

No securities regulatory authority has expressed an opinion about these securities and it is an offence to claim otherwise.

This prospectus supplement (the “**Prospectus Supplement**”), together with the accompanying short form base shelf prospectus dated March 12, 2021 (the “**Prospectus**”) to which it relates, and each document incorporated by reference into this Prospectus Supplement and in the Prospectus, constitutes a public offering of these securities only in those jurisdictions where they may be lawfully offered for sale and therein only by persons permitted to sell such securities. The securities offered hereby have not been and will not be registered under the United States Securities Act of 1933, as amended (the “**U.S. Securities Act**”), or any state securities laws. Accordingly, the securities offered hereby may not be offered or sold in the United States of America or to or for the account or benefit of U.S. persons (within the meaning of Regulation S under the U.S. Securities Act) except pursuant to an available exemption from the registration requirements of the U.S. Securities Act and applicable state securities laws. This Prospectus Supplement does not constitute an offer to sell or a solicitation of an offer to buy any of the securities offered hereby within the United States or to or for the account or benefit of U.S. persons. See “Plan of Distribution”.

*Information has been incorporated by reference in this Prospectus Supplement and the accompanying Prospectus from documents filed with securities commissions or similar authorities in Canada. Copies of the documents incorporated herein by reference may be obtained on request without charge from the Corporate Secretary of Emera Incorporated, 5151 Terminal Road, Halifax, Nova Scotia, B3J 1A1 (telephone: 902-428-6520) and are also available electronically at [www.sedar.com](http://www.sedar.com).*

## PROSPECTUS SUPPLEMENT

*To the Short Form Base Shelf Prospectus dated March 12, 2021*

New Issue

September 17, 2021



### EMERA INCORPORATED

**\$225,000,000**

### **9,000,000 Cumulative Redeemable First Preferred Shares, Series L**

The holders of Cumulative Redeemable First Preferred Shares, Series L (the “**Series L Shares**”) of Emera Incorporated (“**Emera**” or the “**Company**”) will be entitled to receive fixed cumulative preferential cash dividends, payable quarterly on the fifteenth (15th) day of February, May, August and November in each year, or if such day is not a business day, on the next business day, as and when declared by the board of directors of the Company (the “**Board of Directors**”). The initial dividend, if declared, will be payable on November 15, 2021 and will be \$0.1638 per share, based on the anticipated closing date of September 24, 2021. Thereafter, quarterly dividends will be at a rate of \$0.2875 per share. See “Details of the Offering”.

The Series L Shares will not be redeemable by the Company prior to November 15, 2026. Subject to the provisions described below under “Details of the Offering – Restrictions on Dividends and Retirement of Shares”, on or after November 15, 2026 the Company may redeem all or any part of the then outstanding Series L Shares, at the Company’s option without the consent of the holder, by the payment of: \$26.00 per share if redeemed before November 15, 2027; \$25.75 per share if redeemed on or after November 15, 2027 but before November 15, 2028; \$25.50 per share if redeemed on or after November 15, 2028 but before November 15, 2029; \$25.25 per share if redeemed on or after November 15, 2029 but before November 15, 2030; and \$25.00 per share if redeemed on or

after November 15, 2030, together, in each case, with all accrued and unpaid dividends up to but excluding the date fixed for redemption. See “Details of the Offering”.

The Series L Shares do not have a fixed maturity date and are not redeemable at the option of the holders of Series L Shares. See “Risk Factors”.

**There is currently no market through which the Series L Shares may be sold and purchasers may not be able to resell Series L Shares purchased or acquired under this Prospectus Supplement. This may affect the pricing of the Series L Shares in the secondary market, the transparency and availability of trading prices, the liquidity of the Series L Shares and the extent of issuer regulation. See “Risk Factors”.**

The Toronto Stock Exchange (the “TSX”) has conditionally approved the listing of the Series L Shares distributed under this Prospectus Supplement. Listing of the Series L Shares will be subject to the Company fulfilling all of the listing requirements of the TSX on or before December 14, 2021.

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**PRICE: \$25.00 per Series L Share to yield 4.60% per annum**

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TD Securities Inc., CIBC World Markets Inc., RBC Dominion Securities Inc., Scotia Capital Inc., BMO Nesbitt Burns Inc., and National Bank Financial Inc. (collectively, the “Underwriters”), as principals, conditionally offer the Series L Shares, subject to prior sale if, as and when issued by the Company and accepted by the Underwriters in accordance with the conditions contained in the Underwriting Agreement referred to under “Plan of Distribution” and subject to the approval of certain legal matters on behalf of the Company by Stephen D. Aftanas, its Corporate Secretary, and Osler, Hoskin & Harcourt LLP, and on behalf of the Underwriters by Stikeman Elliott LLP.

	<b>Price to the Public</b>	<b>Underwriters’ Fee<sup>(1)</sup></b>	<b>Net Proceeds to the Company<sup>(2)</sup></b>
Per Series L Shares . . . . .	\$25.00	\$0.75	\$24.25
Total . . . . .	\$225,000,000	\$6,750,000	\$218,250,000

- (1) The Underwriters’ fee is \$0.25 for each share sold to certain institutions and \$0.75 for all other shares sold. The totals set forth in the table above represent the Underwriters’ fees and net proceeds assuming no shares are sold to such institutions.
- (2) Before deduction of expenses of the offering, estimated at \$350,000 which, together with the Underwriters’ fees, are payable by the Company.

**Each of TD Securities Inc., CIBC World Markets Inc., RBC Dominion Securities Inc., Scotia Capital Inc., BMO Nesbitt Burns Inc., and National Bank Financial Inc. is an affiliate of a financial institution that has, either solely or as a member of a syndicate of financial institutions, extended credit facilities to, or holds other indebtedness of, the Company and/or its subsidiaries. Consequently, Emera may be considered to be a connected issuer of the Underwriters for purposes of applicable Canadian securities legislation. See “Plan of Distribution” and “Use of Proceeds”.**

Subject to applicable laws, the Underwriters may, in connection with the offering, over-allot or effect transactions which stabilize or maintain the market price of the Series L Shares at levels other than those which may prevail on the open market. Such transactions, if commenced, may be discontinued at any time. Under certain circumstances, the Underwriters may decrease the price at which the Series L Shares are distributed for cash from the initial offering price of \$25.00 per share. See “Plan of Distribution”.

Investing in the Series L Shares involves certain risks. See “Risk Factors” in the accompanying Prospectus and in this Prospectus Supplement.

Subscriptions will be received subject to rejection or allotment in whole or in part and the right is reserved to close the subscription books at any time without notice. The Series L Shares will be issued in “book entry only” form and will be deposited with CDS Clearing and Depository Services Inc. (“CDS”) on closing of this offering, which is expected to be on or about September 24, 2021. A purchaser of Series L Shares will receive only a customer

confirmation from the registered dealer who is a CDS participant and from or through whom the Series L Shares are purchased and shall not have the right to receive physical certificates evidencing their ownership of the Series L Shares. See “Depository Services”.

The head and registered office of the Company is located at 5151 Terminal Road, Halifax, Nova Scotia B3J 1A1.

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## **IMPORTANT NOTICE ABOUT INFORMATION IN THIS PROSPECTUS SUPPLEMENT AND THE ACCOMPANYING PROSPECTUS**

This document is in two parts. The first part is this Prospectus Supplement, which describes the specific terms of the Series L Shares and also adds to and updates certain information contained in the Prospectus and the documents incorporated by reference therein. The second part, the Prospectus, gives more general information, some of which may not apply to the Series L Shares offered hereunder.

**Purchasers should rely only on the information contained in or incorporated by reference into this Prospectus Supplement and the Prospectus. The Company has not authorized any other person to provide purchasers with additional or different information. If anyone provides purchasers with different or inconsistent information, purchasers should not rely on it. The Company and the Underwriters are offering to sell, and seeking offers to buy, these securities only in jurisdictions where offers and sales are permitted. Purchasers should assume that the information appearing in this Prospectus Supplement and the Prospectus, as well as information the Company has previously filed with the securities regulatory authority in each of the provinces of Canada that is incorporated herein and in the Prospectus by reference, is accurate as of their respective dates only. The Company's business, financial condition, results of operations and prospects may have changed since those dates.**

### **CAUTIONARY NOTE REGARDING FORWARD-LOOKING INFORMATION**

This Prospectus Supplement and the Prospectus, including the documents incorporated therein by reference, contains forward-looking information and statements within the meaning of applicable securities laws. The words “anticipates”, “believes”, “budgets”, “could”, “estimates”, “expects”, “forecasts”, “intends”, “may”, “might”, “plans”, “projects”, “schedule”, “should”, “targets”, “will”, “would” and similar expressions are often intended to identify forward-looking information, although not all forward-looking information contains these identifying words.

