

ELECTRIFYING COMMUNITIES TODAY.
BUILDING A BRIGHTER TOMORROW.



MESSAGE FROM THE CHAIR OF THE BOARD, AND PRESIDENT AND CHIEF EXECUTIVE OFFICER

We're pleased to present Toronto Hydro's 2024 Annual Report: *Electrifying Communities Today. Building a Brighter Tomorrow.* This year's theme reflects our refreshed corporate purpose — one that builds on the work we've been doing to serve the evolving needs and priorities of our customers and our city. In 2024, that meant continuing to power Toronto safely and reliably while strategically preparing for the future.

This past year, we successfully completed our 2020–2024 investment plan, delivering the largest capital program in our company's history by investing \$882.4 million primarily to renew and modernize the grid. We achieved this while maintaining our portion of the electricity bill below 2019 levels for residential customers and delivering dividends that support the City's ability to invest in services Torontonians rely on.

As we prepare to power a growing and increasingly electrified city for years to come, we were proud to receive approval from the Ontario Energy Board on the settlement agreement for our 2025–2029 rate application and investment plan. This approval followed a nearly year-long public review process and reflected broad support for our plan from customers and intervenors. Our plan will enable investments of \$5.1 billion in expanding, modernizing

and sustaining the foundations of a safe, clean and reliable grid to serve the current and future electricity needs of Toronto.

As our role in powering Toronto grows and evolves, so too does our commitment to our customers and city. In 2024, we strengthened our ability to deliver on that commitment by securing a \$300 million equity investment from the City of Toronto over the next 10 years, starting in 2025. This change will support Toronto Hydro's long-term financial stability, optimize the returns on equity to the City, strengthen our ability to invest in the grid, and help us deliver on our Climate Action Plan to support the City's net-zero vision.

These strategic initiatives also strengthen our ability to meet evolving customer needs, a focus that continued to guide our work in 2024. This past year, we continued to provide safe and reliable service and strong grid stewardship — outperforming our ten-year averages for both the average frequency and duration of customer outages caused by equipment failure. We also delivered power to customers when they needed it, completing more than 5,400 new service connections throughout the year and delivering more than 99 per cent of them on time. To further improve the customer experience, we introduced new digital tools and services, including a revamped outage map and a new online service connections hub.



We know that meeting evolving customer needs includes helping customers on their climate action journeys — from decarbonizing their homes and businesses to adopting clean-energy solutions for their day-to-day lives. Supporting this evolution is a key tenet of our Climate Action Plan, and we continued to expand and enhance our climate advisory offerings for customers in 2024. We actively engaged with our community, providing education on electric vehicles (EVs), home electrification and other climate action initiatives, and introduced products and services ready for market. For more on how we've turned our climate mandate into action, read our Climate Action: 2024 Year-End Status Report.

We're also proud to support the City's TransformTO Net Zero Strategy and play an active role enabling electrification across the city. In 2024, we continued to make progress towards achieving net-zero Scope 1 emissions in our operations, surpassing internal targets for building emissions and fleet electrification. To enable broader electrification, we delivered more than 30 service connections and infrastructure relocations to support transit expansion and electrification, and supported the

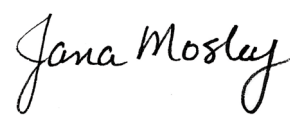


Brian Topp
Chair, Board of Directors

Toronto Parking Authority with the installation of on-street EV charging stations across the city. We also updated our residential construction standards to better accommodate multiplex developments and help support increased housing capacity in the city.

Through all the vital work underway across our organization, safety remains the foundation of everything we do. While we made continued progress in 2024, a tragic loss of an employee in 2025 has reminded us that our work is never done. We remain deeply committed to advancing our safety culture — reinforcing safe work practices, striving for continuous improvement, and protecting our employees, our partners and our community.

We're proud of what we accomplished together in 2024 and we're grateful to our employees for their continued professionalism and commitment. As we look ahead to 2025 — our first full year as Board Chair and as President and CEO — we're excited to put our refreshed corporate purpose into action and continue delivering meaningful value to our customers, our shareholder and the city we serve.



Jana Mosley
President and Chief Executive Officer



COMPANY OVERVIEW

Toronto Hydro Corporation (the Corporation) is a holding company which wholly owns two subsidiaries: Toronto Hydro-Electric System Limited, which distributes electricity, and Toronto Hydro Energy Services Inc., which provides streetlighting and expressway lighting services in the city of Toronto (collectively, “Toronto Hydro”). The Corporation supervises the operations of, and provides corporate, management services and strategic direction to, its subsidiaries. The City of Toronto is the sole shareholder of the Corporation.

Toronto Hydro-Electric System Limited (THESL)

The principal business of Toronto Hydro is the distribution of electricity to the community and businesses within its service territory. THESL owns and operates \$7.1 billion of capital assets comprised primarily of an electricity distribution system that delivers electricity to approximately 796,000 customers (both residential and commercial) in Toronto.

