



ATCO Ltd.

# Management Proxy Circular

Notice of Annual Meeting of Share Owners  
to be held on May 14, 2025

March 7, 2025

**ATCO**



# NOTICE OF ANNUAL MEETING OF SHARE OWNERS

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When

Wednesday, May 14, 2025  
10:00 a.m.

Where

Crystal Ballroom  
Fairmont Palliser  
133-9 Avenue SW  
Calgary, Alberta

## Business of the Meeting

The meeting's purpose is to:

1. Receive the consolidated financial statements for the year ended December 31, 2024, including the auditor's report on the statements;
2. Elect the directors;
3. Appoint the auditor; and
4. Transact other business that may properly come before the meeting.

Holders of Class II Voting Shares registered at the close of business on March 25, 2025 are entitled to vote at the meeting. The management proxy circular dated March 7, 2025 includes important information about what the meeting will cover and how to vote.

By order of the Board of Directors,

*[Signed by K.M. Brunner]*

K.M. Brunner  
Senior Vice President, General Counsel & Corporate Secretary  
Calgary, Alberta  
March 7, 2025



March 7, 2025

Dear Share Owner:

On behalf of our Board of Directors, executive leadership team and employees, it is my sincere pleasure to invite all holders of Class I Non-Voting Shares and Class II Voting Shares of ATCO Ltd. (ATCO) to attend the 58th annual meeting of ATCO share owners. The meeting will be held in person at the Crystal Ballroom at the Fairmont Palliser, 133 – 9 Avenue S.W., Calgary, Alberta on Wednesday, May 14, 2025 at 10:00 a.m. local time.

Holders of Class II Voting Shares are entitled to vote on the items of business at the meeting. If you are unable to attend the meeting, you may vote by various methods as described starting on Page 1 in the accompanying management proxy circular.

In addition to the formal business of the meeting, you will hear management's review of ATCO's 2024 operational and financial performance. You will have the opportunity to ask questions and meet with management, directors and fellow share owners.

#### *Our Performance*

The year 2024 witnessed significant shifts in global power dynamics. Emerging economies gained influence, challenging the traditional dominance of established powers. This realignment was accompanied by inflationary pressures, leading central banks to implement tighter monetary policies. The evolving political landscape underscored the need for adaptive economic strategies to navigate the complexities of a multipolar world. Even amid these uncertain times, ATCO's commitment to excellence has kept the company at the cutting edge of global trends and essential services, playing a vital role in economic and social development, both now and for the future.

Noteworthy achievements from the prior year include the following:

- a) We successfully completed the acquisition of NRB Modular Solutions, instantly expanding ATCO Structures' Canadian business with access to new markets and customers. In business for over 40 years, NRB was one of Canada's largest and longest operating modular building providers and has been an industry innovator in multi-family residential modular products, operating four modular manufacturing locations in British Columbia, Alberta and Ontario.
- b) In May 2024, ATCO Energy Systems announced its largest-ever energy infrastructure project, the Yellowhead Mainline pipeline. The pipeline will reinforce Alberta's natural gas network and contribute to energy security for the province's growing population and industries. In September, ATCO Energy Systems announced the filing of a comprehensive regulatory application that establishes the need for the project and represents the first of two applications to the Alberta Utilities Commission. Subject to regulatory and company approvals, construction is expected to commence in 2026 and the pipeline is expected to be on-stream in the fourth quarter of 2027.
- c) We continued to advance our hydrogen strategy in Canada. In November 2024, ATCO EnPower and Canadian Pacific Kansas City (CPKC) announced the completion of hydrogen production and refuelling facilities in both Calgary and in Edmonton. ATCO EnPower provided engineering,

procurement and construction services for each of the dedicated, onsite hydrogen locomotive refuelling stations, and has signed an agreement to operate these facilities.

These projects and initiatives are just a glimpse of the exciting work we are pioneering across the globe. Our solid performance is greatly due to the expertise and operational excellence of our executive leadership team. Compensation for our executives is linked to achieving goals that create sustainable share owner value, and that are aligned with our long-term strategic plan.

We invite you to read more about our approach to executive compensation, as well as ATCO's 2024 performance, starting on Page [52](#) in the accompanying management proxy circular.

#### *Changes to our Board of Directors*

On January 2, 2025, we announced the appointment of Dawn Farrell and Kelly Koss-Brix to our Board of Directors. Ms. Farrell brings close to 40 years of experience in the energy industry, with senior executive roles at Trans Mountain, B.C. Hydro and TransAlta. She is currently the Chair of the Board for both Trans Mountain and The Chemours Company and serves on the board of Portland General Electric. Ms. Koss-Brix is a corporate and community leader in Alberta, where she is a member of the Board of Directors of Sentgraf Enterprises and an active participant in strategy and succession development in the Southern Office. She is also a member of the Boards of Directors of Canadian Utilities Limited and Spruce Meadows.

Finally, we would like to acknowledge Bob Booth, who is stepping down from the Board this year. Since joining the Board in 2008, his knowledge, advice and integrity have contributed significantly to the Board, and he has shown a true commitment to the ATCO Group of Companies. We are grateful for his wise judgement, dedication and years of distinguished service.

We greatly look forward to the opportunity to see you all once again. A webcast of the meeting will be available at [www.ATCO.com](http://www.ATCO.com) shortly after the meeting, and our 2024 Annual Report is available online. Please visit our website during the year for information about your company.

Sincerely,

*[Signed by N.C. Southern]*

N.C. Southern  
Chair & Chief Executive Officer

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# FREQUENTLY USED TERMS

|                                   |   |
|-----------------------------------|---|
| <b>Board</b>                      | Board of Directors of ATCO Ltd.   |
| <b>CD&amp;A</b>                   | Compensation Discussion & Analysis  |
| <b>CEO</b>                        | Chief Executive Officer   |
| <b>Circular</b>                   | ATCO's Management Proxy Circular dated March 7, 2025                                    |
| <b>Class I Shares</b>             | Class I Non-Voting Shares of ATCO   |
| <b>Class II Shares</b>            | Class II Voting Shares of ATCO  |
| <b>Class A shares</b>             | Class A non-voting shares of Canadian Utilities   |
| <b>Class B shares</b>             | Class B common shares of Canadian Utilities   |
| <b>Code</b>                       | Code of Ethics  |
| <b>DAD</b>                        | Designated Audit Director   |
| <b>GOCOM</b>                      | Corporate Governance - Nomination, Compensation & Succession Committee                  |
| <b>IFRS</b>                       | International Financial Reporting Standards   |
| <b>Non-Registered Share Owner</b> | Your shares are held in the name of a nominee (usually a bank, broker or trust company) |
| <b>proxy form</b>                 | Form of Proxy   |
| <b>PwC</b>                        | PricewaterhouseCoopers LLP  |
| <b>Registered Share Owner</b>     | Your name appears on your share certificate   |
| <b>SAR</b>                        | Share Appreciation Right  |
| <b>SEDAR+</b>                     | System for Electronic Document Analysis and Retrieval+                                  |
| <b>Sentgraf</b>                   | Sentgraf Enterprises Ltd.   |
| <b>TSX Trust</b>                  | TSX Trust Company   |
| <b>VIF</b>                        | Voting Instruction Form   |

All information in this management proxy circular is as of March 7, 2025, unless otherwise indicated.

This management proxy circular is provided to enable ATCO's management team to solicit proxies for use at the annual share owners' meeting for items described in the accompanying notice of this meeting. The cost of management's solicitation is borne by ATCO.

Throughout this Circular, *you* and *your* refers to ATCO Ltd. share owners.

*We, us, our, Company* and *ATCO* refer to ATCO Ltd. and its subsidiaries, where applicable.

*Canadian Utilities* and *CU* mean Canadian Utilities Limited.

# ABOUT THE MEETING

## WHO CAN VOTE

ATCO has two classes of common shares – Class I Non-Voting Shares (Class I Shares) and Class II Voting Shares (Class II Shares). The Class II Shares are the only shares that can be voted at the meeting. Each Class II Share you own at the close of business on March 25, 2025 entitles you to one vote. The holders of Class I Shares are invited to attend and participate in discussions at share owner meetings but are not entitled to vote.

## SHARE OWNERSHIP RIGHTS

Each Class II Share may be converted into one Class I Share at the holder's option. This means that for each Class II Share you own, you can decide to exchange that share for an equal amount of Class I Shares.

**If you are a holder of Class I Shares you have no right to participate if a takeover bid is made for the Class II Shares.** However, if you are a holder of Class I Shares you will be entitled to the same voting rights as the holders of Class II Shares if three conditions are met:

- An offer to purchase Class II Shares is made to all holders of Class II Shares
- At the same time, an offer to purchase Class I Shares, on the same terms and conditions, is not made to holders of Class I Shares
- Holders of more than 50 per cent of the Class II Shares accept the offer.

Class I Shares and Class II Shares rank equally in dividends and in all other respects except for those situations noted above.

## MAJORITY SHARE OWNER

On March 7, 2025, there were 12,424,987 Class II Shares outstanding. To the knowledge of the directors and officers of the Company, the only person who beneficially owns, controls or directs, either directly or indirectly, 10 per cent or more of the Class II Shares is Sentgraf Enterprises Ltd. (Sentgraf). Sentgraf owns 11,542,320 Class II Shares representing approximately 93 per cent of the outstanding Class II Shares. Sentgraf is controlled by the Sentgraf Spousal Trust (the Spousal Trust). Ms. Nancy Southern, Ms. Linda Southern-Heathcott and Mrs. Margaret E. Southern are the trustees of the Spousal Trust. Sentgraf and the Spousal Trust are collectively referred to as the Majority Share Owner.

## VOTING PROCESS Q&A

### Q. Am I entitled to vote?

A. Only holders of Class II Shares at the close of business on March 25, 2025 are entitled to vote. Each Class II Share entitles its holder to one vote.

### Q. What will I be voting on?

A. The Class II share owners will be voting on the following matters:

- The election of 9 directors to ATCO's Board of Directors
- The appointment of the auditor

### Q. How will a decision be made at the meeting?



A. A simple majority of the votes cast, during the meeting or by proxy, will constitute approval of each matter to be voted on.

### Q. How do I vote my shares?

A. You can vote by proxy or by completing a ballot at the meeting. Voting by proxy means you are giving someone else the authority to attend the meeting and vote on your behalf. Please refer to "Registered Share Owner Voting Instructions" and "Non-Registered Share Owner Voting Instructions" below.

### Q. If I submit my proxy form or VIF prior to the meeting, how will my shares be voted?

A. Your shares will be voted as you instruct on the proxy form or Voting Instruction Form (VIF). Follow the instructions provided on your proxy form or VIF in order to ensure it is properly completed. Once completed, submit your proxy form or VIF using one of the methods shown in the next section. If you properly complete and return your proxy form or VIF your proxyholder will vote, or withhold from voting, in accordance with your directions. If you do not specify how you wish the votes to be cast, your shares will be voted as your proxyholder sees fit. If neither you nor your proxyholder gives specific instructions, your shares will be voted as follows:

|   |   |
|---|---|
|  | <b>FOR the election as directors of those nominees set out in this Circular</b> |
|  | <b>FOR the appointment of PricewaterhouseCoopers LLP as ATCO's auditor</b>      |

### Q. What if amendments are made to the matters to be decided at the meeting or if other matters are brought before the meeting?

A. The person or persons named in the proxy form or VIF as your proxyholder will have discretionary authority to vote on amendments or variations to matters identified in the notice of the meeting and on other matters which may properly come before the meeting.

As of the date of this Circular, management is not aware of any amendments or other matters expected to come before the meeting.

## REGISTERED SHARE OWNER VOTING INSTRUCTIONS

### Q. How do I know if I am a Registered Share Owner?

- A.** You are a Registered Share Owner if your name appears on your share certificate. If your name is on your certificate, **you have the right to appoint a person or company to represent you as proxyholder and vote your shares at the meeting.**

### Q. Can I attend and vote during the meeting?

- A.** Registered Share owners may attend and vote at the meeting in person.

### Q. How do I appoint someone else as my proxyholder?

- A.** Follow the instructions provided on your proxy form in order to ensure it is properly completed. **If you want to appoint a person or company other than the persons named in the enclosed proxy form, strike out the printed names appearing on the proxy form and insert the name of your chosen proxyholder in the space provided. Your proxyholder need not be an ATCO share owner.**

**Complete your voting instructions, date and sign the proxy form and return it to our registrar and transfer agent, TSX Trust, using one of the methods shown on Page 4.**

If the shares are registered in more than one name, all persons in whose names the shares are registered must sign the proxy form. It is important for you to ensure that any person you appoint as your proxyholder will attend the meeting. That person should be aware that his or her appointment has been made to vote your shares. If your appointed proxyholder does not attend the meeting, your shares will not be voted. Upon arrival at the meeting, proxyholders should register with a representative of TSX Trust.

### Q. Who votes my shares if I sign a proxy form?

- A.** If you sign the enclosed proxy form and do not insert the name of a proxyholder in the space provided, you are authorizing Ms. Nancy C. Southern, Chair & Chief Executive Officer, or Mr. Kyle M. Brunner, Senior Vice President, General Counsel & Corporate Secretary to vote, or withhold from voting, your shares at the meeting in accordance with your instructions.

### Q. How do I vote shares registered in the name of an entity or in a name other than my own?







- A.** If your shares are registered in the name of an entity or any name other than your own, that entity or other name is the Registered Share Owner. If this is the case, you need to provide documentation proving that you are authorized to sign the proxy form on behalf of that entity or name. If you have any questions on what supporting documentation is required, contact TSX Trust before submitting your proxy form. Shares that are held in a name other than your own may not be voted by telephone or smartphone.

## REGISTERED SHARE OWNER VOTING METHODS AND PROXY DEADLINE DATE (May 12, 2025)

**Important Note:** Regardless of which voting method you use, your vote must be received by TSX Trust before 5:00 p.m. Eastern Daylight Time on the proxy deadline date.