The forward-looking information in this Prospectus Supplement and the Prospectus, including the documents incorporated herein and therein by reference, includes statements which reflect the current view of Emera's management with respect to Emera's objectives, plans, financial and operating performance, carbon dioxide emissions reduction goals, business prospects and opportunities. The forward-looking information reflects management's current beliefs and is based on information currently available to Emera's management and should not be read as guarantees of future events, performance or results, and will not necessarily be accurate indications of whether, or the time at which, such events, performance or results will be achieved. All such forward-looking information is provided pursuant to safe harbour provisions contained in applicable securities legislation.

The forward-looking information in this Prospectus Supplement and the Prospectus, including the documents incorporated herein by reference, includes, but is not limited to, statements regarding: Emera's revenue, earnings and cash flow; the growth and diversification of Emera's business and earnings base; future annual net income and dividend growth; expansion of Emera's business; potential future impacts of the COVID-19 pandemic on Emera's business; the expected compliance by Emera with the regulation of its operations; the expected timing of regulatory decisions; forecasted capital investment; the nature, timing and costs associated with certain capital projects; the expected impact on Emera of challenges in the global economy; estimated energy consumption rates; expectations related to annual operating cash flows; the expectation that Emera will continue to have reasonable access to capital in the near to medium term; expected debt maturities, repayments and renewals; expectations about increases in interest expense and/or fees associated with debt securities and credit facilities; no material adverse credit rating actions expected in the near term; the successful development of relationships with various stakeholders; the impact of currency fluctuations; expected changes in electricity rates; and the impacts of planned investment by the industry of gas transportation infrastructure within the United States.

The forecasts and projections that make up the forward-looking information are based on reasonable assumptions which include, but are not limited to: the receipt of applicable regulatory approvals and requested rate decisions; no significant operational disruptions or environmental liability due to a catastrophic event or environmental upset caused by severe weather or global climate change, other acts of nature or other major events;

seasonal weather patterns remaining stable; no significant cyber or physical attacks or disruptions to Emera's systems; the continued ability to maintain transmission and distribution systems to ensure their continued performance; continued investment in solar, wind and hydro generation; continued natural gas activity; no severe and/or prolonged downturn in economic conditions; sufficient liquidity and capital resources; the continued ability to hedge exposures to fluctuations in interest rates, foreign exchange rates and commodity prices; no significant variability in interest rates; expectations regarding the nature, timing and costs of capital investment of Emera and its subsidiaries; expectations regarding rate base growth; the continued competitiveness of electricity pricing when compared with other alternative sources of energy; the continued availability of commodity supply; the absence of significant changes in government energy plans and environmental laws and regulations that may materially affect Emera's operations and cash flows; maintenance of adequate insurance coverage; the ability to obtain and maintain licenses and permits; no material decrease in market energy sales prices; favourable labour relations; sufficient human resources to deliver service and execute the capital investment plan; government orders relating to the COVID-19 pandemic and the duration for which people will work from home; Emera's expectations regarding the impact of the COVID-19 pandemic and government measures to contain it, including the impact of COVID-19 on Emera's operations, liquidity, financial condition or results.

The 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. Factors which could cause results or events to differ from current expectations include, but are not limited to: regulatory risk; operating and maintenance risks; changes in economic conditions, commodity price and availability risk; liquidity and capital market risk; future dividend growth; timing and costs associated with certain capital investment; the expected impacts on Emera of challenges in the global economy; estimated energy consumption rates; maintenance of adequate insurance coverage; changes in customer energy usage patterns; developments in technology that could reduce demand for electricity; global climate change; weather; unanticipated maintenance and other expenditures; system operating and maintenance risk; derivative financial instruments and hedging; interest rate risk; counterparty risk; disruption of fuel supply; country risks; environmental risks; foreign exchange; regulatory and government decisions, including changes to environmental, financial reporting and tax legislation; risks associated with pension plan performance and funding requirements; loss of service area; risk of failure of information technology infrastructure and cybersecurity risks; uncertainties associated with infectious diseases, pandemics and similar public health threats, such as the COVID-19 pandemic; potential adverse impacts of the COVID-19 pandemic, including the risk of lost revenue due to the pandemic; market energy sales prices; labour relations; and availability of labour and management resources.

For additional information with respect to Emera's risk factors, reference should be made to the section of this Prospectus Supplement and the Prospectus entitled "Risk Factors" and to Emera's continuous disclosure materials filed from time to time on SEDAR at [www.sedar.com](http://www.sedar.com).

**READERS ARE CAUTIONED NOT TO PLACE UNDUE RELIANCE ON FORWARD-LOOKING INFORMATION AS ACTUAL RESULTS COULD DIFFER MATERIALLY FROM THE PLANS, EXPECTATIONS, ESTIMATES OR INTENTIONS AND STATEMENTS EXPRESSED IN THE FORWARD-LOOKING INFORMATION. ALL FORWARD-LOOKING INFORMATION IN THIS PROSPECTUS SUPPLEMENT, THE PROSPECTUS AND IN THE DOCUMENTS INCORPORATED BY REFERENCE IS QUALIFIED IN ITS ENTIRETY BY THE ABOVE CAUTIONARY STATEMENTS AND, EXCEPT AS REQUIRED BY LAW, EMERA UNDERTAKES NO OBLIGATION TO REVISE OR UPDATE ANY FORWARD-LOOKING INFORMATION AS A RESULT OF NEW INFORMATION, FUTURE EVENTS OR OTHERWISE.**

#### **DOCUMENTS INCORPORATED BY REFERENCE**

This Prospectus Supplement is deemed to be incorporated by reference into the accompanying Prospectus solely for the purpose of the Series L Shares offered hereunder.

The following documents, which have been filed with the various securities commissions or similar authorities in each of the provinces of Canada, are specifically incorporated by reference into and form an integral part of this Prospectus Supplement:

- (a) the audited consolidated financial statements of Emera as at and for the years ended December 31, 2020 and December 31, 2019, together with the auditors' report thereon and management's discussion and analysis for the year ended December 31, 2020;
- (b) the unaudited condensed consolidated interim financial statements of Emera as at and for the three and six months ended June 30, 2021, together with management's discussion and analysis for the six months ended June 30, 2021;
- (c) the Annual Information Form of Emera dated March 29, 2021 for the year ended December 31, 2020;
- (d) the Management Information Circular of Emera distributed in connection with Emera's annual meeting of shareholders held on May 20, 2021 containing information as of March 22, 2021; and
- (e) the term sheets dated September 15, 2021 in connection with the offering (the "**Initial Term Sheet**"); and
- (f) the revised term sheets dated September 15, 2021 in connection with the offering (the "**Upsized Term Sheet**" and, together with the Initial Term Sheet, the "**Marketing Materials**").

**Any statement contained in this Prospectus Supplement or in a document incorporated or deemed to be incorporated by reference herein shall be deemed to be modified or superseded, for purposes of this Prospectus Supplement to the extent that a statement contained herein or in any other subsequently filed document which also is or is deemed to be incorporated by reference herein modifies or supersedes such statement. The modifying or superseding statement need not state that it has modified or superseded a prior statement or include any other information set forth in the document that it modifies or supersedes. The making of a modifying or superseding statement will not be deemed to be an admission for any purpose that the modified or superseded statement, when made, constituted a misrepresentation, an untrue statement of a material fact or an omission to state a material fact that is required to be stated or that is necessary to make a statement not misleading in light of the circumstances in which it was made. Any statement so modified or superseded shall not be deemed, except as so modified or superseded, to constitute a part of this Prospectus Supplement.**

Any documents of the type required by National Instrument 44-101 - *Short Form Prospectus Distributions* to be incorporated by reference in this Prospectus Supplement, including any material change reports (excluding confidential material change reports), unaudited condensed consolidated interim financial statements, annual consolidated financial statements and the auditors' report thereon, management's discussion and analysis, information circulars, annual information forms and business acquisition reports, if filed by Emera with the provincial securities commissions or similar authorities in Canada after the date of this Prospectus Supplement and prior to the termination of any offering of Series L Shares, shall be deemed to be incorporated by reference in this Prospectus Supplement.