Toronto Hydro Energy Services Inc. (TH Energy)

TH Energy provides streetlighting and expressway lighting services in the city of Toronto. It owns and operates \$69.5 million of capital assets and has an agreement with the City of Toronto to provide streetlighting system maintenance and capital improvement services within the city. TH Energy sub-contracts streetlighting services to THESL.

To learn more about Toronto Hydro, including our leadership, governance practices and sustainability commitments, visit torontohydro.com/about-us.

OUR ROLE IN THE ELECTRICITY SYSTEM

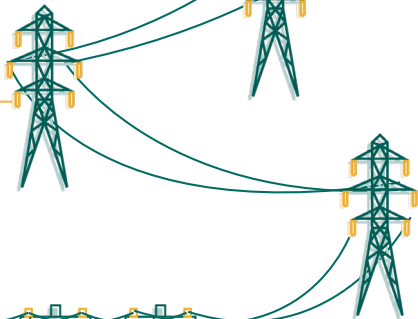
Generation

ONTARIO
POWER
GENERATION



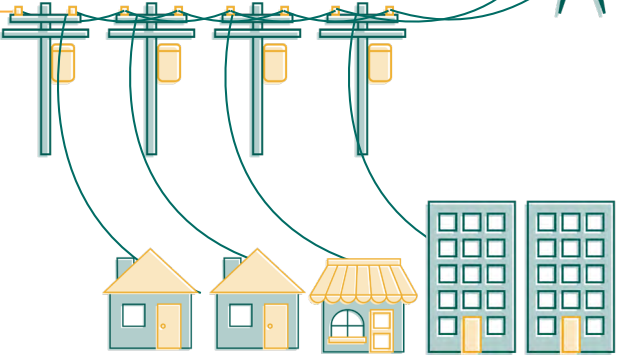
Transmission

hydro
one



Distribution

TORONTO
HYDRO



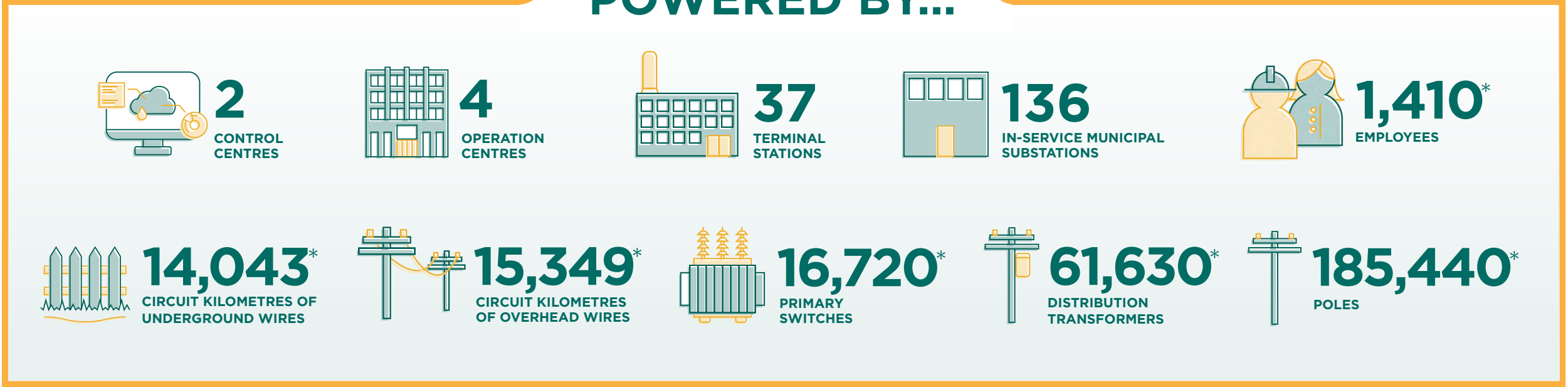
Customers Residential, Industrial, Commercial

KEY FACTS AND FIGURES

POWERING...



POWERED BY...











*Figures are approximate.

OUR PURPOSE

In 2024, Toronto Hydro initiated the groundwork for a comprehensive strategy refresh that will guide our organizational direction starting in 2025. This strategic overhaul aligns with our new purpose statement: ***Electrifying Communities Today. Building a Brighter Tomorrow.***