### Q. How do I vote?

A. You may select an option from the table below:

|   |   |
|---|---|
|    | <p><b>Attend the meeting in person</b></p> <p>If you plan to attend the meeting and vote your shares in person, you do not need to complete and return the proxy form. Please register with the transfer agent, TSX Trust, when you arrive at the meeting. Your vote will be recorded and counted at the meeting.</p>   |
|    | <p><b>By email</b> <span style="float: right;"><a href="mailto:proxyvote@tmx.com">proxyvote@tmx.com</a></span></p> <p>Sign, scan and email your completed proxy form to TSX Trust. You may appoint anyone as a proxyholder using this voting method.</p>  |
|   | <p><b>By smartphone</b></p> <p>Scan the QR Code that appears on the reverse side of your proxy form. You will need to enter the 13-digit Control Number located on the enclosed proxy form to enter your voting instructions. You may appoint anyone as a proxyholder using this voting method.</p>   |
|  | <p><b>Online in advance</b> <span style="float: right;"><a href="http://www.meeting-vote.com">www.meeting-vote.com</a></span></p> <p>Follow the instructions provided on the proxy voting website. You will need to enter the 13-digit Control Number located on the enclosed proxy form to enter your voting instructions. You may appoint anyone as a proxyholder using this voting method.</p> |
|  | <p><b>By mail</b></p> <p>Return your completed proxy form in the postage paid envelope provided or mail it to<br/>         TSX Trust Company<br/>         Attention: Proxy Department<br/>         P.O. Box 721<br/>         Agincourt, Ontario M1S 0A1</p> <p>You may appoint anyone as a proxyholder using this voting method. Please ensure your proxy form is signed and dated.</p>           |
|  | <p><b>By fax</b></p> <p>Fax your completed proxy form to TSX Trust Company at (416) 595-9593.</p> <p>You may appoint anyone as a proxyholder using this voting method. Please ensure your proxy form is signed and dated.</p>   |

**Q. Can I change my mind once I have submitted my proxy form?**

- A.** Yes. You can complete another proxy form in the manner and time specified on the proxy form. The later-dated proxy form will replace the one submitted earlier. You can also revoke your proxy form by preparing a written statement to this effect. The statement must be signed by you or your duly authorized attorney as authorized in writing. If the share owner is a corporation, the statement must be signed by a duly authorized officer or attorney of that corporation. This statement should be delivered to either of the following:

ATCO's Senior Vice President, General Counsel & Corporate Secretary at any time up to and including the last business day preceding the day of the meeting or any adjournment of the relevant meeting at:

TSX Trust Company  
Attention: Proxy Department  
P.O. Box 721  
Agincourt, Ontario M1S 0A1

or

ATCO Ltd.  
Attention: Senior Vice President, General Counsel & Corporate Secretary  
4th Floor, West Building  
5302 Forand Street S.W.  
Calgary, Alberta T3E 8B4

If you have followed the process for attending and voting at the meeting, voting at the meeting will revoke a previously submitted proxy form.

**Q. How do I contact the transfer agent if I have general questions?**

- A.** Questions may be directed to TSX Trust at <http://www.tsxtrust.com> or [shareholderinquiries@tmx.com](mailto:shareholderinquiries@tmx.com) or by telephone:

|                            |                  |
|----------------------------|------------------|
| Within Canada and the US:  | 1 (800) 360-4519 |
| Outside Canada and the US: | 1 (416) 682-3860 |

## NON-REGISTERED SHARE OWNER VOTING INSTRUCTIONS

### Q. Am I a Non-Registered Share Owner?

- A.** You are a Non-Registered Share Owner when your shares are held in the name of a nominee (usually a bank, broker, or trust company). According to the notice-and-access process (see Delivery of Meeting Materials below), you should have received a Voting Instruction Form (VIF) accompanied by a notice that explains how to access and review the Circular. To ensure that you have all the necessary information about the matters to be voted on at the meeting, you should review the Circular before you vote. If you have provided your nominee with a standing instruction (or if you have provided current instructions for 2024) that you prefer to receive a paper copy of the Circular, your VIF will be included in that package.

### Q. Can I attend and vote during the meeting?

- A.** Non-Registered Share Owners may attend and vote at the meeting in person. If you are a Non-Registered Share Owner and wish to vote at the meeting, you must appoint yourself as proxyholder by inserting your name in the space provided on the VIF sent by your intermediary and follow the applicable instructions. When you arrive at the meeting, please register with the transfer agent, TSX Trust. If you wish to appoint someone other than yourself as your proxyholder, please insert your proxyholder's name on the VIF and follow the steps as outlined above.

### Q. How do I vote?

- A.** Follow the voting instructions on your VIF. You are able to vote online or by mail (a prepaid envelope is provided for you). **If you decide to mail your VIF, please ensure that it is signed and dated in order to validate it.** If you properly complete your VIF, your proxyholder will vote your Class II Shares.

### Q. What if I want to change my voting instructions?

- A.** If you are a Non-Registered Share Owner, you should contact your nominee for instructions on how to change your voting instructions.

## DELIVERY OF MEETING MATERIALS

Meeting materials for Registered Share Owners will be mailed on April 4, 2025.

For Non-Registered Share Owners, the material delivery process is achieved by using the notice-and-access process (Notice-and-Access). Notice-and-Access is an environmentally-friendly and cost-effective way for ATCO to distribute the Circular.

Notice-and-Access requires us to post the Circular online for our Non-Registered Share Owners to access electronically. Non-Registered Share Owners will receive a package in the mail containing a notice that explains how to access and review the Circular, as well as how to request a paper copy at no charge. If you own Class II Shares, you will also receive a VIF. Share owners are reminded to review the Circular prior to voting.

The Circular is available on the System for Electronic Document Analysis and Retrieval+ (SEDAR+) website ([www.sedarplus.ca](http://www.sedarplus.ca)) and on TSX Trust's website ([www.meetingdocuments.com/TSXT/atco](http://www.meetingdocuments.com/TSXT/atco)).

As a Non-Registered Share Owner, you will only receive a paper copy of the Circular if you have already provided instructions to your nominee. If you would like to receive a paper copy of the Circular, please follow the instructions provided in your meeting material package. You may request a copy of the Circular, at no charge, until April 4, 2026.

If you have any questions about Notice-and-Access, you can call TSX Trust:

|                            |                  |
|----------------------------|------------------|
| Within Canada and the US:  | 1 (888) 433-6443 |
| Outside Canada and the US: | 1 (416) 682-3801 |

## BUSINESS OF THE MEETING

**If you do not specify on your proxy form or VIF how you want to vote your share(s), the persons named in the proxy form or VIF will vote FOR each matter to be decided upon at the meeting.**

### Review of the Financial Statements

ATCO's consolidated financial statements for the year ended December 31, 2024, together with the auditor's report, have been filed with the Canadian securities regulatory authorities and sent to Registered Share Owners and to Non-Registered Share Owners who requested them. The statements are also available on our website at [www.ATCO.com](http://www.ATCO.com) and on SEDAR+ at [www.sedarplus.ca](http://www.sedarplus.ca). The consolidated financial statements will be received at the annual meeting and you will have the opportunity to discuss the results with management.



### Election of the Directors

The 9 nominees proposed for election as directors of ATCO are listed beginning on Page [10](#). The term of office for each director will expire at the close of the next annual meeting of share owners or until a successor is elected or appointed.

**The Board recommends that Class II share owners vote FOR the election of these 9 nominees.**



### Appointment of the Auditor

The Board, on the recommendation of the Audit & Risk Committee, proposes that PwC be appointed as auditor to hold office until the next annual meeting of share owners. PwC, including its predecessor firm, Price Waterhouse LLP, has been ATCO's auditor for 62 years.

Representatives of PwC plan to attend the meeting and will be available to answer your questions.

**The Board recommends that Class II share owners vote FOR the appointment of PwC as auditor.**

# DIRECTOR NOMINEES

All the nominees are currently directors and have been for the periods indicated.

The Chair, together with the Board, and after review by the Corporate Governance – Nomination, Compensation and Succession Committee (GOCOM), identifies potential candidates for nomination to the Board. The recommendation of potential Board members is undertaken to ensure overall diversity of experience, background, skills and geographic representation of Board members.

GOCOM receives advice from the Board on individuals best suited to serve as directors, and maintains its own standing list of appropriate candidates for directorships. GOCOM has reviewed each of the nominees and determined they have the necessary skills and experience to satisfy the Board's composition requirements.

The nominees' biographies, starting on Page [10](#), highlight their respective experience and attributes.

Additional information on directors, including skills and experience, independence, attendance, share ownership, as well as compensation, is also provided.

Information on director share ownership guidelines can be found on Page [40](#).

## BIOGRAPHIES



### DAWN L. FARRELL

|                   |                          |
|-------------------|--------------------------|
| Primary residence | Calgary, Alberta, Canada |
| Director since    | 2025                     |
| Age               | 65                       |
|                   | Independent              |

Ms. Farrell is the current Chair of the Board of Trans Mountain Corporation after serving as its CEO and President for two years where she led the completion of the Trans Mountain Expansion Project. Prior to Trans Mountain, she was President and CEO of TransAlta Corporation from 2012 to 2021. She has held a variety of executive leadership positions at TransAlta and British Columbia Hydro & Power Authority (BC Hydro).

Ms. Farrell has served on several industry and not-for-profit boards during her career and is currently the Chair of the Board of Directors of The Chemours Company and a Director of Portland General Electric.

She holds a Bachelor of Commerce and a Master in Economics from the University of Calgary and attended the Advanced Management Program at Harvard Business School.

| Skills and Experience  |     |   |   |
|--|-----|---|---|
| Primary Areas of Expertise                                     |     | Functional Experience   |   |
| Energy<br>Industrials<br>Utilities                             |     | CEO Experience<br>Governance<br>Human Resources/Compensation<br>Government/Regulatory<br>International Business<br>Accounting/Finance/Economics | Operations<br>Risk Management<br>Safety and Health<br>Climate Change and Environment<br>Corporate Social Responsibility |
| ATCO Board/<br>Committee<br>memberships in<br>2024*            |     | Attendance  |   |
|  | N/A |   |   |
|  |     | 2024 AGM Voting Results   |   |
|  |     |   |   |
| Other public<br>company boards<br>and committee<br>memberships |     | Company   | Since   |
|  |     | The Chemours<br>Company   | 2015  |
|  |     | Portland General<br>Electric  | 2022  |
|  |     |   | Chair and Director  |
|  |     |   | Director, Member of the Finance and Operations<br>Committee, and Nominating, Governance and<br>Sustainability Committee |
| Shares held  |     | ATCO  |   |
|  |     | Class I Shares  | 10,550  |
|  |     | Class II Shares   | —   |
|  |     | Canadian Utilities  |   |
|  |     | Class A shares  | —   |
| Total compensation in 2024:*                                   |     | N/A   |   |

\*Ms. Farrell was appointed to the Board on January 1, 2025.



## JASON T. KENNEY, PC

|                   |                          |
|-------------------|--------------------------|
| Primary residence | Calgary, Alberta, Canada |
| Director since    | 2023                     |
| Age               | 56                       |
| Independent       |                          |

Mr. Kenney recently completed a distinguished 25-year career in elected public service at both the federal and provincial levels. After serving as a founder and CEO of the Canadian Taxpayers Federation, he was elected to the Parliament of Canada in 1997, going on to serve seven terms. He held senior front bench Opposition positions, and was appointed to several Cabinet roles between 2006-2016, including as Minister of National Defence, Minister of Employment and Social Development, Minister of Citizenship and Immigration, Minister of Multiculturalism, Chair of the Cabinet Operations Committee, and Regional Minister for Alberta.

Mr. Kenney served as the 18th Premier of Alberta from 2019 to 2022, leading Alberta's economic turnaround, leading the creation of Alberta's Recovery Plan, Natural Gas Vision and Strategy, Hydrogen Roadmap and the Alberta Indigenous Opportunities Corporation. He now works in the private sector as an advisor, director and consultant.

He was sworn in as a Privy Councillor in 2007.

| Skills and Experience   | Functional Experience   |   |
|---|---|---|
| Primary Areas of Expertise                                    | Functional Experience   |   |
| Energy<br>Industrials<br>Legal<br>Transportation<br>Utilities | CEO Experience<br>Governance<br>Human Resources/Compensation<br>Government/Regulatory<br>International Business | Marketing/Sales<br>Operations<br>Risk Management<br>Climate Change and Environment<br>Corporate Social Responsibility |

| ATCO Board/<br>Committee<br>memberships in<br>2024             | Attendance         |                  |  | 2024 AGM Voting Results |            |        |
|--|--------------------|------------------|--|-------------------------|------------|--------|
|  | Board              | 6/6              | 100%                                       | Votes For:              | 11,513,259 | 97.44% |
| Other public<br>company boards<br>and committee<br>memberships | Company            | Since            | Position                                   |                         |            |        |
|  | Fairfax India Ltd. | 2023             | Director and Member of the Audit Committee |                         |            |        |
| Shares held  | ATCO               |                  |  | Canadian Utilities      |            |        |
|  | Class I Shares     | 2,842            |  | Class A shares          | —          |        |
|  | Class II Shares    | —                |  |                         |            |        |
| <b>Total compensation in 2024:</b>                             |                    | <b>\$289,500</b> |  |                         |            |        |



## KELLY C. KOSS-BRIX

Primary residence Calgary, Alberta, Canada

Director since 2025

Age 39

Not Independent Ms. Koss-Brix is not independent because she has a material relationship with ATCO. She is an immediate family member of the Chair and Chief Executive Officer.

Ms. Koss-Brix is a Director of Canadian Utilities Limited. She has been a member of the Board of Directors of Sentgraf Enterprises Ltd. since 2017. In 2019, she joined the Board of Directors of Spruce Meadows, an internationally recognized equestrian facility in Calgary, Alberta. She is a member of the Spruce Meadows Audit & Risk Committee.

Ms. Koss-Brix is an accomplished equestrian professional and former professional rider. She competed internationally for 15 years and was a member of the Canadian Equestrian Team prior to her retirement in 2017. She also serves as Vice-President, Development for an equestrian facility in Alberta.

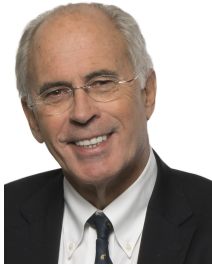
Ms. Koss-Brix obtained a B.A. in Political Science from the University of Calgary in 2010, completed a Business Enterprise and Governance course developed by Professor David Beatty from the Rotman School of Management, and obtained her ICD.D certification from the Institute of Corporate Directors in 2023.

| Skills and Experience       |   |
|-----------------------------|---|
| Primary Industry Background | Functional Experience   |
| Energy<br>Industrials       | Governance<br>International Business<br>Marketing/Sales<br><br>Operations<br>Risk Management<br>Safety and Health |

| ATCO Board/<br>Committee<br>memberships in<br>2024*            | Attendance                     |           |          | 2024 AGM Voting Results |       |  |
|--|--------------------------------|-----------|----------|-------------------------|-------|--|
|  | N/A                            |           |          | N/A                     |       |  |
| Other public<br>company boards<br>and committee<br>memberships | Company                        | Since     | Position |                         |       |  |
|  | Canadian Utilities<br>Limited* | 2023      | Director |                         |       |  |
| Shares held  | ATCO                           |           |          | Canadian Utilities      |       |  |
|  | Class I Shares                 | 3,970     |          | Class A shares          | 3,672 |  |
|  | Class II Shares                | —         |          |                         |       |  |
| Total compensation in 2024:**                                  |                                | \$285,000 |          |                         |       |  |

\*Canadian Utilities is controlled by ATCO.

