



**SUSTAINABILITY**  
IT'S ALL CONNECTED

**2022 ESG REPORT**



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## A message from our President and CEO

*As Alberta's largest regulated electricity transmission provider, millions of Albertans count on us to deliver the energy that powers their lives. We take that responsibility seriously.*

For us, it's not only about keeping the lights on. It's about how we do it – now and as we look to the future.

Our future is being driven by technology and a push to achieve net zero emissions by 2050. While the path to 2050 may evolve over time, we're committed to doing what we can to reduce the impact of our operations, while responsibly enabling the technology to get us there.

With a defined strategy to manage our energy consumption and increase the efficiency of our vehicle fleet, we're already on a clear emissions reduction path that will get us to net zero by 2050.

At the same time, with the decarbonization and increasing electrification of society, we need to ensure that reliable and affordable electricity is available to all Albertans.

Our province is fortunate to have diverse sources of generation that power the grid, and AltaLink has effectively integrated all of these sources for more than 20 years. We did this while consistently improving our reliability performance and keeping our rates flat for our customers for four years in a row.

At the core of our success is our incredible team. That's why we never compromise

when it comes to safety, and why we're focused on equipping our employees with the resources and support they need to be successful. We proudly celebrate the diversity of our employees and work to foster a culture where everyone feels valued, respected and empowered to be their authentic selves.

Every decision we make at AltaLink considers the potential impacts and opportunities for our employees, our customers, our business, and the environment. As we navigate the road ahead, Albertans can continue to count on us to responsibly deliver the safe, reliable, cost-effective energy they need, when they need it.

I believe that we have a bright future ahead, and I'm excited for it.

**GARY HART**  
PRESIDENT & CHIEF EXECUTIVE OFFICER



**At the core of our success is our incredible team."**





# ABOUT ALTALINK

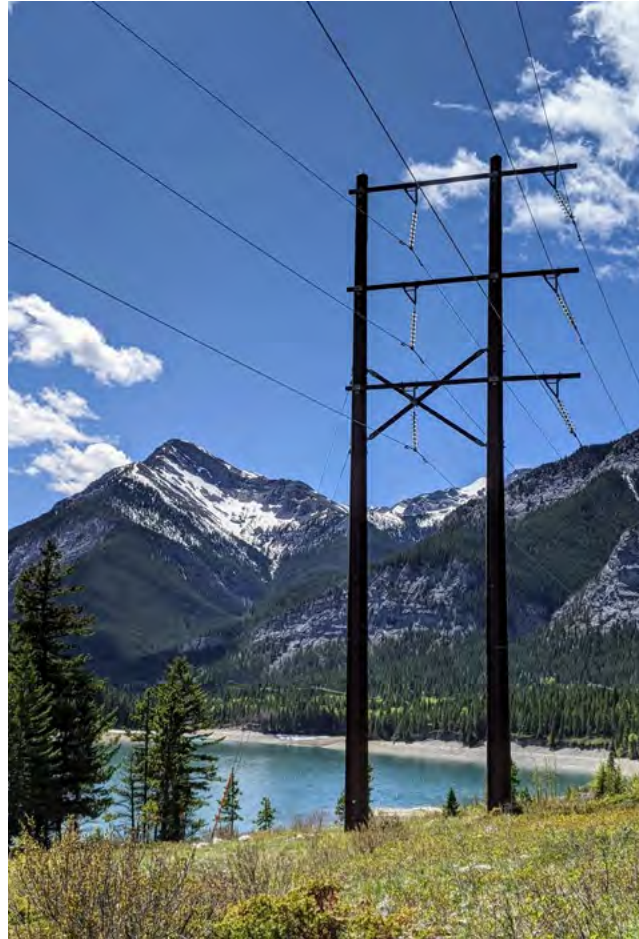
## About AltaLink

Owned by Berkshire Hathaway Energy, we are part of a global group of companies that deliver sustainable electricity and utility services to customers worldwide. Our exceptional customer service, commitment to the environment, and world-class safety record make us a leader in our industry.

More than three million Albertans rely on us to deliver the electricity that they use every day. As Alberta's largest regulated electricity transmission company, we're the essential link that connects homes, farms, businesses and industries to the diverse sources of energy generated across the province.

### ALTALINK'S VISION

**To be the best energy company in serving customers, while delivering sustainable energy solutions.**



**Alberta's largest regulated electricity company**

**226,000**  
SQUARE KILOMETRES

**85%**  
OF ALBERTA

**13,300**  
KILOMETRES OF TRANSMISSION LINE

**311**  
SUBSTATIONS



### Indigenous land acknowledgement

We respectfully acknowledge that AltaLink's service area and our work is located within the traditional lands of diverse Indigenous peoples of Treaty 6, Treaty 7, Treaty 8, and the Métis Nation. We honour the heritage of First Nations, Métis and Inuit Peoples and give thanks to them and their gifts which are woven into the fabric of Canada.

## 2022 Renewable connections and infrastructure upgrades

In 2022, AltaLink connected 14 renewable energy projects and associated infrastructure,

**BRINGING  
950 MW  
OF RENEWABLE  
GENERATION  
ON TO THE  
ALBERTA GRID.**



**300 KILOMETRES OF NEW TRANSMISSION LINE INSTALLED**



**3 NEW SUBSTATIONS CONSTRUCTED**



**5 WIND FARMS**

were connected to the AltaLink transmission system and energized in 2022, totaling approximately 780 MW of new renewable generation



**9 SOLAR FARMS**

were connected to the FortisAlberta distribution network\* and energized in 2022, totaling approximately 170 MW of new renewable generation

*\*A distribution connected solar farm is smaller (typically less than 20 MW) and connected to the FortisAlberta distribution network; however, as the Transmission Facility Owner, AltaLink takes the important role of connecting and enabling the distribution.*

## Building transmission capacity

*AltaLink is developing two major system projects to support the integration of renewable generation onto the grid while maintaining the reliability of the transmission system.*

### CENTRAL EAST TRANSFER-OUT PROJECT

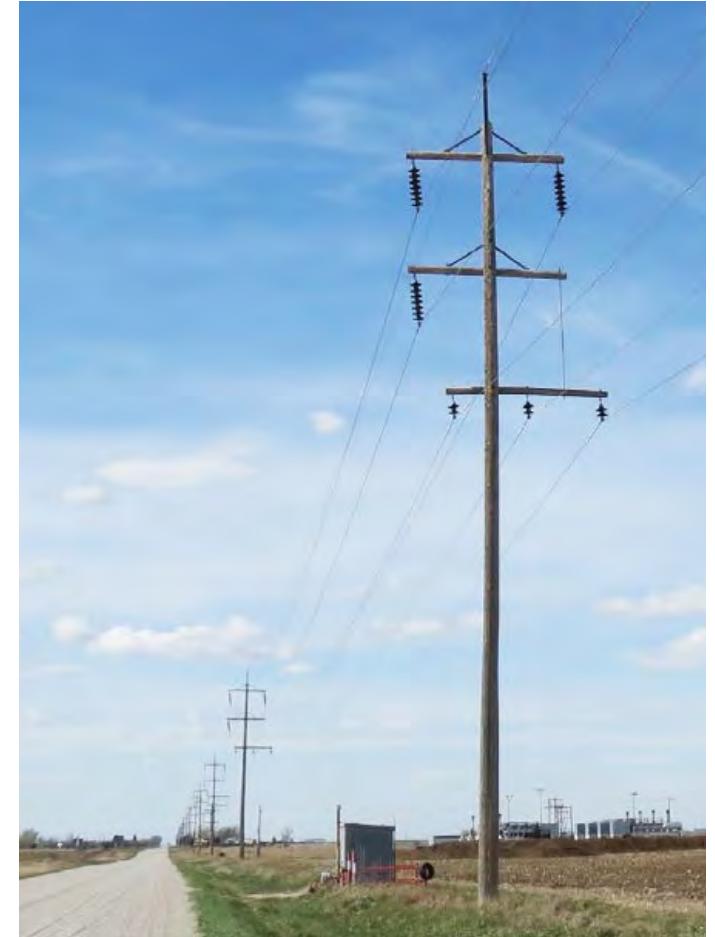
In December 2022, AltaLink and ATCO Electric received direction from the Alberta Electric System Operator (AESO) to begin construction on Stage 1 of the Central East Transfer-Out project, located in the counties of Red Deer, Lacombe and Stettler. AltaLink's portion of the 240-kilovolt transmission line is approximately 60 kilometres and will run between AltaLink's existing Gaetz substation, located east of the City of Red Deer, to ATCO Electric's approved section of transmission line. This project is staged to align with renewable generation milestones in the area so that additional transmission capacity is built as renewable generation targets are met. The anticipated energization date for stage 1 of this development is early 2026.

### VAUXHALL AREA TRANSMISSION DEVELOPMENT

Also in December 2022, AltaLink filed its facility application for the Vauxhall Area Transmission Development with the Alberta Utilities Commission (AUC). This project includes replacing approximately 14–17 kilometres of the existing 610L transmission line that is located in the Municipal District of Taber. It also involves modifying and replacing select structures along the existing 879L transmission line, located in Cypress County. The line was originally constructed in 1960 and requires select structure modifications and replacements to restore the line to its designed capacity. If approved, the anticipated energization date is in late 2024.



AltaLink's existing Gaetz substation, located east of the City of Red Deer



Existing structures that will be modified or rebuilt if the Vauxhall Area Transmission Development project is approved.

## Six core principles that guide our business



### CUSTOMER SERVICE

We are focused on delivering reliability, dependability, low prices and exceptional service to our customers. We are committed to providing innovative solutions that our customers want and need.



### EMPLOYEE COMMITMENT

We equip employees with the resources and support they need to be successful. We encourage teamwork and provide a safe, rewarding, equitable and inclusive work environment. We make no compromise when it comes to safety and security.



### ENVIRONMENTAL RESPECT

We are committed to using natural resources wisely and protecting our environment for the benefit of future generations. Our Environmental **RESPECT** Policy details this commitment in the areas of **Responsibility, Efficiency, Stewardship, Performance, Evaluation, Communication and Training.**



### REGULATORY INTEGRITY

We adhere to a policy of strict regulatory compliance and pursue frequent, open communication with regulators regarding our business performance.



### OPERATIONAL EXCELLENCE

Together with our employees, we pride ourselves on excellence in every aspect of our work. Our high standards for operations and system maintenance enable us to meet and exceed our customers' expectations, perform our work safely and preserve our assets.



### FINANCIAL STRENGTH

We are excellent stewards of our financial resources. Backed by Berkshire Hathaway Inc., we invest in hard assets and focus on long-term opportunities that will contribute to the future strength of the company.





# OUR APPROACH

# What is ESG?

*At AltaLink, our commitment to sustainability is at the heart of our business strategy.*

Every decision and plan considers environmental, social and governance (ESG) impacts now and for the future. Our framework includes our core business practices and values, and builds on existing programs, policies and procedures, as well as industry best practices in corporate sustainability.



## ENVIRONMENT

We are committed to delivering long-term sustainable solutions to our customers. We seek opportunities to avoid or minimize environmental impacts, we seek opportunities to reclaim and restore where impacts are unavoidable, and we maintain a responsible approach to resource consumption.



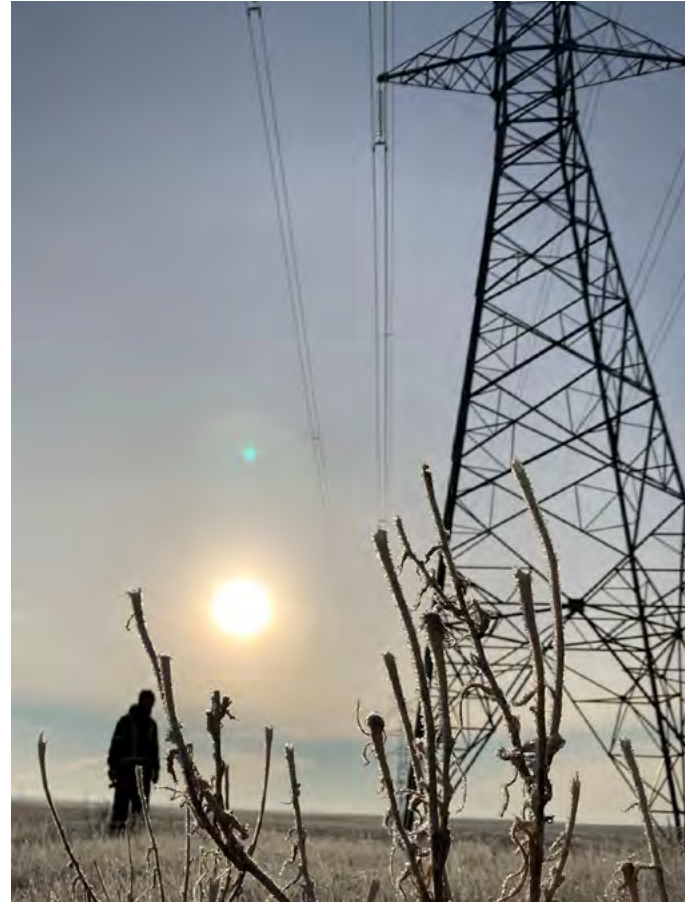
## SOCIAL

At the heart of AltaLink is our people, they are our competitive advantage. We are committed to creating a diverse and inclusive workforce and make no compromises when it comes to providing a healthy and safe work environment. Our commitment to the communities we serve comes to life through our community investment strategy and our consultation efforts.

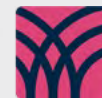


## GOVERNANCE

We're fair and transparent in everything we do. We are committed to being ethical, and have policies in place to ensure we operate at the highest standard for our customers.



Sustainable Electricity Leader



Chef de file en matière d'électricité durable

## SUSTAINABLE ELECTRICITY LEADER™ DESIGNATION

In 2014, AltaLink was honoured to be the first electricity transmission company, and only the second electricity company, in Canada to receive Electricity Canada's Sustainable Electricity Leader™ designation.

The designation is eligible for renewal every five years. In 2019, AltaLink became the first Canadian utility to be re-designated, reflecting our ongoing commitment to meeting the needs of our customers, communities and employees through sustainable business practices.

The designation was developed for utility companies across Canada and requires utilities to commit to standards for environmental and social responsibility. In addition to the standards, companies must also pass a third-party external verification of their observance to the standard.

> For more on our ESG reporting approach please see [page 59](#) within the Governance section

## 2022 ESG highlights



# ENVIRONMENT

### Identifying AltaLink's primary sources of Greenhouse Gases (GHGs)

To develop a plan for reducing GHGs at AltaLink, we needed to identify our primary sources. Our GHG working group determined that fleet fuel consumption, electricity and natural gas consumption, and Sulfur Hexafluoride (SF6) gas are the main contributors of GHGs at AltaLink. Flip to [page 15](#) to learn more.

### Transitioning our fleet to EV or Hybrid

AltaLink transitioned seven per cent of our vehicle fleet (15 vehicles) to hybrid or electric. We also created a 10-year plan to replace all 52 passenger vehicles in our fleet with electric or hybrid vehicles. Flip to [page 16](#) to learn more.

### Installing nests to protect ferruginous hawks

AltaLink partnered with the Alberta Conservation Association to donate and install a new 15-foot artificial nesting platform for a pair of ferruginous hawks. AltaLink installs artificial nesting platforms throughout its service territory to help the recovery of the species. Flip to [page 20](#) to learn more.



## 2022 ESG highlights



### AltaLink keeps rates flat for fourth year in a row

AltaLink kept its annual cost to customers below 2018 levels for the fourth consecutive year, delivering on its flat-for-five commitment to Albertans to keep costs at or below 2018 levels. In those four years, AltaLink's tariffs have not contributed to an increase in electricity prices. Flip to [page 44](#) to learn more.

