



On July 13, 2022, the Board of Directors of Central Hudson Gas & Electric Corporation (“Central Hudson”) approved the adoption of the Fortis Inc. Insider Trading Policy, as amended through January 1, 2022 (“Policy”) (a copy of the Policy is attached). The Policy shall apply to Central Hudson.

If any director or employee of Central Hudson has any questions about the Policy or would like to request a waiver or exception under the Policy or to provide notice of any trade in compliance with section 5.1(1) of the Policy (relating to the trading of securities), please contact Joseph B. Koczko, General Counsel and Corporate Secretary of Central Hudson (at Joseph.Koczko@ThompsonHine.com; 212.908.3923).



INSIDER TRADING POLICY

January 1, 2022

DO NOT TRADE IN FORTIS SECURITIES WHEN YOU:

- possess Material Information in respect of Fortis which has not been generally disclosed (see Schedule A for examples of potential Material Information);
- are subject to a blackout period under section 7.0; or
- have received notice from the Legal Department that you cannot trade in Fortis securities.

FURTHERMORE, DO NOT TRADE IN SECURITIES OF ANOTHER PUBLIC COMPANY WHEN YOU:

- possess Material Information in respect of that other public company which has not been generally disclosed and you have gained possession of such Material Information through your employment or business or dealings with Fortis; or
- have received notice from the Legal Department that you cannot trade in the securities of that other public company.

Each director, officer, consultant, contractor and employee of Fortis must strictly abide by all applicable laws and this Policy. This Policy is intended to supplement, not replace, applicable securities legislation. Any questions about this Policy or applicable laws should be directed to the Legal Department.

1.0 OBJECTIVE

- 1.1 The objective of this Insider Trading Policy (the "**Policy**") is to foster awareness of, and compliance with, applicable insider trading laws and regulations and to promote honest, ethical and lawful conduct with respect to trading in any securities of Fortis Inc. ("**Fortis**" or the "**Corporation**") by Persons affiliated with Fortis or

any of its Subsidiaries. This Policy applies to any and all transactions in Fortis securities and supplements applicable securities and corporate law requirements.

2.0 APPLICATION OF POLICY

- 2.1 Two components to this Policy apply to any Person affiliated with Fortis or any of its Subsidiaries:
- (1) provisions relating to the trading of Securities, which apply to all Insiders; and
 - (2) provisions relating to the reporting of trades of Securities, which apply only to Reporting Insiders.
- 2.2 Fortis Insiders must comply with the insider trading policy of any Person of which Fortis is an insider in respect of any trading in the securities of such Person. In the absence of a company-specific insider trading policy, Insiders must comply with the provisions of this Policy, with necessary changes as required in the context, in respect of trading in the securities of such Person of which Fortis is an insider. Fortis will from time to time advise Insiders of its relationship as an insider of any Person.

3.0 DEFINITIONS

- 3.1 "**Board**" means the Fortis board of directors.
- 3.2 "**Business Day**" means any day other than a Saturday, Sunday or statutory or civic holiday on which banks are required or permitted to be closed in St. John's, Newfoundland and Labrador.
- 3.3 "**CFO**" means the Executive Vice President, Chief Financial Officer of Fortis.
- 3.4 "**CLO**" means the Executive Vice President, Chief Legal Officer and Corporate Secretary of Fortis.
- 3.5 "**Family Member**" means, in relation to an Insider or Reporting Insider, any spouse, relative or other individual who is ordinarily resident in the same household as such Insider or Reporting Insider, or any other relative in respect of whom such Insider or Reporting Insider exercises direct or indirect control or direction over the trading in Securities.

