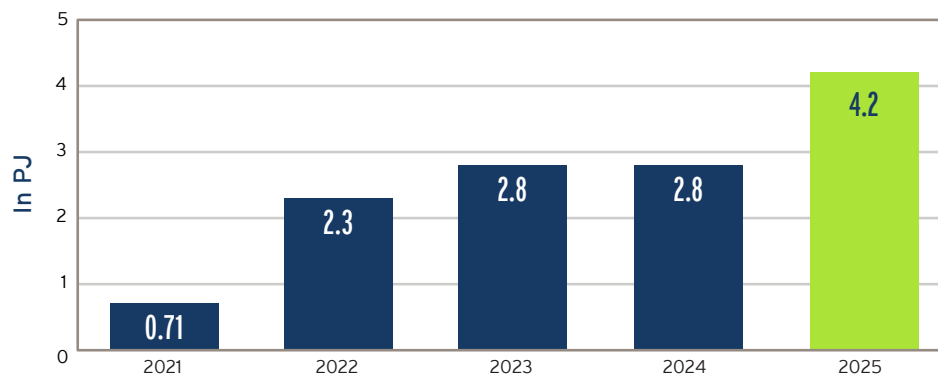
Renewable Natural Gas

RNG is a lower carbon¹⁸ substitute for conventional natural gas. We acquire RNG from across B.C. and North America and designate a portion of that supply to most of our residential and business customers. When RNG is added to North America's gas system, it mixes with conventional natural gas. The more RNG that is added to the gas system, the less conventional natural gas is used. In July 2025, most of our gas customers had three per cent of their natural gas use designated as RNG, up from two per cent previously.

In 2025, we continued to make progress towards acquiring RNG from new projects, including at the Hartland Landfill in Victoria, B.C. We acquired 4.2 petajoules (PJ) of RNG from our suppliers in 2025, a 50 per cent increase from 2024. This is enough energy for more than 53,000 homes for a year.

The year also marked an important milestone, with approximately 1.4 PJ of RNG added to our system being both produced and purchased in B.C.—nearly double the amount recorded in 2024.

Annual volume of RNG acquired for customers



In 2025, the total allocation of RNG to voluntary designated RNG program participants¹⁹ and through the designated RNG blend is approximately twice the allocation recorded in 2024. As a result, the natural gas designated as RNG sold to customers in 2025 helped to reduce Scope 3 - Category 11 (use of sold products) customer emissions from the use of natural gas designated as RNG in comparison with conventional natural gas by approximately 265,000 tCO₂e.

¹⁸FortisBC uses the term lower carbon gas to refer collectively to the lower carbon gases or fuels that the utility can produce, use and/or acquire under the [Greenhouse Gas Reduction \(Clean Energy\) Regulation](#) ("Regulation"). The Regulation identifies different sources of gases that are prescribed based on their feedstock and production processes. FortisBC's lower carbon gas portfolio includes Renewable Natural Gas (also called "RNG"). Other gases and fuels may be added to the portfolio over time. FortisBC's lower carbon gas portfolio is lower carbon when compared to conventional natural gas. ¹⁹Customers who subscribe to the voluntary designated RNG program and choose to designate a higher percentage of the gas they use as RNG.



FortisBC has agreed to buy RNG from the Capital Regional District's new facility at the Hartland Landfill.

A Vancouver Island first

In 2025, the Capital Regional District, working with FortisBC and Waga Energy Canada, started producing RNG at a new facility located at the Hartland Landfill in Victoria, B.C. This facility, known as the Hartland Renewable Natural Gas facility, is Vancouver Island's first RNG facility.

Landfill gas produced by decomposing waste is captured and upgraded to create RNG at the facility. That gas is then added to our gas system, where it helps heat homes and businesses and fuel vehicles across the region. The Hartland Landfill serves over 460,000 people and the RNG facility is designed to produce a maximum of 360,000 GJ of RNG annually.

Lower carbon transportation

We work with fleet vehicle operators to replace diesel with both conventional natural gas and natural gas designated as RNG, and marine operators to replace petroleum-based fuels such as oil and diesel with LNG. This transition to lower carbon fuels has helped to lower the carbon intensity of vehicles on B.C.'s roadways, and marine vessels plying our waters.²⁰ These lower carbon fuels also help our customers reduce fuel costs.²¹

In 2025, FortisBC provided

6.0 PJ

of LNG fuel for use in the transportation sector

1.7 PJ

of CNG fuel for use in the transportation sector



We nearly tripled the amount of LNG provided for marine and on-road transportation in 2025 compared with the total in 2024, largely driven by the presence of LNG bunkering vessels in the Port of Vancouver. This increase highlights LNG's potential as an alternative marine fuel with a lower carbon intensity than that of diesel.

We continued to help companies lower their associated emissions through the adoption of vehicles powered with CNG and compressed RNG. To date, we have supported the conversion of about 1,400 commercial vehicles.²² FortisBC's CNG has a carbon intensity approximately 25 per cent lower than the B.C. LCFS diesel carbon intensity baseline,²³ and FortisBC's RNG has a carbon intensity nearly 99 per cent lower.²⁴

²⁰Source: SEA-LNG, [Independent Study Confirms LNG Reduces Shipping GHG emissions by up to 23%](#). ²¹Fuel cost comparisons are based on the prevailing diesel market pricing and are subject to change or market fluctuations. Actual cost may vary depending on total cost of ownership, fuel delivery logistics and fuelling infrastructure costs. CNG (using Rate Schedule 5 cost of gas and delivery charges, excluding demand charges) was calculated to be \$4.388 per gigajoule (GJ) or \$0.17 per diesel-litre equivalent (DLE). RNG (using Rate Schedule RS-5VRNG cost of VRNG, gas, storage and transport and delivery charges) was calculated to be \$27.734/GJ or \$1.072/DLE. LNG (using Rate Schedule 46 cost of gas, LNG facility charge and electricity charge) was calculated to be \$8.14/GJ or \$0.315/DLE. These values were compared against [publicly available terminal rack pricing](#) for ultra-low sulphur diesel (ULSD) in the Vancouver market. ²²Source: [Vehicle Population-Commercial Vehicles-2024](#). ²³FortisBC's 2023 LCFS compliance submission to the provincial government specifies a baseline CNG carbon intensity of 63.64 grams of carbon dioxide equivalent per megajoule of energy (gCO₂e/MJ). The B.C. LCFS baseline carbon intensity for diesel is 94.38 gCO₂e/MJ. Based on an energy efficiency ratio (EER) of 0.9, CNG engines provide approximately 25 per cent lower carbon intensity than diesel. ²⁴FortisBC's RNG for the purposes of CNG vehicles that is registered with the B.C. LCFS is 0.14 grams of carbon dioxide equivalent per megajoule of energy (gCO₂e/MJ). The B.C. LCFS baseline carbon intensity for diesel is 94.38 gCO₂e/MJ. This is the approved value from the BC Ministry of Energy and Climate Solutions in the B.C. LCFS. ²⁵Sphera. [Life Cycle GHG Emissions of the LNG Supply at the Port of Vancouver](#). Prepared for Vancouver Fraser Port Authority and FortisBC, March 2020. ²⁶Source: [BioLNG as alternative fuel for shipping: Its business case under EU ETS, FuelEU Maritime and the IMO net-zero framework](#), BetterSea.

LNG for marine fuelling

We're helping marine transportation customers reduce emissions by expanding access to LNG through the development of new infrastructure and increasing our production capacity and fuelling options. FortisBC LNG has a lower carbon intensity compared with global average because its LNG supply emissions are 29 per cent lower compared to the global average LNG supply on a well-to-tank basis.²⁵ FortisBC engages with customers who are interested in converting their marine fleets to LNG and considers potential incentives to help reduce the financial impact of the conversion process.



FortisBC's Tilbury LNG plant.

Advancing certified bio-LNG

In 2025, we successfully achieved certification for our Tilbury 1A LNG facility under the International Sustainability and Carbon Certification's ISCC Plus system, making us an early adopter of the system among North American utilities. ISCC Plus is a globally recognized voluntary certification scheme used to help companies across various industries prove their sustainability claims and methodologies used by each element throughout their supply chains, from point of origin to market. With the ISCC Plus certification, FortisBC can receive certified biomethane and process it into certified bio-LNG, with no changes to its liquefaction process. Providing certified bio-LNG to our customers is key to the future demand for our LNG as it creates a path for the marine LNG market to comply with future lower carbon intensity targets set by international regulators.²⁶



Our LNG for marine refuelling achieved several notable milestones in 2025.

2025: A year of firsts

LNG produced at Tilbury supported a year of firsts in the Port of Vancouver. Tilbury LNG (delivered through Seaspan Energy LNG bunker vessels) fuelled a range of vessels in the Port of Vancouver with several notable firsts, including Canada's first ship-to-ship LNG transfer in January, the first LNG transfer to a car carrier in March and the first cruise ship bound for Alaska fuelled with LNG in May. In Vancouver's English Bay, the first ship-to-ship LNG refuelling to a container vessel was also completed.

These milestones demonstrate the demand for innovative and lower carbon fuels and support the Port of Vancouver's and the province's objectives to accelerate the adoption of lower carbon intensity marine fuels to reduce emissions from marine transportation. Importantly, supplying LNG positions Vancouver as a hub and leader on the North American West Coast in support of the International Maritime Organization's desire to transition away from conventional marine fuels and to foster emissions reduction plans from the use of alternative fuels.²⁷

²⁷Source: [International deal to cut shipping emissions falters under U.S. pressure](#) | CBC Climate Change News.

Unlocking lower carbon fuel solutions

The federal Clean Fuel Regulation (CFR) is designed to encourage the use of lower carbon fuels. It requires fuel suppliers to support emissions reductions and operate within a credit market that rewards activities with lower carbon intensity across the fuel life cycle. FortisBC has received approximately 12,000 CFR credits associated with CNG fuelling since the CFR program's inception in July 2022. Each credit is equivalent to one tCO₂e reduction from the use of CNG as quantified by the CFR.



FortisBC's CNG and other lower carbon fuels help support the federal Clean Fuel Regulation.

For FortisBC, generating CFR credits highlights the role of natural gas transportation fuels in helping lower the carbon intensity within the transportation sector. These credits allow us to offer alternative lower carbon fuels such as RNG, CNG and LNG to customers at a more affordable rate, encouraging the use of lower carbon fuels.

For information on our emissions methodology, see Appendix section on our [GHG emissions data evaluation criteria](#).