\*\*Ms. Koss-Brix was appointed to the Board on January 1, 2025. Her compensation in 2024 represents director fees earned from Canadian Utilities Limited.



## ROBERT J. ROUTS, PhD

|                   |                      |
|-------------------|----------------------|
| Primary residence | Brunnen, Switzerland |
| Director since    | 2012                 |
| Age               | 78                   |
| Independent       |                      |

Dr. Routs is the Lead Director of ATCO and is a director of ATCO Structures & Logistics Ltd., ATCO Australia Pty Ltd and Neltume Ports S.A. Until his retirement in 2008, Dr. Routs was an Executive Board Member at Royal Dutch Shell plc. He was responsible for the global refining, chemical, marketing, trading and renewable businesses. During his career, he held various senior management positions in the US, Canada and The Netherlands, including Chairman of Shell Canada prior to the buyout of the public shareholding by Royal Dutch Shell plc. Dr. Routs has substantial experience in the refining and chemical industry with a strong focus on operational safety and sustainable operations to reduce the industry's impact on the environment.

Dr. Routs is an emeritus member of the International Advisory Council to the Economic Development Board of Singapore and received the Distinguished Friend of Singapore medal. Dr. Routs was Chairman of the Board of Aegon NV from 2009 until 2019 and Chairman of the Board of Royal DSM NV from 2011 until May 2021. From 2010 to February 2021, Dr. Routs was a director of AECOM Technology Corporation.

Dr. Routs graduated in Chemical Engineering from the Technical University of Eindhoven in The Netherlands, where he also obtained a PhD in Technical Sciences. He completed the Program for Management Development at Harvard Business School in 1991.

| Skills and Experience  | Functional Experience   |  |
|--|---|--|
| Primary Areas of Expertise   |   |  |
| Energy<br>Financial Services<br>Industrials<br>Telecommunications<br>Transportation<br>Utilities | CEO Experience<br>Governance<br>Human Resources/Compensation<br>Government/Regulatory<br>International Business<br>Accounting/Finance/Economics | Marketing/Sales<br>Operations<br>Risk Management<br>Safety and Health<br>Climate Change and Environment<br>Corporate Social Responsibility |

| ATCO Board/<br>Committee<br>memberships in<br>2024 | Attendance    |     |      | 2024 AGM Voting Results |            |        |
|--|---------------|-----|------|-------------------------|------------|--------|
|  | Board         | 6/6 | 100% | Votes For:              | 11,497,903 | 97.31% |
|  | Audit & Risk  | 4/4 | 100% |                         |            |        |
|  | GOCOM (Chair) | 4/4 | 100% |                         |            |        |

| Other public<br>company boards<br>and committee<br>memberships | Company                     | Since | Position |
|--|-----------------------------|-------|----------|
|  | Canadian Utilities Limited* | 2023  | Director |

| Shares held | ATCO            |        | Canadian Utilities |        |
|-------------|-----------------|--------|--------------------|--------|
|             | Class I Shares  | 29,139 | Class A shares     | 15,057 |
|             | Class II Shares | —      |                    |        |

|                                      |                  |
|--------------------------------------|------------------|
| <b>Total compensation in 2024:**</b> | <b>\$800,832</b> |
|--------------------------------------|------------------|

\*Canadian Utilities is controlled by ATCO.

\*\*Consists of fees earned as a director of ATCO, and director fees from ATCO's subsidiaries.



## NANCY C. SOUTHERN

|                   |  |
|-------------------|--|
| Primary residence | Calgary, Alberta, Canada   |
| Director since    | 1989   |
| Age               | 68   |
| Not Independent   | As Chair & Chief Executive Officer, Ms. Southern is not independent because she has a material relationship with ATCO. |

Nancy Southern is Chair & Chief Executive Officer of ATCO, as well as Chair & Chief Executive Officer of Canadian Utilities, an ATCO company. Reporting to the Boards of Directors, she is accountable for the strategic direction, vision and governance for both companies, and has full responsibility for their ongoing operations.

After joining the ATCO Board of Directors in 1989, Ms. Southern served as Co-Chair of ATCO for 16 years prior to being appointed Chair in December 2012. Ms. Southern was named President & Chief Executive Officer of ATCO in 2003. Ms. Southern also serves as Executive Vice President of Spruce Meadows Ltd. and is a founding director of AKITA Drilling Ltd., a director of Sentgraf Enterprises Ltd., an Honorary Director of the BMO Financial Group and serves on the Rideau Hall Foundation Board of Directors. In addition to her business leadership, Ms. Southern has long played a leading role in advocating on social issues of global importance - most notably, the rights of Indigenous peoples and the role of women in business.

Ms. Southern is a member of The US Business Council, a member of the American Society of Corporate Executives, and a Canadian Member of the Trilateral Commission. She is a member of the Business Council of Canada and the University of Calgary School of Public Policy Advisory Council. In 2020, Ms. Southern joined the Premier's Economic Recovery Council with other policy and industry experts providing insight and strategies to accelerate diversification of Alberta's economy. That same year, Ms. Southern was awarded a British Empire Medal by Her Majesty Queen Elizabeth II for services to British equestrian, military and commercial interests in Alberta, Canada.

| Skills and Experience              | Functional Experience   |  |
|------------------------------------|---|--|
| Primary Areas of Expertise         | Functional Experience   |  |
| Energy<br>Industrials<br>Utilities | CEO Experience<br>Governance<br>Human Resources/Compensation<br>Government/Regulatory<br>International Business<br>Accounting/Finance/Economics | Marketing/Sales<br>Operations<br>Risk Management<br>Safety and Health<br>Climate Change and Environment<br>Corporate Social Responsibility |

| ATCO Board/<br>Committee<br>memberships in<br>2024 | Attendance    |     | 2024 AGM Voting Results |            |
|--|---------------|-----|-------------------------|------------|
|  | Board (Chair) | 6/6 | 100%                    | Votes For: |
|  |               |     |                         | 11,513,009 |
|  |               |     |                         | 97.43%     |

| Other public<br>company boards<br>and committee<br>memberships | Company                     | Since | Position                                    |
|--|-----------------------------|-------|---|
|  | AKITA Drilling Ltd.         | 1992  | Deputy Chair and Director                   |
|  | Canadian Utilities Limited* | 1990  | Chair, Director and Chief Executive Officer |
|  | CU Inc.*                    | 1999  | Chair, Director and Chief Executive Officer |

| Shares held | ATCO**          |         | Canadian Utilities** |         |
|-------------|-----------------|---------|----------------------|---------|
|             | Class I Shares  | 426,609 | Class A shares       | 261,786 |
|             | Class II Shares | 50,600  |                      |         |

**Total compensation in 2024:** Ms. Southern does not receive any compensation as a director of ATCO because she is an employee. See Page 61 for information on Ms. Southern's compensation.

\*CU Inc. is controlled by Canadian Utilities, which is controlled by ATCO.

\*\*Shares held by the Majority Share Owner are excluded. Ms. Southern is one of three trustees of the Spousal Trust. See Majority Share Owner on Page 1.



## LINDA A. SOUTHERN-HEATHCOTT

Primary residence Calgary, Alberta, Canada

Director since 2012

Age 62

Not Independent

Ms. Southern-Heathcott is not independent because she has a material relationship with ATCO. She is an immediate family member of the Chair & Chief Executive Officer.

Ms. Southern-Heathcott is President & Chief Executive Officer of Spruce Meadows Ltd., an internationally recognized equestrian facility in Calgary, Alberta. She is also a founding director and currently serves as Executive Chair of AKITA Drilling Ltd., an oil and gas drilling contractor with drilling operations throughout North America. Ms. Southern-Heathcott brings significant management and business experience to the Board and was appointed Vice Chair of the Board of Directors of ATCO in 2016 and of Canadian Utilities and CU Inc. in 2017.

Ms. Southern-Heathcott is also Chair of Travel Alberta and serves on the Boards of ATCO Structures & Logistics Ltd. and Sentgraf Enterprises Ltd.

In 2010, Ms. Southern-Heathcott received her ICD.D certification from the Director Education Program of the Institute of Corporate Directors. In 2018, Ms. Southern-Heathcott was named an Honorary Lieutenant Colonel of the King's Own Calgary Regiment. In 2020, Ms. Southern-Heathcott was awarded a British Empire Medal by Her Majesty Queen Elizabeth II for services to British equestrian, military and commercial interests in Alberta, Canada. In 2022, Ms. Southern-Heathcott was awarded Her Majesty Queen Elizabeth II's Platinum Jubilee Medal (Alberta).

| Skills and Experience              | Functional Experience  |   |
|------------------------------------|--|---|
| Primary Areas of Expertise         | Functional Experience  |   |
| Energy<br>Industrials<br>Utilities | CEO Experience<br>Governance<br>Human Resources/Compensation<br>International Business | Marketing/Sales<br>Operations<br>Risk Management<br>Corporate Social Responsibility |

| ATCO Board/<br>Committee<br>memberships in<br>2024                | Attendance                  |           |  | 2024 AGM Voting Results |            |        |
|---|-----------------------------|-----------|--|-------------------------|------------|--------|
|   | Board (Vice Chair)          | 6/6       | 100%   | Votes For:              | 11,512,709 | 97.43% |
| Other public<br>company<br>boards and<br>committee<br>memberships | Company                     | Since     | Position   |                         |            |        |
|   | AKITA Drilling Ltd.         | 1992      | Executive Chair and Director                                   |                         |            |        |
|   | Canadian Utilities Limited* | 2000      | Vice Chair, Director, and member of the Pension Fund Committee |                         |            |        |
|   | CU Inc.*                    | 2017      | Vice Chair and Director  |                         |            |        |
| Shares held   | ATCO**                      |           |  | Canadian Utilities**    |            |        |
|   | Class I Shares              | 38,573    |  | Class A shares          | 30,037     |        |
|   | Class II Shares             | 10,350    |  |                         |            |        |
| Total compensation in 2024:†                                      |                             | \$588,000 |  |                         |            |        |

\*CU Inc. is controlled by Canadian Utilities, which is controlled by ATCO.

\*\*Shares held by the Majority Share Owner are excluded. Ms. Southern-Heathcott is one of three trustees of the Spousal Trust. See Majority Share Owner on Page 1.

† Consists of fees earned as a director of ATCO, and director fees from ATCO's subsidiaries.



## NORMAN M. STEINBERG

|                   |                                |
|-------------------|--------------------------------|
| Primary residence | Côte Saint-Luc, Québec, Canada |
| Director since    | 2021                           |
| Age               | 75                             |
| Independent       |                                |

Norman M. Steinberg is Vice-Chair of BFL Canada, where he also sits on the Board of Directors and chairs the Governance Committee. From April 2017 to July 2019, Mr. Steinberg was Chair Emeritus of Norton Rose Fulbright Canada. Previously, Mr. Steinberg was Co-Chair and then Chair of Norton Rose Fulbright Canada and its predecessor firm, Ogilvy Renault. He was also Global Chair of Norton Rose Fulbright, one of the largest law firms in the world with 4,000 lawyers in 60 offices. At Norton Rose Fulbright Canada and its predecessor firms, Mr. Steinberg focused on mergers and acquisitions, corporate finance, privatization and corporate governance.

Mr. Steinberg is also Co-Chair of the Board of Dorel Industries where he chairs the Nominating and Governance Committee, Director of Fiera Capital where he chairs the Nominating and Governance Committee, Senior Advisor of Persistence Capital Partners (private equity), Co-Chair of the Board Women in Governance, Chair of the Board of Governors of The McGill University Health Centre Foundation (former Chair of the Foundation), Director and member of the Organizing Committee as well as former Canadian Co-Chair of the Australia-Canada Economic Leadership Forum, Senior Advisor of Teneo, and Vice-Chair of the Board of Advisors of Alexa Translations.

He served as a director of numerous other boards, including Gildan Activewear, Canadian Marconi Company, Centraide of Montreal and the Foundation of the Montreal Museum of Fine Arts. He was former Vice-Chair and Executive Committee member of the Montreal Symphony Orchestra, former President of the Canadian Club of Montreal and former Chairman of the Mount Royal Club of Montreal. In 2024, Mr. Steinberg was awarded the Order of Montreal, title of Officer.

Mr. Steinberg holds a Bachelor of Science and a Bachelor of Civil Law from McGill University in Montreal, Québec.

| Skills and Experience     |   | Functional Experience   |  |
|---------------------------|---|---|--|
| Primary Area of Expertise |   |   |  |
| Legal                     | Governance<br>Human Resources/Compensation<br>Government/Regulatory<br>International Business<br>Accounting/Finance/Economics | Marketing/Sales<br>Risk Management<br>Climate Change and Environment<br>Corporate Social Responsibility |  |

| ATCO Board/<br>Committee<br>memberships in<br>2024 | Attendance           |     |      | 2024 AGM Voting Results |            |        |
|--|----------------------|-----|------|-------------------------|------------|--------|
|  | Board                | 6/6 | 100% | Votes For:              | 11,513,338 | 97.44% |
|  | Audit & Risk (Chair) | 4/4 | 100% |                         |            |        |
|  | GOCOM                | 4/4 | 100% |                         |            |        |

| Other public<br>company<br>boards and<br>committee<br>memberships | Company               | Since  | Position  |
|---|-----------------------|--|---|
|   | Dorel Industries Inc. | 2018   | Co-Chair of the Board, Director, and Chair of the Nominating and Governance Committee |
| Fiera Capital Corporation   | 2019                  | Director, and Chair of the Nominating and Governance Committee |   |

| Shares held | ATCO            |        | Canadian Utilities |   |
|-------------|-----------------|--------|--------------------|---|
|             | Class I Shares  | 14,654 | Class A shares     | — |
|             | Class II Shares | —      |                    |   |

|                                    |                  |
|------------------------------------|------------------|
| <b>Total compensation in 2024:</b> | <b>\$347,500</b> |
|------------------------------------|------------------|



## ROGER J. URWIN, PhD, C.B.E.

|                   |                 |
|-------------------|-----------------|
| Primary residence | London, England |
| Director since    | 2014            |
| Age               | 79              |
| Independent       |                 |

Dr. Urwin is the Lead Director of Canadian Utilities, Chair of the Board of Directors of ATCO Australia Pty Ltd and a director of LUMA Energy, LLC. He has worked in gas, electric and telecom utilities throughout his career. He retired at the end of 2006 as Group Chief Executive of National Grid plc. He played a key role in establishing National Grid's international strategy and its successful expansion into the US, creating one of the largest investor-owned utility companies in the world. Dr. Urwin was the Managing Director and Chief Executive of London Electricity from 1990 to 1995. He was non-executive Chairman of Utilico Investments Limited until October 2015 and has been a special advisor to Global Infrastructure Partners, an international infrastructure investment fund. He was Chair of Alfred McAlpine plc from 2006 to 2008.