For additional information regarding documents incorporated or deemed to be incorporated by reference in the Prospectus or this Prospectus Supplement, see "Documents Incorporated by Reference" in the Prospectus.

## **MARKETING MATERIALS**

The Marketing Materials do not form part of this Prospectus Supplement to the extent that the contents of the Marketing Material have been modified or superseded by a statement contained in this Prospectus Supplement. The Initial Term Sheet was modified and superseded by the Upsized Term Sheet to reflect the increase in the number of Series L Preferred Shares offered and the size of the offering and is superseded by the Upsized Term Sheet.

Any "template version" of "marketing materials" (as such terms are defined in National Instrument 41-101 – *General Prospectus Requirements*) filed on SEDAR after the date of this Prospectus Supplement and before the

termination of the distribution under the offering (including any amendments to, or an amended version of, the Marketing Materials) is deemed to be incorporated into this Prospectus Supplement.

### ELIGIBILITY FOR INVESTMENT

In the opinion of Osler, Hoskin & Harcourt LLP, counsel to the Company, and Stikeman Elliott LLP, counsel to the Underwriters, based on the current provisions of the *Income Tax Act* (Canada) and the regulations thereunder (collectively, the “**Tax Act**”) and all specific proposals to amend the Tax Act publicly announced by or on behalf of the Minister of Finance (Canada) prior to the date hereof, the Series L Shares, if issued on the date of this Prospectus Supplement, would be, at that time, qualified investments under the Tax Act for a trust governed by a registered retirement savings plan (an “**RRSP**”), registered retirement income fund (an “**RRIF**”), registered education savings plan (an “**RESP**”), deferred profit sharing plan, registered disability savings plan (an “**RDSP**”) or tax-free savings account (a “**TFSA**”). Provided that, on the date of the Prospectus Supplement, the annuitant of an RRSP or RRIF, the holder of an RDSP or a TFSA or the subscriber of an RESP (as the case may be) deals at arm’s length with (for the purposes of the Tax Act), and does not have a “significant interest” (within the meaning of subsection 207.01(4) of the Tax Act) in, the Company, the Series L Shares will not be a prohibited investment under the Tax Act for such RRSP, RRIF, TFSA, RDSP or RESP on the date of this Prospectus Supplement. In addition, the Series L Shares will not be a prohibited investment for an RRSP, RRIF, TFSA, RDSP or RESP if the Series L Shares are “excluded property” (as defined in subsection 207.01(1) of the Tax Act) for such an RRSP, RRIF, TFSA, RDSP or RESP, respectively.

### CURRENCY

All dollar amounts in this Prospectus Supplement are expressed in Canadian dollars unless otherwise indicated.

### SUMMARY OF THE OFFERING

*This summary is qualified by the detailed information appearing elsewhere in this Prospectus Supplement.*

**Issue:** Cumulative Redeemable First Preferred Shares, Series L.

**Amount:** \$225,000,000 (9,000,000 Series L Shares).

**Price and Yield:** \$25.00 per Series L Share to yield 4.60% per annum.

#### Principal Characteristics of the Series L Shares

**Dividends:** The holders of the Series L Shares will be entitled to receive fixed cumulative preferential cash dividends, as and when declared by the Board of Directors, payable quarterly on the fifteenth (15th) day of February, May, August and November in each year, at a rate equal to \$0.2875 per share. The initial dividend, if declared, will be payable on November 15, 2021 and will be \$0.1638 per share, based on the anticipated closing date of September 24, 2021.

The dividends on Series L Shares will accrue (but not compound) on a daily basis. If, on any dividend payment date, the dividends accrued to such date are not paid in full on all of the Series L Shares then outstanding, such dividends, or the unpaid portion thereof, will be paid on a subsequent date or dates determined by the Board of Directors on which the Company will have sufficient funds properly applicable to the payment of such dividends.

**Redemption:** The Series L Shares will not be redeemable by the Company prior to November 15, 2026. Subject to the provisions described below under “Details of the Offering – Restrictions on Dividends and Retirement of Shares”, on or after November 15, 2026,

on not more than 60 nor less than 30 days' notice, the Company may redeem all or any part of the then outstanding Series L Shares, at the Company's option without the consent of the holder, by the payment of: \$26.00 per share if redeemed before November 15, 2027; \$25.75 per share if redeemed on or after November 15, 2027 but before November 15, 2028; \$25.50 per share if redeemed on or after November 15, 2028 but before November 15, 2029; \$25.25 per share if redeemed on or after November 15, 2029 but before November 15, 2030; and \$25.00 per share if redeemed on or after November 15, 2030, together, in each case, with all accrued and unpaid dividends up to but excluding the date fixed for redemption.

The Series L Shares are not redeemable at the option of their holders.

***Voting Rights:***

The holders of Series L Shares will not be entitled (except as otherwise provided by law and except for meetings of the holders of First Preferred Shares (as defined below) as a class and meetings of the holders of Series L Shares as a series) to receive notice of, attend, or vote at, any meeting of the shareholders of the Company, unless and until the Company fails to pay eight quarterly dividends on the Series L Shares, whether or not consecutive and whether or not such dividends have been declared and whether or not there are any monies of the Company properly applicable to the payment of dividends. In that event of such non-payment, and for only so long as any such dividends remain in arrears, holders of Series L Shares will be entitled to receive notice of, and to attend, all meetings of shareholders at which directors are to be elected and to vote (together with holders of any other class or series of classes of shares of the Company having the right to vote in similar circumstances) for the election of two directors out of the total number of directors elected at such meeting. In any such instance, holders of Series L Shares will be entitled to one vote for each Series L Share held, provided however that the holder of any Series L Share which, together with other shares of Emera held beneficially or otherwise by that holder or any person associated therewith, would in such event constitute "voting shares" of Emera and would represent 15% or more of such outstanding "voting shares" of Emera, shall not be entitled to any vote in respect of such Series L Shares. Upon payment of the entire amount of the Series L Share dividends in arrears, the voting rights of the Series L holders shall forthwith cease and terminate.

***Priority:***

The Series L Shares will rank on a parity with every other series of First Preferred Shares (as defined below) and are entitled to preference over the common shares of the Company (the "**Common Shares**") and over any other shares of the Company ranking junior to the First Preferred Shares with respect to the payment of dividends and upon any distribution of assets in the event of the liquidation, dissolution or winding-up of the Company.

***Tax on Preferred Share Dividends:***

The Company will elect, in the manner and within the time provided under Part VI.1 of the Tax Act, to pay tax at a rate such that holders of Series L Shares will not be required to pay tax on dividends received on such shares under Part IV.1 of the Tax Act.

## CHANGES IN CONSOLIDATED CAPITALIZATION OF THE COMPANY

The following describes the changes in the consolidated capitalization of Emera since June 30, 2021:

- (1) During the period from July 1, 2021 up to and including September 15, 2021, Emera issued an aggregate of 1,132,832 Common Shares pursuant to Emera's Common Shareholders' Dividend Reinvestment and Share Purchase Plan (the "**Dividend Reinvestment Plan**"), Employee Common Share Purchase Plan (the "**Share Purchase Plan**") and upon the exercise of options granted pursuant to the Company's Senior Management Stock Option Plan (the "**Stock Option Plan**"), for proceeds of approximately \$62.83 million.
- (2) During the period from July 1, 2021 up to and including September 15, 2021, Emera issued an aggregate of 1,379,997 Common Shares pursuant to Emera's at-the-market equity program for gross proceeds of approximately \$81.45 million.
- (3) During the period from July 1, 2021 up to and including September 15, 2021, Emera's consolidated long-term and short-term debt, capital lease and finance obligations, including current positions and committed credit facility borrowings classified as long-term debt, increased by approximately \$276 million, primarily due to changes in currency exchange rates. As of September 15, 2021, Emera had approximately \$283 million drawn on its credit facilities.