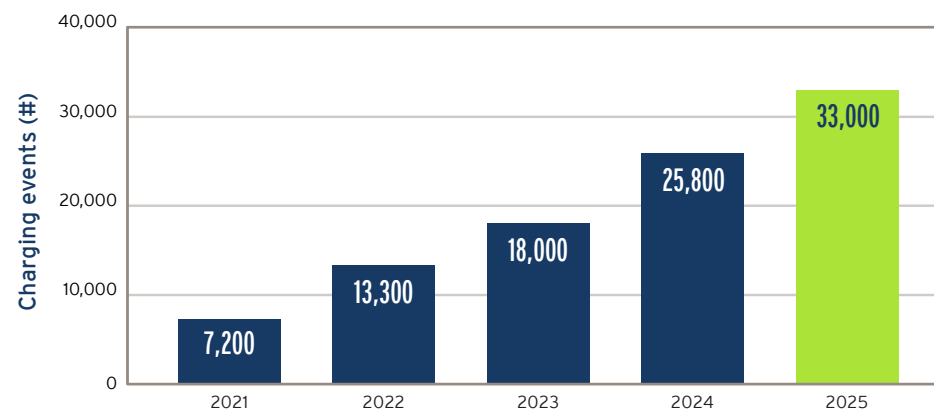
Expanding EV charging investment and infrastructure

The transportation sector is the largest contributor of GHG emissions in B.C., accounting for approximately 44 per cent of the province's total emissions.²⁸ Most vehicles charging on our EV charging network are light- and medium-duty vehicles, highlighting the importance of facilitating expanded electric options for heavier transport vehicles. In 2025, our public charging network delivered approximately 919,100 kilowatt hours (kWh) of electricity, a 32 per cent increase from 2024. We own and operate 42 Direct Current Fast Charging stations at 22 sites in 20 communities within our electricity service area.

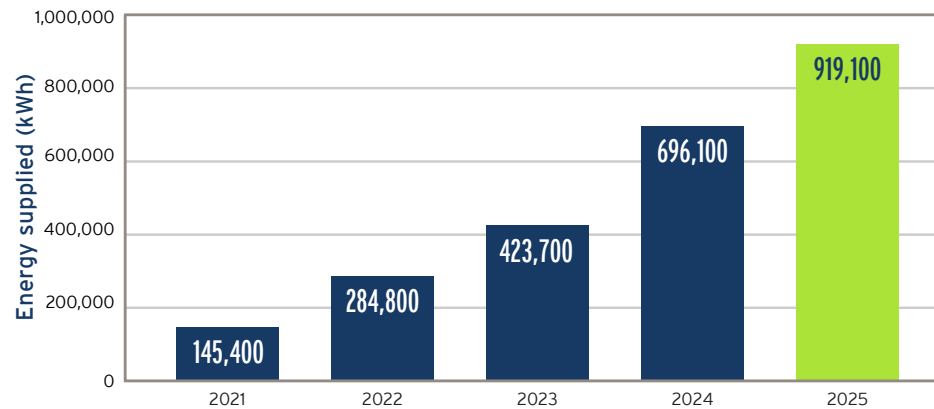


In November 2025, we delivered our 100,000th vehicle charging session since opening our public charging network.

Number of charging events



Energy supplied to EVs from FortisBC's charging stations



As newer EV models come equipped with larger batteries, they typically require fewer charging sessions but draw more energy per session.²⁹



²⁸Government of B.C. [BC's Provincial Inventory of Greenhouse Gas Emissions \(2022\)](#). In 2022, the transportation sector emitted 28.8 metric tonnes of carbon dioxide equivalent (MtCO₂e) compared with total emissions of 65.6 MtCO₂e. ²⁹[Fuel consumption ratings - Battery-electric vehicles 2012-2026 \(2026-02-23\) - Open Government Portal](#).

FortisBC's GHG emissions

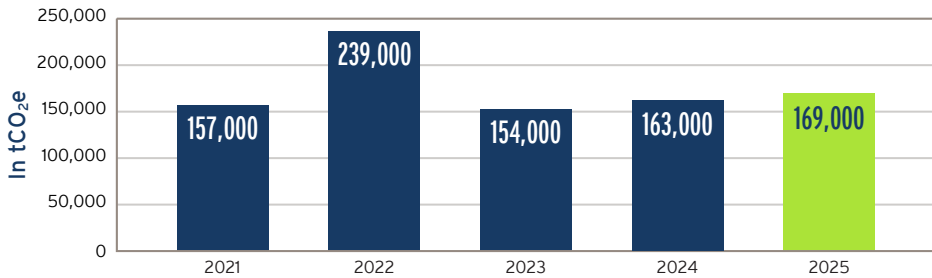
We report on Scope 1, 2 and 3 (selected categories) emissions. For information on our emissions methodology, see the Appendix section on our [GHG emissions data evaluation criteria](#). Scope 2 emissions are indirect emissions from the transportation of purchased electricity for our customers as well as acquired energy consumed by FortisBC. The majority of these emissions relate to line loss associated with the electricity utility, and represent a small source of GHG emissions for FortisBC. For Scope 2 values, see the [Appendix section on our key performance indicator summary](#).

Scope 1 GHG emissions

We calculate our Scope 1 GHG emissions from our gas operations (combustion, flaring, venting and fugitive emissions), third-party gas line damage incidents, RNG processing facilities, sulphur hexafluoride (SF₆) fugitive emissions, FortisBC fleet vehicles and from gas for comfort heating.³⁰ Annual variations are linked to overall gas delivered to our customers due to variations in weather and other factors including methane releases, which can be both planned and unplanned. These annual fluctuations are expected and are influenced by factors such as maintenance schedules, customer demand, weather and the geographic distribution of customer demand. In 2025, emissions were primarily project-driven and associated with compression station operations, with the majority related to work on the Eagle Mountain-Woodfibre Gas Pipeline Project. Emissions are expected to decrease once the project is completed.

We are identifying ways to improve the operations of our infrastructure, facilities and vehicle fleet to support emissions reductions, as well as opportunities to improve energy efficiency.

FortisBC's Scope 1 GHG emissions



Scope 1 GHG emissions from our gas operations are reported in two separate categories; one being combustion and flaring, which are typically measured with high confidence, and the other being venting and fugitive emissions, which require specialized detection and quantification methods. This categorization highlights the proportion of emissions that are not associated with combustion, providing opportunities for methane reduction.

Methane emissions

Methane emissions from our system operations, including third-party gas line damage, are grouped into two categories: vented methane emissions and fugitive methane emissions. Vented methane emissions are planned or expected releases that usually occur during maintenance work or unusual operating conditions. Fugitive methane emissions are unplanned releases, mainly from leaks during natural gas operations or caused by third-party gas line damage. In 2025, fugitive methane emissions made up about 85 per cent of our total methane emissions.

	Methane emissions (tCO ₂ e)	Total emissions ³¹ (tCO ₂ e)
2025		
Vented	12,900	14,100
Fugitive	60,000	60,000
Third-party gas line damage incidents	11,700	11,700
Total	84,600	85,800



We continually seek to improve our operations to support reducing emissions from our gas infrastructure and increase efficiency.

³⁰Natural gas for comfort heating is the gas used to heat facilities occupied by employees to an appropriate temperature. ³¹Total emissions from venting, fugitive and third-party gas line damage incidents include methane (CH₄) as well as carbon dioxide (CO₂).

Our strategy to mitigate methane emissions involves implementing the British Columbia Energy Regulator methane venting reduction requirements for transmission pipelines and facilities. We are also investigating new ways to measure emissions from our distribution equipment to better inform future emissions reduction actions.

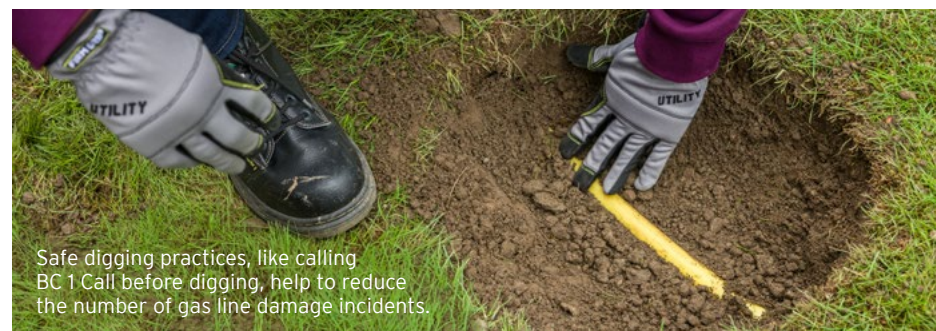
In 2025, we also introduced new technologies that support emissions reductions like line stopping equipment at our compressor stations and on our gas infrastructure during planned maintenance and construction activities. We continued to employ satellites to capture imagery, using the results to calibrate our equipment and refine our monitoring process.



Our use of technologies such as the TDW Petrosleeve Type-A compression sleeve helps improve safety, avoid overall emissions and streamline the repair process.

A tight squeeze for pipeline integrity

TDW Petrosleeve Type-A compression sleeve technology helps address pipeline integrity issues commonly found in aging infrastructure. In 2025, we trained and certified internal crews to install Petrosleeve on our transmission pipelines. Unlike traditional repairs that require removing gas and shutting down the pipeline, Petrosleeve can be installed while the pipeline remains in service. This reduces safety risks, helps avoid overall emissions from shutdowns and results in a faster and more efficient repair process.

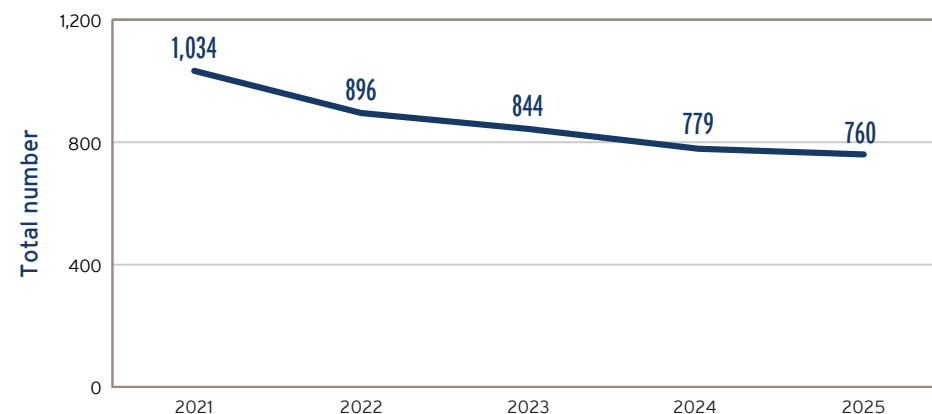


Gas line damage incidents and safe digging practices

Our public safety initiatives help to educate British Columbians on ways to stay safe around our gas and electricity infrastructure, including how to use leading practices for safe digging around gas lines. Reducing the number of gas line damage incidents helps prevent the release of fugitive methane emissions.

Reductions in gas line damage incidents are directly correlated to the growing use of BC 1 Call, a free service that helps prevent damage to underground utilities before digging begins. In 2025, 168,144 BC 1 Call location requests were processed, and gas line damage incidents declined to 760, the lowest in more than 20 years and continuing a multiyear downward trend.