Dr. Urwin is a Commander of the Order of the British Empire.

Dr. Urwin has a Physics degree and a PhD from the University of Southampton, UK.

| Skills and Experience                     | Functional Experience   |  |
|---|---|--|
| Primary Areas of Expertise                | Functional Experience   |  |
| Energy<br>Telecommunications<br>Utilities | CEO Experience<br>Governance<br>Human Resources/Compensation<br>Government/Regulatory | International Business<br>Operations<br>Risk Management<br>Safety and Health |

| ATCO Board/<br>Committee<br>memberships in<br>2024             | Attendance                  |             |   | 2024 AGM Voting Results |            |        |
|--|-----------------------------|-------------|---|-------------------------|------------|--------|
|  | Board                       | 6/6         | 100%  | Votes For:              | 11,513,888 | 97.44% |
| Audit & Risk   | 4/4                         | 100%        |   |                         |            |        |
| Other public<br>company boards<br>and committee<br>memberships | Company                     | Since       | Position  |                         |            |        |
|  | Canadian Utilities Limited* | 2020        | Lead Director and Chair of the Corporate Governance, Nomination, Compensation and Succession Committee and member of the Audit & Risk Committee |                         |            |        |
| Shares held  | ATCO                        |             | Canadian Utilities  |                         |            |        |
|  | Class I Shares              | 16,051      | Class A shares  |                         | 24,575     |        |
|  | Class II Shares             | —           |   |                         |            |        |
| Total compensation in 2024:**                                  |                             | \$1,072,149 |   |                         |            |        |

\*Canadian Utilities is controlled by ATCO.

\*\*Consists of fees earned as a director of ATCO, and director fees from ATCO's subsidiaries.



## SUSAN R. WERTH

|                   |                          |
|-------------------|--------------------------|
| Primary residence | Calgary, Alberta, Canada |
| Director since    | 2014                     |
| Age               | 68                       |
| Independent       |                          |

Ms. Werth retired as Senior Vice President & Chief Administration Officer, ATCO Ltd. and Canadian Utilities Limited in May 2014. In this role Ms. Werth was responsible for Human Resources, Corporate Secretarial, Marketing and Communications, Security, Real Estate, Aviation and Administration. She was Chair of ATCO's Disclosure, Management Pension, Crisis Management, and Donations & Sponsorship Committees. She was Vice President, Administration, ATCO Group from 1995 to 2000. During her career, Ms. Werth gained a wealth of experience and brings significant insight into all aspects of ATCO's business. Ms. Werth is also on the Board of ATCO Structures & Logistics Ltd. and Sentgraf Enterprises Ltd.

| Skills and Experience              | Functional Experience                      |   |
|------------------------------------|--|---|
| Primary Areas of Expertise         | Functional Experience                      |   |
| Energy<br>Industrials<br>Utilities | Governance<br>Human Resources/Compensation | Marketing/Sales<br>Risk Management<br>Corporate Social Responsibility |

| ATCO Board/<br>Committee<br>memberships in<br>2024             | Attendance      |                  |          | 2024 AGM Voting Results |            |        |
|--|-----------------|------------------|----------|-------------------------|------------|--------|
|  | Board           | 6/6              | 100%     | Votes For:              | 11,512,809 | 97.44% |
|  | Audit & Risk    | 4/4              | 100%     |                         |            |        |
|  | GOCOM           | 4/4              | 100%     |                         |            |        |
| Other public<br>company boards<br>and committee<br>memberships | Company         | Since            | Position |                         |            |        |
|  | N/A             | N/A              | N/A      |                         |            |        |
| Shares held  | ATCO            |                  |          | Canadian Utilities      |            |        |
|  | Class I Shares  | 22,263           |          | Class A shares          | 9,762      |        |
|  | Class II Shares | —                |          |                         |            |        |
| Total compensation in 2024:*                                   |                 | <b>\$325,500</b> |          |                         |            |        |

\*Consists of fees earned as a director of ATCO, and director fees from one of ATCO's subsidiaries.

## SKILLS MATRIX

GOCOM ensures that the Board includes members with a broad range of experience and expertise so that it is able to effectively carry out its mandate. The matrix below shows the experience and expertise that each director nominee brings to the Board.

|   | Dawn Farrell | Jason T. Kenney | Kelly C. Koss-Brix | Robert J. Routs | Nancy C. Southern | Linda A. Southern-Heathcott | Norman M. Steinberg | Roger J. Urwin | Susan R. Werth |
|---|--------------|-----------------|--------------------|-----------------|-------------------|-----------------------------|---------------------|----------------|----------------|
| <b>Primary Areas of Expertise</b>   |              |                 |                    |                 |                   |                             |                     |                |                |
| <b>Energy</b>   | ✓            | ✓               | ✓                  | ✓               | ✓                 | ✓                           |                     | ✓              | ✓              |
| <b>Financial Services</b>   |              |                 |                    | ✓               |                   |                             |                     |                |                |
| <b>Industrials</b>  | ✓            | ✓               | ✓                  | ✓               | ✓                 | ✓                           |                     |                | ✓              |
| <b>Legal</b>  |              | ✓               |                    |                 |                   |                             | ✓                   |                |                |
| <b>Telecommunications</b>   |              |                 |                    | ✓               |                   |                             |                     | ✓              |                |
| <b>Transportation</b>   |              | ✓               |                    | ✓               |                   |                             |                     |                |                |
| <b>Utilities</b>  | ✓            | ✓               |                    | ✓               | ✓                 | ✓                           |                     | ✓              | ✓              |
| <b>Functional Experience</b>  |              |                 |                    |                 |                   |                             |                     |                |                |
| <b>CEO Experience</b><br>Experience as a CEO for a publicly listed company or for a major organization with international operations or similar complexity. Possesses leadership qualities and the ability to identify and develop those qualities in others. Demonstrates a practical understanding of strategy and risk management and know how to drive change and growth. | ✓            | ✓               |                    | ✓               | ✓                 | ✓                           |                     | ✓              |                |
| <b>Governance</b><br>Significant experience overseeing governance practices, may have been gained through significant work on a corporate governance committee or through experience serving as a senior executive of a public company.   | ✓            | ✓               | ✓                  | ✓               | ✓                 | ✓                           | ✓                   | ✓              | ✓              |
| <b>Human Resources/Compensation</b><br>Significant experience overseeing human resources and compensation design for a large organization. Understands the various components of executive compensation structure and how they inter-relate when attracting, motivating and retaining top candidates.   | ✓            | ✓               |                    | ✓               | ✓                 | ✓                           | ✓                   | ✓              | ✓              |
| <b>Government/Regulatory</b><br>Significant experience working with local, provincial, national or international governments or gained public relations or government experience as a senior executive. Strong understanding of regulatory and non-governmental organizations that affect the Company's business.   | ✓            | ✓               |                    | ✓               | ✓                 |                             | ✓                   | ✓              |                |

|  | Dawn Farrell | Jason T. Kenney | Kelly C. Koss-Brix | Robert J. Routs | Nancy C. Southern | Linda A. Southern-Heathcott | Norman M. Steinberg | Roger J. Urwin | Susan R. Werth |
|--|--------------|-----------------|--------------------|-----------------|-------------------|-----------------------------|---------------------|----------------|----------------|
| <b>Functional Experience</b>   |              |                 |                    |                 |                   |                             |                     |                |                |
| <b>International Business</b><br>Significant experience managing a global enterprise across multiple jurisdictions with exposure to a range of political, cultural and business environments.  | ✓            | ✓               | ✓                  | ✓               | ✓                 | ✓                           | ✓                   | ✓              |                |
| <b>Accounting/Finance/Economics</b><br>Significant financial experience as a senior officer responsible for an organization or experience working as a senior officer in financial accounting, reporting and corporate finance with knowledge of internal controls.      | ✓            |                 |                    | ✓               | ✓                 |                             | ✓                   |                |                |
| <b>Marketing/Sales</b><br>Significant experience overseeing marketing and sales as a senior executive.   |              | ✓               | ✓                  | ✓               | ✓                 | ✓                           | ✓                   |                | ✓              |
| <b>Operations</b><br>Significant experience overseeing operations as a senior executive with a practical understanding of operating plans and business strategy.   | ✓            | ✓               | ✓                  | ✓               | ✓                 | ✓                           |                     | ✓              |                |
| <b>Risk Management</b><br>Significant experience as a senior executive overseeing the various risks facing an organization with oversight of appropriate policies and procedures to effectively manage risk.   | ✓            | ✓               | ✓                  | ✓               | ✓                 | ✓                           | ✓                   | ✓              | ✓              |
| <b>Safety and Health</b><br>Significant experience in the areas of health and safety, including knowledge of industry regulations and a commitment to best practices for workplace safety.   | ✓            |                 | ✓                  | ✓               | ✓                 |                             |                     | ✓              |                |
| <b>Climate Change and Environment</b><br>Significant experience with regulations, best practices and strategic business initiatives related to environmental issues.   | ✓            | ✓               |                    | ✓               | ✓                 |                             | ✓                   |                |                |
| <b>Corporate Social Responsibility</b><br>Significant experience in the areas of corporate social responsibility and community relations. Experience building partnerships and positive relationships with Indigenous groups to enhance economic and social development. | ✓            | ✓               |                    | ✓               | ✓                 | ✓                           | ✓                   |                | ✓              |

## INDEPENDENCE

GOCOM and the Board annually review the status of each director to determine whether he or she is independent based on the criteria of the Canadian Securities Administrators as set out in National Instrument 52-110 – *Audit Committees*. A majority of ATCO directors are independent.

Under ATCO's current leadership structure, the office of Chair is held by Ms. Southern. The Board continues to ensure that it can function independently and objectively from management with the appointment of Dr. Routs as the independent Lead Director.

The following table summarizes the independence status of each director nominee and, where applicable, the reasons for the Board's determination that a particular individual is not independent.

| Director                    | Independent | Not independent | Reason for non-independent status  |
|-----------------------------|-------------|-----------------|--|
| Dawn L. Farrell             | ✓           |                 |  |
| Jason T. Kenney             | ✓           |                 |  |
| Kelly C. Koss-Brix          |             | ✓               | As an immediate family member of the Chair & Chief Executive Officer, has a material relationship with ATCO. |
| Robert J. Routs             | ✓           |                 |  |
| Nancy C. Southern           |             | ✓               | As Chair & Chief Executive Officer, has a material relationship with ATCO.                                   |
| Linda A. Southern-Heathcott |             | ✓               | As an immediate family member of the Chair & Chief Executive Officer, has a material relationship with ATCO. |
| Norman M. Steinberg         | ✓           |                 |  |
| Roger J. Urwin              | ✓           |                 |  |
| Susan R. Werth              | ✓           |                 |  |

In determining the independence of the directors, the following criteria are assessed:

- Employment by, or other relationship with, ATCO or its internal or external auditor within the preceding three-year period
- Immediate family member relationships with ATCO or its internal or external auditor
- Any payment of fees by ATCO, other than directors' fees disclosed in this Circular, of more than \$75,000 to the director or to a member of his or her immediate family during any 12-month period within the last three years
- Other direct or indirect material relationships with ATCO or other factors which could interfere with the exercise of independent judgment

## IN CAMERA SESSIONS

The Board further ensures its independence by providing the opportunity for in camera sessions of only the independent directors, without management present, at regularly-scheduled meetings of the Board, Audit & Risk Committee and GOCOM. In camera sessions are chaired by the Lead Director or the committee chair. Additional in camera meetings may be requested through the Lead Director at any time. These sessions encourage the candid analysis of issues among independent directors on the Board and its committees.

## ATTENDANCE

The following table sets out the attendance of the directors at Board meetings and at meetings of the committees of which they were members during 2024. As an employee, the Chair & Chief Executive Officer is not a member of any committee but attends committee meetings as required. At the discretion of the committee chair, directors may attend meetings of committees of which they are not members.

All directors are expected to attend and participate in meetings of the Board and the committees on which they serve. Attendance of directors at meetings of the Board and committees is not necessarily indicative of the contribution made by each director, and absence from a meeting may have resulted from a variety of extenuating circumstances, including family bereavement or health issues. GOCOM reviews each director's attendance record throughout the year and a process is in place to address unsatisfactory attendance.

| Director                     | Board of Directors |      | Audit & Risk Committee |      | GOCOM |      | Total |
|------------------------------|--------------------|------|------------------------|------|-------|------|-------|
| Robert T. Booth <sup>1</sup> | 6/6                | 100% |                        |      |       |      | 100%  |
| Jason T. Kenney              | 6/6                | 100% |                        |      |       |      | 100%  |
| Robert J. Routs              | 6/6                | 100% | 4/4                    | 100% | 4/4   | 100% | 100%  |
| Nancy C. Southern            | 6/6                | 100% |                        |      |       |      | 100%  |
| Linda A. Southern-Heathcott  | 6/6                | 100% |                        |      |       |      | 100%  |
| Norman M. Steinberg          | 6/6                | 100% | 4/4                    | 100% | 4/4   | 100% | 100%  |
| Roger J. Urwin               | 6/6                | 100% | 4/4                    | 100% |       |      | 100%  |
| Susan R. Werth               | 6/6                | 100% | 4/4                    | 100% | 4/4   | 100% | 100%  |

<sup>1</sup> Mr. Booth is not standing for re-election.

## SERVING ON AFFILIATED PUBLIC COMPANY BOARDS

The following lists the director nominees who serve on boards of publicly-traded companies that are affiliated with ATCO. Canadian Utilities is a public company that is controlled by ATCO. CU Inc. is a public company controlled by Canadian Utilities. Sentgraf is the parent company of ATCO and AKITA Drilling Ltd., both of which are public companies. None of the directors serve together on the boards of any other public companies, except as disclosed below.

| Director                    | Canadian Utilities Limited | CU Inc.    | AKITA Drilling Ltd. |
|-----------------------------|----------------------------|------------|---------------------|
| Kelly C. Koss-Brix          | Director                   |            |                     |
| Robert J. Routs             | Director                   |            |                     |
| Nancy C. Southern           | Chair                      | Chair      | Deputy Chair        |
| Linda A. Southern-Heathcott | Vice Chair                 | Vice Chair | Chair               |
| Roger J. Urwin              | Lead Director              |            |                     |

Ms. Farrell, Mr. Kenney and Mr. Steinberg serve on the boards and committees of other public companies as referenced in their biographies. The Chair and GOCOM recognize the time and diligence that Ms. Farrell, Mr. Kenney and Mr. Steinberg devote to their duties and responsibilities as well as their extensive qualifications and related experience. Both the Chair and GOCOM have determined that these other board memberships will not negatively affect their commitment or contribution to ATCO's Board.