## DETAILS OF THE OFFERING

The Series L Shares will be issued as a series of First Preferred Shares of the Company ("**First Preferred Shares**"). See the description of the First Preferred Shares of the Company as a class under the heading "Description of Securities Being Distributed – Preferred Shares" in the accompanying Prospectus. The following is a summary of the rights, privileges, restrictions and conditions of or attaching to the Series L Shares as a series. This summary is not a complete description and is subject to, and is qualified by reference to, all provisions of the Series L Shares.

### Issue Price

The Series L Shares will have an issue price of \$25.00 per share.

### Dividends

The holders of the Series L Shares will be entitled to receive fixed quarterly cumulative preferential cash dividends, as and when declared by the Board of Directors, on the fifteenth (15th) day of February, May, August and November in each year, at a rate equal to \$0.2875 per share. The initial dividend, if declared, will be payable on November 15, 2021 and will be \$0.1638 per share, based on the anticipated closing date of September 24, 2021.

The dividends on Series L Shares will accrue (but not compound) on a daily basis. If, on any dividend payment date, the dividends accrued to such date are not paid in full on all of the Series L Shares then outstanding, such dividends, or the unpaid portion thereof, will be paid on a subsequent date or dates determined by the Board of Directors on which the Company will have sufficient funds properly applicable to the payment of such dividends.

### Redemption

The Series L Shares will not be redeemable prior to November 15, 2026. Subject to the provisions described below under the heading "Restrictions on Dividends and Retirement of Shares", on or after November 15, 2026, the Company may redeem all or any part of the then outstanding Series L Shares, at the Company's option without the consent of the holder, by the payment of: \$26.00 per share if redeemed before November 15, 2027; \$25.75 per share if redeemed on or after November 15, 2027 but before November 15, 2028; \$25.50 if redeemed on or after November 15, 2028 but before November 15, 2029; \$25.25 per share if redeemed on or after November 15, 2029 but before November 15, 2030; and \$25.00 per share if redeemed on or after November 15, 2030, together, in each case, with all accrued and unpaid dividends up to but excluding the date fixed for redemption.

Notice of any redemption will be given by the Company at least 30 days and not more than 60 days prior to the date fixed for redemption. If less than all the outstanding Series L Shares are at any time to be redeemed, the shares to be redeemed will be redeemed pro rata, disregarding fractions.

The Series L Shares are not redeemable at the option of their holders.

### **Purchase for Cancellation**

Subject to the provisions described below under the heading “Restrictions on Dividends and Retirement of Shares”, the Company may at any time purchase for cancellation any Series L Share in the open market, by private agreement or otherwise at the lowest price or prices at which in the opinion of the Board of Directors such shares are obtainable.

### **Restrictions on Dividends and Retirement of Shares**

So long as any of the Series L Shares are outstanding, the Company will not, without the approval of the holders of outstanding Series L Shares given as specified below:

- (a) declare, pay or set apart for payment any dividends on the Common Shares of the Company or any other shares ranking junior to the Series L Shares (other than stock dividends payable in shares ranking junior to the Series L Shares);
- (b) redeem, purchase or otherwise retire any Common Shares or any other shares ranking junior to the Series L Shares (except out of the net cash proceeds of a substantially concurrent issue of shares ranking junior to the Series L Shares);
- (c) redeem, purchase or otherwise retire less than all the Series L Shares; or
- (d) except pursuant to any purchase obligation, sinking fund, retraction privilege or mandatory redemption provisions attaching to any series of First Preferred Shares of the Company, redeem, purchase or otherwise retire any other First Preferred Shares ranking on a parity with the Series L Shares,

unless, in each such case, all dividends up to and including the dividend payment date for the last completed period for which dividends were payable will have been declared and paid or set apart for payment in respect of each series of cumulative First Preferred Shares then issued and outstanding.

### **Issue of Additional Series of Preferred Shares**

So long as any Series L Shares are outstanding, the Company shall not, without the prior approval of the holders of the Series L Shares, create or issue any shares ranking prior to or on a parity with the Series L Shares with respect to repayment of capital or payment of dividends, provided that the Company may without such approval issue additional series of First Preferred Shares if all dividends then payable on the Series L Shares shall have been paid or set apart for payment.

### **Shareholder Approvals**

The approval of any amendments to the rights, privileges, restrictions and conditions attaching to the Series L Shares may be given by a resolution carried by the affirmative vote of not less than 66 2/3% of the votes cast at a meeting of holders of Series L Shares at which a majority of the outstanding Series L Shares is represented or, if no such quorum is present at the meeting, at a meeting following such adjourned meeting at which no quorum would apply.

## **Rights on Liquidation**

In the event of the liquidation, dissolution or winding-up of the Company, the holders of the Series L Shares will be entitled to receive \$25.00 per share together with all dividends accrued and unpaid up to but excluding the date of payment, before any amount will be paid or any assets of the Company distributed to the holders of any shares ranking junior to the Series L Shares. The holders of the Series L Shares will not be entitled to share in any further distribution of the property or assets of the Company.

## **Voting Rights**

The holders of Series L Shares will not be entitled (except as otherwise provided by law and except for meetings of the holders of First Preferred Shares as a class and meetings of the holders of Series L Shares as a series) to receive notice of, attend, or vote at, any meeting of the shareholders of the Company, unless and until the Company fails to pay eight quarterly dividends on the Series L Shares, whether or not consecutive and whether or not such dividends have been declared and whether or not there are any monies of the Company properly applicable to the payment of dividends. In the event of such non-payment, and for only so long as any such dividends remain in arrears, holders of Series L Shares will be entitled to receive notice of, and to attend, all meetings of shareholders at which directors are to be elected and to vote for the election of two directors out of the total number of directors elected at such meeting. Such entitlement to vote shall be exercised together with holders of shares of all other series of First Preferred Shares, all series of Second Preferred Shares and all other classes or series of classes of shares of the Company having the right to vote in similar circumstances. In any such instance, holders of Series L Shares will be entitled to one vote for each Series L Share held, provided however that the holder of any Series L Share which, together with other shares of Emera held beneficially or otherwise by that holder or any person associated therewith, would in such event constitute “voting shares” of Emera and would represent 15% or more of such outstanding “voting shares” of Emera, shall not be entitled to any vote in respect of such Series L Shares. Upon payment of the entire amount of the Series L Share dividends in arrears, the voting rights of the Series L holders shall forthwith cease.

In connection with any action to be taken by the Company which requires the approval of the holders of Series L Shares voting as a series or as part of the class, each such share will entitle the holder thereof to one vote.

## **Tax Election**

The Series L Shares will be “taxable preferred shares” as defined in the Tax Act for purposes of the tax under Part IV.1 of the Tax Act applicable to certain corporate holders of the Series L Shares. The terms of the Series L Shares will require the Company to make the necessary election under Part VI.1 of the Tax Act so that corporate holders will not be subject to the tax under Part IV.1 of the Tax Act on dividends received (or deemed to be received) on the Series L Shares.

## **Business Days**

If any action is required to be taken by the Company on a day that is not a business day, then such action will be taken on the next succeeding day that is a business day.

## **DEPOSITORY SERVICES**

The Series L Shares will be issued in “book entry only” form and will be deposited with CDS on closing of this offering. The Series L Shares must be purchased or transferred through a participant in the CDS depository service (“**CDS Participant**”). All rights of holders of Series L Shares must be exercised through, and all payments or other property to which such holder of Series L Shares is entitled, will be made or delivered by, CDS or the CDS Participant through which the holder of Series L Shares holds such shares. Each person who acquires Series L Shares will receive only a customer confirmation of purchase from the registered dealer from or through which the Series L Shares are acquired in accordance with the practices and procedures of that registered dealer. The practices of registered dealers may vary, but generally customer confirmations are issued promptly after execution of a

customer order. CDS is responsible for establishing and maintaining book entry accounts for its CDS Participants having interests in the Series L Shares.