STRATEGIC PILLARS

Operational Excellence	Responsible Growth	Enable the Future
<div><p>Safety First Advance a proactive safety culture through investment in human and organizational performance.</p></div> <div><p>Sustainable & Reliable Grid Consistently provide a reliable and secure grid through advanced system planning, asset management, information technology, cybersecurity and environmental stewardship.</p></div> <div><p>Customer Experience Customers are at the centre of everything we do, and we continually meet their needs through listening and action.</p></div> <div><p>Financial Performance Maximize shareholder value through prudent regulatory outcomes and fair returns, strategic capital investments, continuous productivity improvements and cost management.</p></div>	<div><p>Grid Investment Develop the electricity grid to enable economic growth, customer connections and City infrastructure through enhanced planning, non-wires solutions and stakeholder input.</p></div> <div><p>Electrification Grid Readiness Be a partner of choice for customers, the City and government by modernizing the grid and maximizing the value it provides through advanced technology and grid operations.</p></div>	<div><p>Climate Action & Energy Efficiency Be a trusted partner with the City, customers, cleantech companies, governments and other stakeholders to help remove barriers and enable electrification of transportation and buildings, promote energy efficiency and build the grid necessary to support decarbonization.</p></div> <div><p>Empower Customers Develop customer products and solutions to enable distributed energy resources and energy conservation management, and maximize customer value from Toronto Hydro.</p></div>

OPERATIONAL PERFORMANCE

We're focused on delivering safe, reliable and efficient service while preparing for the city's growing and evolving electricity needs. In 2024, we continued to maintain strong reliability and performance while laying the foundation for continued operational excellence for years to come.

2024 HIGHLIGHTS

- **Successfully completed our 2020-2024 investment plan and received regulator approval for our next five-year plan**
- **More than 99% of new service connections completed on time**

OUR ACHIEVEMENTS

Investing in our grid and operations

- In 2024, we successfully completed the final year of our 2020-2024 investment plan, delivering the largest capital investment program in our history (\$882.4 million). Our five-year plan was focused primarily on investments in grid safety and reliability, supporting our growing city, enabling clean energy, and preparing for and responding to extreme weather.
- Following a comprehensive public review process, we received approval from the Ontario Energy Board for our 2025-2029 electricity distribution rate application and investment plan. Our plan will enable approximately \$5.1 billion of investments in expanding, modernizing and sustaining the foundations of a safe, clean and reliable grid to serve the current and future electricity needs of Toronto.

ONTARIO ENERGY BOARD
APPROVED **TORONTO HYDRO'S**
PLAN TO INVEST APPROXIMATELY

\$5.1
BILLION



IN OUR GRID AND OPERATIONS
OVER THE NEXT FIVE YEARS





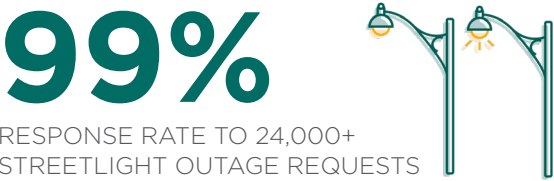
Operational performance and reliability

- Safety is not just a priority, but a core value embedded in our culture. In 2024, we achieved a Total Recordable Injury Frequency (TRIF) rate of 0.48, which was 69% better than the 2023 Electricity Canada composite average.¹ We were also proud to be recognized with Electricity Canada’s President’s Award for Safety Excellence (Distribution), a reflection of our employees’ hard work and dedication to keeping our communities powered safely.
- We continued to deliver strong reliability for our customers, outperforming our 10-year averages with respect to the average duration and frequency of outages caused by defective equipment
- We also met our accuracy and timeliness target for estimated times of restoration for power outages 97% of the time, helping customers and stakeholders stay informed with timely, accurate updates during outages
- We connected more than 5,400 new services to the grid in 2024 and completed more than 99% of these connections on time — demonstrating our commitment to enabling city growth and providing timely service for our customers

¹TRIF, which is sometimes termed “total recordable injury rate” or simply “total recordable rate,” is the ratio of injuries of a certain severity (termed “recordable injuries”) to hours worked. Toronto Hydro’s 2024 result was compared to the latest available composite average for Electricity Canada member utilities (2023).

Grid modernization and electrification

- As we prepare for a future where electricity becomes the primary energy source for many, we’re investing in grid modernization to improve reliability and resiliency, efficiently accommodate and manage an expected influx of distributed energy resources (DERs) and enable electrification. In 2024, we continued to pursue system observability and automation projects, while also expanding the capabilities of our Energy Centre to better monitor and manage DERs (like solar and storage systems) connected to our grid.
- Our demand response pilot in Etobicoke is exploring how demand-side resources can support both the local grid and the provincial bulk-power system. In 2024, five demand response events were completed — including two coordinated events initiated by the Independent Electricity System Operator — providing valuable insight into how we can work with customers to meet peak demand without the need for new infrastructure.
- As part of our commitment to supporting transit electrification across the city, we provided more than 30 safe and timely service connections and infrastructure relocations throughout the year. This work is essential for enabling electrified transit in Toronto, including light rail transit, priority subway lines and the GO Expansion program.