Gas line damage incidents

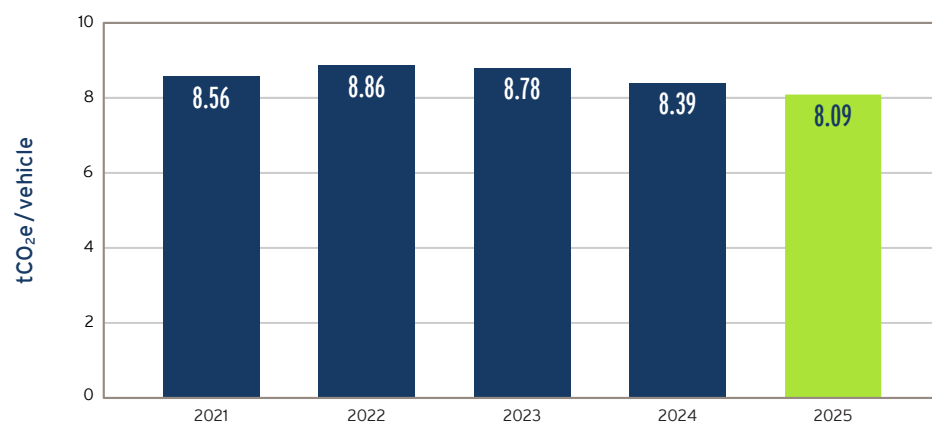




Fleet pathway

In 2025, we developed a flexible five-year plan to help support the overall emissions reduction of our fleet vehicles, without disrupting business as usual. The plan identifies opportunities to replace conventional light- and medium-duty vehicles without compromising reliability and adapts as technology and market options evolve. We completed 24 per cent of our planned fleet transition in 2025, by replacing 23 of 99 vehicles with EVs and adding an electric power takeoff unit to our fleet for a total of nine units. These units allow bucket trucks to use electric power instead of idling the engine, helping our fleet remain reliable and cost effective. Our efforts to reduce fleet emissions resulted in lower emissions on a per-vehicle basis for our entire fleet.

Total fleet emissions



Scope 3 GHG emissions

We continue to report Scope 3 GHG emissions from our gas utility. Scope 3 emissions are a category of emissions that we do not directly control but are related to the energy we deliver. We currently report on Category 11—use of sold products—for our gas utility, including the use of sold products for our customers, our transport customers³² and for natural gas designated as RNG. FortisBC's Scope 3 - Category 11 GHG emissions decreased in 2025. This decrease is attributed to changes in gas volume demand and to the increased use of natural gas designated as RNG.

The natural gas designated as RNG that was sold to customers in 2025 helped to reduce Scope 3 - Category 11 customer emissions from the use of natural gas designated as RNG in comparison with conventional natural gas by approximately 265,000 tCO₂e.

As we continue to evaluate data from third-party sources and gain access to available methodologies and data, additional Scope 3 GHG emissions categories may be included in future reporting to improve the comprehensiveness and completeness of our GHG emissions inventory. We recognize that additional categories may be material in the context of Scope 3 GHG emissions, and as data availability improves, we expect to enhance our inventory.

For information on our emissions methodology, see Appendix section on our [GHG emissions data evaluation criteria](#).

	2025
Emissions (tCO₂e)³³	
Scope 3 - Category 11 GHG emissions - gas:	
Category 11 - use of sold products (customers)	7,270,000
Category 11 - use of sold products (transport customers)	3,370,000
Category 11 - use of sold products (RNG)	1,420
Biogenic CO₂ emissions from customer use of RNG (tCO₂)³⁴	265,000

³²FEI's customers include all customers on FortisBC rate schedules for whom FEI acquires gas for delivery. This does not include our transportation service (transport) customers who procure their own gas from other sources and deliver that gas to one of FEI's interconnection points with upstream pipelines. FEI does not control where these users procure their gas, from whom they procure it, nor the carbon intensity of that gas; additionally, FEI does not take any financial possession of their gas. We charge the transport customers, through various rate schedules, for the service we provide of 'transporting' their gas through our distribution system.

³³Scope 3 GHG emissions are calculated using the Intergovernmental Panel on Climate Change's (IPCC) Fifth Assessment Report (AR5) Global Warming Potential values. Scope 2 GHG emission calculations use approved emission factors as provided by the Province of British Columbia. ³⁴Biogenic carbon dioxide emissions are not additive to overall GHG emissions per B.C.'s GHG methodology handbook and guidance by the IPCC.



Melissa Graham, environmental program lead, collects a water sample from a stream.

Environment and heritage resource management

We're committed to planning for, monitoring and responding to potential environmental and heritage impacts of our projects through a risk-based approach that includes:

- conducting project screenings and assessments to identify environmental and heritage sensitivities, including potential effects on fish and wildlife, sensitive ecosystems, species at risk and critical habitat and heritage resources
- using the mitigation hierarchy, where we take steps to help avoid, minimize or offset environmental and heritage impacts in planning and implementing our work
- developing environmental management plans and implementing mitigation measures that outline project-specific environmental and heritage protection and include, but are not limited to, water and soil management, erosion and sediment control and fish and wildlife habitat protection

FortisBC's pest management plans

Our pest management plans cover the period from 2025 to 2030 and are focused on maintaining system reliability using pest management strategies. The plans are part of our environmental protection strategy. They comply with B.C.'s Integrated Pest Management Act and seek to minimize pesticide use across electricity and gas facilities and assets including rights-of-way and wooden structures. We understand that the presence of pests can adversely impact infrastructure integrity, reducing safety for workers and the public and compromising system reliability. Key objectives of the plans are management and prevention of pests through vegetation control and wood structure maintenance, monitoring pest populations and applying threshold-based treatments when necessary.

Bats coming home to roost

In 2025, we donated six utility poles previously removed from our system and installed them in the Fort Shepherd Conservancy Area to support Wildlife Conservation Society Canada's bat conservation program. The initiative creates roosting spaces for bats throughout the Kootenays, increasing habitat for several bat species, including the little brown myotis and northern myotis. Another six poles will be installed in the Creston Valley Wildlife Management Area in spring 2026.



To the bat poles: Workers in the Fort Shepherd Conservancy Area install repurposed utility poles to support Wildlife Conservation Society Canada's bat conservation program.

Indigenous and local communities

Indigenous relations

Our Reconciliation journey is guided by our [Statement of Indigenous Principles](#) that has been in place since 2001. These principles help facilitate meaningful engagement and strategies for Reconciliation in support of respectful, responsible and reciprocal working relationships with Indigenous Peoples across our service areas.

We are also guided by a set of foundational frameworks that inform how we honour Indigenous rights and advance Reconciliation, including:

- the United Nations Declaration on the Rights of Indigenous Peoples (UNDRIP)
- the Truth and Reconciliation Commission of Canada: Calls to Action
- the 231 Calls for Justice in the final report from the National Inquiry into Missing and Murdered Indigenous Women and Girls
- Section 35 of the Constitution Act

PAIR certification

In 2025, FortisBC maintained Silver-level certification in the Canadian Council for Indigenous Business Partnership Accreditation in Indigenous Relations (PAIR) program. PAIR certification involves a multi-year process of implementing plans and targets in business development, leadership actions, employment and community relationships. This designation demonstrates our commitment to ongoing improvement in Indigenous relations.



PAIR SILVER
PARTNERSHIP ACCREDITATION
IN INDIGENOUS RELATIONS

Our journey towards Reconciliation

We fulfill our commitment to Reconciliation with a system-wide approach, touching many aspects of our business. We have expanded our Indigenous awareness and cultural programs, business development and procurement strategies, Indigenous talent recruitment and retention practices and community engagement and investment commitments, among other areas of our operations.

FortisBC and the xʷməθkʷəy̓əm (Musqueam Indian Band) signed a relationship protocol agreement to further strengthen collaboration. The agreement defines principles for engagement and communication and opportunities in employment, training, procurement and community investment.



In 2025, we helped develop a program to monitor the herring population in Indian Arm.

Hear, hear for herring!

In 2025, we continued implementing agreements with Indigenous communities on major projects, including the Eagle Mountain - Woodfibre and Tilbury LNG projects. These agreements establish a framework that seeks to understand Indigenous rights and potential impacts, and outlines shared benefits, including support for education, training and employment initiatives.

In one such initiative, FortisBC worked with səliwətał (Tseil-Waututh Nation) to develop a new program to monitor the nascent herring population in Indian Arm. The program involved the use of scuba diving and other passive monitoring techniques during the herring spawning season. Herring have recently been reintroduced to Indian Arm after being absent for decades and represent a culturally important species to Indigenous communities.

Supplier inclusiveness

In establishing and maintaining strong, positive relationships with Indigenous communities, we are committed to providing opportunities for Indigenous contractors and supporting local, Indigenous-owned and affiliated businesses.



Steven Stark of TSI Sweeping Services, an Indigenous-owned business affiliated with the *s̓c̓əwəθən məsteyəxʷ* (Tsawwassen First Nation).

Target

Allocate a minimum of five per cent of the total annual contracting expenditures for major projects in the design-execution stage to Indigenous-owned and affiliated businesses.



Our performance

FEI and FBC

\$254 million

In 2025, we continued to implement an Indigenous supply chain strategy and increased spending with Indigenous-owned and affiliated businesses on major projects to \$254 million. Nearly 32 per cent of the total annual contracting expenditures for major projects in the design-execution stage were awarded to Indigenous-owned and affiliated businesses, exceeding our target performance minimum of five per cent.

We support mutually beneficial relationships with Indigenous Peoples by creating opportunities for Indigenous contractors and advancing local Indigenous-owned and affiliated businesses. In 2025, our:

- Eagle Mountain - Woodfibre Gas Pipeline Project included more than 75 Indigenous-affiliated vendors, representing seven First Nations and total spending of \$226 million, or 35 per cent of the total project supply chain spending, during early construction to install a new gas pipeline between Coquitlam and Squamish
- Inland Gas Upgrades Project included 14 Indigenous-affiliated vendors, representing nine First Nations and total spending of \$2 million, or 18 per cent of supply chain spending, during the work to upgrade our gas infrastructure to improve safety and resiliency
- Coastal Transmission System's Transmission Integrity Maintenance Capabilities Project involved 28 Indigenous vendors representing seven local First Nations and had contracts worth \$3 million, representing 21 per cent of its supply chain spending



We host or participate in at least four business-to-business events each year to support Indigenous inclusion in our supply chain. These events reduce barriers to contracting opportunities and strengthen collaboration with Indigenous businesses. In 2025, we participated in 12 events.

Community investment

Each year, we invest in programs that strengthen the communities where we live and work. Through our Community Investment Program, we partner with local economic leaders, non-profit organizations and social impact groups that have insight into the unique needs of their communities. We focus our investments in four key areas that contribute to the well-being of communities across British Columbia: safety, education, environment and Indigenous initiatives.

Target

Invest 20 per cent of our community investment funding annually in Indigenous community investment initiatives.



Our performance

FEI and FBC: \$329,975

Our investments in Indigenous communities represented about 31 per cent, or \$329,975, of our total annual Community Investment Program funding of approximately \$1 million in 2025. Through the program in 2025, we supported 370 initiatives in 72 B.C. communities.

We also invested \$7 million in communities across the province in 2025. These investments included company-wide donations and sponsorships, along with the annual Community Investment Program contribution of roughly \$1 million.

Community giving is fruitful in Fruitvale

FortisBC employees came together with the Village of Fruitvale and its public works team to enhance community spaces that support children and families. Volunteers improved the outdoor area at Beaver Valley Childcare Centre by installing gazebos to provide shade, completing landscaping and creating a more functional and welcoming environment for outdoor play and learning. Employees also supported improvements at nearby McInnis Park, contributing to tree planting and installing new fencing that connects with the park's existing perimeter. These enhancements support safe, accessible community spaces where families can gather and children can be active.