The ability of a beneficial owner of Series L Shares to pledge such shares or otherwise take action with respect to such owner's interest in such shares (other than through a CDS Participant) may be limited due to the lack of a physical certificate.

The Company has the option to terminate registration of the Series L Shares through the book entry only system, in which event certificates for Series L Shares in fully registered form will be issued to the beneficial owners of such shares or their nominees.

Neither the Company nor the Underwriters will assume any liability for: (a) any aspect of the records relating to the beneficial ownership of the Series L Shares held by CDS or the payments relating thereto; (b) maintaining, supervising or reviewing any records relating to the Series L Shares; or (c) any advice or representation made by or with respect to CDS and those contained in this Prospectus Supplement and relating to the rules governing CDS or any action to be taken by CDS or at the direction of its CDS Participants. The rules governing CDS provide that it acts as the agent and depository for the CDS Participants. As a result, CDS Participants must look solely to CDS. Persons, other than CDS Participants, having an interest in the Series L Shares must look solely to CDS Participants for payments made by or on behalf of the Company to CDS in respect of the Series L Shares.

Certificates representing the Series L Shares will be made available if: (i) required by applicable law; (ii) the book entry only system ceases to exist; (iii) CDS advises the Company that it is no longer willing or able to discharge properly its responsibilities as depository with respect to the Series L Shares and the Company is unable to locate a qualified successor; or (iv) the Company, at its option, decides to terminate the book entry only system.

#### **EARNINGS COVERAGE RATIOS**

The following earnings coverage ratios are calculated on a consolidated basis as at December 31, 2020 and June 30, 2021 and for the respective twelve month periods then ended. The ratios (i) do not give effect to the issue of any Series L Shares pursuant to this Prospectus Supplement, and (ii) do not purport to be indicative of any earnings coverage ratio for future periods. The December 31, 2020 ratio is based on the audited financial statements as at December 31, 2020 and the June 30, 2021 ratio is based on the unaudited condensed consolidated interim financial statements as at June 30, 2021.

	<b>Twelve months ended December 31, 2020</b>	<b>Twelve months ended June 30, 2021</b>
Earnings Coverage <sup>(1)</sup> .....	2.62	1.86

- (1) Earnings coverage is equal to consolidated net income attributable to common shareholders plus: income taxes, interest on debt, amortization of debt financing costs, allowance for funds used during construction and preferred share dividends declared during the period together with undeclared preferred share dividends, if any, divided by the sum of interest on debt, amortization of debt financing costs, allowance for funds used during construction, capitalized interest and preferred dividends grossed up to a before-tax equivalent using an effective tax rate of 29.0%.

Emera's dividend requirements on all of its preferred shares, grossed up to a before-tax equivalent using an effective income tax rate of 29.0%, amounted to \$63 million for the twelve months ended December 31, 2020. Emera's interest requirements for the twelve months then ended amounted to \$702 million. Emera's consolidated income before interest and income tax for the twelve months ended December 31, 2020 was \$2,004 million, which is 2.62 times Emera's aggregate preferred dividends and interest requirements for this period.

Emera's dividend requirements on all of its preferred shares, grossed up to a before-tax equivalent using an effective income tax rate of 29.0%, amounted to \$47 million for the twelve months ended June 30, 2021. Emera's interest requirements for the twelve months then ended amounted to \$660 million. Emera's consolidated income

before interest and income tax for the twelve months ended June 30, 2021 was \$1,317 million, which is 1.86 times Emera's aggregate preferred dividends and interest requirements for this period.

The Company's dividend requirements on all of its preferred shares for the twelve months ended December 31, 2020 and June 30, 2021, after giving effect to the issue of the Series L Shares (but assuming that the Underwriters' Option is not exercised in whole or in part) and adjusted to a before-tax equivalent using an effective tax rate of 29.0%, amounted to \$78 million for the twelve months ended December 31, 2020 and \$61 million for the twelve months ended June 30, 2021. The Company's interest requirements for the twelve months ended December 31, 2020 and June 30, 2021 amounted to \$702 million and \$660 million, respectively. The Company's consolidated income before interest and income tax for the twelve months ended December 31, 2020 and June 30, 2021 were \$2,004 million and \$1,317 million, respectively, which are 2.57 times and 1.83 times the Company's aggregate preferred dividends and interest requirements for the respective periods.

### TRADING PRICE AND VOLUME

The following tables set forth, for the periods indicated, the reported high and low daily trading prices and the aggregate volume of trading of the First Preferred Shares, Series A, First Preferred Shares, Series B, First Preferred Shares, Series C, First Preferred Shares, Series E, First Preferred Shares, Series F, First Preferred Shares, Series H and First Preferred Shares, Series J on the TSX. The First Preferred Shares, Series J commenced trading on April 6, 2021.

	Trading of First Preferred Shares, Series A			Trading of First Preferred Shares, Series B			Trading of First Preferred Shares, Series C		
	High (\$)	Low (\$)	Volume (#)	High (\$)	Low (\$)	Volume (#)	High (\$)	Low (\$)	Volume (#)
<b>2020</b>									
August.....	11.49	11.00	22,861	11.11	10.53	10,038	17.24	16.24	273,511
September .....	11.70	11.00	68,970	11.15	10.99	29,200	17.39	16.45	108,682
October.....	11.40	11.10	41,568	11.48	11.15	10,160	16.93	16.14	149,484
November.....	11.89	11.10	73,773	11.55	11.25	19,786	17.50	15.92	117,290
December.....	12.45	11.89	131,695	12.25	11.50	29,253	17.95	17.26	134,543
<b>2021</b>									
January.....	13.75	12.40	167,999	13.00	12.01	5,780	19.94	17.58	166,171
February.....	15.60	13.59	257,241	14.90	13.21	4,885	21.89	19.40	130,478
March .....	16.34	15.37	120,695	16.20	15.00	21,613	22.90	20.90	288,647
April.....	16.38	16.00	99,159	16.20	15.74	4,650	22.98	22.00	171,615
May .....	17.33	16.06	20,573	17.27	15.46	9,305	24.06	22.73	149,082
June.....	18.02	16.90	68,052	17.98	16.48	11,003	24.48	23.45	75,014
July.....	17.88	17.03	119,198	16.95	16.75	28,063	24.44	23.57	64,220
August.....	17.55	16.70	36,050	17.40	16.85	8,901	24.35	23.40	172,005
September 1-15.....	17.60	17.40	10,675	17.32	17.10	2,040	24.28	23.64	112,023

	Trading of First Preferred Shares, Series E			Trading of First Preferred Shares, Series F			Trading of First Preferred Shares, Series H		
	High	Low	Volume	High	Low	Volume	High	Low	Volume
	(\$)	(\$)	(#)	(\$)	(\$)	(#)	(\$)	(\$)	(#)
<b>2020</b>									
August.....	21.80	21.07	93,447	17.01	16.30	61,815	25.39	24.70	84,986
September .....	21.86	21.20	549,856	17.26	16.50	67,909	25.42	24.70	216,333
October .....	23.81	21.82	320,967	16.93	16.32	389,051	25.54	24.95	112,813
November .....	23.75	22.54	70,501	17.43	16.22	39,142	25.55	25.05	70,328
December.....	24.95	23.05	57,942	17.89	17.25	84,621	26.01	25.33	65,641
<b>2021</b>									
January.....	24.05	23.70	101,876	19.22	17.61	84,566	25.75	25.31	187,305
February.....	24.49	23.30	64,780	20.31	19.01	131,614	25.91	25.11	206,166
March .....	24.54	23.79	133,802	21.60	19.42	364,870	25.84	25.11	276,913
April.....	24.45	24.10	66,594	21.86	21.26	122,097	25.95	25.42	124,163
May .....	24.63	23.81	107,242	23.33	21.43	131,153	26.51	25.65	100,350
June.....	24.95	24.40	97,359	23.95	23.27	206,620	26.91	25.80	167,992
July.....	24.97	24.56	85,872	24.96	23.45	322,950	26.69	26.10	71,706
August.....	25.00	24.65	45,151	24.50	23.81	100,088	26.76	25.46	130,307
September 1-15 .....	25.25	24.76	51,237	24.44	23.86	10,062	26.54	25.79	109,042