## CEASE TRADE ORDERS, BANKRUPTCIES, PENALTIES OR SANCTIONS

No proposed director is, as at the date of this Circular, or has been, within 10 years before the date hereof, a director, chief executive officer or chief financial officer of any company (including ATCO) that:

- i. was the subject of a cease trade order or similar order or an order that denied the company access to any exemption under securities legislation for a period of more than 30 consecutive days that was issued while the proposed director was acting in that capacity; or
- ii. was subject to a cease trade order or similar order or an order that denied the company access to an exemption under securities legislation for a period of more than 30 consecutive days, that was issued after the proposed director ceased to be a director, chief executive officer or chief financial officer and which resulted from an event that occurred while that person was acting in that capacity.

No proposed director is, at at the date of this Circular, or has been, within the 10 years before the date hereof, a director or executive officer of any company (including ATCO) that, while that person was acting in that capacity, or within a year of that person ceasing to act in that capacity, became bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency or was subject to or instituted any proceedings, arrangement or compromise with creditors or had a receiver, receiver manager or trustee appointed to hold its assets, other than Ms. Nancy C. Southern, a current and proposed director, who was until her resignation on August 24, 2020, a director and President of Swizzlesticks Enterprises Ltd., a private Alberta corporation operating a salon and spa in Calgary, Alberta, which on August 24, 2020, commenced proposal proceedings pursuant to the *Bankruptcy and Insolvency Act* (Canada) by filing a notice of intention to make a proposal. The corporation was declared bankrupt and a trustee was appointed on August 25, 2020. An application for the discharge of the trustee was approved on December 14, 2021.

No proposed director has, within 10 years before the date hereof, become bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency, or become subject to or instituted any proceedings, arrangement or compromise with creditors, or had a receiver, receiver manager or trustee appointed to hold his or her assets.

No proposed director has been subject to: (a) any penalties or sanctions imposed by a court relating to securities legislation or by a securities regulatory authority or has entered into a settlement agreement with a securities regulatory authority, or (b) any other penalties or sanctions imposed by a court or regulatory body that would likely be considered important to a reasonable securityholder in deciding whether to vote for a proposed director.

# GOVERNANCE

## OVERVIEW

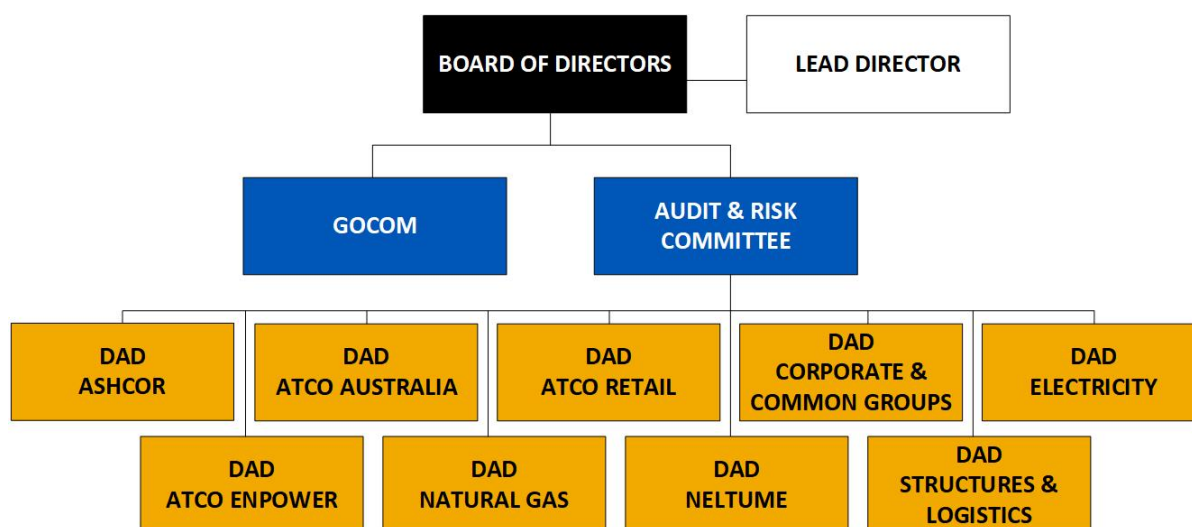
Effective corporate governance provides the foundation for ATCO's continued success. The Board is committed to good governance, always striving to ensure our corporate governance practices serve the interests of our share owners and other stakeholders, including our employees, Indigenous and community partners, and customers. We regularly evaluate our governance practices to ensure they are in keeping with the highest standards. Although ATCO does not believe in a "one size fits all" approach to governance, we comply with applicable securities laws. We have implemented a unique and effective system of corporate governance recognizing the need to provide autonomy and flexibility to our different businesses while accommodating the needs of both our regulated and non-regulated businesses. Members of the Southern family have continually maintained a controlling interest in ATCO since its formation. We are of the firm belief that the existence of a long-standing majority share owner is of fundamental importance to our governance and operations, and ensures that there is a high degree of alignment among share owners. The Company has had a consistently high-performing Board and senior management team that creates long-term value for our share owners.

## MAJORITY CONTROLLED COMPANY

ATCO is a majority controlled company as defined in the TSX Company Manual. As such, ATCO is exempt from the TSX's requirement to adopt a majority voting policy. The Majority Share Owner (see Page 1) has control over 11,542,320 Class II Shares which represents approximately 93 per cent of the voting rights. Due to the level of control exercised by the Majority Share Owner, we are of the view that the introduction of a majority voting policy would introduce unnecessary complexity into the director selection process while having no impact on the outcome.

## THE BOARD AND ITS COMMITTEES

The role of the Board has evolved to provide oversight to an organization with diverse and distinct Business Units. Effective oversight and diligence is provided by the Board, the Lead Director, the Audit & Risk Committee and GOCOM. Although not required by securities laws, some of ATCO's governance tools, such as the use of Designated Audit Directors (DADs) and the risk review program, have been implemented, in part, as a result of the influence of the Majority Share Owner as a means of ensuring long term value.



## Roles and Responsibilities of the Board

### *Board of Directors*

The Board is responsible for ensuring effective leadership and providing oversight for strategy, risk management, sustainability, diversity, succession planning, and corporate governance. In 2024, the Board held six regularly-scheduled meetings. The frequency and length of meetings and the agenda items depended on the circumstance. Meetings were highly detailed and well attended. They were conducted in an atmosphere that encouraged participation and independence. The independent directors had the opportunity to hold in camera sessions, without management present, at all regularly-scheduled meetings of the Board, Audit & Risk Committee and GOCOM. Additional in camera meetings may be requested through the Lead Director at any time.

### *Lead Director*

In 1995, ATCO was among the first public companies in Canada to introduce the concept of a lead independent director. Dr. Routs is the current Lead Director for the Company and was appointed to this position on July 22, 2021. The Lead Director provides the Board with the leadership necessary to ensure independent oversight of management. The Lead Director must be an independent director and is a member of GOCOM.

### *Corporate Governance - Nomination, Compensation & Succession Committee (GOCOM)*

The GOCOM Committee oversees our corporate governance practices. It is comprised of some of our most senior and experienced directors. In addition to assessing individual and combined directors' performance, GOCOM oversees succession planning and evaluates senior executive officers' compensation and performance. GOCOM also reviews the size and composition of the Board and considers candidates as director nominees for approval by the Board and election by the share owners.

### *Audit & Risk Committee*

The Audit & Risk Committee oversees accounting and financial reporting as well as risk management and control practices. The committee is chaired by an experienced independent director. Each committee member is an independent director and financially literate as defined in National Instrument 52-110 – *Audit Committees*. More information on the financial literacy of Audit & Risk Committee members and the mandate of the Audit & Risk Committee can be found in ATCO's annual information form which is available on our website ([www.ATCO.com](http://www.ATCO.com)) and SEDAR+ ([www.sedarplus.ca](http://www.sedarplus.ca)).

The committee also reviews risks and opportunities that could materially affect the Company's ability to achieve strategic and operational objectives and is responsible for ensuring that management addresses risks by implementing appropriate mitigation measures. The committee satisfies itself that each Business Unit has adequate systems to monitor and comply with applicable human capital and environmental legislation. The committee receives information regarding risks and significant trends and reviews the summary of our safety, environmental and Code of Ethics compliance, through Stewardship Reports which are presented on a bi-annual basis. The committee receives regular reports from ATCO's senior management who provide expertise and support for their specific areas of responsibility. ATCO's Chief Executive Officer provides regular reports to the Audit & Risk Committee.

### *Designated Audit Directors*

Designated Audit Directors (DADs) are generally directors of either ATCO or Canadian Utilities. Each DAD is assigned to one of our Business Units based on their strengths and experience in various industry sectors. The role of the DADs is to supplement the oversight role of the Audit & Risk Committee. The DADs are expected to be better informed on audit-related and risk issues for the Business Units than would normally be expected for Audit & Risk Committee members. DADs meet quarterly with senior management of their respective Business Unit, and annually with internal and external auditors. DADs review financial performance and operating results quarterly, review risks twice yearly, and report to the Audit & Risk Committee. The Audit & Risk Committee annually reviews the mandate of the DADs.

## STRATEGIC PLANNING

The Board is responsible for ensuring there are long-term goals and a strategic planning process in place, as well as approving a strategic plan for the Company on an annual basis. At the heart of our strategy is the desire to be a unified provider of essential services for our customers, allowing them to avoid the challenges of utilizing a fragmented network of providers. Our strategic plan is focused on diversifying our mix of portfolio investments into new markets and business lines and prudently deploying capital to deliver value to share owners through earnings and dividend growth. Through the strategic planning process, senior management and our directors ensure our long-term strategy aligns to our five core strategic pillars of innovation, growth, financial strength, operational excellence, and community involvement. A comprehensive three to four-day strategy session is held each year for this purpose where directors discuss the Company's long-term plans with senior management.

The health and safety of people is the first consideration in everything we do. Additionally, our Company has been a champion of diversity, equity and inclusion for many years. Energy innovation is central to ATCO's strategy and includes the deployment and use of cleaner fuels, renewable energy growth, energy infrastructure and storage expansion, energy efficiency and the capture of carbon. This strategy, paired with our existing footprint, assets and expertise, uniquely positions our Company to support our customers' emission and energy goals, while also supporting access to safe, reliable and affordable energy.

Throughout the year, the Board monitors management's progress toward achieving these strategic priorities. Updates are provided to the Board regarding the capital resources required to implement our strategy including relevant regulatory, and environmental, social and governance (ESG) issues that may impact our strategy. As a principally controlled organization focused on long-term prosperity, sustainability continues to be a strategic imperative for our Company.

Our Management's Discussion and Analysis includes more information about ATCO's strategic priorities. The 2024 Management's Discussion and Analysis is available on SEDAR+ at [www.sedarplus.ca](http://www.sedarplus.ca) and our website at [www.ATCO.com](http://www.ATCO.com).

## RISK MANAGEMENT

The Board is responsible for understanding the principal risks of the business which could materially affect the Company's ability to achieve its strategic or operational targets, and which are associated with future performance, growth and lost opportunities. We have an Enterprise Risk Management Policy that outlines the process for identifying, assessing, responding to, monitoring and reporting operational and strategic risks in the execution of day-to-day business objectives as well as long-term strategic goals of the Company. The Board's responsibilities include confirming there are appropriate processes that effectively monitor and manage these different risks with a view to the long-term viability of the Company. The high level of engagement of Board members, as well as their extensive experience, contributes to the effectiveness of the Board's oversight of the Enterprise Risk Management Policy. The Audit & Risk Committee and Designated Audit Directors (as described above) support the Board in ensuring the Company's business objectives are achieved in a manner that is consistent with the Company's risk appetite.

## Environmental, Social and Governance

As a provider of essential services in diverse communities around the world, ATCO has always had a long-term approach to managing and minimizing our environmental impacts. We also recognize that our success depends upon people and respectful and meaningful relationships. ESG and related issues are integrated within our enterprise risk management process. Good governance underpins our ability to effectively manage risks and create long-term value for our share owners and long-term benefits for other stakeholders including our employees, Indigenous and community partners, business partners, and customers. We regularly evaluate our practices to ensure they are aligned with international standards for assessing sustainability and climate-related issues.

Our risk management evaluation includes human capital related risks and climate-related risks relating to transitional (policy/regulatory, market, technology and reputational) and physical factors. We also consider climate-related opportunities such as resource efficiency, cleaner energy sources, innovative products and services, access to markets, and climate change resilience and adaptation. The Board's responsibilities for ESG oversight includes the integration of ESG priorities, risks and opportunities in the strategic planning process. Our business groups prepare Stewardship Reports, which are presented to the Audit & Risk Committee on a bi-annual basis, and include topics

such as safety, environment and Code of Ethics compliance. The Audit & Risk Committee, comprised of independent directors, has the greatest oversight of our sustainability reporting.

At ATCO, the sustainability team reports through the Senior Vice President, Financial Operations to the Chief Financial Officer. Members of senior management also oversee and contribute their expertise due to the cross-functional nature of many sustainability initiatives. Sustainability is managed collaboratively across numerous groups, including Human Resources, Government Relations, Indigenous Relations, Health and Safety, Environment, Marketing and Communications, Business Development, Corporate Governance and Secretarial, Internal Audit, and Risk Management, among others. These groups monitor best practices, develop and implement policies and standards and support our various divisions. Our executive leadership team is kept informed through quarterly internal dashboards that report key performance indicators, including data regarding environmental, safety and Indigenous relations metrics.

## Cybersecurity

As our Company relies on technology to meet business objectives and enhance efficiencies, the focus on cybersecurity has grown significantly. Our Company has adopted a "defense-in-depth" cybersecurity strategy to minimize the likelihood and impact of cybersecurity incidents. We also maintain a cybersecurity insurance policy. To date, cybersecurity events targeting the Company have been immaterial and have not resulted in any significant impact or necessitated external notifications. Our enterprise cybersecurity strategy, policy and risk management processes apply to both Information Technology (IT) and Operational Technology (OT) assets, and cybersecurity controls and procedures in the IT and OT environments are assessed on an annual basis by an independent third party. In 2024, the Company released a Generative Artificial Intelligence (AI) Standard to ensure the safe implementation and responsible use of AI technologies in our environment. All employees are required to complete cybersecurity training upon hire and on an annual basis thereafter. Cybersecurity updates are presented at least annually to the Audit & Risk Committee and cybersecurity metrics are reviewed quarterly with the DADs.

Our Management's Discussion and Analysis includes more information about the risks applicable to ATCO. The 2024 Management's Discussion and Analysis is available on SEDAR+ at [www.sedarplus.ca](http://www.sedarplus.ca) and our website at [www.ATCO.com](http://www.ATCO.com).

## **SUSTAINABILITY, CLIMATE CHANGE AND ENERGY TRANSITION**

Within our group of companies, we balance the short and long-term economic, environmental and social considerations of our businesses while creating value for our customers, employees, share owners, and Indigenous and community partners. As a provider of essential services in diverse communities around the world, we operate in an inclusive and responsible manner to meet the needs of society today and for generations to come while consistently delivering safe, reliable and affordable services.