Sqwá Medicine Wheel Garden.

Honouring tradition: Sqwá Medicine Wheel Garden

In 2025, the Sqwá Medicine Wheel Garden continued to grow and flourish on the Sweat Lodge Grounds, building on a vision first sparked in fall 2024. Support from a FortisBC grant and the dedication of volunteers and Sqwá First Nation staff brought a beautiful medicine wheel garden to life. It's a meaningful space for culture, learning, and connection to the land.

Each summer, bees, hummingbirds, and other pollinators will thrive among the native plantings, while medicinal plants such as tobacco are respectfully harvested for ceremonial use. The garden also serves as a cultural space where Stó:lō storytelling and Halq'eméylem language learning bring traditional knowledge to life.

Beyond supporting the local ecosystem, the medicine wheel garden provides a peaceful place for community members to gather, reflect, and strengthen cultural ties to the land and to one another. As it continues to flourish, the garden will remain a place of healing, learning, and uplifting connection for generations to come.

- Provided with permission from Sqwá (Skwah) First Nation.

Operational performance and adaptation

Asset management and investment

Our integrity management program sets out the ways we keep our gas system assets safe, reliable and affordable throughout their life cycles. This includes planned maintenance programs and ensuring compliance with applicable legislation. Our plan to invest \$4.9 billion in our gas and electricity infrastructure from 2026 to 2030 will support the reliability and integrity of our energy systems.

Our integrity management program and investments in our major integrity projects help to support energy reliability, which is a key part of our focus on operational performance and adaptation. Capital investment in major integrity projects includes upgrading our gas customers' meters to wireless meters through our Gas Advanced Metering Infrastructure (AMI) Project.



Modernizing our gas meters

Advanced meters are an important update that modernizes our gas metering technology, which hasn't fundamentally changed in more than 100 years. By the end of 2025, more than 220,000 gas meters had been upgraded to advanced

meters. The new meters will give customers a better understanding of their energy use, including detailed information to make cost-effective energy choices, while also helping improve system resiliency and emergency response.

Our electricity AMI project was completed in 2015, replacing the meters of about 130,000 electricity customers across the Southern Interior. This project has delivered multiple benefits, including allowing customers to monitor their power use, reducing manual meter reading costs and helping prevent electricity theft.

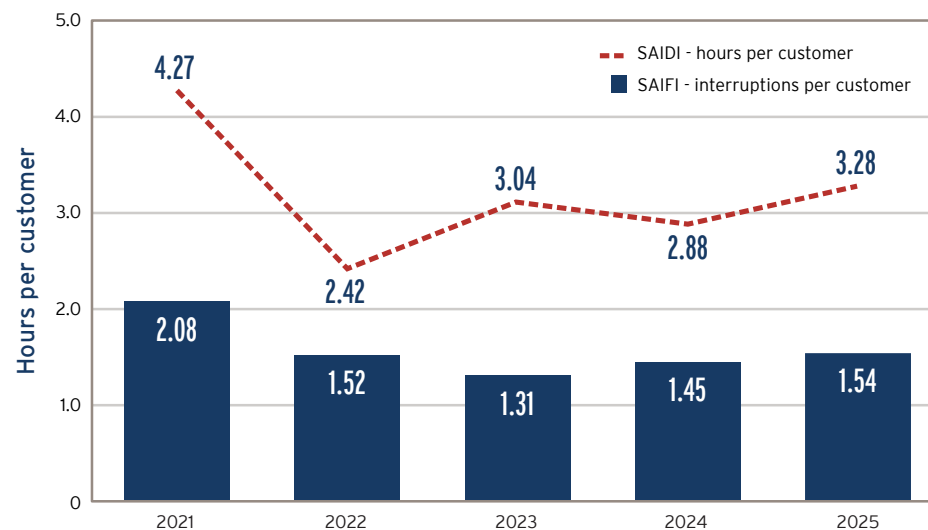
Better accuracy to energy reliability

In 2025, a new method of modelling our gas transmission systems was introduced, using available data to create models with real-world conditions on a given day. The newer method results in greater accuracy of total volume and flow distribution throughout the models by better analyzing the relationship between flow and temperature at each station. This increased accuracy supports the reliability of our energy systems under varying conditions, supporting our operations teams and helping us better serve our customers.

Electricity outage response

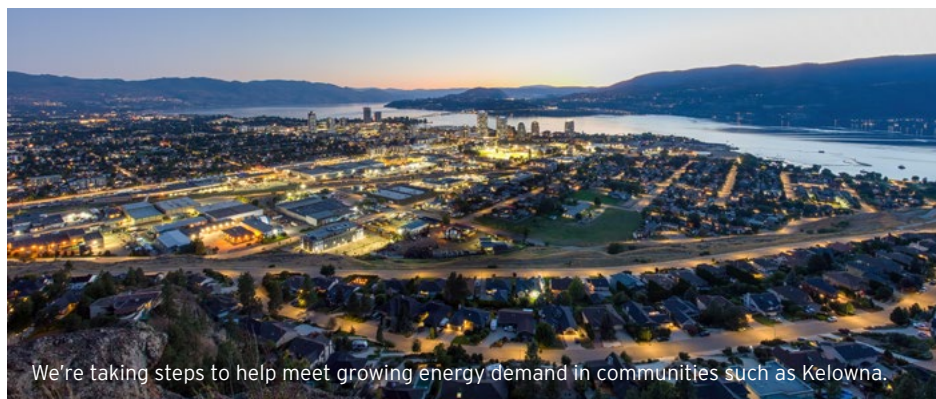
Our electricity system reliability is measured by the system average interruption duration index (SAIDI) and system average interruption frequency index (SAIFI). In 2025, we saw an increase in our SAIDI and SAIFI values due to planned transmission and distribution outages required to support the increased capital program, a mid-year storm and wildfire mitigation protocols that were in effect during the year.

Electricity outage response



Meeting future energy needs

FortisBC plays a critical role in providing safe, reliable and affordable energy to communities across B.C.'s Southern Interior. As the region's gas provider and primary electricity provider, we are responsible for ensuring customers have the energy they need—proactively planning and investing in the infrastructure needed to ensure reliable system capacity, including during peak demand periods.



We're taking steps to help meet growing energy demand in communities such as Kelowna.

In 2025, we concluded our Request for Expressions of Interest, which focused on identifying lower carbon or renewable electricity generation projects within or outside our electricity service area. We received over 80 submissions for potential or existing projects to support meeting our future electricity capacity requirements. Among the submissions reviewed, wind projects were prioritized for their ability to deliver energy in the winter months when customer demand for power is the highest. We then launched a formal call for power that also prioritized comprehensive Indigenous participation plans, including a minimum 25 per cent Indigenous equity ownership.

The call for power aims to secure projects that could add up to 550 GWh of energy supply by 2030 to meet increased demand driven by population growth, business needs and electrification trends.

Additionally, to address growing demand for natural gas, the Okanagan Capacity Mitigation Project will help us meet customers' peak energy demand in the region by developing a small-scale LNG storage and send-out facility in Kelowna. The project was approved by the BCUC in 2025 and will help expand our ability to deliver safe and reliable service to our Okanagan customers on the coldest days of the year.

Building capacity for our customers

Population growth, development and electrification initiatives like electric heat pumps and vehicles are increasing load growth rates. It's critical that we continually invest in our system to increase capacity and reinforce its reliability, safety and readiness for our customers well into the future.

Our 2025-27 rate framework, approved by the BCUC, provides the financial framework for investments in electricity infrastructure and new power generation. This includes enhancing substations, upgrading transmission lines and investing in new technologies to respond to growing demand and optimize our network's efficiency and resilience.



FortisBC's power line technician Mitchel Heaton at work. We continually invest in the capacity, reliability, resilience and safety of our system.

Complementing investments in our electricity system, we are also advancing major upgrades across our gas infrastructure. In 2025, we received approval from the BCUC for the Tilbury LNG Storage Expansion project. The project's approval is a significant milestone³⁵ that supports the delivery of reliable and resilient energy services to our customers, including during potential system disruptions due to extreme weather. Subject to receiving all the necessary approvals, including an environmental assessment certificate, this project would replace the original Tilbury facility with a new, modern facility that maintains essential gas supply and operational capability.

³⁵Source: [2025-FEI CPCN for the Tilbury LNG Storage Expansion Project](#).

Extreme weather and emergency preparedness and response

We make a significant proactive effort to prepare for and respond to emergencies, including extreme weather events like wildfires, floods, sea-level rise, windstorms, heat domes, landslides and freeze-thaw events. Our business continuity programs and emergency response plans help maintain our emergency readiness and resilience. We work with all levels of government, emergency services, Indigenous communities and other stakeholders on emergency planning. We completed 26 emergency exercises in 2025, including some large-scale emergency simulations, to practise and improve our response in these types of situations.

Commitment

Further plan for extreme weather events in our asset investment and operational planning decision-making.



Our progress

Our climate change operational adaptation work aims to improve resilience to climate change risks and to maintain a safe and reliable energy supply for our customers.

In 2025, we completed studies for three climate hazards identified as the highest risk for our gas system—wildfires, landslides and flooding. This work provided valuable information on how these hazards affect specific assets and what assets should be prioritized in the future to inform capital planning, maintenance strategies and risk reduction actions. The results were added to an asset management tool that helps us decide where to invest in risk reduction. This supports our commitment to include climate risks when we make decisions about our assets and day-to-day operations.

Similar work is planned for our electricity system. In 2025, we launched two studies on climate hazards identified as posing the highest risks to our electricity system—wildfires and landslides. This research has continued into 2026, and an additional study will be initiated to look at the risk from windstorms. The results of these studies, alongside insights from the flooding study undertaken by both our gas and electricity operations, will be used to identify specific assets impacted by these hazards to inform capital planning, maintenance activities and risk reduction. The results will ultimately be added to the asset management tool.



Our crews responded quickly to damage to our electricity system caused by a major windstorm in the South Okanagan and Kootenays.

Powering through a storm

In December 2025, the largest windstorm since 2003 affected the South Okanagan and Kootenays, causing power outages for about 26,000 customers and resulting in significant damage across both urban and rural areas. Fallen trees, landslides and blocked roads made access difficult, while vegetation parched by dry conditions created further hazards for crews working to restore service.

Despite the scale of the storm and the complex conditions, our crews worked quickly to reconnect thousands of customers and support communities throughout the region. Their expertise, teamwork and rapid response were essential to bringing power back safely and quickly.

Wildfire mitigation and response

FortisBC has a comprehensive wildfire mitigation strategy that combines infrastructure design and construction, vegetation management, operational practices and community engagement. Our proactive wildfire safety practices, developed collaboratively with departments across our company, help reduce the risk of wildfires. Those measures include:

- monitoring wildfire activity and applying fire blankets and fire suppression materials when wildfire threatens our infrastructure
- regular inspections, maintenance and vegetation management
- conducting emergency response exercises and providing wildfire preparedness training to employees
- activating enhanced power line safety settings
- implementing our Public Safety Power Shutoff (PSPS) policy as a tool of last resort



Powering down for safety

In 2025, we developed a PSPS policy to identify and mitigate wildfire risk on select high-risk power lines during periods of extreme weather and wildfire conditions. A PSPS event is a temporary, proactive power outage on one or more specific power lines in highest-risk areas during periods of extreme weather and wildfire conditions to help prevent wildfires from starting. A PSPS event is considered only when the forecast indicates a combination of high, sustained wind speeds and extreme wildfire risk.