	Trading of First Preferred Shares, Series J		
	High	Low	Volume
	(\$)	(\$)	(#)
<b>2021</b>			
April.....	25.35	24.85	1,503,421
May .....	26.20	25.25	310,882
June .....	26.81	26.13	138,576
July .....	27.46	26.01	316,840
August .....	27.00	26.50	58,885
September 1-15.....	27.00	26.40	42,343

## CERTAIN CANADIAN FEDERAL INCOME TAX CONSIDERATIONS

In the opinion of Osler, Hoskin & Harcourt LLP and Stikeman Elliott LLP, the following is a summary of the principal Canadian federal income tax considerations generally applicable to a purchaser who acquires Series L Shares pursuant to this Prospectus Supplement and who, for purposes of the Tax Act and at all relevant times, (i) is or is deemed to be resident in Canada, (ii) deals at arm's length with the Company and the Underwriters, (iii) is not affiliated with the Company, (iv) holds the Series L Shares as capital property, and (v) has not entered into a "derivative forward agreement" (as defined in the Tax Act) with respect to the Series L Shares (a "Holder"). Generally, the Series L Shares will be capital property to a Holder provided the Holder does not acquire or hold those Series L Shares in the course of carrying on a business or as part of an adventure or concern in the nature of trade. Certain Holders, whose Series L Shares might not otherwise be capital property, may, in certain circumstances, be entitled to have them and every other "Canadian security", as defined in the Tax Act, owned by such Holder in the taxation year in which the election is made, and in all subsequent taxation years, deemed to be capital property by making the irrevocable election permitted by subsection 39(4) of the Tax Act. Such Holders should consult their own tax advisors concerning this election.

This summary is not applicable to a purchaser of an interest in which is a "tax shelter investment", that is a "financial institution" for purposes of certain rules applicable to securities held by financial institutions (referred to as the "mark-to-market" rules), or to which the "functional currency" reporting rules apply, each as defined in the Tax Act. Such purchasers should consult their own tax advisors. Furthermore, this summary is not applicable to a purchaser that is a "specified financial institution" (as defined in the Tax Act) that receives or is deemed to receive, alone or together with persons with whom it does not deal at arm's length, in the aggregate dividends in respect of more than 10% of the Series L Shares outstanding at the time the dividend is received. This summary also assumes that all issued and outstanding Series L Shares are listed on a designated stock exchange in Canada (as defined in the Tax Act, such as the TSX) at such times as dividends (including deemed dividends) are paid and received on the Series L Shares.

Additional considerations, not discussed herein, may be applicable to a Holder that is a corporation, and is, or becomes, or does not deal at arm's length with a corporation resident in Canada that is, or becomes, as part of a transaction or event or series of transactions or events that includes the acquisition of Series L Shares, controlled by a non-resident person (or a group of such persons that do not deal at arm's length) for purposes of the "foreign affiliate dumping" rules in section 212.3 of the Tax Act. Such Holders should consult their tax advisors with respect to the consequences of acquiring Series L Shares.

This summary is based upon the current provisions of the Tax Act and counsel's understanding of the current administrative and assessing practices and policies of the Canada Revenue Agency published in writing prior to the date hereof. This summary takes into account all specific proposals to amend the Tax Act publicly announced by or on behalf of the Minister of Finance (Canada) prior to the date hereof (the "Proposed Amendments") and, except as otherwise noted, assumes that all Proposed Amendments will be enacted in the form proposed. However, no assurances can be given that the Proposed Amendments will be enacted as proposed, or at all. This summary does not otherwise take into account or anticipate any changes in law or administrative or assessing practice, whether by legislative, governmental, administrative or judicial decision or action, nor does it take into account or consider any provincial, territorial or foreign income tax considerations.

**This summary is of a general nature only and is not intended to be, nor should it be construed as, legal or tax advice to any particular purchaser. This summary is not exhaustive of all Canadian federal income tax considerations. Accordingly, prospective purchasers are urged to consult their own tax advisors with respect to their particular circumstances.**

### Dividends

Dividends (including deemed dividends) received on the Series L Shares by Holder who is an individual (other than certain trusts) will be included in such Holder's income and will be subject to the gross-up and dividend tax credit rules normally applicable to taxable dividends received from taxable Canadian corporations, including the enhanced gross-up and dividend tax credit rules applicable to any dividends designated by the Company as eligible

dividends in accordance with the provisions of the Tax Act. Dividends (including deemed dividends) on the Series L Shares received by Holder that is a corporation will be included in such Holder's income and will generally be deductible in computing the taxable income of the corporation. In the case of a Holder that is a corporation, it is possible that in certain circumstances all or part of the amount of the dividend may be treated as proceeds of disposition or a capital gain and not as a dividend. Holders that are corporations should consult their own tax advisors having regard to their own particular circumstances.

The Series L Shares will be "taxable preferred shares" as defined in the Tax Act. The terms of the Series L Shares require the Company to make the necessary election under Part VI.1 of the Tax Act so that Holders that are corporations will not be subject to tax under Part IV.1 of the Tax Act on dividends paid (or deemed to be paid) by the Company on the Series L Shares.

A Holder that is a "private corporation", as defined in the Tax Act, or any other corporation controlled (whether by reason of a beneficial interest in one or more trusts or otherwise) by or for the benefit of an individual (other than a trust) or a related group of individuals (other than trusts) will generally be liable to pay a refundable tax under Part IV of the Tax Act on dividends received (or deemed to be received) on the Series L Shares to the extent such dividends are deductible in computing its taxable income for the taxation year.

### **Dispositions**

Generally, on a disposition of a Series L Share (which includes the redemption of the shares for cash), the Holder will realize a capital gain (or sustain a capital loss) to the extent that the proceeds of disposition, net of any reasonable costs of disposition, exceed (or are less than) the adjusted cost base of such share to the Holder thereof immediately before the disposition or deemed disposition. The amount of any deemed dividend arising on the redemption, acquisition or cancellation by the Company of a Series L Share will generally not be included in a Holder's proceeds of disposition for purposes of computing the capital gain or loss arising on the disposition of such share. See "Redemption" below.

Generally, one-half of any capital gain (a "**taxable capital gain**") realized by a Holder in a taxation year will be included in computing the Holder's income for such taxation year and, subject to an in accordance with the provisions of the Tax Act, one-half of any capital loss (an "**allowable capital loss**") realized by a Holder in a taxation year is required to be deducted from net taxable capital gains realized by the Holder in such taxation year. Any excess of allowable capital losses over taxable capital gains of the Holder in a particular taxation year may be carried back up to three taxation years and forward indefinitely and deducted against net taxable capital gains of the Holder in those other years in accordance with the detailed rules in the Tax Act.

If the Holder is a corporation, the amount of any capital loss may in certain circumstances be reduced by the amount of any dividends, including deemed dividends, which have been received on such shares to the extent and in the manner provided for in the Tax Act. Similar rules may apply where a Series L Share is owned by a partnership or trust of which a corporation, trust or partnership is a member or beneficiary. Such Holders should consult their own advisors.

### **Redemption**

If the Company redeems for cash or otherwise acquires a Series L Share (other than by a purchase in the manner in which shares are normally purchased by a member of the public in the open market), the Holder will be deemed to have received a dividend equal to the amount, if any, paid by the Company in excess of the paid-up capital of such share at such time. Generally, the difference between the amount paid by the Company and the amount of the deemed dividend will be treated as proceeds of disposition for the purposes of computing the capital gain or capital loss arising on the disposition of such share. See "Dispositions" above. In the case of a Holder that is a corporation, it is possible that in certain circumstances all or part of the amount so deemed to be a dividend may be treated as proceeds of disposition or a capital gain and not as a dividend.

### **Additional Refundable Tax**

A Holder that is throughout the taxation year a “Canadian-controlled private corporation” (as defined in the Tax Act) is liable for tax, a portion of which may be refundable, on “aggregate investment income” (which is defined in the Tax Act to include an amount in respect of taxable capital gains and dividends received or deemed to be received that are not deductible in computing taxable income).

### **Alternative Minimum Tax**

A capital gain realized, or a dividend received or deemed to be received, by a Holder that is an individual or a trust (other than certain specified trusts) may give rise to a liability for alternative minimum tax.