### Two years incident free

In March 2022, we achieved a significant safety milestone, going two full years without an employee safety incident. Our employee safety performance was recognized by our industry peers for the sixth consecutive year, with AltaLink receiving Electricity Canada's President's Award of Excellence for Employee Safety. Flip to [page 29](#) to learn more.

### More than \$900,000 raised

Our employees raised \$906,562 for the United Way after the dollar-for-dollar match by AltaLink, bringing our total to almost \$10.5 million raised since 2002. Flip to [page 35](#) to learn more.

### Committed to a diverse and inclusive work environment

In 2022, AltaLink's diversity, equity and inclusion efforts focused on ongoing employee training, learning and engagement opportunities to build awareness and skills that promote an inclusive environment. AltaLink employees came together to paint AltaLink's pride crosswalk, a new gender-neutral washroom was completed at AltaLink's head office and AltaLink recognized the National Day for Truth and Reconciliation by raising the Survivors' Flag in honour of the victims of Canada's residential school system. Flip to [page 30](#) to learn more.

### Best ever Customer Satisfaction results

We have achieved our best-ever customer satisfaction results with an overall average survey score of 9.57 out of 10. This was above our target of 9.44, and above our 2021 score of 9.43. Flip to [page 44](#) to learn more.

### Best ever reliability results

We improved our reliability performance to deliver the electricity that our customers depend on every day. Our average customer outage duration of 9.1 minutes improved compared to 12.9 minutes in 2021 and our customer outage frequency of 0.27 improved compared to 0.37 in 2021. Flip to [page 41](#) to learn more.

## 2022 ESG highlights



# GOVERNANCE

### Best ever results for phishing tests

To protect AltaLink from cyber security threats, we train employees to watch for the signs of phishing emails. In 2022, employees achieved a 99.955 per cent non-click rate on phishing simulation tests, achieving our best result yet. Flip to [page 58](#) to learn more.

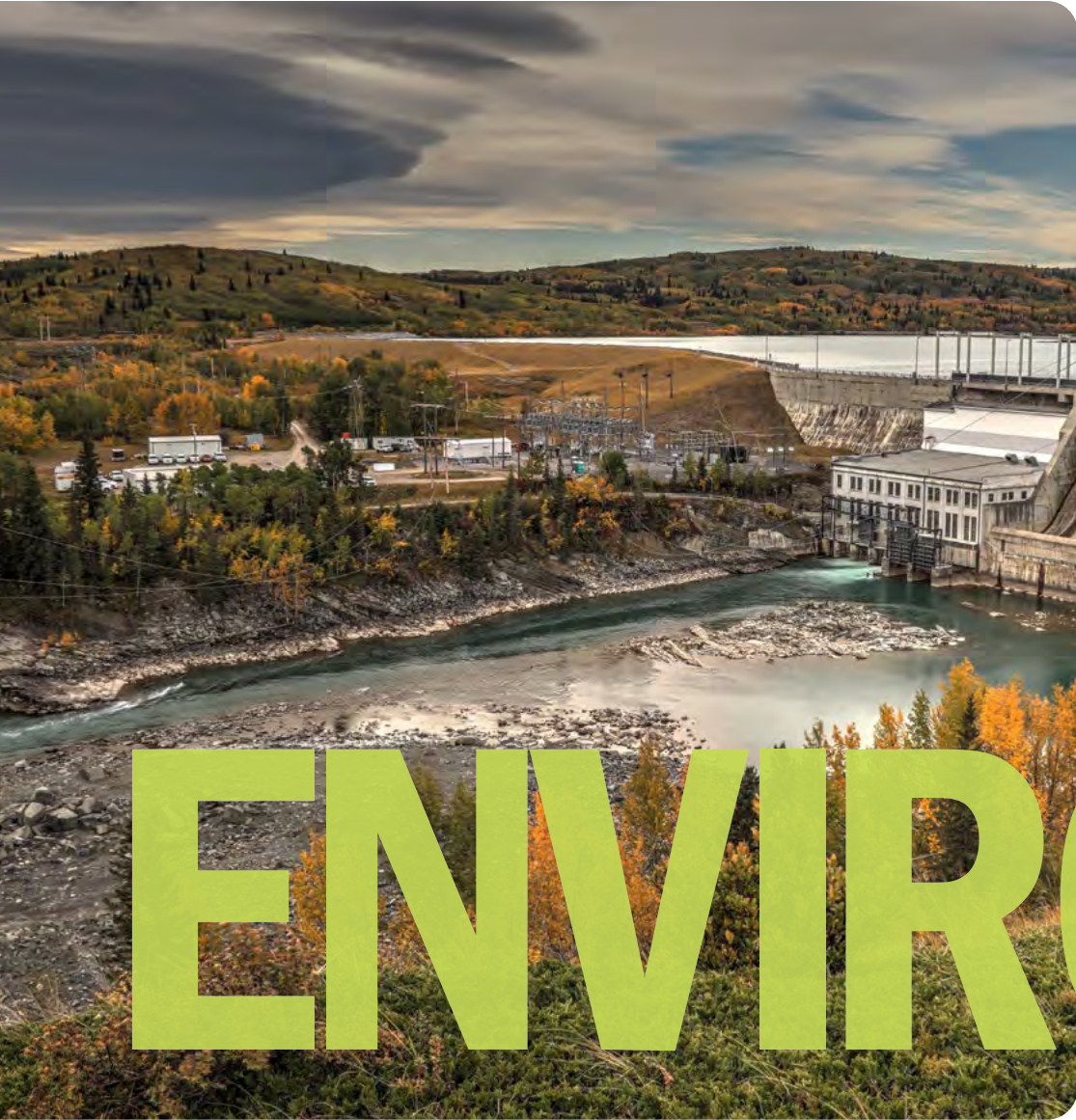
### Ethical business conduct

Every year, all AltaLink employees are required to acknowledge and sign-off on their commitment to our Code of Ethics and Business Conduct. AltaLink's Code of Ethics and Business Conduct seeks to promote integrity and transparency in all aspects of how we conduct our business and in our relations with our colleagues, directors, shareholders and business partners. Flip to [page 56](#) to learn more.

### Keeping our system secure for Albertans

Our cyber and physical security management system is based on the International Organization for Standardization (ISO) requirements and standards to help us identify and use best practices to keep the grid secure. Flip to [page 57](#) to learn more.





# ENVIRONMENT



# NET ZERO BY 2050

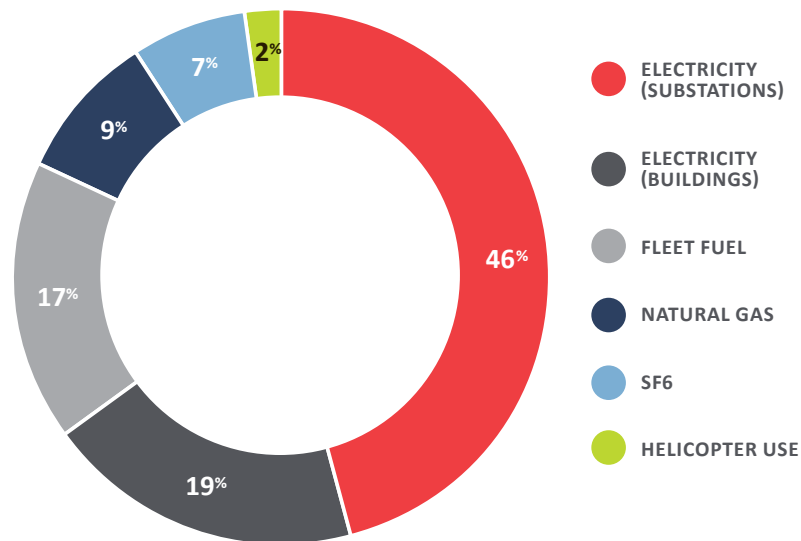
## Responsibly managing Greenhouse Gas emissions

*With sustained attention given to the impacts of climate change, an increased level of urgency is being placed on what can be done to reduce the amount of greenhouse gasses (GHGs) in the atmosphere.*

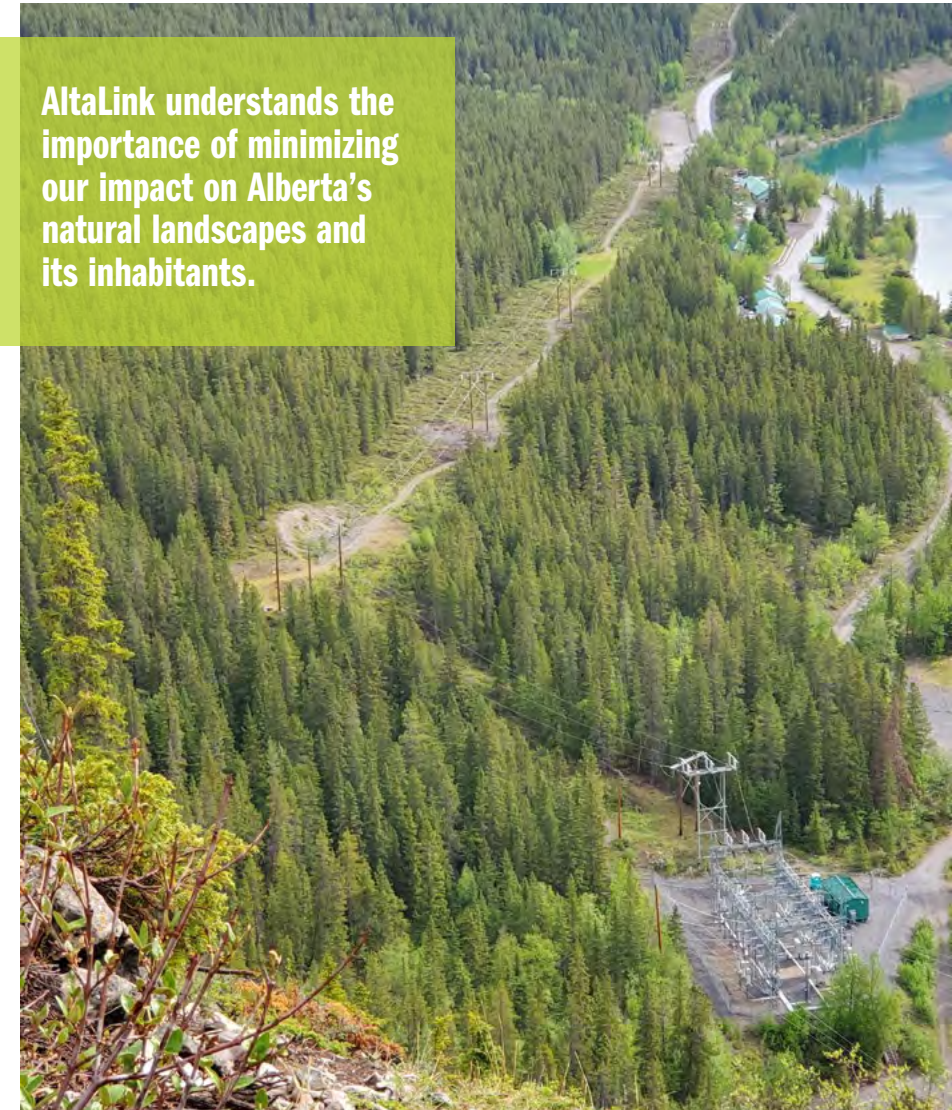
At the same time, there are increasing expectations from the investment community and regulators that companies must demonstrate that they have a plan in place to reduce their emissions and move towards operating at net zero.

To address this, the AltaLink GHG Working Group was established in November 2021 to help us understand what GHGs we are emitting, and where we can make improvements as quickly and efficiently as possible.

In 2022, the working group identified that we produce approximately 13,000 metric tonnes of CO2 equivalents (CO2e) per year and that AltaLink's main sources of GHGs are:



AltaLink understands the importance of minimizing our impact on Alberta's natural landscapes and its inhabitants.



After identifying the sources of GHGs the working group developed a GHG management plan that identified the following areas of focus to help get AltaLink to net zero by 2050:

- Governance and reporting
- Electricity and natural gas consumption
- Fleet emissions

### GOVERNANCE AND REPORTING

The primary focus of this work is to standardize the collection, analysis and reporting of specific data related to how and where AltaLink is emitting GHGs. Initial work indicates there are some gaps that need to be addressed. Further processes are being developed to ensure data is tracked and reported as accurately as possible.

### ELECTRICITY AND NATURAL GAS CONSUMPTION ACROSS OUR SUBSTATIONS AND FACILITIES

In 2023, we are completing a detailed review of emissions from our buildings. This includes tracking monthly consumption and costs through our existing billing processes to monitor trends, identify improvement

opportunities and potentially find some reduction opportunities through operational changes and new technology. We have also developed a strategy to negotiate better electricity provider contracts for our facilities.

### CONNECTING RENEWABLE GENERATION

While AltaLink is committed to doing what we can to reduce the impact of our operations, we will also play an important role in helping to decarbonize the electricity grid in collaboration with provincial and federal governments.

In 2022, AltaLink connected 14 renewable energy projects and associated infrastructure, bringing 950 MW of renewable generation on to the Alberta grid.

At the current rate of project approvals and demand for renewables, AltaLink is expecting to connect an additional 1,300 MW of new renewable generation to the Alberta grid in 2023.

### FLEET 10-YEAR STRATEGY

The consumption of both diesel and gas in AltaLink's fleet provides another opportunity to look for ways to reduce our emissions and improve our efficiency. Over the last few years, we have made improvements in our overall fuel efficiency rates. In 2022, we reduced our fleet idling by 14 per cent, that's a reduction of more than 2,000 hours! We also recently completed a review of how vehicles are allocated, including surveying everyone assigned a company vehicle, to ensure that employees are using the right vehicle for the right job. In fact, the personnel who drive the most overall kilometres will be transitioned to high efficiency fleet vehicles. We are anticipating this will also improve our overall efficiency.

AltaLink has a plan in place to bring high efficiency passenger vehicles, such as hybrids and electric vehicles, into our fleet as our current fleet needs to be replaced. Since the replacement program began in early 2022, AltaLink has replaced seven per cent of its fleet (15 vehicles) with high efficiency vehicles and this number will grow over the next few years.



### SULFUR HEXAFLUORIDE (SF6)

Sulfur Hexafluoride (SF6) is a necessary insulating gas that is used to protect some electrical equipment. It is one of the most potent greenhouse gases and small amounts of SF6 may be released into the atmosphere through normal operations.

AltaLink continues to closely monitor and track every release and follow very specific handling and top-up procedures that align with a Memorandum of Understanding between Environment and Climate Change Canada and all member utilities within Electricity Canada.

Through our SF6 handling program, we can identify problematic equipment, and make repairs to minimize SF6 releases. We are also investigating alternatives to replace SF6, including piloting vacuum circuit breaker technology.



# Programs that support our environmental priorities

*We are committed to using natural resources wisely and protecting our environment for the benefit of future generations. We believe responsible environmental management is good business; it benefits our customers and improves the quality of the environment in which we live.*



## AVIAN PROTECTION PLAN

Operating and maintaining a transmission system has the potential to affect wildlife, particularly avian (bird) species. Birds are primarily affected by the transmission system through collisions, electrocutions, and nesting. In response, and with an overall goal to reduce negative impacts to birds, AltaLink has an Avian Protection Plan (APP), a management system designed to reduce the impact our transmission facilities can have on birds. AltaLink was the first Canadian utility to develop such a plan.

## RIGHT-OF-WAY STEWARDSHIP COUNCIL ACCREDITATION

Since 2015, AltaLink has been accredited as a Right-of-Way Stewardship Utility for Sustainable Integrated Vegetation Management. AltaLink is the first and only Canadian utility to receive this accreditation. We successfully completed a full site re-certification in 2022.