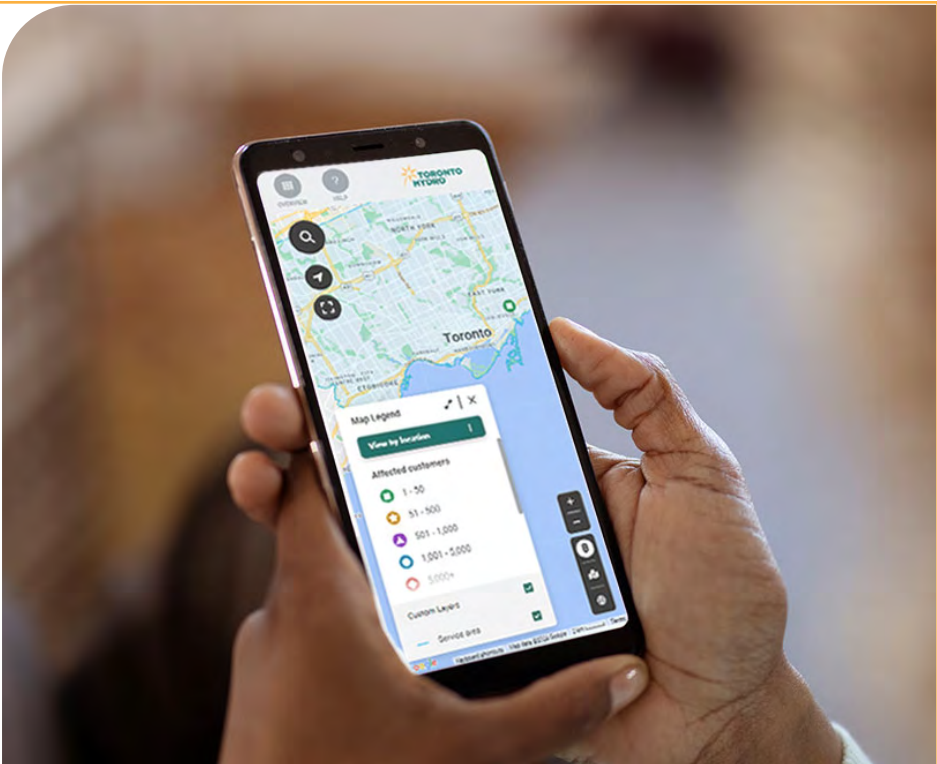


CUSTOMER EXPERIENCE

We know the way customers interact with their utility is evolving, and we’re committed to keeping pace — making it faster, easier and more convenient to connect with us. In 2024, we introduced even more enhanced digital services, upgraded customer systems, and delivered tools and programs to better support and engage the customers we serve.

2024 HIGHLIGHTS

- **Launched new outage map and online service connections hub for customers**
- **Completed a major upgrade to our Customer Care and Billing System**



OUR ACHIEVEMENTS

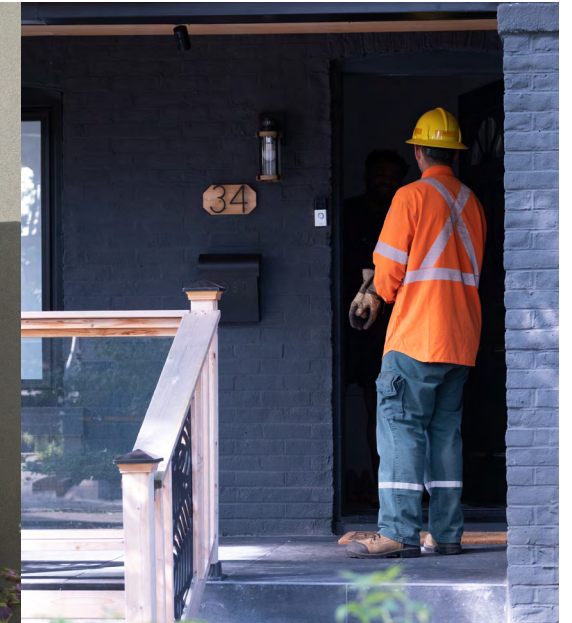
Enhanced digital tools

- We launched a new-and-improved outage map to help customers find outage updates quickly and easily. The new outage map allows customers to view outages by location or city ward, search for outages by address or geolocation, explore different map styles and more.
- Our new online outage hub brought together all of our outage tools and emergency preparedness resources in one place — making it easier and more convenient for customers to stay safe and informed during outages
- We also launched a new online service connections hub for customers looking to start, change, enhance, repair or disconnect their electricity services — offering customers, contractors and customer representatives a faster and more personalized experience when making service connection requests

Advancing customer systems

- We completed a major upgrade to our Customer Care and Billing System, ensuring that we can continue to deliver a top-tier customer experience while enhancing operational efficiency
- As part of our investments in building a more intelligent and resilient grid, we began a five-year project to replace residential and small business customer meters with next-generation meters. The project will allow us to replace aging meters in a planned and scheduled manner while benefitting from advancements in metering technology