- 3.6 **"generally disclosed"** means that (i) the information has been disseminated in a manner calculated to effectively reach the marketplace; and (ii) public investors have been given a reasonable amount of time to analyze the information.
- 3.7 **"Insider"** means:
- (a) every Fortis director and officer;
 - (b) every director and officer of an entity that is a Subsidiary or an insider of Fortis;
 - (c) any Person that, directly or indirectly, (i) beneficially owns Securities, (ii) exercises control or direction over Securities, or (iii) both beneficially owns and exercises control or direction over Securities, which in any of the foregoing circumstances carry more than 10% of the voting rights attached to all outstanding Securities;
 - (d) Fortis, if it has purchased, redeemed or otherwise acquired any Securities, for so long as it holds such Securities; and
 - (e) every employee, consultant or contractor of Fortis or any of its Subsidiaries that is designated as an Insider from time to time by the Legal Department.
- 3.8 **"Insider Trading Report"** means (i) an initial report disclosing any direct or indirect beneficial ownership of, or control or direction over, Securities and any interest in, or right or obligation associated with, Related Financial Instruments, and (ii) a report of any acquisition, disposition or change in beneficial ownership of, or control or direction over, Securities or any change in an interest in, or right or obligation associated with, Related Financial Instruments required to be filed by a Reporting Insider through SEDI in accordance with National Instrument 55-102 under applicable securities laws.
- 3.9 **"Legal Department"** means, collectively, the CLO, the Vice President, General Counsel of Fortis and such other individuals as may be designated members of the Legal Department by the CLO from time to time, or any of them, as the context requires.
- 3.10 **"Major Subsidiary"** means a Subsidiary of Fortis if:
- (a) the assets of the Subsidiary, on a consolidated basis with its Subsidiaries, as included in the most recent annual audited balance sheet of Fortis, are 30%

or more of the consolidated assets of Fortis as reported on that balance sheet;
or

- (b) the revenue of the Subsidiary, on a consolidated basis with its Subsidiaries, as included in the most recent annual audited income statement of Fortis, is 30% or more of the consolidated revenues of Fortis as reported on that income statement.

3.11 "**Material Information**" means information relating to the business and affairs of Fortis (or another public company when the term is used in relation to that other public company) that results in, or would reasonably be expected to result in, a significant change in the market price or value of any Securities (or such other public company's securities), and includes any information that a reasonable investor would consider important in making an investment decision. Examples of Material Information are set forth at Schedule A.

3.12 "**necessary course of business**" means communications that are reasonably necessary or required in connection with business activities and may include communications to one or more of the following: (i) vendors, suppliers or strategic partners; (ii) other employees, officers and directors of Fortis or its Subsidiaries; (iii) lenders, legal counsel, underwriters, auditors, consultants and financial and other professional advisors; (iv) parties to negotiations; (v) labour unions and industry associations; (vi) government, governmental agencies and non-governmental regulators; (vii) credit rating agencies; and (viii) parties to a private placement.

3.13 "**Person**" includes any individual, body corporate, partnership, association, trust and any other form of entity or organization, and a trustee, executor, administrator or legal representative of an individual.

3.14 "**Related Financial Instrument**" means an agreement, arrangement or understanding to which an Insider is a party, the effect of which is to alter, directly or indirectly, the Insider's economic interest in a Security or economic exposure to Fortis, including, but not limited to, deferred share units under the Directors' Deferred Share Unit Plan, performance share units under the 2015 Performance Share Unit Plan and restricted share units under the 2015 Restricted Share Unit Plan and 2020 Restricted Share Unit Plan.

3.15 "**Reporting Insider**" means:

- (a) every director and officer of Fortis;

- (b) every director, the chief executive officer and the chief financial officer of a Major Subsidiary; and
 - (c) any other Insider designated from time to time as a Reporting Insider by the Legal Department, on the basis that such Insider:
 - (i) in the ordinary course of business receives or has access to Material Information concerning Fortis before such Material Information is generally disclosed; and
 - (ii) directly or indirectly exercises, or has the ability to exercise, significant power or influence over the business, operations, capital or development of Fortis.
- 3.16 "**Securities**" means any class or series of common or preferred shares, options, warrants, subscription receipts, debentures, notes and any other type of securities that may be issued by Fortis.
- 3.17 "**Securities Act**" means the *Securities Act* (Ontario).
- 3.18 "**SEDI**" means the online computer system providing for the transmission, receipt, review and dissemination of insider reports and related information filed electronically and known as the System for Electronic Disclosure by Insiders as operated by the Canadian Securities Administrators in accordance with National Instrument 55-102.
- 3.19 "**special relationship**", when used in reference to Fortis, is defined in the Securities Act, section 76(5), and includes:
- (a) Insiders;
 - (b) affiliates and associates of Fortis;
 - (c) insiders, affiliates or associates of any Person that is considering or evaluating whether, or proposing to make a take-over bid for Fortis;
 - (d) insiders, affiliates or associates of a Person that is considering or evaluating whether, or proposing to become a party to a reorganization, amalgamation, merger or arrangement or similar business combination with Fortis or to acquire a substantial portion of its property;
 - (e) tippees; and