Cybersecurity and corporate security

We continue to manage and reduce risks to cybersecurity and physical security to protect our infrastructure and customers' data in alignment with laws including B.C.'s Personal Information Protection Act. We use strong security measures that are built into our overall risk and emergency management programs, and take part in regular independent security assessments, inspections and compliance reviews. In 2025, we did not experience any material cybersecurity incidents,³⁶ as defined by applicable regulatory frameworks, underlining the success of our security practices.

³⁶ A cybersecurity incident is a confirmed event that has a material impact on the confidentiality, integrity or availability of digital systems or data, including service disruption, system compromise or data loss or theft.

Customer experience and satisfaction

We're dedicated to delivering high-value customer experiences. This includes updating our website to improve the navigation so our customers can easily access the resources they need and improve their experience. Completed in 2025, these improvements were informed by extensive customer feedback and validated through rigorous user testing to ensure they meet the needs of our customers.

Target

Deliver high-value customer experiences by achieving annual customer satisfaction index scores of 8.5 out of 10.

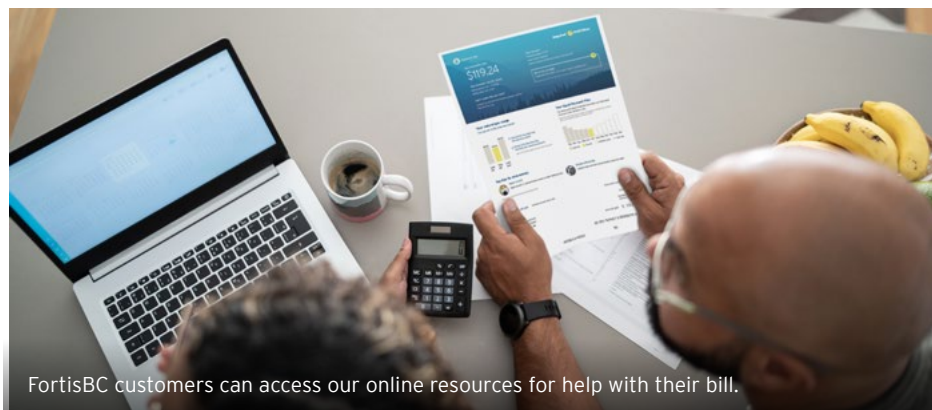


Our performance

FEI customer satisfaction index: 8.6

FBC customer satisfaction index: 8.4

Our customer satisfaction index survey offers respondents the opportunity to provide open-ended feedback. From this feedback, we glean insight into our customers' opinions of FortisBC. Survey feedback consistently notes how FortisBC provides reliable service, positive customer interactions and a strong safety and outage response, with customer service helping reinforce FortisBC's reputation as a utility customers can rely on.



FortisBC customers can access our online resources for help with their bill.



Collections representative Cristina Catargiu at the FortisBC customer contact centre in Burnaby.

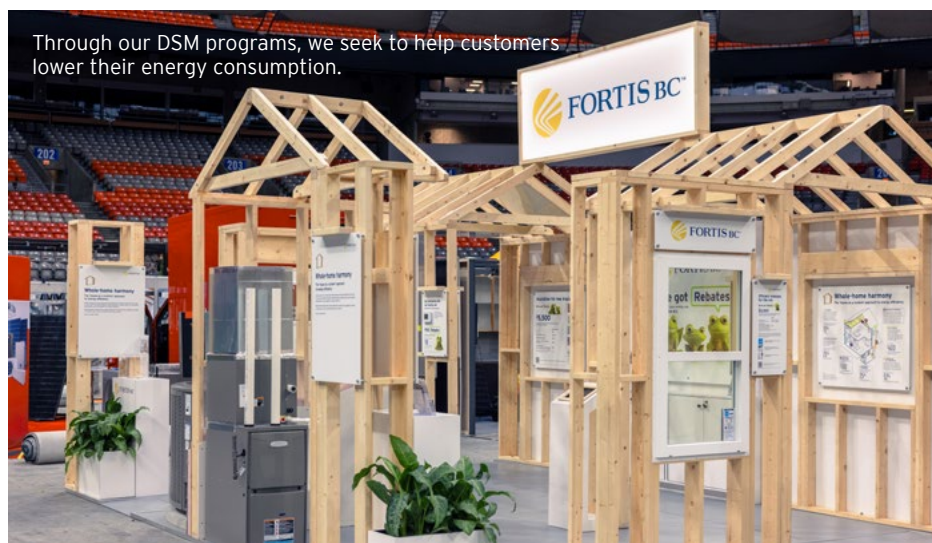
In 2025, our gas and electricity utilities performed well in the customer satisfaction index, in part due to:

- the reliability of our gas and electricity services, with gas customers highlighting seamless, trouble-free performance and electricity customers noting dependable service outside of major weather events
- the professionalism and responsiveness of our field technicians, who were frequently praised for their quick action and dedication during service and outage restoration work
- the overall quality of customer interactions, with many customers recognizing helpful support across our service channels and identifying clear opportunities to further strengthen communication, particularly during electricity outage events

Energy affordability

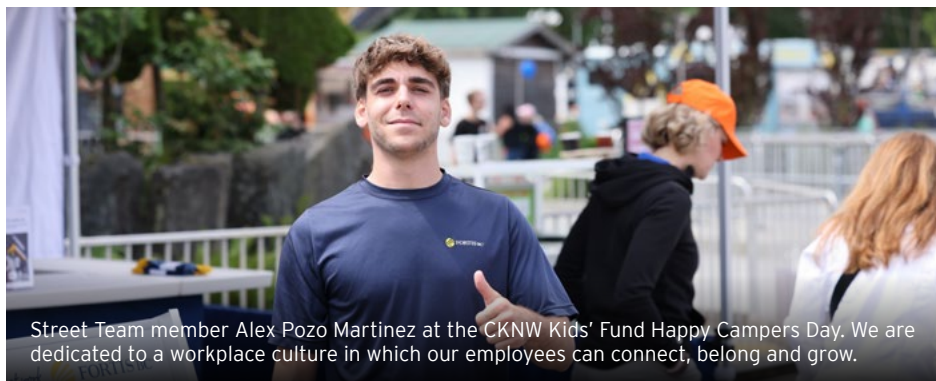
We understand that energy costs are an important consideration for the many households and businesses we serve. We operate as efficiently as possible to help keep rates manageable for customers, utilizing the strengths of our gas and electricity systems. We work closely with municipalities to minimize project costs and disruption to the public, and we seek to create value for our customers through careful planning and budgeting.

- When possible and to help reduce costs for our customers, we purchase natural gas in the summer when prices are lower and store it so it's available to our customers in winter months when they need it. We sell surplus natural gas back to the market to further offset costs and pass those savings on to our customers. On the electricity side, we also displace long-term power purchase agreements and capacity where lower-cost market purchases are available.
- Our contracting approach helps lower costs by enabling us to increase or decrease contracted services when needed.
- Our rates are reviewed by the BCUC to ensure the charges we pass on to our customers appropriately recover the costs of providing safe and reliable energy and making investments in infrastructure to ensure ongoing system integrity and reliability. The rates our customers pay play an important role in covering the ongoing costs associated with building and maintaining our energy systems for the benefit of the homes and businesses we serve.
- We continue to increase investment in DSM programs and support the testing of innovative technologies and systems. Through our DSM programs, we take steps to help customers lower their energy consumption without sacrificing comfort or productivity.
- Our customer service teams provide customers with information on energy-saving tips, answer any billing questions and offer personalized options to help them manage their energy use. Our Equal Payment Plan helps customers avoid seasonal fluctuations and brings greater predictability to their bills.



People and culture

Our more than 2,800 talented, resilient and hardworking employees are the foundation of everything we do at FortisBC. Their skills and dedication support our ability to provide reliable energy to our customers today and in the future. In 2025, we continued to build upon our cultures of safety and belonging in our workplaces. We encourage employees to participate in developing and maintaining operational safety practices, and we invest in empowering our employees to succeed professionally.



Street Team member Alex Pozo Martinez at the CKNW Kids' Fund Happy Campers Day. We are dedicated to a workplace culture in which our employees can connect, belong and grow.

We are proud to be recognized for the third year in a row as one of BC's Top Employers by Mediacorp Canada Inc.



FortisBC was recognized in 2025 as one of BC's Top Employers for the third year in a row.

Culture of belonging

We are dedicated to advancing our culture of belonging, where our employees reflect the diversity of the communities we serve and can connect, belong and grow.

Commitment

Develop and implement an annual action plan to enhance our culture of belonging by fostering a diverse, inclusive, equitable and community-oriented work environment.



Our progress

We developed and implemented our 2025 action plan that focused on strategic efforts across five key areas:

- diversity of our workforce
- equity in employee experience
- inclusive leadership
- well-being in the workforce
- community well-being

Our engagement action plans are developed at the department level, allowing each team to focus on the actions that will have the greatest impact on our people. These plans support our ongoing efforts to elevate engagement across the organization. In 2025, we developed our new intranet, designed through our employee advisory groups. It was developed to enhance collaboration and improve access to information, further supporting our engagement efforts.

In 2025, we exceeded the Indigenous employment and retention targets established through our PAIR certification process. We also offered employees cultural and identity learning sessions on Black History Month, Asian Heritage Month, Pride, National Indigenous History Month, International Women's Day and Latin American Heritage Month, and held discussions on mental health.



In 2025, we raised more than \$100,000 to support the United Way and empowered employees to give back to communities through our employee giving programs.

People development and engagement

Employee engagement and development opportunities are key elements of our culture at FortisBC. In 2025, we continued to strengthen our efforts through programs designed to empower employees and support their development. This includes the Innovation and Sustainability Ambassadors Network that brings together employees across the company to explore creative opportunities for advancing sustainability, engaging participants in challenges focused on our four sustainability areas of focus.



FortisBC employees at the Advancing Leadership Development Program 2025 Cohort Graduates event.