## ENVIRONMENT FAIR

Hosted in June during Environment Week, employees are offered tools and information in an engaging way to help them minimize their impact on the environment.

## ENVIRONMENTAL RESPECT POLICY

Our Environmental RESPECT Policy details our commitment in the areas of Responsibility, Efficiency, Stewardship, Performance, Evaluation, Communication and Training. AltaLink employees and contractors are expected to comply with this policy.

We provide environmental leadership through innovative practices and sound risk management. In designing and constructing new transmission facilities we

consider ways to avoid environmentally sensitive areas, where possible. While operating and maintaining our existing facilities and assets we strive to reduce land use impacts and improve overall efficiency as much as possible.



**The Avian Protection Plan (APP) is a management system designed to reduce the impact our transmission facilities can have on birds.”**

### ENVIRONMENT, HEALTH AND SAFETY MANAGEMENT SYSTEM (EHSMS)

AltaLink's integrated EHSMS conforms with both the ISO 14001:2015 Environmental Management System requirements, and the ISO 45001:2018 Occupational Health and Safety Management System requirements.

The intent of integrating these two management systems is to introduce a level of consistency in identifying, mitigating and documenting risks and associated responses for environmental, health and safety related issues. The proactive nature of the EHSMS has proven useful and more efficient and we continue to look for ways to improve the implementation of this integrated approach.

### OIL-FILLED EQUIPMENT POLYCHLORINATED BIPHENYLS (PCB) REMOVAL

The primary risk associated with oil-filled equipment is the potential for spills or releases of transformer insulating oil that may contain PCBs. We monitor and analyze transformer oil for PCB content and track and manage incidents through an incident management database. Each year, AltaLink tracks its progress in removing PCB materials from the transmission system in compliance with Environment and Climate Change Canada's end-of-use deadlines for equipment or product containing PCBs.

### SPILL MANAGEMENT SYSTEM

Spill prevention and response handling standards and procedures are used to train field personnel and contractors. As part of our contamination design standard, we also install secondary oil containment features at all new transformer locations.

### RECYCLING AND WASTE MANAGEMENT STRATEGY

We measure the overall percentage of waste recycled and otherwise diverted from landfills, and have programs in place, such as waste segregation, to help limit the total amount of waste generated.

### WILDFIRE MITIGATION AND MANAGEMENT PROGRAM

Our approach to wildfire safety involves working hand-in-hand with community leaders and local emergency services to expand, enhance and align emergency response plans.



## 2022 PERFORMANCE

# Staying safe during wildfire season

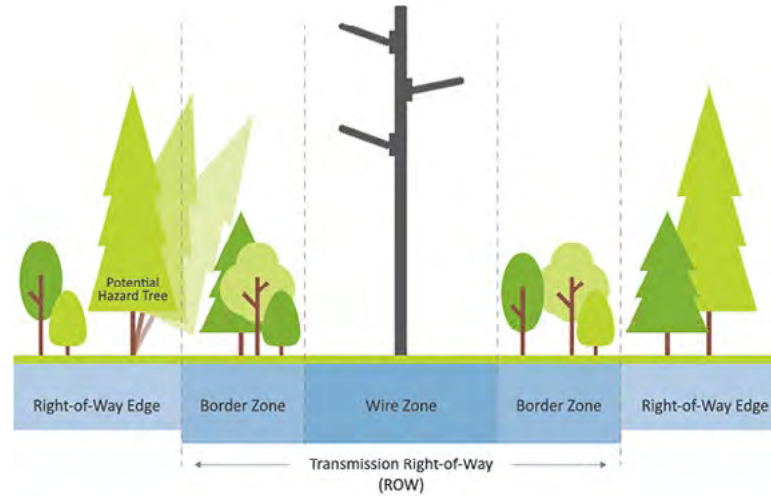
*Wildfires continue to be more frequent and intense throughout Alberta. Protecting Albertans while providing safe, reliable power is a top priority for AltaLink.*

To reduce risks, we are strengthening our system and working hand-in-hand with Albertans to deliver safe and reliable power. We work with local emergency services and community leaders to expand and enhance our existing response plans.

AltaLink’s approach is based on a wildfire model created by external wildfire experts that identified higher-risk fire areas, allowing us to prioritize the maintenance work to reduce wildfire risk on a priority basis.

Our wildfire mitigation program involves safety measures and system enhancements, including:

- Enhancing vegetation clearing practices to maintain safe clearance distances around power lines
- Proactively increasing inspections in high fire risk areas to identify potential threats that need mitigating
- Investing in our system to upgrade our assets to improve resilience of grid service
- Increasing monitoring in higher risk areas for wildfire risk and potential threats to all utility infrastructure
- As a last resort, utilizing a public safety power shutoff measure that involves proactively shutting off power during extreme and dangerous weather conditions that can result in catastrophic wildfires



Right-of-way management: A tree making contact with a power line can lead to an interruption in power for entire communities and create a potential fire risk. Vegetation management near our transmission lines is an important part of wildfire mitigation.

AltaLink continues to work with wildfire experts to further refine the daily wildfire risk forecasting by including a local fuel condition assessment indicator (grass curing). This further enhances our ability to make informed operational decisions to manage wildfire risk.

In 2022, with the support of third-party experts, AltaLink partnered with ATCO Electric, FortisAlberta and Alberta Wildfire to develop best practices for Alberta

utilities on mitigating wildfire risk and promoting industry resilience.

AltaLink actively participates in a provincial utilities consortium to share findings, learnings, technologies and best practices.

AltaLink has several projects under way in the province to reinforce its wildfire prevention in high-risk fire areas, including two proposed transmission line rebuilds in the Pincher Creek area. The 164L and 616L



**AltaLink has several projects under way in the province to reinforce its wildfire prevention in high-risk fire areas, including two proposed transmission line rebuilds in the Pincher Creek area.”**

Transmission Lines were originally built in 1958 and 1959 respectively and public consultation began in October 2021.

Staying safe in wildfire season is a major undertaking. While no one measure can remove all of the risks, we are committed to taking all reasonable steps to ensure that the power we deliver is safe and reliable.

# Hard at work for our feathered friends

*In March 2022, members of AltaLink’s Environment and Field Operations teams were joined by the Alberta Conservation Association (ACA) in Granum to donate and install a new 15-foot artificial nesting platform for a pair of ferruginous hawks.*

A ferruginous hawk nest near a local landowner’s house blew down and resulted in the loss of eggs that were already in the nest. Fledglings had also been hit by vehicles in previous years. Concerned, the landowner reached out to the ACA to see if there was anything that could be done.

AltaLink is a proud supporter of the ACA and was brought in to see if there was a solution. Once the ACA and AltaLink found a location that would work for the birds, they worked quickly to install the new nesting platform before the hawks returned.

The goal is that the new nesting platform and starter nest will persuade the hawks to nest at the new site when they return

home. This new nest is away from the road and in a much better location to raise their young.

### ONGOING TRAINING LEADS TO NEST DISCOVERY

The day after crews installed the new nesting platform, they were again hard at work relocating another ferruginous hawk nest they discovered at an AltaLink substation north of Lethbridge.

This particular ferruginous hawk nest was identified during a routine sweep of the substation. Thanks to AltaLink’s Avian Protection Plan, employees and contractors know what to do if and when they see birds and a nest at an AltaLink facility.



Once the environment team determined a safe space to relocate the nest, AltaLink got to work on cleaning up the nest and moving it to the new location.

AltaLink was the first Canadian utility to develop a plan designed to reduce the impact that transmission facilities can have on birds. The plan includes set standards and processes that allow its environment and field teams to work quickly and mitigate bird nest concerns on or near its transmission lines or sites.

The ferruginous hawk is listed as Endangered, and the work that AltaLink is doing will help with the recovery of the species.



**The ferruginous hawk is listed as Endangered, and the work that AltaLink is doing will help with the recovery of the species.”**

## AltaLink’s Avian Protection Plan

Our Avian Protection Plan includes set standards and processes for preventing collisions by, among other things, installing bird markers that make power lines more visible to birds in flight, reducing bird collisions with our transmission facilities.

At AltaLink, we recognize the concerns about interactions between birds and the transmission system. AltaLink stays up to date on current research as it relates to birds and power lines, assesses potential bird interactions on our existing and planned facilities, and utilizes mitigation approaches to minimize potential effects on birds.

In 2021, AltaLink became the first utility to use new robotic technology, called LineFly, to install bird markers on its transmission lines. The technology was developed by AltaLink and FulcrumAir. It allows us to mark an entire span of power line with bird diverters as efficiently as possible, and in areas that might be difficult to reach, like wetlands or environmentally sensitive rights-of-way. In 2022, AltaLink installed 3,703 markers across nearly 18 kilometres of transmission line.

# AltaLink's waste reduction strategy

*At AltaLink, we are committed to developing programs that will improve our environmental performance.*

Our waste reduction strategy provides a coordinated approach to responsibly manage waste, identify and implement opportunities to help AltaLink decrease waste sent to landfill, and to find new and innovative ways to increase diversion.

Each year, we measure the overall percentage of waste recycled and otherwise diverted from landfills, and have programs in place, such as waste segregation, to help limit the total amount of waste generated by our business.

## REDUCE, REUSE AND RECYCLE

AltaLink's strategy facilitates the reduction, reuse, and recycling of waste including, used transformer insulating oil, salvaged wood poles, aluminum and copper wire and general scrap metal.

AltaLink has implemented waste diversion initiatives that have been underway for several years. These include:

- Installing recycling bins and collection bins for paper, refundables, plastics, glass, metals, and compost
- Battery collection and recycling
- Secure eWaste recycling
- Secure paper shredding and recycling
- Cardboard recycling

## STEPPING IT UP IN 2022

New municipal regulations and added reporting requirements helped AltaLink build on these earlier initiatives to improve our overall waste management strategy.

A cross-functional committee was assembled to categorize waste streams, identify data gaps and develop appropriate waste reduction and landfill diversion practices for our employees and contractors.

As part of our ongoing strategy, project teams must now develop a waste and recyclables management plan to identify waste streams, estimated quantities, and disposal locations before the start of project activities.

## POLYCHLORINATED BIPHENYLS (PCBs) REMOVAL AND DISPOSAL

PCBs were first manufactured in 1929. For several decades, they were used widely as ingredients in many industrial materials, such as coolants and lubricants for electrical equipment, such as transformers and capacitors.

PCBs can last for many years because they do not break down easily on their own and they are difficult to destroy.

By 1977, concern over the impact of PCBs on the environment led to a North American ban on manufacturing and importing PCBs. The ban did not cover PCBs that were already in use in electrical applications, and these are being phased out now.

Each year, AltaLink tracks its progress in removing PCB materials from the transmission system in compliance with

Environment and Climate Change Canada's end-of-use deadlines for equipment or product containing PCBs. Climate Change Canada's mandate includes a deadline to remove PCB materials from transmission facilities by 2025.

As you can see from the chart on the next page, AltaLink has removed and properly destroyed more than 10,000 kg (representing 64.3%) of known or estimated materials containing PCBs since 2018.

AltaLink used a phased approach where the company prioritized the disposal of larger volume items first. From 2022 forward, the company has transitioned to the disposal of smaller items with lower volumes of PCBs. AltaLink expects to meet Environment and Climate Change Canada's mandate by 2025.



**AltaLink has removed and properly destroyed more than 10,000 kg (representing 64.3%) of known or estimated materials containing PCBs since 2018."**

**2022 Waste reduction results**

**7**

**LARGE TRANSFORMERS RECYCLED SAFELY**

**53%**

**OF OUR WASTE WAS DIVERTED FROM LANDFILLS**

**2,932 KG**

**OF PCB WASTE SENT FOR DESTRUCTION**



## By the numbers

Element	2018	2019	2020	2021	2022
Number of high-risk substations mitigated to reduce bird contacts	9	7	5	6	6
High-risk bird electrocution structures/facilities retrofitted (includes km of bird diverters installed)	~20 km	17.56 km	17.2 km	10 km	18.7 km
Number of priority spill events (Electricity Canada definition – any spill to water or spill of >500L)	0	0	0	0	0
Amount of material sent for destruction containing PCBs (kg)	3,492 kg	1,709 kg	1,380 kg	3,845 kg	2,932 kg
Units of electronic waste removed for repurposing or recycling (Third party vendor)	1,585 units	896 units	1,228 units	319 units	1,092 units
Amount of paper sent for recycling	51,959 kg	14,163 kg*	76,316 kg**	9,079 kg	***
SF6 consumed as part of normal operations	44.05kg	61.83kg	66.4kg	21.7 kg	14.1 kg

\* included only AltaLink Plaza and AltaLink East buildings for 2019

\*\* inconsistent return data resulted in our best estimate – vendor was replaced for 2021

\*\*\* stats unavailable for 2022 at time of publishing



# SOCIAL



# EMPLOYEE COMMITMENT

*We equip employees with the resources and support they need to be successful. We encourage teamwork and provide a safe, rewarding, equitable, and inclusive work environment. We make no compromise when it comes to safety and security.*

## Programs that support our employee commitment

### CODE OF ETHICS AND BUSINESS CONDUCT

Within AltaLink's Code of Ethics and Business Conduct, Section 1.3 (Mutual Respect and Integrity in the Workplace) ensures human rights are both met and maintained at the highest levels across AltaLink. All human resource policies are designed and implemented on the understanding that basic and fundamental human rights are neither negotiable nor open for compromise.

### EMPLOYEE AND FAMILY ASSISTANCE PROGRAM

The Employee and Family Assistance Program (EFAP) supports employees and their families through life's challenges by providing access to confidential, professional counselling and coaching services, as well as access to personalized, online health and wellness programs and resources.



**“We strive continuously to attract, retain and develop an exceptional and diverse workforce.”**



**EMPLOYEE RESOURCE GROUPS (ERGS)**

ERGs allow employees the opportunity to share best practices, learn, grow, and provide or gain support, both as members and as allies.

**FLEXIBLE HEALTH AND WELL-BEING BENEFITS PROGRAM**

We take a total life view when it comes to making sure our employees have the support they need. This includes flexible health, dental and psychology benefits, spending accounts and savings plans, and well-being programs.

**FREEDOM OF ASSOCIATION AND COLLECTIVE BARGAINING**

A majority of AltaLink employees outside of management level are represented by one of two unions, the International Brotherhood of Electrical Workers and United Utility Workers Association. These unions are sanctioned under collective agreements which are renegotiated and agreed upon every two to three years.

**HAZARD AND NEAR MISS REPORTING**

AltaLink is committed to providing its employees with a workplace that is safe, comfortable and free from bullying and harassment.

**HAZARD AND NEAR MISS REPORTING**

AltaLink uses a web-based tool with mobile capabilities to manage incident, near miss and hazard reporting.

**HYBRID WORK MODEL**

Our Hybrid Work model allows eligible employees to work from home Mondays and Fridays, with Tuesday through Thursday being core days in the office. This enables staff to find balance between working from their home offices and continuing to foster collaboration and engagement with their colleagues in-person. Additional flexibility has since been added and employees are provided with a number of additional discretionary work from home days to use throughout the year as needed.

**KEEPING OUR PEOPLE SAFE**

AltaLink employees are encouraged to live and breathe our culture of safety through three key safety initiatives:

Our Joint Worksite Health and Safety Committee brings together leaders and employees to identify further ways to collaboratively improve our safety performance.

Our LiveSafe program provides tools and resources for employees to share a safety moment at the start of each meeting that can apply at work or at home. Safety moments can include tips on vehicle safety, weather safety, situational awareness and even tips for the home office to keep safety top-of-mind for employees.



Photos: Participants at the 2022 Wellness Fair.