(f) every Person (and its directors, officers and employees) that is engaging, or is considering or evaluating whether to engage, or that proposes to engage in any business or professional activity with or on behalf of Fortis or with or on behalf of a Person who proposes to make a take-over bid for Fortis or become a party to a business combination with Fortis or acquire a substantial portion of its property.

3.20 "**Subsidiary or Subsidiaries**" means a body corporate which is a direct or indirect subsidiary of Fortis. For purposes of this Policy, a body corporate shall be deemed to be a subsidiary of another body corporate if:

- (a) it is controlled by:
 - (i) that other body corporate;
 - (ii) that other body corporate and one or more bodies corporate each of which is controlled by that other body corporate; or
 - (iii) two or more bodies corporate each of which is controlled by that other body corporate; or
- (b) it is a subsidiary of a body corporate that is a subsidiary of that other body corporate; and
- (c) for purposes of this definition, "body corporate" may mean a corporation, partnership, joint venture or similar entity which may exercise control and over which control may be exercised.

3.21 "**tippee**" is defined in section 6.1 of this Policy.

3.22 "**tipping**" is defined in section 6.1 of this Policy.

3.23 "**Trading Day**" means a day on which the Toronto Stock Exchange, New York Stock Exchange or any stock exchange on which any Securities are listed, is open for trading.

4.0 CORPORATE POLICY

4.1 Canadian and United States securities laws prohibit "insider trading" and impose restrictions on trading in Securities while in possession of Material Information that has not been generally disclosed. It is the policy of Fortis to maintain the highest standards with respect to trading of Securities by its directors, officers and employees. Such trading must comply with the insider trading requirements of applicable securities legislation, the Toronto Stock Exchange, the New York Stock Exchange and any other stock exchange on which any Securities are listed. The

rules set out in this Policy are intended to prevent Persons in possession of, or who have knowledge of, Material Information not generally disclosed to the public, from taking advantage of such information (whether intentionally or otherwise) through trading in Securities. This Policy is also intended to ensure the directors, officers and employees of Fortis and its Subsidiaries act, and are perceived to act, in accordance with applicable laws and the highest standards of ethical and professional behaviour.

- 4.2 The Board believes it is in the best interest of Fortis that directors, officers and employees hold Securities, and acknowledges that these Persons should be entitled to trade in the Securities. This Policy is not intended to provide an exhaustive analysis of insider trading rules, but rather to provide guidance to reduce the possibility of illegal or inappropriate use of Material Information that has not been generally disclosed. The onus to know and comply with this Policy and insider trading and other securities legislation lies with each individual director, officer and employee of Fortis and its Subsidiaries. A director, officer or employee who violates this Policy may face disciplinary action up to and including termination. If Fortis discovers that a director, officer or employee has violated securities laws, it may refer the matter to the appropriate regulatory authorities.