Engaging and empowering customers

- We recruited a new class of participants for our Customer Advisory Panel — a forum that puts customers at the heart of our decision-making. Panelists will share insights and feedback on a variety of Toronto Hydro programs and services, helping ensure that we’re keeping up with customer needs and expectations.
- As part of our commitment to offering customers a variety of ways to interact with us, we continued to provide a range of online engagement options such as our mobile app, online chat tools, interactive maps, and sustainability and efficiency tools
- We also continued to drive increased customer and public safety awareness through education campaigns about electrical safety, fraud prevention and emergency preparedness

92% 

OF **CUSTOMER INQUIRIES** RESOLVED ON FIRST CONTACT

Billing support

- Saving energy and money is important to our customers, which is why we continued to promote tips and programs that help them lower costs, reduce energy use and improve home comfort
- We also worked directly with customers to provide flexible payment options and additional support through various financial assistance programs — including the Ontario Electricity Support Program, the Low-income Energy Assistance Program and the Emergency Energy Fund — while continuing to raise awareness of these programs among our customers

50,000

INDIVIDUAL CUSTOMERS SUPPORTED THROUGH **ASSISTANCE PROGRAMS**

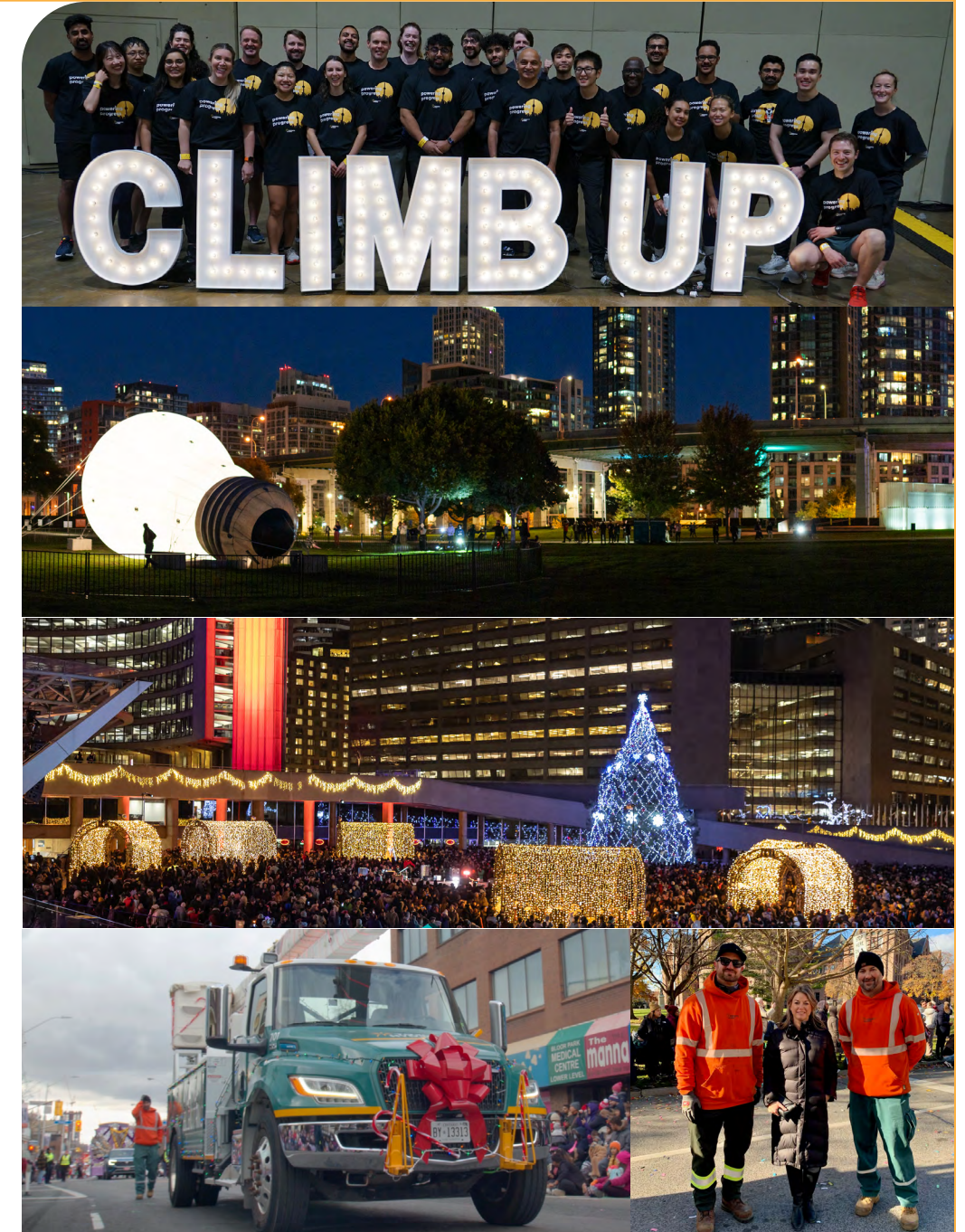


SUPPORTING OUR COMMUNITY

People are at the heart of what we do, and Toronto Hydro is proud to support a number of initiatives in our community.