AltaLink employees and contractors participate in training sessions to understand our integrated Environment, Health and Safety Management System (EHSMS), which complies with both the ISO 14001:2015 Environmental Management System requirements, and the ISO 45001:2018 Occupational Health and Safety Management System requirements.

#### LEARN AT WORK WEEK

Hosted once every two years, Learn at Work Week supports the personal and professional development of AltaLink employees.

#### MOVESAFE

MoveSafe is a comprehensive injury prevention program aimed at helping employees learn to move safely. It covers body preparation and maintenance, ergonomics and safe movement.



MoveSafe participant.

#### PERFORMANCE REVIEW AND DEVELOPMENT

Our Performance Review and Development process includes ongoing coaching, feedback, collaboration and development that reflects our commitment to continuous improvement and high performance as well as the growth and development of all employees.

#### SYSTEMATIC APPROACH TO TRAINING (SAT)

This approach helps AltaLink better understand role-based training requirements, identify existing training, and allow our training team to capture and catalog new development needs.

#### WELLNESS FAIR

The wellness fair returned in-person in 2022, offering resources, demonstrations and information to support employees' physical, mental and personal wellness.



Participants at the 2022 Wellness Fair.

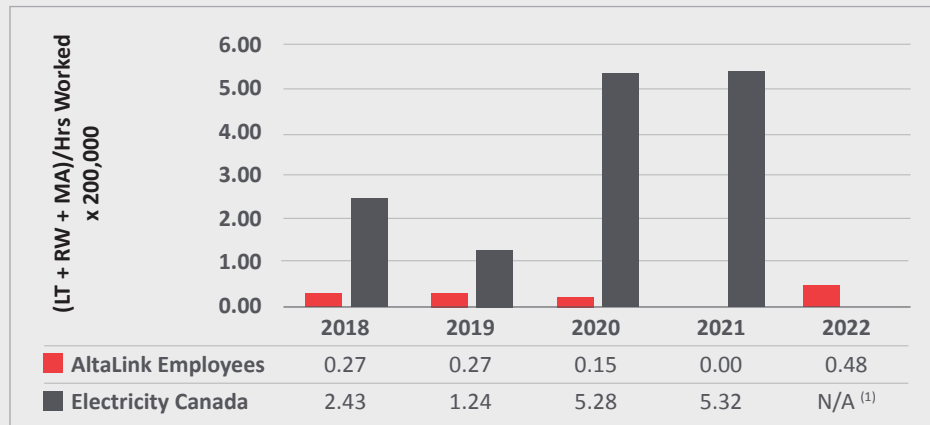
# SAFETY

The safety and security of our employees, customers, and the general public is our top priority. Our safety management initiatives encompass all aspects of our safety systems and focus our entire organization on safety accountabilities, responsibilities and culture.

We strive to continuously improve our safety performance through focused training and ongoing commitment to our safety culture and safety management processes. Our employee injury frequency rate is better than those of our peers, as reported by Electricity Canada for transmission employees.

Our safety performance is measured by total recordable injury frequency rate (TRIF) and includes all lost time (LT), restricted work (RW) and medical aid (MA) incidents per 200,000 exposure hours worked by employees. The following chart summarizes our strong safety performance.

## TOTAL RECORDABLE INJURY FREQUENCY RATE



1. Electricity Canada Transmission Employees injury frequency rate is not available at this time.

## A record-breaking year

**0** INJURIES ON PROJECTS  
For the first year ever, we were completely injury-free on projects

**2** PREVENTABLE VEHICLE ACCIDENTS (PVA) WHICH IS OUR LOWEST EVER

**2** YEARS INCIDENT FREE, AS OF MARCH 2022

**6** SIXTH CONSECUTIVE YEAR RECEIVING ELECTRICITY CANADA'S PRESIDENT'S AWARD OF EXCELLENCE FOR EMPLOYEE SAFETY



## Culture of safety

As part of AltaLink's culture of safety, employees are taught to proactively remove hazards from our workplace and share learnings from our near misses. Our employees know that there is nothing more important than making sure everyone goes home safely at the end of the day.

**2,910 HAZARD AND NEAR MISSES** were reported by employees and contractors

**36 EMPLOYEES** participated in *MoveSafe* training

**41 COMFORT CHECKS** and ergonomic equipment changes were completed

**531 LEADERSHIP OBSERVATIONS\*** were completed

*\*Leadership observations provide an opportunity for leaders across the organization to visit the field to see our crews in action and identify potential safety or operational issues that should be addressed.*

## Contractor safety

In 2022, the Environment, Health and Safety team conducted three virtual Safety Share meetings and a virtual summit to provide information and safety expectations to AltaLink contractors.

AltaLink's primary governing document for contractors is AltaLink's Environment, Health, and Safety Specification and Requirements for Contractors (ALS-2006).

AltaLink also has a contractor safety website that provides more information on the governing documents, as well as safety bulletins and alerts to increase situational awareness on job sites.

Prior to any work beginning, contractors must complete a hazard assessment and safe work plan that must be reviewed by the individual initiating the work, usually the project manager or field operations manager to:

- Confirm the work scope identified is reflective of the work to be performed
- Ensure hazards have been identified and subsequent controls are in place



“As part of AltaLink's culture of safety, employees are taught to identify, prevent and remove hazards from the workplace before they happen.”

## AltaLink's renewed commitment to safety

*The safety and security of our employees, customers, and the general public is our top priority.*

In November 2022, for the sixth consecutive year, we received Electricity Canada's President's Award of Excellence for employee safety as the best performing transmission company with 300 to 1,500 employees.

Electricity Canada offers this award to corporate utilities of comparable size in generation, transmission, or distribution operations that achieve the top ranking in Total Recordable Injury Frequency (TRIF).

"I'm incredibly proud of the AltaLink team for prioritizing each other's safety while continuing to deliver a critical service that millions of Albertans depend on. This award represents the focus and commitment that they demonstrate every single day," said Gary Hart, AltaLink President and Chief Executive Officer.

We started the year strong at AltaLink, achieving our second full year without an employee safety incident. By the end of the year, we achieved our 2022 preventable vehicle accident (PVA) target of two, which was our lowest PVA rate ever. However, after three employee injuries late in the year, our final incident rate for 2022 was 0.48.

While AltaLink's overall safety performance for 2022 was impressive, some lost time incidents served as a serious reminder that we must always remain focused on our safety systems and performance.

When Covid-19 pandemic restrictions were lifted in early 2022, the world had changed and our employees had changed with it.

To maintain our strong culture of safety while navigating these changes, it was important that we mentored new employees and renewed our commitment to safety leadership at AltaLink.

This included additional training and awareness efforts to ensure that all employees know and follow our procedures, report hazards and near misses, and have avenues to talk to senior leadership with potential concerns.

Our goal for 2023 is to continue this mentorship and learning to get AltaLink back to a TRIF of zero. We have done it before and, with this team in place, we can do it again.



**Our goal for 2023 is to continue this mentorship and learning to get AltaLink back to a TRIF of zero."**

Receiving the Electricity Canada President's Award for Safety Excellence in transmission for the 6th year in a row.

Left: Quade Alexander, Substation Technologist  
Right: Rod Kause, VP of Environment, Health and Safety.



# DIVERSITY, EQUITY & INCLUSION

*At AltaLink, our vision for Diversity, Equity & Inclusion (DEI) is to create and maintain a work environment that celebrates the differences of our employees and ensures everyone feels valued and respected.*

We believe our workforce should reflect the communities we serve. We embrace unique identities, experiences, and thoughts, and support inclusive behaviour in our work.

DEI is foundational like safety – employees should all have physical and psychological safety, and a sense of belonging.

Our DEI plan includes frequent communication and listening sessions to build awareness and understanding, training and resources for leaders and employees, DEI events and Employee Resource Groups to actively engage employees.

## FIVE KEY FOCUS AREAS

In 2022, we focused on five key DEI areas:

- Championing an inclusive culture
- Attracting, engaging, promoting, and retaining a diverse workforce
- Adopting strategic partnerships with the community, regulators, and diverse suppliers
- Promoting our commitment through internal and external communications
- Engaging leadership and holding leaders accountable



**DEI is foundational like safety – employees should all have physical and psychological safety, and a sense of belonging.”**



# Five key focus areas

## INCLUSIVE CULTURE

### CHAMPION AN INCLUSIVE CULTURE.

- Quarterly demographic reporting and analysis
- Clarified objectives and outcomes of DEI plan
- Delivered leader-led Equipping Bystanders training
- Increased DEI conversations at a team and department level
- Communicated process for resolving harassment/discrimination concerns

## WORKFORCE

### ATTRACT, ENGAGE, PROMOTE AND RETAIN A DIVERSE WORKFORCE.

- Implemented recruitment adjustments to reduce potential for bias
- Ensured non-gendered job titles
- Identified ways to better leverage social media to build reputation
- Provided volunteers for mentorship program
- Constructed first all-gender restroom in AltaLink Plaza
- Conducted performance management audit to reduce risk of unconscious bias
- Expanded scope of pay equity analysis

## STRATEGIC PARTNERSHIPS

### ADOPT STRATEGIC PARTNERSHIPS WITH THE COMMUNITY, REGULATORS, AND DIVERSE SUPPLIERS.

- Updated community engagement and volunteer plan
- Implemented analysis of the DEI impact of charitable giving
- Implemented diverse supplier strategies

## COMMUNICATIONS

### PROMOTE OUR COMMITMENT THROUGH INTERNAL AND EXTERNAL COMMUNICATIONS.

- Moved beyond diversity awareness toward inclusion education
- Updated internal and external websites and social media to highlight strategies and contributions
- Added enhanced DEI reporting in annual sustainability report
- Released our first annual DEI report to employees to clarify what we are doing and why

## ACCOUNTABILITY

### ENGAGE LEADERSHIP.

- Ongoing quarterly executive listening sessions
- Expanded executive and leader DEI goals on scorecards
- Integrated messages into leadership meetings and all employee sessions
- Included DEI in events like Learn at Work Week
- Developed resources and tools for managers
- Integrated DEI into internal professional development training programs
- Ongoing governance and engagement through DEI Steering Team
- Encouraged all employees to participate in DEI events
- Provided grants to AltaLink ERG leadership for local events
- Supported employee leadership and participation in ERGs
- Trained leaders to facilitate Equipping Bystanders training

## Employee Resource Groups (ERGs)

*Employee resource groups are an important part of Berkshire Hathaway Energy's (BHE) commitment to Diversity, Equity & Inclusion. These groups allow employees from across BHE companies, including AltaLink, to share best practices, learn, grow, and provide or gain support.*

In 2022, to promote diversity, equity and inclusion, AltaLink leaders and employees engaged in Employee Resource Groups, including:

- **BEAUTIE** (Black Employees and Allies United to Inspire Equity)
- **InspirAsian** (Asian and Pacific Islander employees and allies)
- **Pride Connection** (LGBTQ2+ employees and allies)
- **Our Familia** (Latino, Latina and Latinx employees and allies)

ERGs are voluntary, employee-led groups that provide support to employees that share a common characteristic or life experience and aim to foster an inclusive workplace. These groups are formed to help drive personal and professional development while creating a safe space to allow employees to be their authentic selves at work.

ERG membership is open to all employees and allies who are welcome to advance diversity, equity and inclusion across BHE. AltaLink employees are among the founding members of these groups and part of their leadership.



“ ERGs are voluntary, employee-led groups that provide support to employees that share a common characteristic or life experience and aim to foster an inclusive workplace.”



## ERG Collaborative

One of the goals within AltaLink's Diversity, Equity and Inclusion plan in 2022 was to increase our total employee membership in the ERGs from five to 10 per cent. We are proud to share that the goal was exceeded, and current ERG membership represents an estimated 18 per cent of AltaLink employees.

To help support the work of the ERGs at AltaLink and encourage more participation from AltaLink employees, all of the AltaLink ERG leaders were brought together to launch the AltaLink ERG Collaborative with the goal of ensuring alignment and collaboration across the different ERG activities throughout the year.

The group meets monthly to discuss highlights and lessons learned from the previous month and ideas for upcoming activities. Most importantly, it has been an avenue for discussion, feedback, brainstorming and support.

As a result of the group, a series of ERG activities were offered for AltaLink employees in 2022, including events, film showings and discussions, guest speakers and panel discussions.

## Equipping Bystanders training

Designed to provide employees with the knowledge on how to recognize inappropriate comments and behaviours in the workplace and intervene respectfully and skillfully to interrupt bias, AltaLink introduced Equipping Bystanders training for employees in 2022. All employees completed this training.

## Pride Month at AltaLink

AltaLink celebrated Pride Month in June by hosting two interactive workshops from Calgary Outlink, painting a Pride crosswalk to brighten up the parking lot between buildings at our head office, and providing education on the LGBTQ2+ community, including terminology, microaggressions, and how to create safer spaces.



## Linked to our communities



*As part of the Berkshire Hathaway Energy family, our program incorporates five giving pillars that make up the Berkshire Hathaway Energy Cares program.*

These five pillars encompass a wide range of areas that are important for strengthening our communities:

- Community Enhancement
- Environment
- Art/Culture
- Education/STEM
- Safety/Wellness

Our vision is to be Alberta’s leader in supporting community programs that empower youth.



Our program is divided into three categories.



# 2022 COMMUNITY INVESTMENT



*Committed to long-term community partnerships.*



## UNITED WAY CAMPAIGN

AltaLink and its employees support the communities in which we live and work throughout the year through employee volunteerism and community investment. In 2022, our employees raised \$906,562 for the United Way after the dollar-for-dollar match by AltaLink, bringing our total to almost \$10.5 million since 2002.

## BIRDIES FOR KIDS

AltaLink is the presenting sponsor of the Shaw Birdies for Kids program at the Shaw Charity Classic PGA Champions golf tournament. In 2022, more than \$17.4 million was raised for more than 260 youth-based charities in Alberta.

## STARS

In 2022, AltaLink made a \$1.2 million donation to support STARS' Keep the Fight in Flight campaign to help renew their fleet of aging aircraft with nine Airbus H145 helicopters. Service from STARS is crucial to the health and safety of Albertans who live and work in remote areas, including AltaLink crews.

## 4-H

Partnering with Alberta 4-H gives AltaLink the opportunity to support rural Alberta, the area in which a large part of our operations take place. AltaLink has been a sponsor of Alberta 4-H since 2005. Currently, AltaLink is a Legacy Builder sponsor and is the title sponsor of all regional, district, and provincial communications and public speaking programs.

## WOMEN+POWER

AltaLink is a proud sponsor of Women+Power. The Women+Power community was developed for women of all levels of experience who work in or with Alberta's power industry. They aim to create opportunities for women, supported by initiatives, programs and resources that support women in their careers.

While Women+Power is aimed at empowering women in the industry, all genders are invited and encouraged to join and work towards transformational change.

## POWERFUL employees

*AltaLink and its employees donate their time through our Global Days of Service program and Days of Caring events, contributing hundreds of hours to organizations across Alberta. In fact, in 2022 AltaLink Employees donated volunteer time equivalent to almost \$70,000.*

### GLOBAL DAYS OF SERVICE

We are committed to developing new approaches to corporate giving and establishing strategic alliances with non-profit partners in the communities in which we live and operate. Sponsored by Berkshire Hathaway Energy (BHE), Global Days of Service is a program that encourages employees to invest in their communities through volunteer activities. It provides funds annually for employee hours volunteered at non-profit organizations in the communities where they live and work.

In 2022, AltaLink employees donated 1,644 hours of their personal time that was then turned into just over \$10,000 across 17 of their chosen charities.

### DAYS OF CARING

An important component of our community investment program is our Days of Caring program. Throughout the year, AltaLink sponsors a day of employee volunteering at a selected charity.