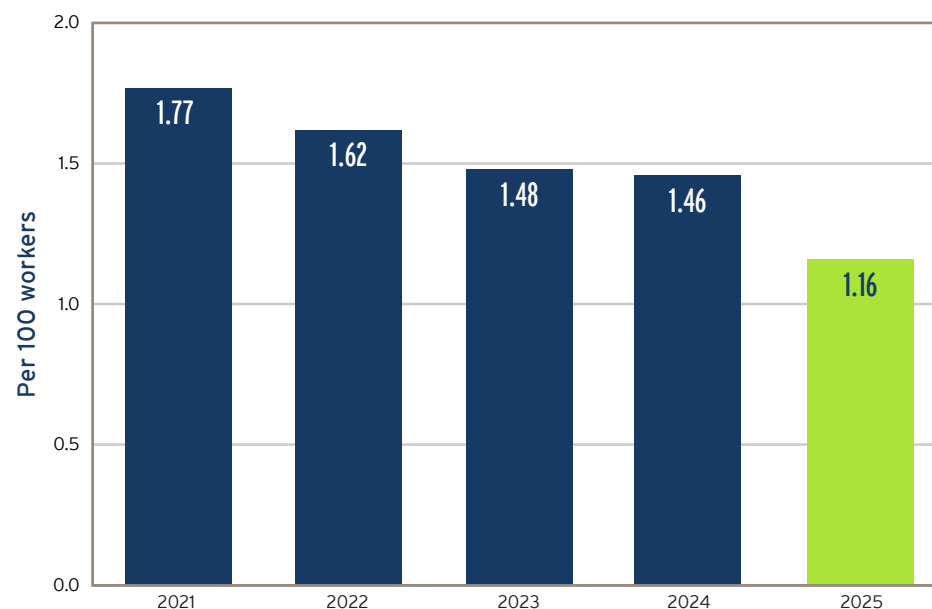
The Advancing Leadership Development Program equips leaders with the skills and knowledge needed to lead effectively and drive positive changes. Over the past three years, 42 per cent of our leaders who completed this program have had career advancements. We also provided approximately \$132,000 in funding to employees through the Education Assistance Program in 2025. As one of our formal employee development training offerings, the program is designed to support employees in developing skills aligned with our business focus areas. The program allows eligible employees to receive up to \$3,000 annually in reimbursements for the approved courses taken outside of work hours, helping them advance their careers while contributing to a highly skilled workforce.

Employee health, safety and well-being

We are committed to maintaining leading health and safety practices for our employees, helping them feel secure and cared for. All FortisBC employees are covered under our safety management system.

FortisBC achieved an all-injury frequency rate (AIFR) of 1.16 in 2025, representing an improvement over the previous year. This outcome reflects strong leadership accountability, active employee participation and the continued maturity of our safety programs. While AIFR is a historical measure, it offers valuable insight that helps guide ongoing improvements in prevention, education, early intervention and recovery at work. Together, these elements support our long-term commitment to reducing risk and help foster a strong safety culture across the organization.

All-injury frequency rate



Embedding safety in every action

In 2025, we launched our Safety by Design program that strengthens our safety culture by:

- proactively reducing risks and hazards
- improving our safety systems
- protecting the well-being of our employees

Building on existing procedures, it emphasizes open communication and continuous learning through four priority areas: mitigation, preparedness, execution and debriefing. Principles of the human and organizational performance philosophy support the foundation of Safety by Design, which seeks to create psychologically safe spaces where people feel empowered to speak up.

We also introduced the Safety Leadership in Action program to various field-based leaders. This program is designed to encourage leaders to demonstrate curiosity and promote proactive safety conversations, in alignment with our safety culture.

Target

Achieve a combined on-time safety improvement rate of 95 per cent annually.



Our performance

FEI and FBC: 96%

In 2025, we exceeded our combined on-time safety improvement rate target, reaching 96 per cent.

This achievement reflects the effectiveness of the programs we launched in 2025 to strengthen our safety culture. It also underscores the importance of maintaining leading health and safety practices and ensuring that every employee feels secure and cared for. Our teams continue to focus on addressing issues promptly and taking preventative action. This focus is key to maintaining strong workplace safety.

FortisBC low carbon transportation and LNG advisor Samantha Leeson performs an LNG safety demonstration for the Volunteer Firefighters' Association of British Columbia.



Wellness network at work

FortisBC's wellness network supports employee well-being through three core areas: healthy habits, physical health and mental wellness. In 2025, we expanded our physical health resources by introducing two innovative applications to support employees in building strength and preventing injuries. One application offers a comprehensive library of exercise, mobility, warm-up and injury-specific programs. The second uses artificial intelligence to create personalized warm-up and rehabilitation routines for employees who participate in our voluntary screening process.



Our approach to reporting

Our sustainability reporting follows Global Reporting Initiative (GRI) standards. We use the Greenhouse Gas Protocol Corporate Accounting and Reporting Standards to calculate GHG emissions.

Sustainability key performance indicators are included in the Appendix and are dated as of December 31, 2025, except as otherwise noted. Please use this document for comparative purposes, as historical data has been updated in some instances. Where data has been updated, it has been noted. This report was published on August 5, 2026.

Data verification and report review

FortisBC has internal quality controls for data collection processes. This report is also reviewed by the FortisBC executive leadership team, the governance and sustainability committee and the board of directors. Reasonable assurance is completed in accordance with the Government of British Columbia's Greenhouse Gas Industrial Reporting and Control Act and is required for FortisBC Energy Inc.'s gas operations (combustion, flaring, venting and fugitive emissions) and FortisBC Inc.'s imported electricity.

Additional FortisBC disclosures

[GRI index](#)

[Engaging with stakeholders and Indigenous communities](#)

[Gas utility management discussion and analysis](#)

[Electricity utility management discussion and analysis](#)

[Gas utility annual information form](#)

[Electricity utility annual information form](#)

Appendix

Key performance indicator summary

Please use this document for comparative purposes as historical data has been updated in some instances.

Energy transition and environment³⁷

Indicator	2025	2024	2023	2022	2021
Emissions (tCO₂e)³⁸					
Scope 1 GHG emissions:³⁹					
from natural gas operations (combustion, flaring, venting, fugitive) ⁴⁰					
combustion and flaring	73,500	59,200	58,400	68,600	76,000
venting and fugitive	74,100	81,800	71,600	113,600	49,300
from third-party gas line damage incidents ⁴¹	11,700	11,300	14,200	23,300	15,000
from RNG processing facilities	600	940	-	-	-
from SF ₆ fugitive emissions	161	221	62	263	99
from owned vehicle emissions ⁴²	7,500	8,100	8,200	8,200	8,200
from natural gas for comfort heating	1,400	1,500	1,600	1,700	1,500
Total Scope 1 GHG emissions	169,000	163,000	154,000	239,000	157,000
Scope 2 GHG emissions⁴³	10,900	10,400	8,800	7,200	6,100
Scope 3 – Category 11 GHG emissions – gas:					
Category 11 – use of sold products (customers)	7,270,000	7,920,000	7,170,000 ⁴⁴	8,060,000	7,700,000
Category 11 – use of sold products (transport customers)	3,370,000	3,020,000	3,400,000	3,550,000	3,800,000
Category 11 – use of sold products (RNG)	1,420	650	749	618	192
Total Scope 3 – Category 11 GHG emissions – gas	10,641,420	10,940,650	10,570,749	11,610,618	11,500,192
Biogenic CO₂ emissions from customer use of RNG (tCO₂)⁴⁵	265,000	121,000	-	-	-

³⁷This summary table reports on sustainability data for FortisBC Energy Inc. (FEI) and FortisBC Inc. (FBC) (FEI and FBC collectively, FortisBC) as of December 31, 2025. The environmental performance data provided in the appendix of this Report is for the four hydroelectric generating plants FortisBC owns and operates and does not include the five plants we operate on behalf of others. ³⁸Scope 1 and 3 GHG emissions are calculated using the Intergovernmental Panel on Climate Change's (IPCC) Fifth Assessment Report (AR5) Global Warming Potential values. Scope 2 GHG emission calculations use approved emission factors as provided by the Province of British Columbia. ³⁹Scope 1 emissions, as defined under the Greenhouse Gas Protocol, are direct emissions from owned or controlled sources. For 2025, this includes externally verified Scope 1 GHG emissions as reported to the BC Ministry of Environment and Parks of 151,000 tCO₂e and 8,200 tCO₂e for FEI and LNG operations, respectively. ⁴⁰Values are calculated using the Intergovernmental Panel on Climate Change's (IPCC) Fifth Assessment Report (AR5) Global Warming Potential values. ⁴¹GHG emissions released from gas line damages caused by parties that are unrelated to FortisBC. ⁴²Fleet emissions are restated following the latest version of the B.C. Best Practices Methodology for Quantifying GHG Emissions issued by the Government of British Columbia. ⁴³Scope 2 emissions, as defined under the Greenhouse Gas Protocol, are indirect emissions from the generation of purchased electricity for own use. Not included are externally verified Scope 3 GHG emissions for FBC as reported to the BC Ministry of Environment and Parks in 2025 of 87,000 tCO₂e. ⁴⁴Values from 2023 and earlier include the use of sold products (RNG). ⁴⁵Biogenic carbon dioxide emissions are not additive to overall GHG emissions per B.C.'s GHG methodology handbook and guidance by the IPCC.

Indicator	2025	2024	2023	2022	2021
FortisBC energy solutions					
LNG fuel provided for use in the transportation sector (PJ)	6.0	2.1	1.5	1.6	1.4
CNG fuel provided for use in the transportation sector (PJ)	1.7	1.6	1.6	1.5	1.3
Reduction in Scope 3 - Category 11 GHG emissions for customers from the use of natural gas designated as RNG in comparison to conventional natural gas (tCO ₂ e) ⁴⁶	265,000	121,000	139,000	115,000	35,800
Customer energy investments and savings					
Expenditure through gas DSM initiatives (\$ millions)	\$247.9	\$158.9	\$124.2	\$108.1	\$106.8
Expenditure through electric DSM initiatives (\$ millions)	\$19.2	\$13.9	\$11.7	\$10.6	\$12.7
Total investment in DSM initiatives (\$ millions)	\$267.1	\$172.8	\$135.9	\$118.7	\$119.5
Energy savings from gas DSM (GJ)	1,360,623	1,604,752	1,420,903	1,169,837	1,142,533
Energy savings from electric DSM (GWh)	49.6	34.1	31.4	35.9	29.7
Total customers' GHG emissions reduction through participation in gas DSM initiatives (tCO ₂ e) ⁴⁷	92,522	109,123	96,621	69,956	68,323
Environmental compliance					
Number of environmental fines and penalties	0	0	0	0	0
Emergency spill response plan	✓	✓	✓	✓	✓
Environmental management programs aligned with ISO 14001	✓	✓	✓	✓	✓
Number of Class 3 spills ⁴⁸ by FortisBC	0	0	0	2	0
Number of Class 3 spills by contractors	0	0	0	2	1
Waste management (in tonnes)					
Total amount of hazardous waste manifested for disposal ⁴⁹	143	130	97	228	56
Total amount of recycled hazardous waste	88	102	140	133	128
Total amount of hazardous waste generated and manifested	231	232	237	361	184

⁴⁶Based on a total supplied volume of RNG of 5.3 PJ. Supplied volumes consist of acquired RNG and RNG from historic inventory. Total acquired RNG volumes in 2025 were 4.2 PJ with a life cycle GHG emissions savings of 292,000 tCO₂e. ⁴⁷As reported to the BCUC. ⁴⁸A Class 3 spill is defined as an event that results in significant damage that includes large spills in waterways, spills that significantly exceed externally reportable thresholds, a regulatory non-compliance investigation by regulator and/or a fire that may cause damage more than \$100,000. ⁴⁹Hazardous waste as reported on the movement document/manifest form that is required for the movement of all hazardous waste by the BC Ministry of Environment and Parks Hazardous Waste Regulation. Majority of the hazardous waste disposed in 2025 can be attributed from day-to-day operations on both electricity and gas utilities.