5.0 TRADING IN SECURITIES

- 5.1 Securities Act prohibitions against insider trading apply to Persons that are in a "special relationship" with Fortis. Generally, no Insider or Family Member of an Insider shall trade in Securities if such trade:
- (a) is made without prior discussion with and pre-clearance from the CLO or the CFO;
 - (b) relates to the making of a short-term investment (less than six months) or otherwise speculating in the Securities;
 - (c) is made with knowledge of any Material Information that has not been generally disclosed;
 - (d) is made when all material facts relating to the Corporation's business and affairs have not been fully disclosed, including any trade made in contravention of the blackout period prohibitions under section 7.0;
 - (e) involves selling, directly or indirectly, Securities that such Person does not own (*i.e.*, short selling);

- (f) involves trading in "puts", "calls" or other hedging or derivative transactions with respect to the Securities; or
- (g) involves any Person to whom this Policy applies, acting alone or together with any other Person or company, directly or indirectly engaging in any activity:
 - (i) that is or appears to be contrary to the Corporation's interests or its ongoing success;
 - (ii) that creates or may create a false or misleading appearance of trading activity in the Securities;
 - (iii) that has a direct or indirect effect of setting an artificial price for the Securities; or
 - (iv) that otherwise interferes with the free determination by the market of the market price for the Securities.

5.2 Notwithstanding sections 5.1(c) and 5.1(d) and section 6.1, but subject to section 5.1(a), an Insider will generally be permitted to exercise options to purchase Securities provided that the Insider does not trade in the underlying Securities acquired upon the exercise of such options. Any such subsequent trade in the underlying Securities shall, for greater certainty, constitute a distinct trade that is in all respects subject to this Policy.

5.3 An Insider may not hold Securities in a margin account or pledge Securities as collateral because a margin or foreclosure sale may occur when such Insider is aware of Material Information that has not been generally disclosed or otherwise prohibited from trading in Securities.

5.4 No Person may trade in securities of another public company when such Person (i) is in possession of Material Information in respect of such public company that has not been generally disclosed and where such Person has gained possession of such Material information through such Person's employment or business dealings with Fortis, or (ii) has received notice from the Legal Department that such Person cannot trade in the securities of such public company.

6.0 TIPPING

6.1 A Person in a special relationship with Fortis is prohibited from informing another Person (other than in the necessary course of business) of Material Information before it has been generally disclosed (generally known as "**tipping**"). A Person

(a "tippee") who learns of Material Information that has not been generally disclosed from any other Person in a special relationship with Fortis, including another tippee, and who knows or ought reasonably to have known that the other Person was in a special relationship with Fortis, is also prohibited from purchasing or selling Securities or from informing another Person of the Material Information that has not been generally disclosed.

- 6.2 Securities laws also prohibit a company or any Person in a special relationship with Fortis from recommending or encouraging another Person, other than in the necessary course of business, to trade in the Securities of Fortis with knowledge of Material Information that has not been generally disclosed.
- 6.3 Under the Corporation's *Disclosure Policy*, disclosure of non-public Material Information, even in the necessary course of business, will be permitted only in limited circumstances, including to parties with a signed confidentiality agreement with Fortis or parties subject to professional conduct obligations of confidentiality such as lawyers, accountants, credit rating agencies and regulators.
- 6.4 No Person may (other than in the necessary course of business) inform another Person of Material Information regarding another public company that has not been generally disclosed, or recommend or encourage another Person to trade in securities of such public company with knowledge of Material Information regarding such public company that has not been generally disclosed, where such Person has obtained such Material Information through such Person's employment or business dealings with Fortis.

7.0 BLACKOUT PERIODS

- 7.1 Insiders and Family Members of Insiders must refrain from trading in Securities:
 - (a) during the period commencing on the first day of the month following the end of a quarter (other than the fourth quarter) and ending two (2) Trading Days following the announcement by Fortis of quarterly earnings;
 - (b) during the period commencing on January 15th of each year and ending two (2) Trading Days following the announcement by Fortis of annual earnings; and
 - (c) during the period identified in any notice issued to Insiders by the Legal Department implementing a blackout period.
- 7.2 Acquisition of Securities or Related Financial Instruments through automatic reinvestment of dividends or notional dividends in accordance with the Dividend

Reinvestment and Share Purchase Plan, the Employee Share Purchase Plan, the Directors' Deferred Share Unit Plan, the 2015 Performance Share Unit Plan, the 2015 Restricted Share Unit Plan, the 2020 Restricted Share Unit Plan or any successor, replacement or similar plan are not subject to the provisions of section 7.1. Optional cash investments under such plans, however, will only be exempted from the provisions of section 7.1 if a clear purchase pattern has been established or subscriptions are submitted well in advance of share purchase dates, and if such option cash investments are pre-cleared by the CLO or CFO under section 5.1(a).