Our 2024 Sustainability Report, which will be published in May 2025, will focus on the following material topics:

- Governance and Responsible Business - corporate governance, business ethics, responsible supply chain, and government relations and political advocacy.
- Resilience and Safety - emergency preparedness and response, system reliability and availability, cybersecurity, public health and safety, and employee safety and well-being.
- Energy Transition and Environment - energy transition and climate change, GHG emissions, and land-use and biodiversity.
- People and Partners - Indigenous relations, economic opportunities and reconciliation, community engagement and investments, customer experience and satisfaction, human capital development, retention and attraction, and diversity, equity and inclusion.

Our Sustainability Report is guided by the International Financial Reporting Standards (IFRS) International Sustainability Standards Board (ISSB) recommendations, which incorporate the Sustainability Accounting Standards Board (SASB) standards and climate-related disclosure recommendations from the Task Force on Climate-related Financial Disclosures (TCFD). It is also based on the internationally recognized Global Reporting Initiative (GRI) Standards.

The 2024 Sustainability Report, Sustainability Framework Reference Document, additional governance details, our materiality assessment, and other disclosures are available on our website at [www.ATCO.com](http://www.ATCO.com).

### **Climate Change and Energy Transition**

As we strive to support the energy transition and contribute to society's long-term sustainability goals, we continue to pursue initiatives to integrate cleaner fuels, renewable energy and energy storage. This includes looking at ways to modernize our energy infrastructure to accommodate new and innovative sources of energy as well as ways to further use energy more efficiently. We are working to reduce the carbon footprint of our operations and enabling our customers to transition to lower emitting sources of energy, while maintaining safety, reliability and affordability. More information about our recent projects can be found in ATCO's Management's Discussion & Analysis available on SEDAR+ at [www.sedarplus.ca](http://www.sedarplus.ca) and our website at [www.ATCO.com](http://www.ATCO.com).

## DIVERSITY, EQUITY AND INCLUSION

We believe that our people are our greatest combined strength and we are committed to creating an environment where everyone feels safe, welcome and valued. Centered in our values of integrity, caring, agility, collaboration and safety, we aim to foster an inclusive and respectful work environment where we all feel safe to bring our best - and fully authentic - selves to work each day. As our Company continues to evolve, so do our diverse and inclusive working environments, where a variety of perspectives and experiences are valued and encouraged. Our Code of Ethics (the Code) sets out our values which guide the conduct of all employees, officers and directors, and is supported by our Harassment and Violence Prevention policies. These policies encourage diversity, equity and inclusion (DEI) and ensure our people have the opportunity to participate in work-related activities in an environment that is respectful and safe.

DEI is foundational to our business objectives and operations, and plays an integral role within our global corporate culture. In 2024, we held our third DEI Conference, where members of our team representing our grassroots DEI committees, Employee Resource Groups, and our corporate DEI Council gathered together to further cultivate a diverse and inclusive environment where everyone feels safe, welcome, and valued. In 2023, we officially introduced our DEI Centre of Expertise—an internal team of DEI professionals dedicated to elevating and integrating DEI across our Company—with the goal of leading, informing, and amplifying initiatives across the company with a DEI focus. In January 2022 ATCO announced targets which include achieving and maintaining a minimum of 30 per cent female representation on the Board and senior leadership levels, and a minimum of 25 per cent minority representation within the ATCO Group workforce.

For four consecutive years, ATCO has been listed by Canada's Top 100 Employers as one of Canada's Top Employers for Young People. This special designation recognizes employers that offer the nation's best workplaces and programs for young people just getting started in their careers. The employers on this list, like ATCO, are Canada's leaders in attracting and retaining younger employees to their organizations.

The attraction and retention of team members from diverse demographics is also demonstrated through our commitment to the military and veteran community—a decades-long commitment with a connection to ATCO's founders. Our growing veteran talent program reached some important milestones in 2023, including the launch of our Veteran Employee Resource Group and official designation as a Certified Veteran Ready Employer. Our commitment is also reflected in ATCO's contribution as a presenting sponsor of the Invictus Games, an international multi-sport event for veterans and active-duty individuals from 20 nations around the world.

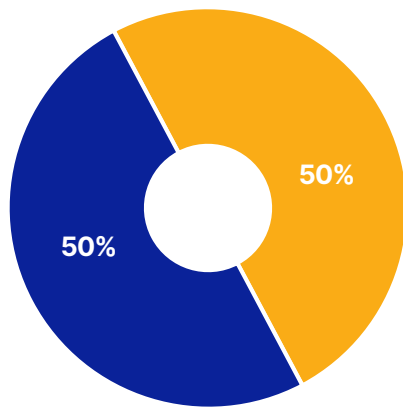
### Board of Directors

We believe that an effectively functioning board is critical to the success of the Company, and that the Board must have the flexibility to adopt director election and composition practices that suit its unique needs and circumstances. We are focused on finding the most qualified individuals available with the skills, experience, and expertise that will complement the Board. While we have not adopted a written policy relating to the identification and nomination of women directors, diversity, including gender diversity, is among many factors taken into consideration when evaluating candidates as potential directors.

GOCOM reviews the size and composition of the Board and evaluates the need for change to Board and committee composition based on an analysis of the skills, expertise and industry experience that align with the Company's strategic objectives. The Company targets maintaining a minimum of 30 per cent female representation on the Board.

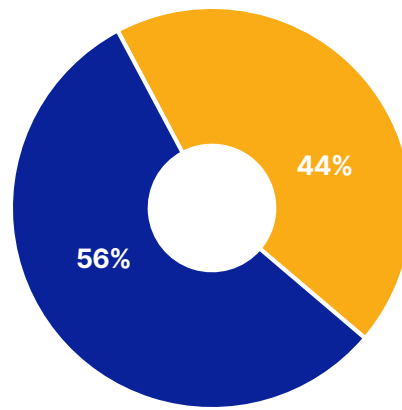
We have been a leader in the representation of women on our Board and have outperformed the Financial Post 500 (FP500) for many years. ATCO currently has five women on the Board, representing 50 per cent of the directors. Five of the nine director nominees are women, representing 56 per cent of the director nominees.

**Women on our Board  
(Current)**



■ Women ■ Men

**Women on our Board  
(2025 Director Nominees)**



■ Women ■ Men

Along with our Chair, GOCOM considers potential candidates who have competencies believed to complement the Board or senior management. Several mechanisms have been adopted by GOCOM and the Board in order to promote an appropriate level of Board renewal, while attributing high value to relevant industry experience, continuity and a solid track record of service, when considering potential Board members. GOCOM spends a significant amount of time reviewing Board succession and recruitment (see Performance Assessment and Director Retirement).

We have no set term limits for directors and have found that the effectiveness of our Board is not negatively impacted by having long-standing directors. Our approach is intended to contribute to strong boardroom dynamics that will give rise to a consistently high-performing Board and strong corporate performance.

### Senior Management

Appointments to the executive level are determined based upon merit, performance, expertise and experience of the individual. Diversity, including gender diversity, is among many factors taken into consideration when determining senior management appointments. The Company targets maintaining a minimum of 30 per cent female representation at the senior leadership levels. We voluntarily provide public disclosure about gender diversity within the organization in ATCO's Sustainability Report, which is available on our website ([www.ATCO.com](http://www.ATCO.com)). As of December 31, 2024, the Company's senior management included 29 women, representing 34.9 per cent.

### Indigenous Initiatives

Our Code of Ethics confirms our commitment to build and maintain positive and mutually beneficial relationships and partnerships with all the communities we serve. We recognize the importance of working cooperatively and collaboratively with all Indigenous groups including First Nations, Inuit and Métis communities. In 2021, ATCO formed an Indigenous Advisory Board comprised of senior management and members of Indigenous groups from across Canada. The mandate of the Indigenous Advisory Board includes providing advice on issues that have an impact on Indigenous communities as well as ATCO's Indigenous relations strategy. We voluntarily disclose information about our work with Indigenous communities in ATCO's Sustainability Report, which is available on our website ([www.ATCO.com](http://www.ATCO.com)).

## DIRECTOR ORIENTATION AND CONTINUING EDUCATION

All new directors attend a briefing with the Chair, as well as several comprehensive meetings at which they receive briefings by senior management on all aspects of our business. Our new directors are also provided information about each of the business segments, the organizational structure, the by-laws, and the Board and committee mandates. Information is also provided to directors on corporate policies, including our Code of Ethics, Disclosure Policy, Speaking Up Policy and Anti-Corruption Policy.

Directors, together with members of our senior management team, attend an annual strategy conference which has been held every year since 1968. This conference kicks off our annual business planning process. Strategies for operating and financial growth are discussed over three to four days consisting of presentations, plenary sessions, director discussions and recommendations.

Throughout each year, management makes presentations to our Board and its committees on key business decisions and topical issues, including reviews of annual business plans, significant contracts, strategic transactions, financing, and major capital expenditures. Presentations are also made by management in response to directors' requests. An online resource centre, which is updated with timely relevant information, is available to all directors. Our directors also attend and participate in seminars and other continuing education programs. The Company maintains a corporate membership with the Institute of Corporate Directors which provides opportunities for our directors to participate in sessions and seminars on topical governance issues. Visits to various operating sites are also arranged for our directors from time to time.

Key information and education sessions hosted by the Company that were attended by our directors in 2024 are listed below:

| Date        | Event               |
|-------------|---------------------|
| April 15-17 | Strategy Conference |
| November 12 | Business Planning   |

The Board also holds evening dinner sessions with most regularly scheduled Board meetings. These dinners provide an opportunity for directors to meet in a less formal atmosphere and get to know high-potential employees.

## PERFORMANCE ASSESSMENT

The performance of our Board, Board committees and individual directors is assessed at least annually. These assessments are facilitated by our Lead Director on behalf of our Chair. Performance evaluation questionnaires are distributed annually to each of our directors and Board committee members.

The performance evaluation questionnaires provide our directors with the opportunity to examine their collective effectiveness and identify areas for improvement. The questions address director skills and experience; preparation, communication and interaction; as well as business, company, and industry knowledge. The questionnaires include an overall assessment and are reviewed by GOCOM. Each director receives a report on the Board questionnaire, with committee members receiving reports on the committee questionnaires.

Our directors are encouraged to expand their responses beyond the specific questions in the questionnaires and provide open-ended comments.

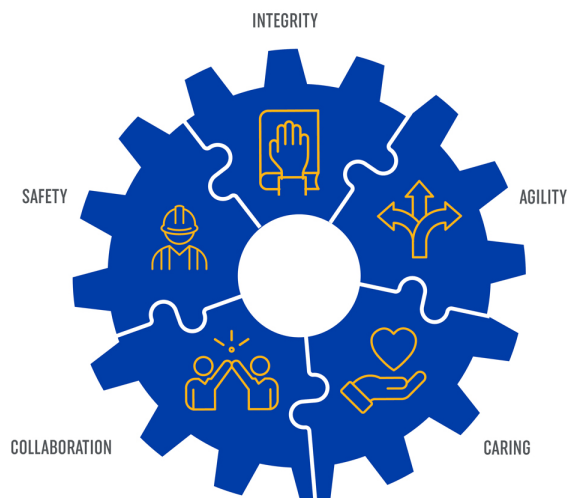
## DIRECTOR RETIREMENT

After directors turn 70 years of age, they are asked to tender a letter of resignation to our Chair. Our Chair, together with GOCOM, evaluates whether and when to request and/or accept a resignation letter depending on the Company's needs. If a director's resignation is accepted, such resignation will generally be effective at the next annual general meeting of share owners.

## ETHICAL BUSINESS CONDUCT

Each director, officer and member of management is expected to exemplify ethical business conduct. This expectation sets the tone for all employees of ATCO. Our business conduct is guided by living our core values and adhering to our policies and practices. Our Board has adopted a written Code of Ethics which reflects our core values of safety, integrity, collaboration, agility and caring, and sets expectations for how we conduct business. Our Code of Ethics is subject to periodic review and revision to ensure it is in line with best practices.

A copy of the Code is provided to each new director, officer and employee of the Company, and everyone must acknowledge in writing that they have reviewed and will abide by the Code as a precondition of their engagement. Furthermore, on an annual basis, each of our directors, officers and employees must confirm that they have reviewed the Code.



Directors who have, or may be reasonably perceived to have, a personal interest in a potential or current transaction or agreement involving ATCO are required to declare this interest at the Board meeting at which such matter is considered. These directors are asked to leave the meeting during the discussion on the matter and must abstain from voting on such matter.

We did not file any material change reports in 2024 relating to a director's or executive officer's departure from the Code. No waivers of the Code have ever been granted to any ATCO director, officer or employee.

We maintain a hotline that employees are free to use in order to express any concerns about inappropriate business conduct. Concerns may be reported confidentially and anonymously either online or by phone. Non-employees may also submit complaints or concerns online or by phone as set out in the Integrity & Compliance section of our website ([www.ATCO.com](http://www.ATCO.com)) or to the Audit & Risk Committee Chair via our Senior Vice President, General Counsel & Corporate Secretary at 4th Floor, West Building, 5302 Forand Street S.W., Calgary, Alberta T3E 8B4.

A copy of our Code can be accessed on our website ([www.ATCO.com](http://www.ATCO.com)), on SEDAR+ ([www.sedarplus.ca](http://www.sedarplus.ca)) or by written request to our Senior Vice President, General Counsel & Corporate Secretary.

## DISCLOSURE POLICY

We are committed to providing the public with accurate, timely and fair disclosure of corporate information. We comply with all laws and regulations and ensure that our public communications are disseminated according to applicable legal and regulatory requirements. Our Disclosure Policy applies to all our directors, officers and employees. It covers written and oral communications provided to the public, including the following:

- Financial and non-financial documents
- Annual reports
- Interim reports
- News releases
- Letters to share owners
- Presentations and speeches by senior management
- Corporate websites and other communications
- Documents filed with securities regulators and the Toronto Stock Exchange
- Oral statements made to financial analysts and the public
- Interviews with the media
- News conferences

## BOARD COMMITTEES

Our Board and its committees have each adopted a mandate outlining their principal responsibilities. Our Board and Board committees review the mandates each year to ensure they reflect current developments in corporate governance. Any changes that are made to the mandates are approved by the Board. Our Board has also approved written position descriptions for the Chair, the Lead Director, each Board committee chair, and the Chief Executive Officer. GOCOM reviews all of these position descriptions annually.

Our Board has two standing committees that meet statutory and policy requirements:

- Audit & Risk
- GOCOM

Each committee updates the Board regularly on its respective activities and a report is provided to our Board after each committee meeting. Our Board reviews the composition of its committees each year and makes adjustments as needed.