2024 HIGHLIGHTS

- We raised **over \$200,000** for the **United Way** and its partner agencies through our annual employee campaign
- Building on our previous fundraising efforts for **Sunnybrook's Ross Tilley Burn Centre**, we established and raised **over \$725,000** for a dedicated **Toronto Hydro Fund for Regenerative Medicine for Burn Care**. The fund will help support efforts to advance life-saving burn care for patients suffering from electrical injuries and other burns.
- We welcomed the first graduates from **George Brown College's Electromechanical Engineering Technology — Power and Control program** (developed in collaboration with Toronto Hydro) to start their careers with us. The Power and Control program provides students with a blend of theoretical and practical electrical engineering knowledge.
- Continued to work with the **Centre for Urban Energy at Toronto Metropolitan University** exploring innovative ways to manage the energy transition and develop solutions needed to meet Toronto's future electricity needs
- Continued to support a number of local organizations and community events, including: **Cavalcade of Lights**, **Nuit Blanche**, the **Santa Clause Parade**, the **Eco Fun Fair**, **Cycle Toronto**, **MaRS Climate Impact** and the **Green Will Initiative**



CLIMATE ACTION AND SUSTAINABILITY

We're proud to play an important role in supporting the City of Toronto's net-zero vision and promoting a sustainable future for Toronto. In 2024, we continued to drive climate action and electrification, reduce emissions from our vehicles and buildings, and enhance the resiliency of our grid and operations.

2024 HIGHLIGHTS

- **Achieved our 2023–2025 key performance indicators for electric vehicle (EV) chargers, heat pump, and solar and storage installations**
- **41% reduction in Scope 1 emissions compared to baseline year (2019)**

OUR ACHIEVEMENTS

Supporting a net-zero future

- Since receiving a mandate for expanded climate action from Toronto City Council in 2022, we've been focused on turning that mandate into action — making progress on our climate action commitments (see Figure 1 for details) and supporting residents and businesses on their climate action journeys. In 2024, we engaged customers of all sizes across multiple channels to remove barriers to decarbonization, continued to build a strong cleantech network, and introduced new programs and products ready for

- market (including our heat pump calculator and Cleantech Services Network). To learn more about how we're delivering on our Climate Action Plan, read our 2024 Climate Action Year-End Status Report.
- To demonstrate progress on our Climate Action Plan, Toronto Hydro set targets for EV chargers, heat pumps, and behind-the-meter solar and battery storage to be achieved by 2040, with 2025 milestones. By the end of 2024, we were on track to exceed our 2025 targets.



Figure 1: Progress on our climate action commitments

TECHNOLOGY	2023–2025 TARGET	ACTUALS AS OF Y/E 2024	2040 TARGET
EV chargers (units)	5,500	10,353	50,000
Air-source heat pumps (units)	80	299	60,000
Solar & storage connections (MW)	13	19.6	300

Decarbonizing our operations

- In alignment with the City's TransformTO Net Zero Strategy, we continued to make progress towards achieving net-zero Scope 1 emissions and minimizing Scope 2 emissions through direct action and supporting decarbonization in our operations by 2040. In 2024, this included surpassing internal targets for building emissions reduction and fleet electrification.
- After becoming one of the first utilities in Ontario to add a fully electric bucket truck to our fleet in 2023, we successfully integrated the truck into our field operations following rigorous testing. This was an important step in our efforts to decarbonize our fleet, 29% of which is now made up of fully electric or hybrid electric vehicles.

Enabling clean-energy connections

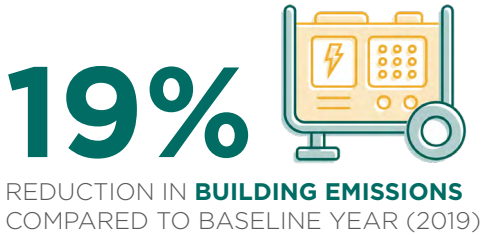
- After removing solar and storage size restrictions for most customers in 2023, we continued with our efforts to accelerate the adoption of renewables and storage in 2024. This included meeting the Ontario Energy Board's Preliminary Consultation Report timeline for solar connections more than 99% of the time and increasing connected solar capacity by 62% compared to 2023.
- We continued to help enable the electrification of transportation, including by supporting the Toronto Parking Authority in the installation of 50 on-street EV charging stations on our distribution poles
- As part of our commitment to supporting the City of Toronto's affordable housing initiatives and meeting evolving community needs, we updated our residential construction standards to better accommodate multiplex housing connections while addressing technical challenges related to electrification

Environmental and social responsibility

- We completed an external audit and were certified to stringent, internationally recognized standards for environmental management (ISO 14001:2015) and occupational health and safety management (ISO 45001:2018) for the 12th consecutive year
- In recognition of our dedication to sustainability, safety and leadership, we ranked second among electricity transmission and distribution utilities and 11th overall on Corporate Knights' annual ranking of the Best 50 Corporate Citizens in Canada