- 7.3 Any Person who has ceased to be an Insider by reason of the termination of his or her relationship with Fortis or any Subsidiary must continue to comply with this Policy, including the obligation to pre-clear any trade and observe the blackout periods herein prescribed, until such time as any Material Information in such Person's possession that was not generally disclosed on the date of such termination has been generally disclosed or is no longer Material Information and, in any event, for a period of thirty (30) calendar days from the date of such termination.

8.0 INSIDER REPORTING REQUIREMENTS

- 8.1 Each Reporting Insider is required to file an Insider Trading Report within the following time periods, or such earlier period as may be prescribed by securities legislation:
- (a) within ten (10) calendar days following the date of becoming a Reporting Insider disclosing any direct or indirect beneficial ownership of, or control or direction over, Securities and any interest in, or right or obligation associated with, Related Financial Instruments;
 - (b) within five (5) calendar days following the date of any acquisition, disposition or change in beneficial ownership of, or control or direction over, Securities or any change in an interest in, or right or obligation associated with, Related Financial Instruments; and
 - (c) within five (5) calendar days following the grant, exercise, or expiration of any option to acquire Securities or Related Financial Instruments.
- 8.2 Compliance with applicable insider trading reporting obligations requires the Reporting Insider to report (i) all Securities over which the Person directly or indirectly (A) has beneficial ownership or (B) exercises control or direction and (ii) all Related Financial Instruments in which the Person has an interest, right or obligation. Each Reporting Insider must be diligent in ensuring that all such Securities or Related Financial Instruments are reported, including Securities or Related Financial Instruments that may be held through:

- (a) a broker or intermediary;
- (b) a corporation, trust or other entity that is controlled by the Reporting Insider or a Family Member of the Reporting Insider;
- (c) a Family Member of the Reporting Insider; or
- (d) an investment club, company or partnership over which the Reporting Insider exercises investment control.

This is not an exhaustive list and if any Reporting Insider has any doubt regarding whether Securities or Related Financial Instruments should be included in an Insider Trading Report, they should contact the Legal Department or the Corporate Secretary of the applicable Subsidiary.

- 8.3 Insider Trading Reports must be filed through SEDI either directly by the Reporting Insider or with the assistance of the Legal Department or the Corporate Secretary of the applicable Subsidiary and in every case each of whom nevertheless must be advised of any Insider Trading Report filed directly by a Reporting Insider.
- 8.4 A Reporting Insider may elect to avail of the reporting exemptions set out in Part 5 of National Instrument 55-104 in respect of (i) Securities acquired through re-investment of dividends in accordance with the Dividend Reinvestment and Share Purchase Plan (as operated by Fortis but not a third party) or the Employee Share Purchase Plan, or (ii) Related Financial Instruments acquired as dividend equivalent payments under the Directors' Deferred Share Unit Plan, performance share units under the 2015 Performance Share Unit Plan, restricted share units under the 2015 Restricted Share Unit Plan or 2020 Restricted Share Unit Plan, or other qualifying plan, to report such acquisitions of Securities or Related Financial Instruments, as applicable, on or before March 31 of the subsequent calendar year.
- 8.5 If Fortis, at its sole discretion, elects to file an issuer grant report in respect of a grant of Securities or Related Financial Instruments, a Reporting Insider, upon being notified of such a grant, may elect to avail of the reporting exemptions set out in Part 6 of National Instrument 55-104 in respect of Securities granted under a compensation arrangement (as operated by Fortis but not a third party) or Related Financial Instruments granted under the Directors' Deferred Share Unit Plan, the 2015 Performance Share Unit Plan, the 2015 Restricted Share Unit Plan or 2020 Restricted Share Unit Plan, or other qualifying plan, to report such acquisitions of Securities or Related Financial Instruments, as applicable, on or before March 31 of the subsequent calendar year.