In 2022, AltaLink’s Days of Caring activities included:

- 30 hours for cleaning up the Canadian National Institute for the Blind’s (CNIB) sensory garden
- 33 hours for the City of Calgary’s annual pathway and river cleanup
- 28 hours for Calgary Reads’ Big Book Sale sorting and set up



### CANADIAN BLOOD SERVICES PARTNER FOR LIFE

AltaLink is proud to partner with the Canadian Blood Services as a Partner for Life. Through this program, blood donations are organized for employees throughout the year and from April to September all donations turn into Calgary Corporate Challenge points for AltaLink. In 2022, AltaLink employees donated blood 182 times.

**“ in 2022 AltaLink employees donated volunteer time equivalent to almost \$70,000.”**

**Photos:** Volunteers at (Left) 2022 River cleanup; (Middle) 2022 Days of Caring Sensory Garden; (Right) 2022 Calgary Reads.



### EMPLOYEE SCHOLARSHIP PROGRAM

Launched in 2005, AltaLink's employee scholarship program is designed to support the families of employees who have children or grandchildren attending a post-secondary institution by offering a \$2,000 scholarship.

### INDIGENOUS SCHOLARSHIPS

In 2007, AltaLink launched its Indigenous scholarship program. This scholarship program is designed to recognize leaders in the Indigenous community by offering scholarships to Indigenous students attending post-secondary institutions. Each year, eight eligible students from each of Treaties 6, 7, 8 and the Métis communities in Alberta are awarded a \$1,000 scholarship.

### ALTALINK CENTENNIAL SCHOLARSHIP

AltaLink launched the Centennial Scholarship program in 2005. This program is directed to students from rural Alberta planning to attend or attending post-secondary institutions.



**We are committed to investing in the next leaders of Alberta and we are proud to support them in reaching their goals through our scholarship programs."**

### Introducing Kiera Beachum: 2022 employee scholarship winner

*Meet this year's incredible scholarship recipient.*

Each year, AltaLink recognizes one ambitious and hardworking child or grandchild of an AltaLink employee with a cheque for \$2,000 to help them out as they pursue their educational goals. Through her commitment, passion, and determination, this year's recipient has certainly earned this scholarship.

The 2022 Employee Scholarship recipient is Kiera Beachum.

Kiera is working to receive a Bachelor of Business Administration in supply chain management at SAIT. Through hard work and dedication, she has maintained an impressive 4.0 grade point average for the entirety of her education. After completing her degree and spending some time in supply chain management, she hopes to pursue further education with the aim of becoming a lawyer.

**Kiera is working to receive a Bachelor of Business Administration specializing in supply chain management.**



# AltaLink gifts **\$1.2 MILLION TO STARS**

*A generational investment  
in the health and safety of Western  
Canadian communities.*



A generous \$1.2 million donation from AltaLink is helping STARS reach its ambitious fundraising goal for the multi-year capital campaign to renew its fleet of air ambulance helicopters.

The *Keep the Fight in Flight* campaign was launched in 2018 to renew STARS' fleet of aging aircraft with nine Airbus H145 helicopters, at a cost of \$13 million each.

"There is nothing more important to us at AltaLink than safety. Our teams work 24/7, often in remote areas, to deliver the energy that Albertans need, when they need it most," said Gary Hart, President and CEO, AltaLink. "STARS can turn a tragic event into a life-saving one, so we're incredibly proud to support the important work they do and ensure that STARS can continue to deliver critical care that communities need for many years to come."

As a non-profit charity, STARS relies on its donors to help achieve excellence and drive innovation in critical care. AltaLink's gift will ensure anyone who needs assistance will continue to receive the best in emergency critical care, with the latest in flight and technical capabilities offered by the new H145.

"With this generous gift to our fleet renewal initiative, AltaLink is truly making a generational investment in the health

(L-R): David Koch, AltaLink Executive Vice President & Chief Financial Officer, Cayla Saby, AltaLink Vice President, Government Relations and Commercial, Gary Hart, AltaLink President and CEO, Sheri Allen, AltaLink Senior Vice President, Human Resources, Scott Schreiner, AltaLink VP, External Engagement

and safety of the communities we serve, helping us deliver critical care to patients living, working or playing in rural and remote areas for decades to come," said Andrea Robertson, STARS President and CEO.

STARS has flown hundreds of missions in the new helicopters since receiving its first H145 aircraft in 2019. Thanks to the support from donors like AltaLink, the renewed fleet will be implemented at all six STARS bases across Western Canada later this year.

"Our supporters ride along with us on every mission, and now they are helping us build the next STARS fleet," said Robertson. "We're incredibly grateful to AltaLink for their financial support to help us reach our goal."

“**STARS has flown hundreds of missions in the new helicopters.**”

# RELIABILITY

*A strong, efficient, and reliable transmission system ensures Albertans have access to multiple generation resources from across the province.*

As Alberta's largest electricity transmission provider, Albertans depend on us to deliver the energy that they need, when they need it. We take that responsibility seriously.

There is always a risk of outages on the system, from severe weather to unplanned events. Our job is to keep the lights on, but if they go out, our job is to get them back on as soon as possible.

We are proud of our long-term trend of improving reliability through proactive operating practices and capital investment. Our reliability statistics are better than those of our peers, as reported by Electricity Canada, which has ranked us in the top quartile of Canadian electric utilities for outage duration and outage frequency.

Our 2022 average customer outage duration was our best annual result achieved to date and improved compared to 2021. This is primarily due to fewer severe weather events, coupled with our efforts to prioritize maintenance on high risk assets and our quick response when outages do occur.

Through our ongoing focus on capital maintenance investments, operating maintenance activities and initiatives to reduce restoration times, we continue to provide strong power system reliability in support of our customers.



**Our 2022 average customer outage duration was our best annual result achieved to date."**



## Programs that support our reliability priorities

### LASER BIRD DEFENSE SYSTEM PILOT PROGRAM

This system uses an industrial-grade laser that emits frequencies and colours that birds may perceive as a threat to avoid the area. This helps to avoid any avian-caused outages.

### RELIABILITY STEERING TEAM

This team of AltaLink employees is taking proactive steps to ensure the reliability of our transmission system for our customers and Albertans.

### STORM RESPONSE TEAM

This dedicated team is closely tracking weather patterns that have the potential to cause storms that may damage infrastructure and interrupt service. In the event of a damaging storm, AltaLink will be on alert to quickly mobilize field crews to complete repairs and restore service.

### SUBSTATION WEAK SPOT ASSESSMENT INITIATIVE

A cross functional team was formed to assess a group of 20 substations that were identified as weak spots. A process was implemented to give higher priority to these substations for future capital replacement and upgrade planning to ensure the reliability of the grid.

### TRANSMISSION LINES WEAK SPOT ASSESSMENT INITIATIVE

A maintenance and upgrade plan that allows AltaLink to look for transmission lines that are considered high-risk or that may create reliability concerns.

### WILDFIRE MITIGATION AND MANAGEMENT PROGRAM

Our approach to wildfire safety involves working hand-in-hand with community leaders and local emergency services to expand, enhance and align emergency response plans.

### CAPITAL REPLACEMENTS AND UPGRADES

Capital Replacement and Upgrade (CRU) projects aim to maintain or improve the reliability of service by upgrading or replacing some of our aging transmission assets across the province. AltaLink energized or completed \$261.4 million capital project additions in 2022 (2021 - \$263.7 million).

In late November, AltaLink officially energized the 113L Transmission Line Rebuild. At 23 kilometres, this project was the longest rebuild we have undertaken to date. It runs through the Alberta Bow Valley in the Town of Canmore. Read more about the 113L rebuild on [page 60](#).



**Our Transmission Lines Weak Spot Assessment Initiative looks for transmission lines that are considered high-risk or that may create reliability concerns.”**

Fire risk mitigation in Canmore (85L).





# 2022 Reliability results

*AltaLink provided essential electricity to meet the needs of our customers with improved reliability, as demonstrated by our reliability metrics.*

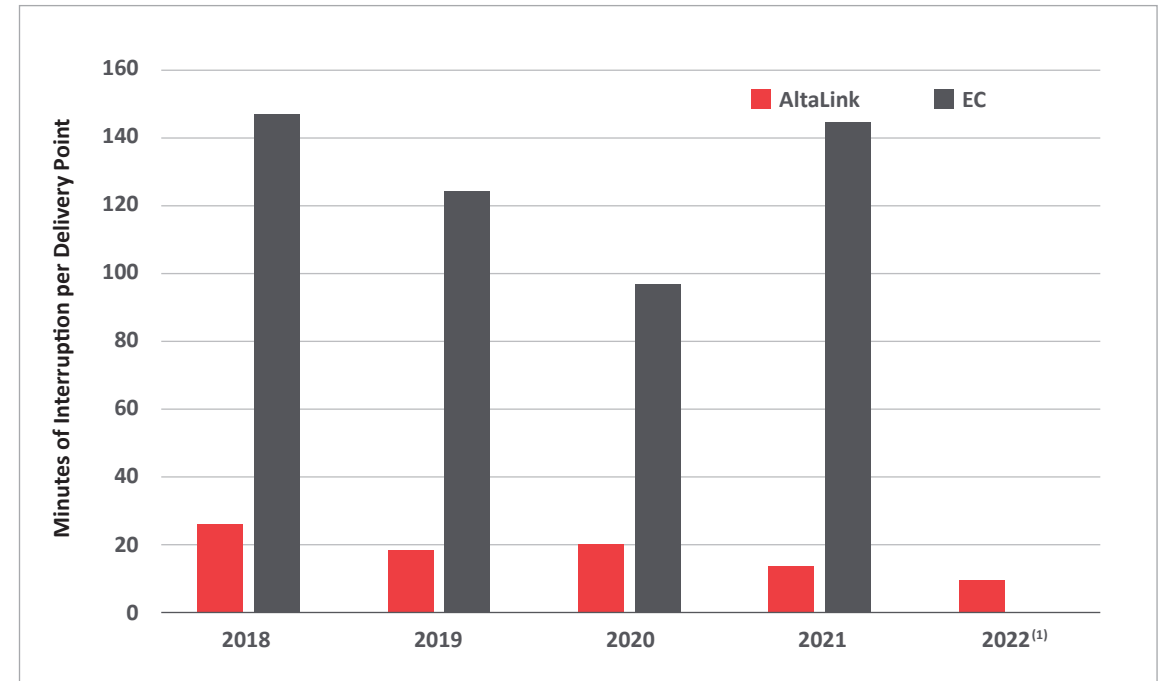
Our average customer outage duration of 9.1 minutes improved compared to 12.9 minutes in 2021 and our customer outage frequency of 0.27 improved compared to 0.37 in 2021. Our 2022 results were our best annual results achieved to date.

The charts that follow summarize our reliability performance for the past five years, showing continued favourable comparisons to the latest information reported by Electricity Canada.



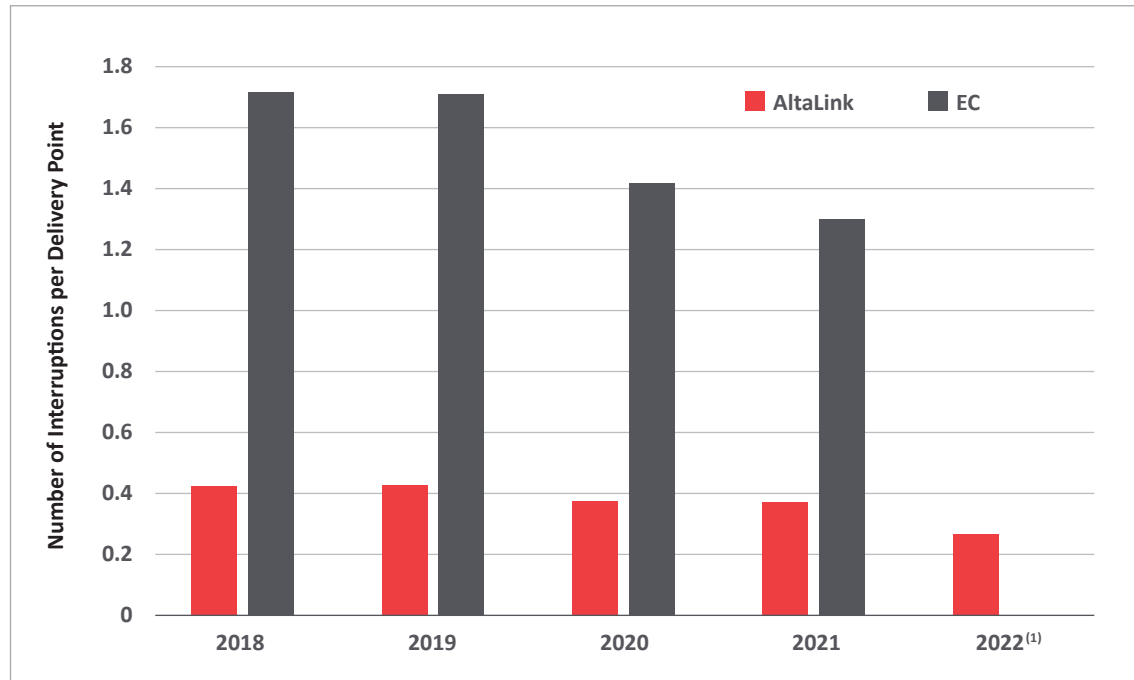
“  
**Our 2022 results for customer outage time were our best annual results achieved to date.”**

## CUSTOMER OUTAGE TIME (SAIDI)



System Availability Interruption Duration Index (SAIDI) is the average number of interruption minutes per delivery point.  
1. Electricity Canada customer outage time number is not available at this time.

### CUSTOMER OUTAGE FREQUENCY (SAIFI)

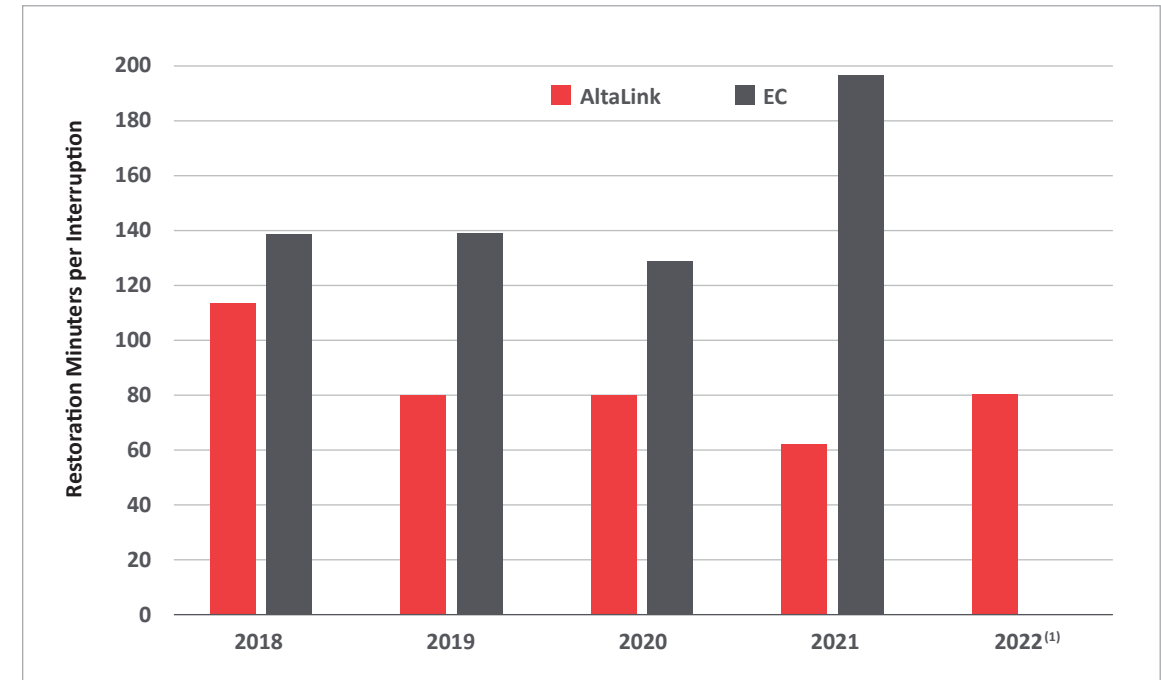


System Availability Interruption Frequency Index (SAIFI) is the average number of interruptions per delivery point.