Indigenous and local communities⁵⁰

Indicator	2025	2024	2023	2022	2021
Economic					
Economic value generated ⁵¹ (\$ millions)	\$2,396	\$2,173	\$2,450	\$2,557	\$2,168
Economic value distributed (\$ millions):					
operating costs	\$273	\$250	\$242	\$231	\$211
employee wages and benefits	\$403	\$365	\$350	\$342	\$346
payments to providers of capital	\$472	\$573	\$496	\$411	\$399
payment to government	\$606	\$677	\$764	\$622	\$485
community investment ⁵²	\$7	\$5.6	\$6.7	\$4.5	\$3.8
Indigenous					
Partnership Accreditation in Indigenous Relations (PAIR) Silver-level Certified ⁵³	✓	✓	✓	✓	✓
Invest 20 per cent of our community investment funding annually in Indigenous community investment initiatives	30.5% (\$329,975)	29% (\$310,000)	-	-	-
Allocate a minimum of five per cent of the total annual contracting expenditures for major projects in the design-execution stage to Indigenous-owned and affiliated businesses (\$ millions)	31.6% (\$253.7)	25% (\$140.7)	-	-	-

⁵⁰This summary table reports on sustainability data for FortisBC Energy Inc. (FEI) and FortisBC Inc. (FBC) (FEI and FBC collectively, FortisBC) as of December 31, 2025. ⁵¹Revenues as reported per external financial statements for FEI and FBC. ⁵²Includes investments into the communities including donations, in-kind contributions and sponsorships. ⁵³FortisBC maintained PAIR Silver-level certification in 2025.

Operational performance and adaptation⁵⁴

Indicator	2025	2024	2023	2022	2021
Gas and electricity transmission and distribution (km)					
Total length of gas transmission and distribution lines	51,870	51,700	51,600	51,200	50,500
Total length of electricity transmission and distribution lines	7,380	7,350	7,300	7,300	7,300
Energy deliveries					
Amount of energy delivered - electricity (GWh)	3,619	3,513	3,478	3,542	3,460
Amount of energy delivered - electricity (PJ)	13.0	12.6	12.5	12.8	12.0
Amount of energy delivered - natural gas (PJ)	217	220	213	231	230
Annual natural gas designated as RNG volume acquired for customers (PJ) ⁵⁵	4.2	2.8	2.8	2.3	0.71
Electricity reliability performance					
System average interruption duration index (SAIDI) ⁵⁶	3.28	2.88	3.04	2.42	4.27
System average interruption frequency index (SAIFI) ⁵⁷	1.54	1.45	1.31	1.52	2.08
Number of confirmed BC Mandatory Reliability Standards violations with penalty (electricity) ⁵⁸	0	0	0	0	0
Gas reliability performance					
Gas line damage incidents by all parties working around the FortisBC gas system (total number)	760	779	844	896	1,034
Number of incidents (gas) with material outcomes, including safety or other consequences and releases of service fluid exceeding established thresholds ⁵⁹	0	1	0	1	0

⁵⁴This summary table reports on sustainability data for FortisBC Energy Inc. (FEI) and FortisBC Inc. (FBC) (FEI and FBC collectively, FortisBC) as of December 31, 2025. ⁵⁵Value 2025 Activity: 4.2 PJ RNG was acquired for customers, 1.42 PJ was sold to the voluntary market, 3.88 PJ was sold through blending, Total 5.3 PJ RNG was sold, total closing inventory at the end of 2025 is 1.80 PJ. ⁵⁶SAIDI depicts the average outage duration for each customer served, indicated in hours per customer. The reported SAIDI value has been normalized with Major Event Day Totals excluded. ⁵⁷SAIFI depicts the average number of interruptions that a customer would experience, indicated in units of interruptions per customer. The reported SAIFI value has been normalized with Major Event Day Totals excluded. ⁵⁸FortisBC did not receive a Notice of Penalty from the BCUC for any BC Mandatory Reliability Standard violations in 2025. ⁵⁹Number of incidents with significant safety, environment or service disruption consequences in accordance with the FEI Integrity Management Policy. Materiality of outcomes is determined in consideration of industry practices, regulatory expectations and company specific measures. FEI references the national consensus standard, CSA Z260 "Pipeline system safety metrics" and ANSI/API RP 754 "Process Safety Performance indicators for the Refining and Petrochemical Industries."

Indicator	2025	2024	2023	2022	2021
Customer safety and satisfaction					
Emergency calls responded to within one hour - gas	96.6%	97.5%	97.5%	97.7%	97.7%
Emergency calls responded to within two hours - electricity	89.3%	89.3%	92.5%	93%	94%
Customers who achieve resolution in one contact with our customer contact centres	76%	80%	77%	77%	79%
Customer satisfaction index - gas ⁶⁰	8.6	8.6	8.5	8.6	8.7
Customer satisfaction index - electricity ⁶¹	8.4	8.4	8.4	8.4	8.4
Number of cybersecurity incidents ⁶²	0	0	0	0	0
Number of emergency exercises ⁶³	26	28	30	26	32
Customer information					
Number of customers - gas	1,104,500	1,098,400	1,086,500	1,075,600	1,064,800
percentage of residential customers	90.7%	90.6%	90.7%	90.7%	90.7%
percentage of commercial customers	9.1%	9.2%	9.1%	9.1%	9.1%
percentage of industrial customers	0.1%	0.1%	0.1%	0.1%	0.1%
percentage of other customers ⁶⁴	0.1%	0.1%	0.1%	0.1%	0.1%
Number of customers - electricity	199,300	195,300	190,600	187,900	184,800
percentage of residential customers	69.3%	69%	68.9%	68.7%	68.5%
percentage of commercial customers (general service/ industrial/wholesale)	8.7%	8.8%	8.9%	9%	9%
percentage of other customers ⁶⁵	22%	22.2%	22.2%	22.3%	22.5%

⁶⁰As reported to the BCUC. ⁶¹As reported to the BCUC. ⁶²A cybersecurity incident is a confirmed event that has a material impact on the confidentiality, integrity or availability of digital systems or data, including service disruption, system compromise or data loss or theft. ⁶³FortisBC defines an emergency exercise as a simulated emergency in which participants carry out roles, actions, functions and responsibilities that would be expected of them in a real emergency. The number of emergency exercises is driven by several factors such as due diligence, business need, regulatory and community request. Annually, more or fewer exercises are not indicative of safety performance. ⁶⁴Gas: other customers include transportation and transportation fixed contracts. ⁶⁵Electricity: other customers include indirect customers and lighting and irrigation customers. Indirect customers are primarily residential and commercial customers who receive service from FBC's direct wholesale customers and for whom we also provide DSM services; namely in the cities of Penticton, Summerland, Grand Forks and Nelson.

People and culture⁶⁶

Indicator	2025	2024	2023	2022	2021
Number					
Total number of employees	2,845	2,743	2,714	2,653	2,631
Demographics					
Employees:					
percentage of male employees	65%	64%	64%	65%	65%
percentage of female employees	35%	36%	36%	35%	35%
percentage of employees under 30	12%	10%	12%	11%	10%
percentage of employees 30-50	61%	61%	60%	59%	58%
percentage of employees over 50	27%	29%	28%	30%	32%
average age of employees	43	43.8	43.6	44.7	44.6
Management: ⁶⁷					
percentage of male management	64%	64%	65%	67%	68%
percentage of female management	36%	36%	35%	33%	32%
percentage of management under 30	1%	1%	1%	2%	2%
percentage of management 30-50	65%	65%	61%	61%	58%
percentage of management over 50	34%	34%	38%	37%	40%
Executives:					
percentage of male executives	60%	60%	60%	60%	67%
percentage of female executives	40%	40%	40%	40%	33%
percentage of executives 30-50	40%	40%	60%	60%	56%
percentage of executives over 50	60%	60%	40%	40%	44%
Board of directors:					
percentage of males on the board of directors	40%	50%	50%	40%	36%
percentage of females on the board of directors	60%	50%	50%	60%	64%
Freedom of association					
Percentage of total workforce - unionized ⁶⁸	59%	60%	61%	63%	62%

⁶⁶This summary table reports on sustainability data for FortisBC Energy Inc. (FEI) and FortisBC Inc. (FBC) (FEI and FBC collectively, FortisBC), and non-regulated FortisBC companies, as of December 31, 2025. ⁶⁷Includes all employees in a leadership role who have direct reports. Excludes: executives, dependent contractors and long-term disability. ⁶⁸Employee covered by a collective agreement between the company and a union. The data includes regulated and non-regulated companies as well as temporary employees. Employees on long-term disability are excluded.

Indicator	2025	2024	2023	2022	2021
Hiring					
Percentage of job vacancies filled by existing employees	49%	57%	52%	57%	56%
Percentage of job vacancies filled by new employees	51%	43%	48%	43%	44%
Turnover and retention					
Voluntary turnover rate ⁶⁹	3.2%	4.5%	4.8%	4.1%	3.0%
Annual retirement rate (as a % of total full-time workforce)	2.4%	2.0%	1.8%	1.8%	2.4%
Average years of employment for full-time employees	11.0	11.0	11.0	11.4	11.7
Benefits					
Percentage of full-time employees who are eligible to receive employee and family assistance	100%	100%	100%	100%	100%
Percentage of employees who have access to Indigenous awareness training	100%	100%	100%	100%	100%
Percentage of management who have access to inclusive leadership training	100%	100%	100%	100%	100%
Remuneration					
Percentage of full-time employees whose basic salary is above the local minimum wage	100%	100%	100%	100%	100%
Labour management relations					
Total number of work stoppages	0	0	0	0	0
Employees, health, safety and wellness					
All injury frequency rate ⁷⁰ (AIFR)	1.16	1.46	1.48	1.62	1.77
Serious injuries and fatalities (SIF)	0	0	0	0	0.09
Discrimination incidents ⁷¹	0	1	1	0	0
Respect in the workplace incidents ⁷²	0	1	1	2	3
Annual on-time safety improvement rate	96%	93%	-	-	-

⁶⁹Voluntary turnover includes an employee who leaves the company voluntarily. Temporary employees and employees on long-term disability are excluded. ⁷⁰AIFR per 100 workers is for a combined gas and electric result (annual). ⁷¹Number reflects the substantiated discrimination and harassment complaints that resulted from a policy breach. Policy includes compliance with all applicable legislation. ⁷²Number reflects the substantiated Respect in the Workplace complaints that resulted from a policy breach. Policy includes compliance with all applicable legislation.

GHG emissions data evaluation criteria

Context

This appendix provides an overview of methodologies applied to disclose GHG emissions for the January 1, 2025, to December 31, 2025, reporting year in accordance with:

- Greenhouse Gas Protocol: A Corporate Accounting and Reporting Standard, Revised Edition, (WBCSD/WRI, 2015) (the “GHG Protocol”)
- GHG Protocol Scope 2 Guidance, an amendment to the GHG Protocol Corporate Standard (the “GHG Scope 2 Guidance”)
- Corporate Value Chain (Scope 3) Accounting and Reporting Standard, Supplement to the GHG Protocol Corporate Accounting and Reporting Standard (the “GHG Scope 3 Guidance”)

Scope and boundaries

FortisBC has selected the financial control approach when consolidating GHG emissions within its organizational boundary, as defined by the GHG Protocol.