Emergency and grid resilience

- With severe weather events such as flooding, high winds and freezing rain becoming more frequent, it's important that we have a robust adaptation strategy in place. To improve resiliency against major disruptions for vulnerable parts of our system, our 2025–2029 plan includes investments in targeted undergrounding of equipment in vulnerable areas and enhanced configuration options for our downtown network (which services critical customers such as major hospitals and financial institutions).
- We responded effectively to a number of large disruptions and one major event that required emergency response in 2024. In July, we declared an emergency to respond to a loss of supply caused by severe flooding, working closely with Hydro One and the City of Toronto to coordinate response and ultimately restore power to the approximately 165,000 customers impacted.



To learn more about our sustainability performance, read our **2024 Environmental, Social and Governance (ESG) Report**.

FINANCIAL PERFORMANCE

In 2024, we delivered another year of strong financial performance, continuing to provide meaningful value to our customers and shareholder.

2024 HIGHLIGHTS

- The Corporation **continued to invest in expanding, modernizing and sustaining the grid and its operations** to meet the current and future needs of its customers, and to prepare the grid and its operations to serve the city’s growth and net-zero objectives
- Net income** after net movements in regulatory balances for the year ended December 31, 2024 was **\$130.3 million**, compared to \$139.9 million for the comparable period in 2023
- Capital expenditures** were primarily related to the renewal of the electricity infrastructure of THESL, and were **\$882.4 million** for the year ended December 31, 2024, compared to \$755.0 million for the comparable period in 2023
- The Corporation delivered **dividends of \$83.9 million** to its sole shareholder, the City of Toronto



Selected annual consolidated financial information (in millions of Canadian dollars)¹

YEAR ENDED DECEMBER 31	2024 \$	2023 \$
Revenue	3,980.0	3,645.5
Net income after net movements in regulatory balances	130.3	139.9
AS AT DECEMBER 31		
Total assets and regulatory balances	8,134.8	7,594.5
Total debentures and other non-current financial liabilities ²	3,239.9	2,982.6
Total equity	2,200.0	2,103.6
Dividends	83.9	98.3

¹Derived from Toronto Hydro’s consolidated financial statements based on extracts of selected information only and do not represent the full set of consolidated financial statements.

²Total debentures include current and long-term debentures. Other non-current financial liabilities primarily include non-current customer deposits.

FINANCIAL PERFORMANCE

Consolidated statements of income — year ended December 31 (in millions of Canadian dollars)

REVENUES	2024 \$	2023 \$	CHANGE \$	CHANGE %
Energy sales	2,923.3	2,687.3	236.0	8.8%
Distribution revenue	937.8	839.5	98.3	11.7%
Other	118.9	118.7	0.2	0.2%
	3,980.0	3,645.5	334.5	9.2%
EXPENSES				
Energy purchases	3,005.6	2,735.7	269.9	9.9%
Operating expenses	378.5	352.2	26.3	7.5%
Depreciation and amortization	299.7	283.3	16.4	5.8%
	3,683.8	3,371.2	312.6	9.3%
Finance costs	(137.8)	(121.5)	(16.3)	13.4%
Other gains	—	36.3	(36.3)	(100.0)%
Income before income taxes	158.4	189.1	(30.7)	(16.2)%
Income tax expense	(18.6)	(37.7)	19.1	(50.7)%
Net income	139.8	151.4	(11.6)	(7.7)%
Net movements in regulatory balances	(33.6)	(42.3)	8.7	(20.6)%
Net movements in regulatory balances arising from deferred taxes	24.1	30.8	(6.7)	(21.8)%
Net income after net movements in regulatory balances	130.3	139.9	(9.6)	(6.9)%



Additional information with respect to the Corporation (including its 2024 Annual Information Form and 2024 Fourth Quarter Financial Report) is available at torontohydro.com/reports.

FORWARD-LOOKING INFORMATION

Certain information included in this report constitutes “forward-looking information” within the meaning of applicable securities legislation. All information, other than statements of historical fact, which address activities, events or developments that we expect or anticipate may or will occur in the future, are forward-looking information. The words “anticipates,” “believes,” “budgets,” “can,” “committed,” “continues,” “could,” “estimates,” “expects,” “focus,” “forecasts,” “further notice,” “future,” “impact,” “increasingly,” “intends,” “may,” “objective,” “once,” “outlook,” “plans,” “prepare,” “propose,” “projects,” “will,” or the negative or other variations of these words or other comparable words or phrases, are intended to identify forward-looking information, although not all forward-looking information contains these identifying words.

The purpose of the forward-looking information (including any financial outlook) contained herein is to provide Toronto Hydro’s current expectations regarding its future results of operations, performance, business prospects and opportunities, and readers are cautioned that such information may not be appropriate for other purposes. All forward-looking information is given pursuant to the “safe harbour” provisions of applicable Canadian securities legislation.