1. Electricity Canada customer outage frequency number is not available at this time.

Our customer outage frequency was 0.27 in 2022 and 0.37 in 2021 compared to the 1.30 average reported by Electricity Canada for 2021.

### CUSTOMER RESTORATION TIME (SARI)



System Average Restoration Index (SARI) is the average number of interruption minutes per sustained interruption.

1. Electricity Canada customer restoration time is not available at this time.

Our customer restoration time was 80 minutes in 2022 and 62 minutes in 2021 compared to the 196 minute average reported by Electricity Canada for 2021.

## Identifying an outage coordination gap

*AltaLink's System Operations team recently made a significant process improvement that has simplified outage reporting and improved overall outage coordination between AltaLink and another major Transmission Facility Owner (TFO) in the region.*

The team identified a major issue and created a solution for avoiding conflicting outages between AltaLink and the other TFO.

Although AltaLink outages were being posted weekly on the Alberta Electric System Operator's (AESO) website, the TFO was not able to fully identify all the outages that could potentially cause constraints in their system.

This issue resulted in several outages that were scheduled by the TFO in conflict with AltaLink's posted outages. These conflicts can cause our outages to be postponed, resulting in increased system reliability risks, added costs, lost productivity and reputational harm.

The team collaborated with the TFO and the AESO to find a way to resolve this issue. They studied several scenarios to generate a comprehensive list of outages that could impact the TFO.

A software code was developed that automatically generates a report for the TFO using keyword filters. The program launches at the click of a button and creates a list of outages that impact the TFO.

Now, the TFO is copied on AltaLink's weekly report to the AESO, which includes the list of outages that cause constraints in their system, allowing them to coordinate their work with AltaLink.

Since implementation in May, all outages between AltaLink and the TFO have been coordinated effectively with no rescheduling required.

The team is now working on similar interfaces that will improve coordination and collaboration with AltaLink's other transmission facility partners.



**Since implementation in May 2022, all outages between AltaLink and the TFO have been coordinated effectively with no rescheduling required."**



# Customer satisfaction

*We are focused on delivering reliability, affordability and exceptional service to our customers. We are committed to providing innovative solutions that our customers want and need.*

Customer feedback is essential to improving the customer service experience. Our customer service representatives achieve this through planned touch point meetings throughout the year. In addition, we host an annual ‘Let’s Connect’ event to connect with our customers on industry trends and our key customer service initiatives.



## Energizing the Future with our customers

In June 2022, the AltaLink customer service team held its eighth annual *Let’s Connect* event. More than 100 customers, industry partners, and AltaLinkers came together to discuss the theme of *Energizing the Future*.

The event provided an opportunity for us to share how AltaLink is working to meet the needs of our customers while remaining focused on keeping our system reliable and affordable, protecting our critical infrastructure, and looking ahead with a vision for enabling a net zero grid in Alberta.

Photo: 8th Annual *Let’s Connect* event.

## Every Interaction Counts

Each month, AltaLink surveys customers to get their feedback on our customer service and how we can improve. The Connecting Customers segment surveys our customers that AltaLink recently connected to the grid. In 2022, we received 13 Connecting Customer surveys and the average score was 9.77. In the Existing Customer segment, long-term customers evaluate their ongoing service from AltaLink. We received 102 surveys, and our average score was 9.55.

As a result, our total average customer satisfaction score was 9.57 from 115 surveys received. In fact, **99% of customers scored us with an 8 or above out of 10** (114/115 surveys).



**In 2022, we have achieved our best-ever customer satisfaction results at 9.57, above our maximum goal of 9.44.”**

**For fourth year in a row  
ALTALINK  
KEEPS  
COSTS TO  
CUSTOMERS  
BELOW  
2018  
LEVELS**

As Albertans feel the pressure of higher costs for food, rent and energy, AltaLink continues to focus on providing reliable, affordable electricity transmission service for millions of Albertans. In 2022, AltaLink kept its annual cost to customers below 2018 levels for the fourth consecutive year, delivering on its flat-for-five commitment to Albertans. In those four years, AltaLink’s tariffs have not contributed to an increase in electricity prices.

As Alberta set records for peak demand in December, AltaLink managed its costs to customers while delivering outstanding reliability performance. AltaLink reduced the average duration of outages across its entire system in 2022, resulting in best-ever reliability for its customers.

With a decision from the Alberta utilities Commission (AUC) on AltaLink’s 2022-2023 General Tariff Application, AltaLink achieved its goals to not increase its rates for five years.

# Stakeholder engagement and consultation

## STAKEHOLDER IDENTIFICATION

The importance of our stakeholders cannot be overstated and is of paramount importance to AltaLink. Being able to work collaboratively with all our stakeholders in a timely and transparent manner is key to our ongoing success.

AltaLink's Stakeholder Engagement group actively engages with, obtains feedback from, and collaborates with the various stakeholders interested in the development of our transmission and operation of our business.

AltaLink uses the definition of stakeholders as identified by the Alberta Utilities Commission (AUC). This definition essentially identifies all persons whose rights may be directly and potentially adversely affected by a proposed development, such as the development of one of our transmission facilities.

[\(Participant involvement program guidelines p. 120\)](#)

This may include, but is not limited to, the following as it pertains to AltaLink work:

- landowners
- renters or lessees
- proxy, Power of Attorney, or direction holders
- encumbrance holders
- occupants
- residents
- Crown land leaseholders
- trappers
- local government representatives, officials and departments
- regional government representatives, officials and departments
- provincial government representatives, officials and departments
- landowner advocate groups
- public and private companies
- Indigenous groups

All stakeholders on a project receive relevant project information that is largely dependent on their location relative to the project. For example, stakeholders adjacent to proposed facilities may be personally contacted and consulted with. Additional stakeholders whether within or beyond the project's notification area are personally consulted with upon request.



**The importance of our stakeholders cannot be overstated and is of paramount importance to AltaLink.”**



## STAKEHOLDER ENGAGEMENT PROCESS

The stakeholder engagement process begins once a project direction has been provided by the Alberta Electric System Operator (AESO) to AltaLink, or a requirement has been identified to complete work from an operations and maintenance perspective. The direction or need includes a project scope and technical requirements. This allows AltaLink to begin siting the transmission facilities as well as begin the stakeholder identification and selection process.

Stakeholders are specific to each project based on the notification criteria. We provide project specific information to all project stakeholders. The information is provided after material changes or progress in the project such as, but not limited to the following:

- preliminary siting and routing of transmission facilities
- site and route updates
- project scope changes
- route determinations, and
- timing of construction activities

We also notify all stakeholders when:

- the Facility Application has been filed with the AUC
- the Facility Application has been approved and after receipt of permits and licenses
- a hearing is called by the AUC for the project
- AltaLink files an amendment with the AUC

AltaLink uses the following methods to communicate with stakeholders:

- mailing, hand delivery and email of project specific information packages
- phone calls, and meetings to complete consultations
- group meetings and presentations
- open houses, information sessions and information feedback sessions
- 1-800 number and general email
- online and telephone surveys

A compilation of common issues identified by AltaLink's stakeholders as issues of potential concern across our various projects typically includes, but is not exclusive, to the following:

- annual structure payments
- audible noise
- compensation
- electric and magnetic fields (EMF)
- environment
- farm/machinery access
- radio/TV interference
- right-of-way acquisition
- tree trimming
- visual
- weed control
- other – future developments, other developments in the area, access roads, construction activities, fire safety



**Stakeholders are specific to each project based on that project's notification criteria.**

AltaLink records the concerns and questions of stakeholders and either a Stakeholder Engagement team member or subject matter expert within AltaLink will follow up with the stakeholder to address, inform, and hopefully resolve the concern.

### STAKEHOLDER CONSULTATION CHANGES DUE TO THE COVID-19 PANDEMIC

Based on public health recommendations and guidance from the AUC, AltaLink adjusted stakeholder consultation efforts as a result of the COVID-19 pandemic.

The majority of consultation during the pandemic took place via telephone, video conference, or other methods, and an online feedback portal was also created as an option for stakeholders to provide input on a project via our website.

AltaLink continued to monitor the COVID-19 pandemic and resumed pre-pandemic consultation efforts when it was safe to do so in 2022.



AltaLink continued to monitor the COVID-19 pandemic and resumed pre-pandemic consultation efforts when it was safe to do so in 2022.”

2022  
consultation  
highlights

338

CONSULTS

7,048

MAIL-OUTS

34

ACTIVE PROJECTS  
CONSULTED ON

518

PHONE CALLS  
TO STAKEHOLDERS

# INDIGENOUS RELATIONS

*AltaLink's service area includes 19 First Nations, two Métis Settlements, and four Regions of the Métis Nation of Alberta.*

We recognize the deep connections Indigenous peoples have to the land and traditions. It's because of this that we are committed to fostering the important relationships we have with the communities we operate in. We believe that true collaboration and partnership requires mutual respect, open dialogue, and a willingness to listen.

Through Traditional Land Use assessments, opportunities for Indigenous businesses to bid for contracts, or our investment in Alberta's Indigenous communities we build relationships from the inside out.



**We recognize the deep connections Indigenous peoples have to the land and traditions."**





# Programs that support AltaLink’s commitment to Indigenous relations

## CULTURAL AWARENESS SESSIONS

Cultural awareness training has been made available to employees who interact with Indigenous communities through their work.

### FIRST NATIONS LIMITED PARTNERSHIPS: KAINAILINK L.P. AND PIIKANILINK L.P.

In June 2019, a limited partnership, called PiikaniLink L.P., was formed between AltaLink and the Piikani First Nation. In January 2020, a limited partnership, called KainaiLink L.P., was formed between AltaLink and the Blood (Kainai) Tribe. The agreements provide the Piikani Nation and Kainai Tribe with 51 per cent of the equity portions of AltaLink’s Southwest 240 kV transmission line located across their respective lands.

## INDIGENOUS RELATIONS POLICY

AltaLink’s Indigenous Relations Policy is based on Guiding Principles to support meaningful and respectful engagements with Indigenous communities:

- Respectful Indigenous relations
- Respecting Indigenous ways of life
- Enhancing relationships
- Communications
- Balanced outcomes
- Meaningful consultation
- Community support

## INDIGENOUS SCHOLARSHIP PROGRAM

This scholarship program is designed to recognize leaders in the Indigenous community by offering scholarships to Indigenous students attending post-secondary institutions.

## TRADITIONAL LAND USE FIELD ASSESSMENTS

Traditional Land Use field assessments help reduce project impacts to the landscape through agreed mitigations. This may include adjusting the location of new transmission towers, modifying work space areas or developing site-specific solutions with Indigenous communities to reduce disturbance.

“Cultural awareness training has been made available to employees who interact with Indigenous communities through their work.”



## 2022 Events, activities and initiatives

### INDIGENOUS HISTORY MONTH

In June, AltaLink celebrated Indigenous History Month and National Indigenous People's Day by raising the Treaty 6, 7, 8 and Métis flags in the AltaLink Plaza atrium. To share our commitment and respect to the First Nations and Métis communities within our service territory, the Treaty 7 and Métis flags are now permanent fixtures at AltaLink's head office.

AltaLinkers also enjoyed:

- An Indigenous hand games workshop
- A blanket sharing workshop with our south field operations staff
- A tipi raising workshop with our north field operations staff
- An Indigenous virtual cooking class

We also welcomed members of Making Treaty 7 Cultural Society who performed scenes inspired by the story of the 1877 signing of Treaty 7.

### NATIONAL DAY FOR TRUTH & RECONCILIATION

AltaLink officially observes the National Day for Truth and Reconciliation by closing our offices on September 30. This provides an opportunity for all of us to acknowledge the tragic and painful history of residential schools, and to understand the continued impact on Indigenous communities. In 2022, we honoured this day by raising the Survivors' Flag at our head office for the month of September.

We also hosted a virtual event on September 29 with a special guest from the National Centre for Truth and Reconciliation. Staff heard more about the history of residential schools in Canada, the meaning behind the Survivors' Flag and the symbolism of Orange Shirt Day.

### NA-MI-QUAI-NI-MAK (*I REMEMBER THEM*) COMMUNITY SUPPORT FUND

In 2022, AltaLink continued its support of Indigenous communities with a donation matching program through the National Centre for Truth and Reconciliation. The Na-mi-quai-ni-mak (*I remember them*) Community Support Fund supports initiatives across Canada and invites communities to determine what type of recognition is most appropriate and meaningful for them. Examples of the types of activities that communities may choose to engage in include establishing plaques, healing gardens, carvings, reflection ponds, or Indigenous markers. Alternatively, the fund can also support community-led gatherings and ceremonial activities.

Through employee and corporate donations \$5,000 was donated to the fund for Alberta-based initiatives. The 2021 – 2022 combined contributions from AltaLink now total over \$41,000.



**AltaLink continued its support of Indigenous communities with a donation matching program through the National Centre for Truth and Reconciliation.”**



### ABORIGINAL ROLE MODELS OF ALBERTA

AltaLink has sponsored the annual awards since 2015 to celebrate excellence and leadership within Indigenous communities.

### RELATIONSHIP BUILDING

AltaLink strives to raise awareness about its role in the electric system and related business opportunities through a number of Indigenous job fairs and tradeshows hosted by First Nations, Treaty organizations, the Métis Nation, universities and Indigenous organizations. New connections are created by participating in economic development forums, pow-wows, and other cultural events.

### MEANINGFUL CONSULTATION

Meaningful consultation practices are essential to AltaLink’s core values and to growing Indigenous participation in our business. AltaLink went above and beyond its Duty to Consult, engaging in additional ways to add value. From creating limited partnerships, progressive business relations, and community connections at various levels, to ensuring Traditional Land Use field assessments are conducted respectfully and safely, we believe we are on the right path to reconciliation.



Meaningful consultation practices are essential to AltaLink’s core values and to growing Indigenous participation in our business.”

## Indigenous consultation in 2022

11

PROJECTS REQUIRING REGULATORY APPROVAL WITH INDIGENOUS ENGAGEMENT

25

INDIGENOUS COMMUNITIES/ ORGANIZATIONS ENGAGED ON PROJECTS

1

APPLICATION FILED WITH INDIGENOUS ENGAGEMENT

11

PROJECT MAILOUTS

13

FIELD-WORK DAYS



# GOVERNANCE



# GOVERNANCE STRUCTURE

*AltaLink's governance structure supports environmental and social expectations as well as traditional fiduciary duties. The Board of Directors is responsible for governance oversight and includes a number of working committees focused on the impacts of AltaLink operations.*

We adhere to a policy of strict regulatory compliance and pursue frequent, open communication with stakeholders regarding our business performance. Alberta has the only deregulated electricity market in Canada. The Alberta Electric System Operator (AESO) sets a number of policies and procedures regarding how aspects of the market will be bid, which impact AltaLink's economic performance.