Our Board's mandate outlines its roles and responsibilities and is attached to this Circular as Schedule A. The Board and Board committee mandates are available on our website ([www.ATCO.com](http://www.ATCO.com)).

## COMMITTEE REPORTS

This section includes reports from each of our Board's standing committees as of December 31, 2024.

### Audit & Risk Committee

#### Members

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**R.J. Routs**  
Independent



**N.M. Steinberg, Chair**  
Independent



**R.J. Urwin**  
Independent



**S.R. Werth**  
Independent

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The Audit & Risk Committee consists of four independent directors of the Board, each of whom is financially literate and annually elected by the Board. The Committee is responsible for contributing to the effective stewardship of the Company by assisting the Board in fulfilling its oversight of:

- The integrity of our financial statements
- Compliance with applicable laws and regulations including legal and regulatory commitments
- Independence, qualifications and appointment of our external auditor
- Performance of our internal auditor and external auditor
- Our accounting and financial reporting processes
- Audits of our financial statements
- Our risk management processes

The Committee has authority delegated by the Board to:

- Recommend the external auditor for appointment and oversee their work and compensation
- Pre-approve all audit and permitted non-audit services of the external auditor
- Conduct or authorize investigations regarding matters related to the Committee's responsibilities, including engaging independent counsel or other advisors as necessary
- Inspect the books and records of the Company and its subsidiaries and discuss such records relating to the financial position or risk related issues of the Company and its subsidiaries
- Meet with the Company's officers, external auditors or outside counsel, as necessary
- Delegate authority to one or more members of the Committee, as permitted by applicable law

The following highlights the actions taken by the Audit & Risk Committee in fulfilling its mandate in 2024:

#### Financial Reports

- Reviewed significant accounting and reporting issues to gain an understanding of how they impacted the financial statements
- Reviewed the analysis of the effects of new or revised International Financial Reporting Standards (IFRS) guidance on the financial statements and reviewed the Company's impact assessments and implementation project plans for the IFRS guidance that has been issued but is not yet in effect
- Reviewed, and when delegated, approved quarterly consolidated financial statements, management's discussion and analysis, and earnings press releases
- Reviewed and recommended for Board approval the annual and quarterly consolidated financial statements, management's discussion and analysis, annual information form and earnings press releases
- Received quarterly reports from the DADs and directors appointed to corporate entities including joint ventures and partnerships (which do not have an appointed DAD)

### Internal Controls

- Reviewed reports on the design and effectiveness of our disclosure controls and procedures as well as internal control over financial reporting
- Reviewed procedures for our financial information review and disclosure
- Reviewed and approved governance documents and committee mandates

### External Auditor

- Reviewed our external auditor's appointment and compensation and recommended to our Board for approval
- Reviewed and approved our external auditor's non-audit services
- Reviewed our external auditor's report on its internal quality control procedures
- Reviewed and assessed our external auditor's independence
- Received reports from our external auditor on quarterly and annual consolidated financial statements and management's discussion and analysis
- Reviewed and monitored the performance of the external audit function

The following table shows the fees billed for services provided to us by PwC for the past two years:

| <b>For the year ended December 31, 2024</b> | <b>2024</b> | <b>2023</b> |
|---|-------------|-------------|
|   | <b>\$MM</b> | <b>\$MM</b> |
| Audit <sup>1</sup>                          | 6.5         | 5.8         |
| Audit related <sup>2</sup>                  | 0           | 0.1         |
| Tax <sup>3</sup>                            | 0.2         | 0.2         |
| All other fees <sup>4</sup>                 | 0.3         | 0           |
| <b>Total</b>                                | <b>7.0</b>  | <b>6.1</b>  |

1 Audit fees are the aggregate professional fees paid to the external auditor for the audit of the annual consolidated financial statements and other regulatory audits and filings.

2 Audit related fees are the aggregate fees paid to the external auditor for services related to special purpose audits and audit services including consultations regarding IFRS.

3 Tax fees are the aggregate fees paid to the external auditor for tax compliance, tax advice, tax planning and advisory services relating to the preparation of corporate tax, capital tax and sales tax returns.

4 All other fees include aggregate fees paid to the external auditor for consulting services related to the Company's finance and accounting function.

### Internal Audit

- Reviewed and approved our annual Audit Plan and the Internal Audit annual budget and resource plan
- Ensured that our internal audit function has been effectively carried out and the internal auditor has adequate resources
- Reviewed internal audit reports, including management's responses, as well as quarterly reports on management's action plans to implement audit recommendations
- Reviewed and monitored the performance of the internal audit function
- Ensured we have appropriate procedures for the confidential and anonymous receipt, retention and treatment of complaints received, and reviewed reports received on the investigations of complaints

### Risk Management

- Reviewed and considered our risk-taking philosophy
- Reviewed our risk inventory and related mitigation plans
- Received presentations, reports and other information regarding risks and significant trends
- Reviewed reports from the DADs and directors appointed to corporate entities including joint ventures and partnerships (which do not have an appointed DAD) regarding any significant risks identified by management
- Reviewed and discussed the summary of our safety and environmental performance
- Satisfied itself that management has appropriate processes in place to identify, assess, manage and monitor risk
- Reviewed our insurance programs for adequacy

The Audit & Risk Committee is satisfied that it has appropriately fulfilled its mandate for the year ended December 31, 2024.

## Corporate Governance – Nomination, Compensation and Succession Committee

### Members

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**R.J. Routs, Chair**  
Independent



**N.M. Steinberg**  
Independent



**S.R. Werth**  
Independent

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GOCOM is responsible for contributing to the effective stewardship of the Company. The committee assists the Board in fulfilling its oversight of corporate governance, nomination, compensation and succession.

The following highlights the actions taken by GOCOM in fulfilling its mandate in 2024:

- Assessed our Chief Executive Officer's performance and made recommendations to our Board regarding the Chief Executive Officer's base salary, annual incentive award and awards under the long-term incentive plan
- Reviewed and approved our Chief Executive Officer's report on senior executive officer performance and recommendations for base salary, annual incentive awards and awards under the long-term incentive plan
- Reviewed and made recommendations to the Board regarding our Chief Executive Officer's goals, objectives and corporate targets
- Reviewed succession plans for our Chief Executive Officer and senior executive officers
- Reviewed and approved senior executive officer appointments
- Reviewed and approved senior executive officer supplemental pension plan and perquisites
- Reviewed our corporate governance disclosure
- Reviewed and approved governance documents and Board and Board committee mandates
- Reviewed the evaluation process of Board committees, the Board and each individual director
- Reviewed and made recommendations to the Board regarding director compensation
- Reviewed the size and composition of our Board and considered candidates as potential nominees as directors; recommending potential director nominees for approval by the Board and for election by our share owners
- Together with our Board, reviewed the status of each director to determine whether he or she is independent based on the Canadian Securities Administrators' criteria as set out in National Instrument 52-110 - *Audit Committees*
- Continued to spend a significant amount of time on recent developments in corporate governance and disclosure
- Considered risk implications and managed risks that relate to our compensation policies and practices

GOCOM is satisfied that it has appropriately fulfilled its mandate for the year ended December 31, 2024.

# DIRECTOR COMPENSATION

GOCOM assesses the compensation of the directors and makes recommendations to our Board. GOCOM annually reviews director compensation using information from other corporations and published data. From time to time, GOCOM retains independent compensation consultants to make market comparisons and provide advice on developing appropriate compensation programs. Director compensation is reviewed to determine whether it is appropriate for the responsibilities, time commitment, and risks assumed by our directors.

## REMUNERATION

The table below shows the retainers paid to our directors in 2024.

| Retainers                     | (\$)    |
|-------------------------------|---------|
| Board <sup>1</sup>            | 260,000 |
| Board Meetings                | 25,000  |
| Lead Director                 | 75,000  |
| Audit & Risk Committee Chair  | 33,000  |
| Audit & Risk Committee Member | 15,500  |
| GOCOM Chair                   | 29,500  |
| GOCOM Committee Member        | 4,500   |

<sup>1</sup> The Company has an agreement with Dr. Urwin that his retainer will be paid the Canadian dollar equivalent of \$260,000 US.

Directors are reimbursed for travel and other expenses they incur for attendance at Board and committee meetings. Directors who are full-time salaried employees of ATCO receive no remuneration for serving as a director.

From time to time, our Board forms ad hoc committees to undertake special initiatives. The chairs and members of ad hoc committees may receive fees that are determined when the committees are formed.

## REMUNERATION SUMMARY

The table below provides a breakdown of the fees paid, on a quarterly basis, in the form of annual retainers to our non-employee directors for the year ended December 31, 2024. Other fees include retainers paid to those directors who also serve on the boards and committees of ATCO's subsidiaries, as well as retainers related to serving as DADs for the Business Units. No other forms of compensation were provided to the directors for the year ended December 31, 2024.

Ms. Southern is an employee of ATCO and did not receive compensation as a director. Ms. Southern's compensation is shown on Page 61 of this Circular.

| Name                        | Director retainer <sup>1</sup><br>(\$) | Board Meeting retainer <sup>2</sup><br>(\$) | Committee Chair retainer <sup>2</sup><br>(\$) | Committee Member retainer <sup>2</sup><br>(\$) | Other fees <sup>3,4,5,6</sup><br>(\$) | Total fees earned <sup>7</sup><br>(\$) |
|-----------------------------|--|---|---|--|---------------------------------------|--|
| Robert T. Booth             | 260,000                                | 25,000                                      | —   | —  | 32,000                                | 317,000                                |
| Dawn Farrell                | —                                      | —   | —   | —  | —                                     | —                                      |
| Jason T. Kenney             | 260,000                                | 25,000                                      | —   | —  | 4,500                                 | 289,500                                |
| Kelly C. Koss-Brix          | —                                      | —   | —   | —  | 285,000                               | 285,000                                |
| Robert J. Routs             | 335,000                                | 22,000                                      | 29,500  | 15,500   | 398,832                               | 800,832                                |
| Linda A. Southern-Heathcott | 260,000                                | 22,000                                      | —   | —  | 306,000                               | 588,000                                |
| Norman M. Steinberg         | 260,000                                | 25,000                                      | 33,000  | 4,500  | 25,000                                | 347,500                                |
| Roger J. Urwin              | 354,789                                | 22,000                                      | —   | 12,500   | 682,860                               | 1,072,149                              |
| Susan R. Werth              | 260,000                                | 25,000                                      | —   | 20,000   | 20,500                                | 325,500                                |
| <b>Total</b>                | <b>1,989,789</b>                       | <b>166,000</b>                              | <b>62,500</b>                                 | <b>52,500</b>                                  | <b>1,754,692</b>                      | <b>4,025,481</b>                       |

1 **Director retainer:** The Company has an agreement with Dr. Urwin that his retainer will be paid the Canadian dollar equivalent of \$260,000 US, calculated using the average exchange rate for a one-month period preceding each quarterly payment.

2 **Reduced retainers:** Directors may have their retainers reduced if they act as a director, committee chair, or committee member for more than one ATCO company.

3 **Other fees:** Includes retainers for acting as a DAD.

4 **Other fees:** Ms. Koss-Brix, Ms. Southern-Heathcott and Dr. Urwin received retainers as directors of Canadian Utilities. Mr. Booth and Ms. Southern-Heathcott received retainers as directors of CU Inc.

5 **Other fees:** Ms. Southern-Heathcott received an annual retainer as chair of the Pension Fund Committee of ATCO Structures & Logistics Ltd. Mr. Kenney, and Ms. Werth received meeting retainers as members of the Pension Fund Committee of ATCO Structures & Logistics Ltd.

6 **Other fees:** Dr. Routs and Dr. Urwin received fees and superannuation contributions as directors of ATCO Australia Pty Ltd.; Dr. Urwin received fees for acting as a director of LUMA Energy, LLC.

7 **Total fees earned:** Ms. Farrell and Ms. Koss-Brix joined the Board on January 1, 2025. Ms. Koss-Brix's fees earned in 2024 represent fees earned from an ATCO subsidiary.

## DIRECTOR SHARE OWNERSHIP

All non-employee directors are required to directly or indirectly own Class I Shares and/or Class II Shares together having an aggregate market value of at least 3.0 times the value of the annual board retainer within five years of being appointed to the Board, or within five years of any change to the required market value holdings. In January 2020, the required market value of holdings was increased to 3.0 times the annual board retainer. In January 2024, the required minimum of the annual board retainer to be paid in Class I Shares was increased from \$30,000 to \$60,000. Until the minimum share ownership requirement is met, for 2024, directors were required to receive a minimum of \$80,000 of their annual board retainer in Class I Shares. A director may, with the approval of the chair of GOCOM, have this minimum contribution amount reduced if he or she makes alternative arrangements to meet the minimum share ownership requirement within the five year timeframe.

All of our directors are in compliance with the share ownership requirement. Directors have the option of receiving up to 60 per cent of their annual board retainer in Class I Shares and/or in Class A non-voting shares of Canadian Utilities.

The following table sets out each director's ownership of Class II Shares and Class I Shares in ATCO as at March 7, 2025, and any change in the ownership interest since the previous proxy circular dated March 11, 2024.

| Name                                     | Equity Ownership as at March 11, 2024 |                | Equity Ownership as at March 7, 2025 |                | Net Change in Ownership |                | Equity at risk <sup>1</sup> |   |
|--|---------------------------------------|----------------|--------------------------------------|----------------|-------------------------|----------------|-----------------------------|---|
|  | Class II Shares                       | Class I Shares | Class II Shares                      | Class I Shares | Class II Shares         | Class I Shares | Value (\$)                  | Multiple of 2024 annual director retainer |
| Robert T. Booth                          | —                                     | 28,286         | —                                    | 30,968         | —                       | 2,682          | 1,489,870                   | 5.7                                       |
| Dawn L. Farrell                          | —                                     | —              | —                                    | 10,550         | —                       | 10,550         | 507,561                     | 2.0                                       |
| Jason T. Kenney                          | —                                     | 886            | —                                    | 2,842          | —                       | 1,956          | 136,729                     | 0.5                                       |
| Kelly C. Koss-Brix                       | —                                     | 3,970          | —                                    | 3,970          | —                       | —              | 190,997                     | 0.7                                       |
| Robert J. Routs                          | —                                     | 26,652         | —                                    | 29,139         | —                       | 2,487          | 1,401,877                   | 5.4                                       |
| Nancy C. Southern <sup>2,3</sup>         | 50,600                                | 417,215        | 50,600                               | 426,609        | —                       | 9,394          | 22,979,271                  | N/A                                       |
| Linda A. Southern-Heathcott <sup>3</sup> | 10,350                                | 31,925         | 10,350                               | 38,573         | —                       | 6,648          | 2,357,929                   | 9.1                                       |
| Norman M. Steinberg                      | —                                     | 10,596         | —                                    | 14,654         | —                       | 4,058          | 705,004                     | 2.7                                       |
| Roger J. Urwin                           | —                                     | 14,238         | —                                    | 16,051         | —                       | 1,813          | 772,214                     | 3.0                                       |
| Susan R. Werth                           | —                                     | 20,838         | —                                    | 22,263         | —                       | 1,425          | 1,071,073                   | 4.1                                       |
| <b>Total</b>                             | <b>60,950</b>                         | <b>554,606</b> | <b>60,950</b>                        | <b>595,619</b> | <b>—</b>                | <b>41,013</b>  | <b>31,612,525</b>           |   |

<sup>1</sup> Equity at risk is shown as at March 7, 2025, and is the market value determined by reference to the closing price of Class I Shares (\$48.11) and Class II Shares (\$48.52) on the Toronto Stock Exchange.