9.0 RESPONSIBILITY

- 9.1 Substantial criminal and civil sanctions exist for violations of insider trading laws. Insiders are responsible for compliance with applicable corporate and securities laws, and for timely filing of Insider Trading Reports. Failure to comply with insider trading laws and/or this Policy may also result in disciplinary action up to and including termination for cause. Any questions or concerns regarding this Policy or insider trading generally should be directed to the Legal Department or to the Corporate Secretary of the applicable Subsidiary.

10.0 WAIVER

- 10.1 Notwithstanding any of the prohibitions contained in sections 5.0 and 7.0, the CLO may exercise discretion to waive such prohibitions in exceptional circumstances, and on such terms as the CLO considers appropriate, provided that the Person seeking the waiver is not in possession of any Material Information that has not been generally disclosed and that making such an exception would not violate any securities or corporate laws. The CLO will report any such waivers to the Board at the next regularly scheduled Board meeting.

11.0 CERTIFICATE OF COMPLIANCE

- 11.1 Upon implementing any amendment to, or replacement of, this Policy, each Insider will be given a copy of the Policy and shall promptly complete and return to the Legal Department (or to the Corporate Secretary of the applicable Subsidiary, as applicable), a Certificate of Compliance in the form attached as Schedule B.

12.0 CONTACTING THE LEGAL DEPARTMENT

- 12.1 Questions about this Policy, as well as requests for waivers or exceptions, and requests for pre-clearance of proposed trades under section 5.1(a), are to be directed to the Legal Department:

Legal Department
Fortis Place, Suite 1100, 5 Springdale Street
P.O. Box 8837
St. John's, NL A1B 3T2
T: 709.737.2800
F: 709.737.5307
E-mail: jreid@fortisinc.com

13.0 EFFECTIVE DATE

13.1 This Policy, as amended and restated, is dated and effective as of January 1, 2022.

14.0 POLICY REVIEW

14.1 The Board's Governance and Sustainability Committee shall periodically review, and approve all amendments to, this Policy.

SCHEDULE A

Material Information

Examples of Material Information include:

- (a) annual or quarterly financial results;
- (b) significant shifts in operating or financial circumstances such as major write-offs, changes in earnings projections, the entering into of a significant new contract or the loss of a significant contract;
- (c) significant changes in management;
- (d) significant litigation;
- (e) a major labour dispute or a dispute with a major contractor or supplier;
- (f) the commencement of, or developments in, material regulatory matters;
- (g) waivers of corporate ethics and conduct rules for officers, directors and other key employees;
- (h) a change in capital investment plans or corporate objectives;
- (i) significant changes in the value or composition of the Corporation's assets;
- (j) any change in accounting policies which is expected to have a material impact on the Corporation;
- (k) any notice that reliance on a prior audit is no longer permissible;
- (l) any development that affects the Corporation's resources, technology, products or markets;
- (m) a change in capital structure, including the public or private sale of securities of Fortis, planned repurchases or redemptions or share consolidations, share exchanges or stock dividends;
- (n) changes in the Corporation's dividend payments or policies;
- (o) borrowing of a significant amount of funds;
- (p) a major corporate acquisition or disposition, including any take-over bid;

- (q) changes in corporate structure or ownership of securities that affect control of the Corporation;
- (r) an event of default under a financing or other agreement;
- (s) de-listing of any securities of the Corporation or their movement from one quotation system or exchange to another;
- (t) changes in credit ratings; and
- (u) significant new credit arrangements.

This list is not intended to be exhaustive. Other information may also constitute Material Information.

SCHEDULE B
Certificate of Compliance

I _____ hereby certify that I have read,
(Print name)
understand and will comply with the terms of the Fortis Inc. Insider Trading Policy dated January 1, 2022.

Date:

Signature:

Title:

If you have any questions about this Policy, please contact the Legal Department:

Legal Department
Fortis Place, Suite 1100, 5 Springdale Street
P.O. Box 8837
St. John's, NL A1B 3T2
T: 709.737.2800
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