### **RATINGS**

The Series L Shares will be rated P-3 (high) by Standard & Poor’s Rating Services, a division of The McGraw-Hill Companies (Canada) Corporation (“**S&P**”). A P-3 (high) rating by S&P is the highest of the three sub-categories within the third highest rating of the eight standard categories of ratings utilized by S&P for preferred shares.

Emera has made, or will make, payments in the ordinary course to S&P in connection with the assignment of ratings on both the Company and its securities, including the Series L Shares. In addition, Emera has made customary payments in respect of certain subscription services provided to the Company by S&P during the last two years.

Credit ratings are intended to provide investors with an independent assessment of the credit quality of an issue or issuer of securities and do not speak to the suitability of particular securities for any particular investor. The credit ratings assigned to the Series L Shares may not reflect the potential impact of all risks on the value of the Series L Shares.

Prospective purchasers of Series L Shares should consult S&P with respect to the interpretation and implications of the foregoing rating. The foregoing rating should not be construed as a recommendation to buy, sell or hold Series L Shares. The rating may be revised or withdrawn at any time by S&P.

### **PLAN OF DISTRIBUTION**

Pursuant to an underwriting agreement dated September 17, 2021 among the Company and the Underwriters (the “**Underwriting Agreement**”), the Company has agreed to sell and the Underwriters have severally agreed to purchase on September 24, 2021 or such date as may be agreed upon, but not later than October 1, 2021, subject to the terms and conditions stated in the Underwriting Agreement, all but not less than all of the Series L Shares at a price of \$25.00 per Series L Share, payable in cash to the Company against delivery of such Series L Shares, subject to compliance with all of the necessary legal requirements and to the conditions contained in the Underwriting Agreement. The Underwriting Agreement provides that the Underwriters will be paid a fee per share equal to \$0.25 for each share sold to institutions and \$0.75 for all other shares sold. The terms of the offering were established through arm’s length negotiations between the Company and the Underwriters.

The obligations of the Underwriters under the Underwriting Agreement are several (and not joint or joint and several) and may be terminated at their discretion on the basis of their assessment of the state of the financial markets and may also be terminated upon the occurrence of certain stated events. The Underwriters are, however, obligated to take up and pay for all of the Series L Shares if any of the Series L Shares are purchased under the Underwriting Agreement. The Underwriting Agreement also provides that the Company will indemnify the Underwriters and their respective directors, officers, shareholders, agents and employees against certain liabilities and expenses.

Assuming that no Series L Shares are sold to institutions, the total price to the public will be \$225,000,000, the Underwriters’ fee will be \$6,750,000 and the net proceeds to Emera will be \$218,250,000, before deducting the

expenses of the offering estimated at \$350,000 which, together with the Underwriters' fee, will be paid out of the general funds of the Company.

Subscriptions for the Series L Shares will be received subject to rejection or allotment in whole or in part and the right is reserved to close the subscription book at any time without notice. It is expected that the closing of the offering will take place on September 24, 2021, or such other date as may be agreed upon by the Company and the Underwriters, but not later than October 1, 2021.

After the Underwriters have made a reasonable effort to sell all of the Series L Shares at \$25.00 per share, the price of the Series L Shares may be decreased, and further changed from time to time, by the Underwriters to an amount not greater than \$25.00 per share and, in such case, the compensation realized by the Underwriters will be decreased by the amount that the aggregate price paid by the purchasers for the Series L Shares is less than the gross proceeds paid by the Underwriters to the Company.

The Series L Shares have not been and will not be registered under the U.S. Securities Act or any state securities laws. Accordingly, the Series L Shares may not be offered or sold in the United States of America or to or for the account or benefit of U.S. persons (within the meaning of Regulation S under the U.S. Securities Act) except pursuant to an available exemption from the registration requirements of the U.S. Securities Act and applicable state securities laws. In addition, until 40 days after the commencement of the offering of Series L Shares, an offer or sale of such securities within the United States by a dealer (whether or not participating in the offering) may violate the registration requirements of the U.S. Securities Act if such offer or sale is made otherwise than pursuant to Rule 144A under the U.S. Securities Act.

Pursuant to rules and policy statements of certain Canadian securities regulators, the Underwriters may not, at any time during the period ending on the date the selling process for the Series L Shares ends and all stabilization arrangements relating to the Series L Shares are terminated, bid for or purchase Series L Shares. The foregoing restrictions are subject to certain exceptions including: (i) a bid for or purchase of Series L Shares if the bid or purchase is made through the facilities of the TSX, in accordance with the Universal Market Integrity Rules of the Investment Industry Regulatory Organization of Canada; (ii) a bid or purchase on behalf of a client, other than certain prescribed clients, provided that the client's order was not solicited by the Underwriter, or if the client's order was solicited, the solicitation occurred before the commencement of a prescribed restricted period; and (iii) a bid or purchase to cover a short position entered into prior to the commencement of a prescribed restricted period. The Underwriters may engage in market stabilization or market balancing activities on the TSX where the bid for or purchase of the Series L Shares is for the purpose of maintaining a fair and orderly market in the Series L Shares, subject to price limitations applicable to such bids or purchases. Such transactions, if commenced, may be discontinued at any time.

The TSX has conditionally approved the listing of the Series L Shares distributed under this Prospectus Supplement. Listing of the Series L Shares will be subject to the Company fulfilling all of the listing requirements of the TSX on or before December 14, 2021.

Each of TD Securities Inc., CIBC World Markets Inc., RBC Dominion Securities Inc., Scotia Capital Inc., BMO Nesbitt Burns Inc., and National Bank Financial Inc. is an affiliate of a financial institution that has, either solely or as a member of a syndicate of financial institutions, extended credit facilities to, or holds other indebtedness of, the Company and/or its subsidiaries. **Consequently, Emera may be considered to be a connected issuer of each such Underwriter for purposes of applicable securities laws.** The decision to distribute the Series L Shares hereunder and the terms of this offering were negotiated at arm's length between the Company and the Underwriters. None of the Underwriters will receive any benefit in connection with this offering other than a portion of the Underwriters' fee.

#### USE OF PROCEEDS

Assuming that no Series L Shares are sold to institutions, the net proceeds of the offering will be approximately \$218 million, determined after deducting the Underwriters' Fee and the expenses of the offering, which are estimated to be \$350,000. The net proceeds from the offering will be used for general corporate purposes.

Each of TD Securities Inc., CIBC World Markets Inc., RBC Dominion Securities Inc., Scotia Capital Inc., BMO Nesbitt Burns Inc., and National Bank Financial Inc. is an affiliate of a financial institution that has, either solely or as a member of a syndicate of financial institutions, extended credit facilities to, or holds other indebtedness of, the Company and/or its subsidiaries. Additionally, each of CIBC World Markets Inc., Scotia Capital Inc. and RBC Dominion Securities Inc. is an affiliate of a financial institution that has provided a \$400 million term loan to Emera. Consequently, Emera may be considered to be a connected issuer of each such Underwriter for purposes of applicable securities laws. The credit facility extended to Emera (the “**Credit Facility**”) currently provides Emera with an unsecured revolving operating and acquisition facility in an amount of up to \$900 million (or the equivalent amount in U.S. dollars), with a \$50 million sublimit for a swingline facility, and an option to increase the overall commitment by up to \$400 million. The term loan (the “**Term Loan**” and, together with the Credit Facility, the “**Facilities**”) provides Emera with a non-revolving term facility in the amount of \$400 million. As of September 16, 2021, Emera had approximately \$283 million drawn on the Credit Facility and \$400 million drawn on the Term Loan. The indebtedness outstanding under the Facilities has been and will be incurred to, among other things, fund ordinary course capital expenditures. Emera has always been and remains in compliance with the terms of the Facilities and no breaches under the Facilities have been waived by any of the parties thereto. Other than as has been disclosed in Emera’s public filings, there has been no material change in the financial position of Emera since Emera incurred the indebtedness under the Facilities.

## **RISK FACTORS**

An investment in Series L Shares of the Company is subject to certain risks, including those set out in the accompanying Prospectus and the following:

### **Creditworthiness**

The value of the Series L Shares will be affected by the general creditworthiness of the Company. The Company’s Management’s Discussion and Analysis and Annual Information Form discusses, among other things, known material trends and events, and risks or uncertainties that are reasonably expected to have a material effect on the Company’s business, financial condition or results of operations.