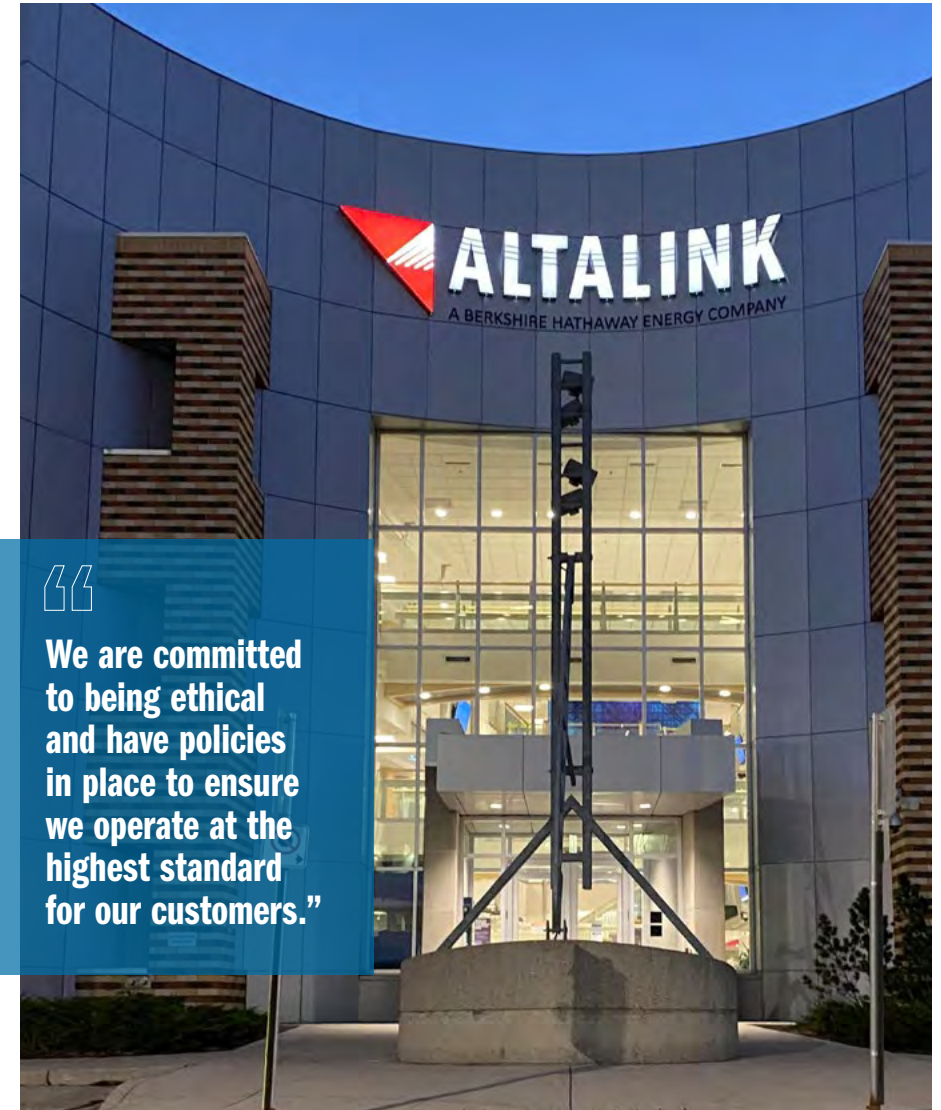
The construction and operation of transmission facilities in Alberta is regulated and must be approved by the Alberta Utilities Commission (AUC), pursuant to the Electric Utilities Act, the Public Utilities Act, the AUC Act, and the

Hydro and Electric Energy Act and their respective regulations.

Through various regulatory decisions, these statutes and their respective regulations impact our tariffs, construction, operations and financing. We receive all our regulated transmission tariffs, including settlements of deferral and reserve accounts, from the AESO. We and other transmission facility owners are permitted to charge tariffs for the use of our transmission facilities. Such tariffs are regulated by the AUC under the provisions of the Electric Utilities Act (Alberta) in respect of rates and terms and conditions of service.

We seek to promote integrity and transparency in all aspects of how we conduct our business and in our relations with our colleagues, customers, shareholders, business partners, and other stakeholders.

We are committed to being ethical and have policies in place to ensure we operate at the highest standard for our customers.



**We are committed to being ethical and have policies in place to ensure we operate at the highest standard for our customers.”**

## Executive Team



**GARY HART**

President &  
Chief Executive Officer



**SHERI ALLEN**

Senior Vice President,  
Human Resources



**MIKE BARTEL**

Vice President,  
Operations



**PAUL LEE**

Vice President, Projects



**CAYLA SABY**

Vice President,  
Government Relations  
& Commercial



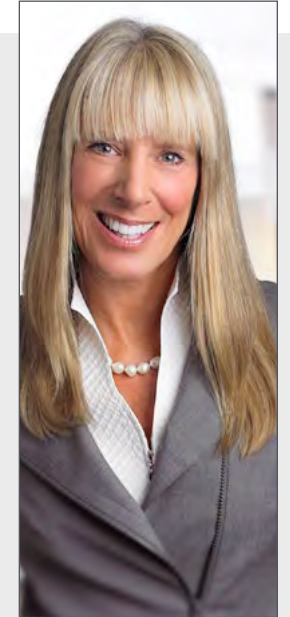
**DAVID KOCH**

Executive Vice President  
& Chief Financial Officer



**JOHANNE PICARD  
THOMPSON**

Executive Vice President,  
Customer & Corporate  
Services



**ZORA LAZIC**

Senior Vice President,  
Law & Regulatory,  
General Counsel

## Board of Directors

David Tuer, Chair  
David R. Collyer, Director  
Calvin D. Haack, Director  
Natalie Hocken, Director  
Patricia Nelson, Director  
Susan Riddell Rose, Director  
Gary Hart, Director  
Scott Thon, Director  
Brad Wall, Director

## Board Committees

### AUDIT COMMITTEE

The Audit Committee's responsibility is to assist the Board in fulfilling its oversight of:

- the quality and integrity of AltaLink's accounting and financial reporting processes
- the adequacy and effectiveness of management's system of internal controls and procedures
- the relationship with the external auditors, including the audit of the financial statements
- the compliance with laws, regulations, and guidelines affecting AltaLink that relate to the duties and functions of the Audit Committee

### ENVIRONMENTAL, HEALTH AND SAFETY COMMITTEE

AltaLink's Board of Directors established its Environment, Health and Safety (EH&S) Committee in 2008 to assist in the governance and oversight of EH&S matters at AltaLink. In 2022, the functions of the EH&S Committee were absorbed into the full Board of Directors and the EH&S Committee was discontinued.

Among its responsibilities, the Board of Directors sets strategy and reviews management's response to EH&S issues and climate related risks, including compliance with applicable legislation, regulatory requirements, and industry standards.

### HUMAN RESOURCES AND GOVERNANCE COMMITTEE

The Human Resources and Governance Committee performs the functions of a compensation committee and a nominating committee. It also assists the Board on human resource and legal corporate governance issues, and the Chief Executive Officer and management of AltaLink on human resource matters.



# Programs that support our governance priorities

## ANTI-CORRUPTION AND ANTI-COMPETITIVE BEHAVIOUR

AltaLink's annual Compliance Report and Annual Information Form both provide explicit information regarding unbiased information, fair contractual practices, and performance for the preceding year and both are critical documents in terms of ensuring anti-corruption and anti-competitive behaviours are adhered to.

## EMPLOYEE CODE OF ETHICS AND BUSINESS CONDUCT

At AltaLink, we have the energy to always do the right thing. AltaLink's Code of Ethics and Business Conduct is important to our business and is taken seriously. It's a critical part of our corporate culture. Employees are required to demonstrate that they understand the policies and procedures of the Code of Ethics and Business Conduct by taking annual training. Every employee must also sign off that they have read the code each year.

AltaLink's Code of Ethics and Business Conduct seeks to promote integrity and transparency in all aspects of how we conduct our business and in our relations with our colleagues, directors, shareholders and business partners.

The Code of Ethics and Business Conduct highlights key principles:

- Respect and integrity in all our interactions
- Transparency in all our dealings
- Avoiding conflicts of interest
- Proper use and handling of AltaLink assets
- Protection of information

## ETHICS HOTLINE

If an employee believes they have witnessed a conflict of interest or violation of the Employee Code of Ethics and Business Conduct, they can make anonymous reports through our third-party hotline by phone or online.

## ENTERPRISE RISK MANAGEMENT POLICY

A primary goal of enterprise risk management (ERM) is to provide uniform processes to identify, measure, treat, and report our key risks for the benefit of our customers and shareholders. By strengthening our risk management practices, ERM supports the corporate governance needs of our Board of Directors and the due diligence responsibilities of senior management.

## EXTERNAL COMMUNICATIONS POLICY

The objective of this policy is to ensure that the information contained in all communication with the public is consistent, accurate, fair, and timely.

## INTEGRATED EMERGENCY RESPONSE PLAN (IERP)

AltaLink has several robust plans, policies and procedures in place to guide us through a variety of emergency situations, whether related to the transmission system, our network security, our corporate business operations, or even a global pandemic.

## INTER-AFFILIATE CODE OF CONDUCT

This code established standards and conditions for interactions between AltaLink and its affiliates.

## ISO 27001 AND 27019 CERTIFICATIONS

We have implemented an Information Security Management System based on ISO standards. ISO 27001 includes controls to protect the confidentiality, integrity, and availability of information. ISO 27019 is an extension of the first.

## PROHIBITED BUSINESS PRACTICES POLICY

All officers, directors and employees of AltaLink are required to abide by all applicable laws and regulations that apply to any of their activities or operations.



## Keeping our system secure for Albertans

At AltaLink, we are focused on keeping our system secure from the increasing threat of cyber-attacks. As an essential service provider that our customers depend on, we know we have a responsibility to ensure that our systems, assets, data, customers, and employees are all secure and protected. A successful cyber-attack on the electrical grid could affect critical infrastructure like hospitals and grocery stores. It could also have a significant impact on businesses and the economy.

Our cyber and physical security management system is based on the International Organization for Standardization (ISO) requirements and standards to help us identify and use best practices to keep the grid secure.

As part of our ongoing efforts to enhance our cyber security preparedness, we underwent an external audit conducted by the British Standards Institute (BSI) in June 2022 and retained our information security management system certification.

We continue to upgrade our cyber security preparedness by adding controls to meet compliance requirements and to keep pace with best practices.

With the outbreak of Russian hostilities against Ukraine in February 2022, the Governments of Canada and the United States issued repeated requests for critical infrastructure providers (in particular the electricity industry) to adopt additional security measures. AltaLink works closely with federal and provincial government security agencies and industry partners to implement additional security controls and we continue to monitor developments closely.

In addition to our ISO standards, we have a number of other security measures in place to keep our customers and employees safe and secure. These controls include:

- Working closely with others in the industry and government to share potential threat intelligence.
- Implementing Critical Infrastructure Protection (CIP) standards as an industry baseline for security controls to protect our critical assets.
- Providing employees with ongoing training and regular exercises to learn to recognize and respond appropriately to potential security threats.

**“ We have a responsibility to ensure that our systems, assets, data, customers, and employees are all secure and protected.”**



# Engaging employees on keeping AltaLink secure & protected

*As a critical infrastructure provider, phishing is one of AltaLink's biggest threats*

To help keep the grid secure and protected, AltaLink conducts regular phishing tests to help employees recognize the signs of a suspicious email.

In 2022, AltaLink employees achieved our best-ever phishing test results with a non-click rate of 99.955 per cent on phishing simulations.

## Ongoing education

To increase employee awareness and understanding of the potential security risks that face our business, we host a variety of events and seminars throughout the year.

### CYBER SECURITY LEARN AT LUNCH

To celebrate Cyber Security Awareness Month, we hosted an informative virtual session on the importance of cyber security to mitigate increasing threats. The session included practical advice to safeguard information on any device.



### CORPORATE SECURITY "JEOPARDY"

Employees were tested on their knowledge of corporate security, including critical infrastructure protection, cyber and information security.

### LOCKING IT DOWN: PHYSICAL SECURITY

Employees learned about new technologies being used by AltaLink's Physical Security team and steps we can all take to protect our people and our assets.

**“ In 2022, AltaLink achieved our best-ever phishing test results with a employees passing the phishing tests at an overall rate of 99.955 per cent.”**

# The future of sustainability and ESG reporting

## ABOUT ALTALINK'S ESG REPORTING METHOD

Reporting on environmental, social and governance (ESG) related topics in a standardized and accurate manner presents some challenges because there are multiple sustainability reporting frameworks and standards\* available.

While this type of reporting is currently voluntary, regulators in North America are contemplating making ESG related disclosures mandatory within financial reports beginning as early as 2024.

While we don't know for certain when changes to reporting requirements may come into effect, AltaLink has decided to present its ESG report as outlined in the Global Reporting Initiative (GRI) standards. This allows AltaLink to remain consistent in our reporting methodology until the mandatory requirements have been communicated.

## FUTURE ESG REPORT INTEGRATION

Multiple efforts are underway to integrate different frameworks to satisfy the various reporting requirements across different sectors and jurisdictions.

For example, the US Securities and Exchange Commission (SEC) and the Canadian Securities Administrators (CSA) have solicited input on two proposals that would influence future reporting on climate-related risks and opportunities. It is anticipated that issuers of financial reports will soon have to incorporate how climate change may impact their respective businesses and make that information public through the initiatives being advanced by both the SEC and the CSA.

All of the above-noted factors suggest that sustainability and ESG reporting will continue to evolve in the coming months and years.



**AltaLink has decided to present its ESG report as outlined in the Global Reporting Initiative (GRI) standards. This allows AltaLink to remain consistent in our reporting methodology until the mandatory requirements have been communicated."**



*\* Frameworks are designed to provide direction on the topics to be reported on, how to structure that information and how to prepare the topics using principles-based guidance. Standards, meanwhile, provide specific, detailed, and replicable requirements for what should be reported for each topic, including metrics. Standards make frameworks actionable, ensuring comparable, consistent, and reliable information is available within a sustainability report. Frameworks and standards are complementary and are designed to be used together.*

*The primary framework and standards-setting organizations are:*

- The Global Reporting Initiative (GRI)
- Sustainability Accounting Standards Board (SASB)
- International Integrated Reporting Council (IIRC)
- Task Force on Climate-related Financial Disclosures (TCFD)
- Science Based Targets initiative (SBTi)
- Climate Disclosure Standards Board (CDSB)



**IT'S ALL CONNECTED:  
ESG IN  
ACTION**

ESG in action:

# CELEBRATING A SIGNIFICANT MILESTONE IN THE BOW VALLEY

*In late November 2022, AltaLink officially energized the 113L Transmission Line Rebuild, our longest rebuild to date.*

The 113L transmission line was originally constructed in 1953. It was rebuilt to increase safety and ensure a reliable power supply in the area. The project involved rebuilding 23 kilometres of the transmission line in the Town of Canmore and the Bow Valley Provincial Park in Alberta and vegetation management activities to help minimize the risk of tress making contact with the line, that could lead to a power outage or fire.

You might think that rebuilding an existing asset would be a simple undertaking, but the project included:

- more than 200 stakeholder consultations (in the middle of a pandemic)
- navigating the challenges of an ecologically sensitive and high fire-risk area
- ensuring that construction activities were completed safely in the middle of the Town of Canmore and a provincial park



**The rebuild involved a collaborative effort from several functional teams at AltaLink.”**



The rebuild involved a collaborative effort from several functional teams at AltaLink, including Engineering, Siting, Consultation, Indigenous Relations, Data Integrity, Regulatory, Land, Environment Health & Safety, Power Quality and Communications.

Final reclamation work will be completed in the spring and summer of 2023.

**Here are some details on what made this massive project a success...**



### ENVIRONMENTAL CONSIDERATIONS

From an environmental and fire risk perspective, the 113L transmission line is in a sensitive area. Since the original build in 1953, urban development has increased significantly in the area adjacent to the line.