Specific forward-looking information in this report includes, but is not limited to, statements relating to:

- the impact on Toronto Hydro’s operating results and financial position in the future due to uncertain economic factors, including macroeconomic factors and local market forces such as indeterminate levels of customer consumption;
- the impact on Toronto Hydro’s financial health and performance due to changes in economic, policy, customer preference or technological conditions that may reduce the demand for distribution-grid electricity; and
- Toronto Hydro’s potential role in facilitating decarbonization and actively contributing to the reduction of greenhouse gas emissions in Toronto.

The forward-looking information reflects Toronto Hydro’s current beliefs and is based on information currently available to Toronto Hydro. The forward-looking information is based on estimates and assumptions made by Toronto Hydro’s management in light of past experience and perception of historical trends, current conditions and expected future developments, as well as other factors that management believes to be reasonable in the circumstances, including, but not limited to: the amount of indebtedness of Toronto Hydro; the future course of the economy and financial markets; no unforeseen changes in electricity distribution rate orders or rate-setting methodologies; and assumptions regarding general business and economic conditions.

Forward-looking information is subject to risks, uncertainties and other factors that could cause actual results to differ materially from historical results or results anticipated by the forward-looking information. The factors which could cause results or events to differ from current expectations include, but are not limited to:

- risks associated with the execution of Toronto Hydro’s capital and maintenance programs necessary to maintain the performance of aging distribution assets and make required infrastructure improvements, including to deliver a modernized grid and meet electrification requirements to achieve government net-zero greenhouse gas emissions targets;
- risks associated with capital projects;
- risks associated with electricity industry regulatory developments and other governmental policy changes, including factors relating to Toronto Hydro’s distribution activities and to climate change;
- risks associated with increased competition from regulated and unregulated entities;
- risks associated with information system security and with maintaining complex information technology (IT) systems;
- risks associated with maintaining the security of Toronto Hydro’s information assets, including but not limited to the collection, use and disclosure of personal information;

- risks associated with the failure or breach of critical IT systems and applications;
- risk of external threats to Toronto Hydro's facilities and operations posed by unexpected weather conditions caused by climate change and other factors;
- risks associated with changing weather patterns due to climate change and resultant impacts to electricity consumption based on historical seasonal trends;
- risks associated with terrorism and pandemics, and Toronto Hydro's limited insurance coverage for losses resulting from these events;
- risk to Toronto Hydro's employees or the general public of serious/fatal injuries and illnesses relating to or impacting upon Toronto Hydro's activities;
- risks of municipal government activity, including the risk that the City could introduce rules, policies or directives, including those relating to net-zero greenhouse gas emissions targets, that could potentially limit Toronto Hydro's ability to meet its business objectives as laid out in its Shareholder Direction principles;
- risks related to the available labour markets and the changing expectations of potential employees, and Toronto Hydro's potential inability to attract, train and retain skilled employees;
- risks associated with Toronto Hydro's reliance on third-party contractors for various critical services, including being unable to retain the necessary qualified external contracting forces relating to its capital, maintenance and reactive infrastructure programs;
- risk that Toronto Hydro is not able to arrange sufficient and cost-effective debt financing to repay maturing debt and to fund capital expenditures and other obligations;
- risk that Toronto Hydro is unable to maintain its financial health and performance at acceptable levels;
- risk that insufficient debt or equity financing will be available to meet the Corporation's requirements, objectives or strategic opportunities;
- risk of downgrades to the Corporation's credit rating;
- risks related to the timing and extent of changes in prevailing interest rates and discount rates and their effect on future revenue requirements and future post-employment benefit obligations;

- risks arising from inflation, the course of the economy and other general macroeconomic factors;
- risk associated with the impairment to Toronto Hydro's image in the community, public confidence or brand;
- risk associated with customer operations, including Toronto Hydro's ability to effectively meet the evolving needs and expectations of customers and a growing city;
- risk associated with Toronto Hydro failing to meet its material compliance obligations under legal and regulatory instruments; and
- risk that the presence or release of hazardous or harmful substances could lead to claims by third parties and/or governmental orders.

Toronto Hydro cautions the reader that the above list of factors is not exhaustive, and there may be other factors that cause actual events or results to differ materially from those described in forward-looking information. Some of the other factors are discussed more fully under the section "Risk Management and Risk Factors" in Toronto Hydro's Management's Discussion and Analysis for the year ended December 31, 2024, filed on SEDAR+ and available on Toronto Hydro's website.

All forward-looking information in this document is qualified by the above cautionary statements. Furthermore, unless otherwise stated, all forward-looking information contained herein is made as of the date hereof, and Toronto Hydro undertakes no obligation to revise or update any forward-looking information as a result of new information, future events or otherwise, except as required by law.