### **Market Value Fluctuation**

Prevailing yields on similar securities will affect the market value of the Series L Shares. Assuming all other factors remain unchanged, the market value of the Series L Shares will decline as prevailing yields for similar securities rise, and will increase as prevailing yields for similar securities decline. Spreads over the Government of Canada Yield, T-Bill Rate and comparable benchmark rates of interest for similar securities will also affect the market value of the Series L Shares.

### **Credit Ratings**

Real or anticipated changes in credit ratings on the Series L Shares if any, may affect the market value of the Series L Shares. The credit ratings are based on certain assumptions about the future performance and capital structure of the Company that may or may not reflect the actual performance or capital structure of the Company. There is no assurance that any credit rating assigned to the Series L Shares will remain in effect for any given period of time or that any rating will not be lowered or withdrawn entirely by the relevant rating agency. An actual or anticipated downgrade in the credit ratings of the Company by any rating agency could affect the market value or rating of the Series L Shares. In addition, such actual or anticipated changes in the Company’s credit ratings could also affect the cost at which the Company can transact or obtain funding, and thereby affect the Company’s liquidity, business, financial condition or results of operations.

### **Holding Company**

The Company’s payment of dividends on the Series L Shares may be funded from dividends the Company receives from its subsidiaries. The ability of the Company’s subsidiaries to pay dividends in the future will depend on their statutory surplus, on earnings and on regulatory restrictions and may be further restricted by the

subsidiaries' credit agreements and indentures. The Company's subsidiaries may incur additional indebtedness that may severely restrict or prohibit the making of distributions, the payment of dividends or the making of loans by these subsidiaries to the Company. The Company cannot give any assurance that the agreements governing the current and future indebtedness of the Company's subsidiaries will permit them to provide the Company with sufficient dividends, distributions or loans to enable the Company to pay dividends on the Series L Shares.

### **Absence of Trading Market**

There is currently no market through which the Series L Shares may be sold and purchasers of Series L Shares may not be able to resell the Series L Shares purchased under this Prospectus Supplement. The price offered to the public for the Series L Shares and the number of Series L Shares to be issued have been determined by negotiations among the Company and the Underwriters. The price paid for each Series L Shares may bear no relationship to the price at which the Series L Shares will trade in the public market subsequent to this offering. The Company cannot predict at which price the Series L Shares will trade and there can be no assurance that an active trading market will develop for the Series L Shares or, if developed, that such market will be sustained. The TSX has conditionally approved the listing of the Series L Shares distributed under this Prospectus Supplement. Listing of the Series L Shares will be subject to the Company fulfilling all of the listing requirements of the TSX.

### **Dividends**

Holders of Series L Shares will not have a right to dividends on such shares unless declared by the Board of Directors. The declaration of dividends is in the discretion of the Board of Directors even if the Company has sufficient funds, net of its liabilities, to pay such dividends. Provisions of credit arrangements to which the Company is a party restrict the Company's ability to declare and pay dividends under certain circumstances and, if such restrictions apply, they may, in turn, have an impact on the Company's ability to declare and pay dividends on the Series L Shares. In addition, the Company may not declare or pay a dividend if there are reasonable grounds for believing that: (i) the Company is, or would after the payment be, unable to pay its liabilities as they become due, or (ii) the realizable value of the Company's assets would thereby be less than the aggregate of its liabilities and stated capital of its outstanding shares. Liabilities of the Company will include those arising in the course of its business, indebtedness, including inter-company debt, and amounts, if any, that are owing by the Company under guarantees in respect of which a demand for payment has been made.

### **Market Volatility**

Equity and debt capital market conditions and volatility may affect the market price of the Series L Shares for reasons unrelated to the Company's performance.

### **Redemption**

The Company may choose to redeem the Series L Shares from time to time, in accordance with its rights described under "Details of the Offering – Redemption", including when prevailing interest rates are lower than the yield borne by the Series L Shares. If prevailing rates are lower at the time of redemption, a purchaser would not be able to reinvest the redemption proceeds in a comparable security at an effective yield as high as the yield on the Series L Shares being redeemed. The Company's redemption right may also adversely impact a purchaser's ability to sell Series L Shares.

### **Other Risk Factors**

Reference is made to "Earnings Coverage Ratios" in this Prospectus Supplement, which is relevant to an assessment of the risk that the Company will be unable to pay dividends on the Series L Shares.

The Series L Shares are equity capital of the Company. The Series L Shares rank equally with other First Preferred Shares of the Company in the event of an insolvency or winding-up of the Company. If the Company becomes insolvent or is wound-up, the Company's assets must be used to pay certain debt, including subordinated debt, before payments may be made on Series L Shares, if any.

The Series L Shares do not have a fixed maturity date and are not redeemable at the option of the holders of Series L Shares. The ability of a holder to liquidate its holdings of Series L Shares may be limited.

#### **REGISTRAR AND TRANSFER AGENT**

TSX Trust Company (“**TSX Trust**”) is the Company’s transfer agent and registrar. Registers for the registration and transfer of securities in registered form of Emera are kept at TSX Trust’s principal offices in Halifax, Montreal and Toronto.

#### **INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM**

Ernst & Young LLP, Chartered Professional Accountants, Halifax, Nova Scotia are the auditors of Emera. Ernst & Young LLP report that they are independent of Emera in the context of the CPA Code of Professional Conduct of the Chartered Professional Accountants of Nova Scotia.

#### **ENFORCEABILITY OF CERTAIN CIVIL LIABILITIES**

Kent M. Harvey, John B. Ramil and Richard P. Sergel, three of the Company’s directors, reside outside of Canada and have appointed Emera, 5151 Terminal Road, Halifax, Nova Scotia B3J 1A1 as agent for service of process. Purchasers are advised that it may not be possible for investors to enforce judgments obtained in Canada against any person that resides outside of Canada, even if such person has appointed an agent for service of process.

#### **LEGAL MATTERS**

Legal matters in connection with the issue and sale of the Series L Shares will be passed upon, on behalf of the Company, by Stephen D. Aftanas, its Corporate Secretary, and Osler, Hoskin & Harcourt LLP, and on behalf of the Underwriters, by Stikeman Elliott LLP. As at September 16, 2021, Mr. Aftanas and the partners and associates of each of Osler, Hoskin & Harcourt LLP and Stikeman Elliott LLP, collectively, beneficially owned, directly or indirectly, less than 1% of any class of outstanding securities of the Company.

#### **STATUTORY RIGHTS**

Securities legislation in certain of the provinces of Canada provides purchasers with the right to withdraw from an agreement to purchase securities. This right may be exercised within two business days after receipt or deemed receipt of a prospectus and any amendment. In several of the provinces, the securities legislation further provides a purchaser with remedies for rescission or, in some jurisdictions, revisions of the price or damages if the prospectus and any amendment contains a misrepresentation or is not delivered to the purchaser, provided that the remedies for rescission, revision of the price or damages are exercised by the purchaser within the time limit prescribed by the securities legislation of the purchaser’s province. The purchaser should refer to any applicable provisions of the securities legislation of the purchaser’s province for the particulars of these rights or consult with a legal advisor.

**CERTIFICATE OF THE UNDERWRITERS**

Dated: September 17, 2021

To the best of our knowledge, information and belief, the short form prospectus, together with the documents incorporated in the prospectus by reference, as supplemented by the foregoing, constitutes full, true and plain disclosure of all material facts relating to the securities offered by the prospectus and this supplement as required by the securities legislation of each of the provinces of Canada.

**TD SECURITIES INC.**

**CIBC WORLD MARKETS INC.**

(Signed) "*Harold R. Holloway*"

(Signed) "*James Brooks*"

**RBC DOMINION SECURITIES INC.**

**SCOTIA CAPITAL INC.**

(Signed) "*David Dal Bello*"

(Signed) "*Jared Steinfeld*"

**BMO NESBITT BURNS INC.**

(Signed) "*Daniel Armstrong*"

**NATIONAL BANK FINANCIAL INC.**

(Signed) "*Iain Watson*"