To prepare for the rebuild, AltaLink removed vegetation along the transmission line that was in danger of falling onto or touching the line, which could result in a power outage or a fire. As part of our fire mitigation program, AltaLink ensures that our rights-of-way are appropriately managed to minimize the risk. This can include selectively removing trees that may cause dangerous hazards or risk to the line.

Balancing the high fire risk with what the community wanted from a vegetation perspective was challenging. AltaLink began proactively staking where the right-of-way and vegetation control easements were planned to be located, and also flagged or marked vegetation that would need to be removed to accommodate the rebuild.



That allowed people to visualize what would happen in terms of vegetation management. Providing community members with this visual representation of AltaLink’s plans ultimately helped the process by proactively addressing community questions.

An environmental evaluation also assessed the risks to wetlands and the local wildlife population. After completing assessments and surveys, a project schedule was developed to limit impacts on these habitats.



**An environmental evaluation assessed the risks to wetlands and the local wildlife population.”**

### STAKEHOLDER CONSULTATION AND KEEPING AREA RESIDENTS INFORMED

Consultation is about helping stakeholders understand the project scope, how it may impact them, and thoughtfully collecting their feedback. With this rebuild, we wanted to ensure that all lines of communication were open during all stages of the project, due to the intensive vegetation management program and planned construction activities.

We worked closely with stakeholders, including the municipality, landowners, homeowners, renters, and local businesses to mitigate any issues or concerns they

had with the project. AltaLink also engaged residents and visitors to the area by advertising in the local newspaper, sharing social media updates, and proactively connecting with local media.

Our goal was to ensure that everyone was aware of all activities and potential traffic, trail and construction disruptions happening near them during the entire duration of the project.

After completing the consultation process, AltaLink filed the application with the AUC and received approval to begin the rebuild in October 2021.

### EXECUTION PLAN

A plan was developed to complete the 113L rebuild in phases. The first half of the line was scheduled to be rebuilt between January and March, 2022, and the second half between September and November, 2022.

There were a number of factors to consider, from the selection of the foundation type, installation methods, and building the line in mountainous terrain, surrounded by existing buildings and the winding Bow River.

Historically, rebuild projects like this one are done as a like-for-like replacement. However, for 113L, a line optimization study was carried out to provide a more cost-effective design while addressing the long-term load requirements of the line in this unique topographical area.

### WORKER AND PUBLIC SAFETY CONSIDERATIONS

At AltaLink, our top priority is the safety and security of our employees, customers, contractors, and the general public.

From a safety lens, hazardous work and site conditions on the 113L project were consistently well-managed, with effective safety controls in place throughout the sites.

The contractors and work crews took the extra time to ensure that work was done safely each and every day.

This included regular job safety analysis and hazard assessments and increased communication of safety standards with all work crews, contractors and personnel.

The team also worked hard to ensure public safety in the residential areas where work was being completed. Construction took place in the Town of Canmore along a major highway that sees more than 20,000 cars daily.



**The contractors and work crews took the extra time to ensure that work was done safely each and every day."**

## HOW DOES THE 113L REBUILD TIE ESG TOGETHER?



### ENVIRONMENT:

- A comprehensive fire mitigation and vegetation management program were implemented
- Environmental assessments and surveys were completed to consider local wildlife habitats



### SOCIAL:

- 212 stakeholder consultations were completed with homeowners, occupants and renters in the area
- To build trust and foster strong relationships with stakeholders, area residents were kept informed throughout the project through regular updates
- Employee, contractor and public safety was a priority throughout the project and no injuries were reported



### GOVERNANCE:

- A streamlined execution plan was developed to complete the project in stages
- A line optimization study was carried out to provide a cost-effective design while addressing the long-term load requirements of the line



# APPENDICES



**APPENDIX A**

# Applicable GRI Standards – 2022

GRI STANDARD	TOPIC	COMMENT
<b>General Disclosures</b>		
102-1	Name of organization	AltaLink, L.P.
102-2	Primary services/brands	Alberta’s largest regulated electricity transmission company ( <a href="http://www.altalink.ca">www.altalink.ca</a> )
102-3	Location of HQ	Calgary, AB
102-4	# of Countries operational in	One, Canada
102-5	Nature of ownership and legal form	<a href="https://www.altalink.ca/files/Q4_2022_ALP_MDA.pdf">https://www.altalink.ca/files/Q4_2022_ALP_MDA.pdf</a> (p. 4)
102-6	Markets served	One, Alberta
102-7	Scale of Operation	Total number of employees – 685 Total number of operational employees – 255
102-8	Information on employees	669 full time permanent employees 12 full time term positions 4 part time permanent positions
102-9	Describe the organization’s supply chain	AltaLink, like many entities, continues to be challenged with supply chain issues. Improvements in the scrutiny of its suppliers through an updated procurement policy supports continuous improvement in our processes.
102-10	Report significant changes to size, structure, ownership	None
102-11	Precautionary principle and approach	AltaLink’s enterprise risk management process is located at the following website under the heading of Risk Management and provides insight into assessing risk and appropriate levels of response: <a href="https://www.altalink.ca/files/Q4_2022_ALP_MDA.pdf">https://www.altalink.ca/files/Q4_2022_ALP_MDA.pdf</a> (p. 41)

GRI STANDARD	TOPIC	COMMENT
102-12	External initiatives	<ul style="list-style-type: none"> <li>Electricity Canada; Sustainable Electricity Program – (brand re-designation obtained in 2019); Transmission Council; and, various working groups and committees.</li> <li>International Standards Organization – integrated health, safety and environmental management system, cyber security system</li> <li>Right of Way Stewardship designation</li> </ul>
102-14	Statement from senior decision-maker	<a href="#">p. 3</a> this report
102-15	Key impacts, risks and opportunities	Formal materiality assessment undertaken in 2019 followed by an in depth review in 2020 continue to inform sustainability strategy throughout the organization.
102-16	Values, principles, standards and norms of behaviour	<a href="http://www.altalink.ca/about/governance/code-of-ethics-business-conduct.cfm">http://www.altalink.ca/about/governance/code-of-ethics-business-conduct.cfm</a>
102-17	Mechanisms for advice and concerns about ethics	<a href="http://www.altalink.ca/files/doc/AltaLink_Inter-Affiliate_Code_of_Conduct_Compliance_Plan.pdf">http://www.altalink.ca/files/doc/AltaLink_Inter-Affiliate_Code_of_Conduct_Compliance_Plan.pdf</a> and <a href="https://www.altalink.ca/about/vision-core-principles.cfm">https://www.altalink.ca/about/vision-core-principles.cfm</a>
102-18	Governance structure	<a href="#">p. 53</a> this document
102-19	Delegating authority	Highest governance body’s role in this process resides with both the Executive team and the Board of Directors.
102-20	Executive-level ESG responsibility	<a href="https://www.altalink.ca/files/Q4_2022_ALP_MDA.pdf">https://www.altalink.ca/files/Q4_2022_ALP_MDA.pdf</a> (p.13)
102-21	Consulting stakeholders on ESG issues	<a href="#">p. 44-46</a> this document
102-22	Composition of highest governance body and committees	Annual Information Form, May 9, 2023 available on <a href="https://www.sedar.com">sedar.com</a> website (p. 27)
102-23	Chair of highest governance body	Annual Information Form, May 9, 2023 available on <a href="https://www.sedar.com">sedar.com</a> website (p. 30)
102-29	Identifying and managing economic, social, environmental impacts	Highest governance body’s role in this process resides with both the Executive team and the Board of Directors. <a href="https://www.altalink.ca/files/Q4_2022_ALP_MDA.pdf">https://www.altalink.ca/files/Q4_2022_ALP_MDA.pdf</a> (p. 13)
102-31	Review of economic, environmental, and social topics	Frequency of these reviews occurs throughout annual business cycles (Board of Directors meetings, etc.) as well as every three to five years as part of materiality assessment review.
102-40	Provide a list of stakeholders groups engaged by the organization	<a href="#">p. 44-46</a> this document



GRI STANDARD	TOPIC	COMMENT
102-41	% Covered by collective agreements	57% of all employees within two unions
102-42	Report process to identify stakeholders	<a href="#">p. 44-46</a> this document
102-43	Approach to stakeholder engagement	<a href="#">p. 44-46</a> this document
102-44	Key topics and concerns raised	<a href="#">p. 44-46</a> this document
102-45	Entities included in consolidated financial statements	<a href="https://www.altalink.ca/files/Q4_2022_ALP_Financial_Statements.pdf">https://www.altalink.ca/files/Q4_2022_ALP_Financial_Statements.pdf</a>
102-46	Defining report content and topic boundaries	AltaLink's Corporate Sustainability Specialist with direction from Executive Vice President, Customer and Corporate Services and Vice President, Environment, Health and Safety through a comprehensive corporate sustainability strategy. One operational unit (ALM) operating in one geographic territory (province of Alberta, Canada) allowed direct aspect boundary determination.
102-47	List of material topics	GRI Standards; GRI Management Approach; issues identified in 2020 Materiality Assessment update.
102-49	Changes in reporting	No significant changes – awaiting decision regarding CSA NA 51-107 reporting requirements.
102-50	Reporting period	2022
102-51	Date of most recent report	June 2022 for 2021 activities
102-52	Reporting cycle	Annual
102-53	Contact for questions regarding this report	Corporate Sustainability Specialist; Vice President, Environment, Health and Safety



GRI STANDARD	TOPIC	COMMENT
<b>Management Approach</b>		
103-1	Boundary of report	AltaLink, L.P.
201-1	Economic Standards	Direct economic value generated and distributed:
		Operating costs
		Employee wages/benefits
		Provincial taxes
		Federal taxes
		Gross spend in Alberta (cap and operating costs as %)
		Property, plant and equipment
201-2	Financial implications and other risks and opportunities due to climate change	<a href="https://www.altalink.ca/files/Q4_2022_ALP_MDA.pdf">https://www.altalink.ca/files/Q4_2022_ALP_MDA.pdf</a> (p. 14)
201-3	Coverage of the organization’s defined benefit plan obligations	<a href="https://www.altalink.ca/files/Q4_2022_ALP_Financial_Statements.pdf">https://www.altalink.ca/files/Q4_2022_ALP_Financial_Statements.pdf</a> (p. 5)
201-4	Financial assistance received from government	None
203-1 203.2	Infrastructure investments and services supported	<p><i>Serving more than 85 per cent of the province, AltaLink is Alberta’s largest electricity transmission provider and the essential link that connects homes, farms, businesses and industries to Alberta’s electricity grid. AltaLink is focused on delivering reliable, affordable and exceptional service to meet the need of its customers.</i></p> <p>The direct and indirect impacts investment in infrastructure and associated services have on stakeholders and the economy are outlined within AltaLink’s MD&amp;A.</p> <p><a href="https://www.altalink.ca/files/Q4_2022_ALP_MDA.pdf">https://www.altalink.ca/files/Q4_2022_ALP_MDA.pdf</a></p>



GRI STANDARD	TOPIC	COMMENT
205-1	Total # or % of ops assessed for risks related to corruption and associated significant risks	100% – Enterprise Risk Management processes are used to review all AltaLink projects and operations for risks including corruption and bribery to ensure compliance with applicable legislation.
205-2	Communication and training for anti-corruption policies	Annual employee training and associated communications on code of conduct and business ethics; 100% compliance is a condition of employment at AltaLink for all employees at every level.
205-3	Confirmed incidents of corruption and actions taken	0
206-1	Total number of legal actions for anti-competitive behavior, anti-trust and monopoly practices	0

GRI STANDARD	TOPIC	COMMENT
<b>Environmental Standards</b>		
<b>302-1</b>	Energy consumption within the organization	GHG inventory and potential energy conservation programs analysis continues through 2022. This work will support potential CSA requirements outlined in NI 51-107.
<b>304-1</b> Operational sites owned, leased, managed in, or adjacent to protected areas and areas of high biodiversity value outside of protected areas	Biodiversity	Environmental standards, policies and procedures associated with minimizing impacts to natural landscapes and its inhabitants can be found here: <a href="https://www.altalink.ca/environment/altalinks-policy.cfm">https://www.altalink.ca/environment/altalinks-policy.cfm</a>
<b>304-2</b> Significant impacts of activities, products, and services on biodiversity	Biodiversity	Operational sites in or adjacent to protected areas of high biodiversity value are managed to industry leading standards. Details can be found here: <a href="https://www.altalink.ca/environment/vegetation-management.cfm">https://www.altalink.ca/environment/vegetation-management.cfm</a>
<b>304-3</b> Habitats protected or restored	Biodiversity	AltaLink's Avian Protection Plan is a management system designed to reduce the impact our transmission facilities have on birds. Details are available here: <a href="https://www.altalink.ca/environment/avian-protection-plan/avian-protection-plan.cfm">https://www.altalink.ca/environment/avian-protection-plan/avian-protection-plan.cfm</a>
<b>305-1</b> Direct (Scope 1) emissions	Emissions	Scope 1-2 emissions inventory work continues in order to improve reporting accuracy and processes. Work will address potential requirements as outlined in Standard 201-2.
<b>305-2</b> Energy indirect (Scope 2) emissions	Emissions	Scope 1-2 emissions inventory work continues in order to improve reporting accuracy and processes. Work will address potential requirements as outlined in Standard 201-2.
<b>402-1</b>	Labour/Mgmt. Relations – minimum notice periods	New collective agreement with the IBEW ratified to the end of 2024 . New collective agreement with the UUWA ratified to the end of 2023.
<b>403-1</b>	Occupational Health and Safety Management System	Joint Health and Safety Committee represents all employees as does the integrated Environment Health and Safety Management System.
<b>403-4</b>	Worker participation, consultation, and communication on occupational health and safety	Any relevant topic identified through the Joint Health and Safety committee would also be included in subsequent union negotiations.



GRI STANDARD	TOPIC	COMMENT
404-1	Average hours of training per year per employee	While no specific metric or quantifiable amount of time is identified per employee, all employees receive training appropriate to their level and position within the company. High-risk activities or individuals in positions of authority and responsibility will receive appropriate levels of training to ensure they have appropriate certification to perform work activities as required.
404-2	Programs for upgrading employee skills and transition assistance programs	Prior to terms being completed, outgoing employees are given access to various transitional services by a qualified third party vendor (counselling, resume writing, etc.)
404-3	% of employees receiving regular performance and career development reviews	100% - employees undergo annual performance reviews (PRD) and develop forward focused annual work plans and career development plans.
405-1	Diversity and Equal Opportunity	Diversity, equity and inclusion has been a significant focus area for AltaLink to the point where a separate annual DEI Report is now published. An overview of the program and associated initiatives is available on <a href="#">pg. 30</a> of this report.
406-1	Total number of incidents of discrimination and corrective actions taken	0
407-1	Operations and suppliers in which the right to freedom of association and collective bargaining may be at risk	<a href="#">p. 25</a> Collective bargaining agreements in place until the end of 2023/2024.
411-1	Rights of Indigenous Peoples — Incidents of violations involving rights of indigenous peoples	Overview of AltaLink’s extensive Indigenous Relations partnerships, policies and procedures available at: <a href="https://www.altalink.ca/sustainability/overview-1.cfm">https://www.altalink.ca/sustainability/overview-1.cfm</a>
412-1	Human Rights Assessment	<a href="#">p. 30</a>
413-1	Local Communities — operations with local community engagement, impact assessments, and development programs	<a href="#">p. 34</a>
413-2	Operations with significant actual or potential negative impacts on local communities	See <a href="#">p. 45-47</a> regarding consultation with stakeholders including communities
415-1	Total value of political contributions and recipients/beneficiary	\$0