FortisBC’s operational boundaries comprise FortisBC Inc. (FBC), a regulated electricity utility, and FortisBC Energy Inc. (FEI), a regulated gas utility. The two companies operate in British Columbia as FortisBC.

FortisBC reports GHG emissions generated from all known material sources associated with its facilities and operations that it exercises financial control over. For sources that can be quantified, FortisBC uses a materiality threshold of five per cent. For sources that cannot be quantified, a qualitative assessment is conducted to estimate the probable magnitude of GHG emissions to determine materiality.

FortisBC includes Scope 1 (direct) GHG emissions, Scope 2 (indirect) GHG emissions from electricity consumption and Scope 3 (other indirect) GHG emissions in the emissions inventory.

FortisBC uses the term lower carbon energy to refer collectively to electricity and the lower carbon gases or fuels that the utility can produce, use and/ or acquire under the [Greenhouse Gas Reduction \(Clean Energy\) Regulation](#) (“Regulation”). The Regulation identifies different sources of electricity and gas that are prescribed based on their feedstock and production processes. FortisBC’s lower carbon energy portfolio includes Renewable Natural Gas (also called “RNG”) and electricity. Other gases and fuels may be added to the portfolio over time. FortisBC’s lower carbon energy portfolio is lower carbon when compared to conventional natural gas.

GHG emissions

FortisBC reports on emissions from CO₂, CH₄, N₂O and SF₆ greenhouse gases. FortisBC has excluded hydrofluorocarbons (HFCs) as the extent of these emissions are limited to building HVAC cooling systems and are immaterial to the inventory. There are no operational activities that result in perfluorocarbons (PFCs).

Global warming potential factors have been sourced from the Intergovernmental Panel on Climate Change (IPCC) Fifth Assessment Report (AR5) and align with Global Warming Potentials (GWPs) associated with U.S. Environmental Protection Agency (EPA), Environment and Climate Change Canada and United Nations Framework Convention on Climate Change (UNFCCC) reporting requirements.

Greenhouse gas	Formula	5 th Assessment
Carbon dioxide	CO ₂	1
Methane	CH ₄	28
Nitrous oxide	N ₂ O	265
Sulphur hexafluoride	SF ₆	23,500

Total Scope 1 GHG emissions (tCO₂e)

Definition

The majority of FortisBC's Scope 1 (direct) emissions occur from stationary combustion of gas-driven compressors used in natural gas operations. Vented, fugitive and flared emissions are also included.

As a regulated utility in British Columbia, operational GHG emissions are reported as part of regulatory reporting following the 2011 Western Climate Initiative (WCI) quantification methods in combination with 2012 and 2013 amendments. As a default, FortisBC applies calculation methodologies, engineering estimates and emission factors specified by regulation and aligned with the GHG Protocol.

In addition to GHG emissions subject to regulatory reporting, FortisBC includes GHG emissions from owned vehicles in Scope 1, RNG processing facilities we own and operate and facility comfort heating.

Units

Metric tonnes of CO₂ equivalent (tCO₂e).

Calculation methodology

Scope 1 GHG emissions are calculated based on activity data (e.g. natural gas consumption data, flaring metered records, system reports and fuel usage) and emission factors sourced from the following:

- 2011 WCI (with 2012 and 2013 amendments)
- equipment manufacturers
- Canadian Energy Partnership for Environmental Innovation (CEPEI), Estimation of Air Emissions from the Canadian Natural Gas Transmission, Storage and Distribution System Methodology Manual
- B.C. Best Practices Methodology for 2020

Total Scope 2 GHG emissions (tCO₂e)

Definition

Scope 2 (indirect) emissions represent a small source of GHG emissions for FortisBC. The majority of these emissions relate to line loss associated with the electricity utility.

The GHG Scope 2 Guidance specifies that Scope 2 emissions should be calculated and reported following the location-based and market-based method if FortisBC has operations in markets providing product or supplier-specific data.

For 2025, FortisBC will only report following the location-based method. This is due to there being no market-based emission factors and no Renewable Energy Certificates (RECs) purchased in the period.

Units

Metric tonnes of CO₂ equivalent (tCO₂e).

Calculation methodology

Scope 2 emissions are calculated based on activity data (e.g. electricity consumption data, invoices, power purchase agreements and bills) and emission factors sourced from the following:

- actual 2025 FortisBC grid factors
- B.C.'s integrated grid electricity GHG emission intensity factor
- Greenhouse Gas Industrial Reporting and Control Act (GGIRCA) Bulletin Energy Factor (EF) of 0.454 (generic US grid factor), which is required for regulatory purposes
- line loss value in accordance with FortisBC's 2020-2024 multi-year rate plan as submitted to the BCUC

Note: the value adopted for the calculation of Scope 2 follows the provincial methodology as required under GGIRCA as well as the B.C. Government's published integrated grid electricity GHG emission intensity factor.

Total Scope 3 GHG emissions (tCO₂e)

Definition

Scope 3 emissions include indirect emissions that are a consequence of FortisBC's activities but occur outside of sources owned and controlled by FortisBC.

FortisBC is in the process of performing a formal evaluation to assess the significance of each Scope 3 emissions category to the total inventory. Currently, FortisBC reports on Category 11: use of sold product only.

Units

Metric tonnes of CO₂ equivalent (tCO₂e).

Calculation methodology - Category 11

Category 11 emissions relate to use of sold products. GHG emissions are calculated using primary activity data obtained based on actual consumption and monthly meter readings.

The emission factors are sourced from WCI. For natural gas designated as RNG, as the CO₂ emissions from customer usage are considered biogenic, only the N₂O and CH₄ emissions from combustion are considered a source of Scope 3 GHG emissions.

Biogenic CO₂ emissions from customer use of natural gas designated as RNG (tCO₂)

Definition

Biogenic CO₂ emissions are emissions related to the natural carbon cycle and are not considered a net contributor to climate change. For FEI, biogenic CO₂ emissions represent GHG emissions from the customer usage of natural gas designated as RNG and are reported separately from Scope 1, 2 and 3 emissions in alignment with the GHG Protocol.

Units

Metric tonnes of CO₂ (tCO₂).

Calculation methodology

Biogenic GHG emissions are calculated using customer use of natural gas designated as RNG and a CO₂ emission factor sourced from WCI.

Environmental benefits

Introduction

This report provides the quantity of LNG and CNG provided to the transportation sector as well as reduction in Scope 3 - Category 11 GHG emissions for customers from the use of natural gas designated as RNG. This section describes the methods FortisBC uses to calculate the reduction in Scope 3 - Category 11 GHG emissions by activity type. Where applicable, FortisBC uses methodologies required by provincial or federal regulations.

Renewable Natural Gas

The reduction in Scope 3 - Category 11 GHG emissions for customers from the use of natural gas designated as RNG in comparison to conventional natural gas is based on the volume of RNG multiplied by the CO₂ emission factor as sourced from the WCI.

Pursuant to Order in Council 302, Section 8.2.2., the carbon intensity of RNG is determined on a supply-specific basis using GHGenius, which is a life cycle analysis model referenced in the Greenhouse Gas Reduction Regulation. The emissions for the assessed product are determined by multiplying the carbon intensities by the volumes of natural gas designated as RNG acquired from specific suppliers. The reference product is determined by using the same corresponding volume multiplied by the life cycle emission factor of natural gas as published in Environment and Climate Change Canada's Clean Fuel Regulation - openLCA library. Life cycle GHG emissions savings associated with total supply is calculated as the differential between the assessed and reference products. This value is published as a footnote in the 2025 Sustainability Report's performance data table.

LNG and CNG fuel provided for use in the transportation sector

Volume of fuel for CNG and LNG provided for use in the transportation sector is measured through a Measurement Canada certified meter. This includes volume measurements for LNG in the marine sector as well as CNG and LNG in the on-road transportation sector.



FortisBC team members along with representatives of Metro Vancouver and the Pembina Institute at Manor House, a 50-unit affordable rental building. FortisBC funded the design and construction of a deep energy retrofit of the premises, aimed at reducing gas use and associated emissions by a minimum of 50 per cent.

Forward-looking information

Certain statements contained in this report contain forward-looking information within the meaning of applicable securities laws in Canada (“forward-looking information”). The purpose of the forward-looking information is to provide management’s expectations regarding results of operations, performance, business prospects and opportunities, and it may not be appropriate for other purposes. All forward-looking information is given pursuant to the safe harbour provisions of applicable Canadian securities legislation.

The forward-looking information in this report includes, but is not limited to, FortisBC’s expectation that DSM initiatives have led to otherwise lower energy consumption and emissions, FortisBC’s expectation to increase the supply of Renewable Natural Gas (RNG) and lower carbon gases in its system, including the expected timeframe and effect of completion of commissioning of the City of Vancouver Biogas Facility and the anticipated effect of acquisitions of RNG from new projects including the anticipated reduction of the capital region’s GHG emissions from the Hartland RNG Facility; FortisBC’s investments in DSM and related energy savings and its plan to invest \$4.9 billion⁷³ in gas and electricity infrastructure from 2026 to 2030 including metering system modernization; innovations and investments in the supply of lower carbon energy including the additional energy supply expected to be provided from the Call for Power Request for Expression of Interest, reliability and integrity projects, efficient gas technologies, lower carbon vehicles and infrastructures, electrification of transportation; use, storage and development of LNG including the expected

additional LNG storage from the Okanagan Capacity Mitigation Project and expected in service date and impact of the new Tilbury Phase 2 LNG expansion project; FortisBC’s relationship with Indigenous Peoples; FortisBC’s intention to maintain and strengthen the diversity of FortisBC’s workforce and FortisBC’s safety practices.

The forward-looking information reflects management’s current beliefs and is based on assumptions developed using information currently available to FortisBC’s management. Although FortisBC believes that the forward-looking statements are based on information and assumptions that are current, reasonable and complete, these statements are necessarily subject to a variety of risks and uncertainties. For additional information on risk factors that have the potential to affect FortisBC, reference should be made to FortisBC’s continuous disclosure materials filed from time to time with Canadian securities regulatory authorities and to the heading “Business Risk Management” in FortisBC’s annual and quarterly management discussion and analysis. Except as required by law, FortisBC undertakes no obligation to revise or update any forward-looking information as a result of new information, future events or otherwise after the date hereof.

All forward-looking information in this report and the information incorporated in this report by reference is qualified in its entirety by this cautionary statement.

⁷³Figures represent the combined five-year capital total in each year’s FEI and FBC five-year business plan.

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Volunteers from FortisBC help out at the Goldstream Food Bank during a Community Giving Day in Langford, B.C. Left to right: food bank volunteers Susan Still and Peter Hawkes; FortisBC president and CEO Roger Dall'Antonia; food bank vice president Walter Dubeau; FortisBC vice president of Indigenous relations and regulatory affairs Doug Slater; and FortisBC community and Indigenous relations liaison Raisa Frenette.