<sup>2</sup> The requirement to own shares having a value exceeding a multiple of the annual board retainer applies only to non-employee directors. Ms. Southern is an employee and does not receive a retainer as a director. Her shareholdings and values are provided for information purposes only.





<sup>3</sup> The shares owned and controlled by the Majority Share Owner are not included in this table. Please refer to the Majority Share Owner on Page 1.

## OUTSTANDING OPTIONS

Effective August 1, 2008, our non-employee directors were no longer eligible to receive options. There were no outstanding options held by any of our non-employee directors as at December 31, 2024.

# COMMUNICATING WITH THE BOARD

We understand the importance of meaningful engagement and maintaining communication with share owners. Share owners can attend the annual meeting which provides a valuable opportunity to hear from management about the results of our business and our strategic plans and to meet and speak with directors. Share Owners can learn more about our company through webcasts of our quarterly earnings conference calls with the investment community where financial and operating results are reviewed. Investor days, attendance at industry conferences, and executive presentations and meetings are held periodically to provide updates on the Company's strategy, outlook and operations. Webcasts and investor presentations are made available at [www.ATCO.com](http://www.ATCO.com) in the investors section under Events & Presentations.

| <b>You may communicate directly with the Board through the Chair &amp; Chief Executive Officer by writing to:</b> |   |
|---|---|
|                                  | <p>Chair &amp; Chief Executive Officer</p> <p>c/o Senior Vice President, General Counsel &amp; Corporate Secretary<br/>           ATCO Ltd.<br/>           4th Floor, West Building<br/>           5302 Forand Street S.W.<br/>           Calgary, Alberta, Canada<br/>           T3E 8B4</p> |
| <b>For more general investor inquiries and information, please contact Investor Relations:</b>                    |   |
|                                | <p>Email: <a href="mailto:investorrelations@ATCO.com">investorrelations@ATCO.com</a></p>  |
|                                | <p>Telephone: (403) 292-7500</p>  |
|                                | <p>Mailing address:</p> <p>Investor Relations, c/o ATCO<br/>           3rd Floor, West Building<br/>           5302 Forand Street S.W.<br/>           Calgary, Alberta, Canada<br/>           T3E 8B4</p>   |

# COMPENSATION DISCUSSION & ANALYSIS

## OVERVIEW

This CD&A discusses ATCO's executive compensation program, and how it is structured, governed, and designed to support corporate business objectives.

It discloses compensation of the Chief Executive Officer, Chief Financial Officer, and the next three executives that received the highest pay as of December 31, 2024 (our named executives):

- Nancy C. Southern, Chair & Chief Executive Officer
- Katherine-Jane (Katie) Patrick, Executive Vice President, Chief Financial & Investment Officer
- Robert (Bob) J. Myles, President & Chief Operating Officer, Canadian Utilities
- Adam M. Beattie, President, ATCO Structures & Logistics Ltd.
- Wayne K. Stensby, Former Chief Operating Officer, ATCO Energy Systems

Katie J. Patrick's role broadened to include responsibility as Chief Financial Officer of Canadian Utilities, effective March 1, 2024. Her role further expanded to include Chief Investment Officer of Canadian Utilities, effective February 1, 2025.

Wayne K. Stensby retired from his role of Chief Operating Officer, ATCO Energy Systems effective January 31, 2025. Bob J. Myles was promoted to President & Chief Operating Officer, Canadian Utilities, effective February 1, 2025.

The compensation we report here is compensation received from both ATCO and Canadian Utilities. 100 per cent of the non-equity compensation of Bob J. Myles and Wayne K. Stensby is allocated to Canadian Utilities. 100 per cent of Adam M. Beattie's compensation is allocated to ATCO.

Every year, we apportion compensation for executives with responsibilities to ATCO and Canadian Utilities based on each company's contribution to total consolidated revenues, labour, and assets. This allocation method, which has been approved by the Alberta Utilities Commission, represents an estimate of the amount of time we expect the executives will devote to each entity.

Throughout this CD&A, when we refer to *senior executives*, we mean the CEO and her direct reports (only some of whom are named executives).

The table below shows how ATCO and Canadian Utilities have shared the non-equity compensation expense of senior executives with dual roles over the past three years:

|      | Amount paid<br>by ATCO<br>(%) | Amount paid by<br>Canadian Utilities<br>(%) | Combined total<br>reported in ATCO proxy<br>circular<br>(%) |
|------|-------------------------------|---|---|
| 2024 | 12.0                          | 88.0  | 100   |
| 2023 | 11.0                          | 89.0  | 100   |
| 2022 | 11.0                          | 89.0  | 100   |

## GOVERNANCE

Executive compensation at ATCO and our subsidiaries is the overall responsibility of GOCOM.

GOCOM has three members, all of whom have experience in compensation and business:

|  |   |
|--|---|
| <b>Robert J. Routs (Chair)</b><br><b>Independent</b> | <ul style="list-style-type: none"><li>• Over 35 years' experience as a senior executive of a large international energy corporation</li><li>• Experience dealing with compensation matters</li><li>• Several years of service on public boards including serving as chair of a Canadian energy corporation and member of governance and compensation committees</li></ul> |
| <b>Norman M. Steinberg</b><br><b>Independent</b>     | <ul style="list-style-type: none"><li>• Extensive experience dealing with corporate governance and compensation matters</li><li>• Several years of service on public boards including serving as chair of governance and compensation committees</li></ul>  |
| <b>Susan R. Werth</b><br><b>Independent</b>          | <ul style="list-style-type: none"><li>• Former Chief Administration Officer for ATCO and Canadian Utilities</li><li>• Extensive experience dealing with corporate governance and compensation matters</li></ul>   |

GOCOM has the following mandate related to executive compensation and succession planning:

## COMPENSATION APPROACH

- Annually review and determine executive compensation packages for senior executives (salary, short and long-term incentives, pension and benefits, perquisites and other compensation)
- Determine the administration, interpretation, operation, and risk of the incentive plans, subject to the provisions of such plans and the rules of any applicable stock exchange
- Prepare and review, as required, public, or regulatory disclosure about compensation and how performance is measured

## Succession Planning for Executives

- Review and approve potential successors to the CEO and other senior executive positions
- Review and assist with succession and professional development plans

See Page [37](#) for more information about GOCOM and a summary of its activities in 2024.

GOCOM is also responsible for compensation of the directors on ATCO's Board. You can read about its approach starting on Page [38](#).

## Compensation Philosophy

Our compensation philosophy is to provide competitive pay for competitive performance. This approach ensures that the interests of executives are closely aligned with those of our share owners and supports the Company's continued success.

The approach includes three principles:

- Pay competitively
- Pay for performance
- Manage risk

## Pay Competitively

GOCOM believes that competitive compensation is essential to attract and retain talented executives in a highly competitive business environment.

Compensation is targeted at the median of our comparator peer group of companies. The peer group, developed in consultation with Mercer, consisted of Canadian companies in the utilities, midstream, pipeline, exploration and production, materials and industrials sectors given that these are the most comparable. A majority of the companies fell within 1/3 to 3x of ATCO on key size metrics such as revenue, assets, market capitalization, and enterprise value. The number of matches for Adam M. Beattie's role was insufficient using the comparator group below and, as such, the additional comparator companies set out in Schedule B were employed for Mr. Beattie. The companies listed in Schedule B are drawn from Mercer's manufacturing & logistics peer group.

| Comparator companies |   |  |
|----------------------|---|--|
|                      | Algonquin Power & Utilities Corp.<br>AltaGas Ltd.<br>Canadian Natural Resources Limited<br>Canadian Pacific Kansas City Limited<br>Capital Power Corporation<br>Cenovus Energy Inc.<br>Emera Incorporated<br>Enbridge Inc.<br>ENMAX Corporation<br>EPCOR Utilities Inc.<br>Fortis Inc.<br>Gibson Energy Inc.<br>Hydro One Limited | Imperial Oil Limited<br>Keyera Corp.<br>MEG Energy Corp.<br>Northland Power Inc.<br>Nutrien Ltd.<br>Ovintiv Inc.<br>Pembina Pipeline Corporation<br>Stantec Inc.<br>Suncor Energy Inc.<br>TC Energy Corporation<br>TransAlta Corporation<br>Veren Inc. |

## Pay for Performance

Executive compensation is linked to achieving goals that create sustainable share owner value:

- Each senior executive's individual goals and objectives are aligned with our strategic plan
- A portion of every senior executive's compensation is variable, based on his or her ability to influence business outcomes and financial performance
- Variable pay is linked to corporate, individual and Business Unit performance, and paid when performance criteria and objectives are met or exceeded, at the discretion of GOCOM
- Long-term incentives are linked to sustainable profitable growth

## Manage Risk

GOCOM considers the implications of the risks associated with the Company's compensation policies and practices, and oversees risk management in the context of the Company's compensation programs. GOCOM manages risk in the following ways:

- The incentive pool for the short-term incentive ties total compensation to corporate financial performance. This policy ensures that any bonuses paid reflect overall company financial performance during the year, as well as individual and Business Unit performance
- Total potential payout is tested to ensure it is not a significant part of the Company's earnings
- GOCOM has the discretion to adjust the size of the incentive pool, or the amount of a senior executive's compensation to ensure total compensation is appropriate and balanced between fixed and variable compensation
- Long-term incentives focus senior executives on achieving sustainable, profitable growth over the medium and long-term, so they are not encouraged to take excessive risks for short-term gain
- GOCOM has the discretion to not award incentive compensation

Executives have a significant stake in the Company's share price performance:

- The CEO holds more than 22 times her salary in ATCO shares
- While senior executives are not required to hold ATCO shares, a portion of their total compensation is in equity-based compensation

Senior executives and directors are not allowed to purchase financial instruments, including prepaid variable forward contracts, equity swaps, collars, or units of exchange funds designed to hedge or offset the value of their equity compensation and other ATCO securities held directly or indirectly.

GOCOM is satisfied that:

- ATCO's compensation policies and practices do not encourage any executive to take inappropriate or excessive risks that could have a materially adverse effect on the Company
- ATCO has proper practices in place to effectively identify and mitigate potential risk

## Operate Independently

When making executive compensation decisions and director nominations, GOCOM operates independently from management. All of the members of the committee are independent.

GOCOM ensures independence from management by holding in camera sessions (without management present) at each committee meeting. This strategy allows GOCOM to have candid discussions about executive compensation and director nomination.

## Independent Advice

GOCOM hires consultants for advice on:

- The structure of our executive compensation program
- Legal matters related to executive compensation

Each year, GOCOM pre-approves fees and services the consultants will provide during the year.

## Executive Compensation Advisory Services in 2024

GOCOM approved the use of two independent consultants in 2024 for information and advice on compensation.

Willis Towers Watson has provided published surveys and studies regarding compensation trends and best practices. The Company has worked with Willis Towers Watson for more than 15 years.

Mercer was first engaged in 1984 and in addition to surveys and studies, also provides the following services:

- Review total compensation of executive positions to comparable roles in the marketplace
- Gather information and recommend a competitive approach on executive compensation practices

|                                     | Fees in 2024<br>(\$) | Fees in 2023<br>(\$) |
|-------------------------------------|----------------------|----------------------|
| <b>Willis Towers Watson</b>         |                      |                      |
| Executive compensation-related fees | –                    | –                    |
| All other fees <sup>1</sup>         | 129,030              | 155,962              |
| <b>Mercer</b>                       |                      |                      |
| Executive compensation-related fees | –                    | 179,203              |
| All other fees <sup>1</sup>         | 513,532              | 583,151              |

<sup>1</sup> All other fees includes fees for surveys, studies, and consulting services related to pension, benefits, and regulatory hearings.

The total fees reported above are incurred by both ATCO and Canadian Utilities.

## DECISION-MAKING PROCESS

Compensation decisions are made using a five-step process that ensures executive compensation is appropriate, effective and does not encourage excessive risk taking.

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|          |  |  |
|----------|--|--|
| <b>1</b> | <b>Review compensation plan</b>                            | <p>At the beginning of every year, GOCOM analyzes the previous year's compensation plan against management proxy circular data from other companies and compensation data provided by outside advisors.</p> <p>It also reviews a tally sheet, prepared by management for the CEO and her direct reports, that includes a three-year history of salary, incentive plan payments, discretionary payments, perquisites, share plan ownership and grants, pension and benefits, and the expected value of long-term incentives.</p> <p>GOCOM makes any changes it believes are necessary to ensure the compensation plan:</p> <ul style="list-style-type: none"><li>• Rewards these executives based on corporate, individual, and Business Unit performance</li><li>• Includes the appropriate variable components to align the interests of these executives with those of share owners</li><li>• Focuses these executives on sustainable, profitable growth without encouraging excessive risk-taking</li></ul> |
| <b>2</b> | <b>Set incentive plan targets and performance criteria</b> | <p>GOCOM reviews and approves the performance measures for the short-term incentive pool based on corporate and Business Unit financial targets.</p>   |
| <b>3</b> | <b>Set individual and operational goals and objectives</b> | <p>GOCOM sets goals and objectives for the CEO based on ATCO's business strategy. The CEO establishes individual and operational goals and objectives for her direct reports, which support the business strategy and the CEO's goals, and presents them to GOCOM.</p>   |
| <b>4</b> | <b>Assess corporate and Business Unit performance</b>      | <p>GOCOM assesses ATCO and individual Business Unit performance against specified targets, taking into consideration peer performance, market conditions, other factors, and approves overall short-term incentive pool funding.</p>   |
| <b>5</b> | <b>Determine individual awards</b>                         | <p>GOCOM assesses the CEO's performance. The CEO completes performance assessments for her direct reports, which include:</p> <ul style="list-style-type: none"><li>• An analysis of performance against his or her goals and objectives, commenting on demonstrated delivery of results, alignment to ATCO's values and business objectives, and the executive's ability to develop and mentor high-potential employees</li><li>• Recommendations for each senior executive's salary</li><li>• Recommendations for short and long-term incentives for each senior executive</li></ul> <p>GOCOM reviews this information, along with market data provided by independent advisors, and approves each senior executive's compensation.</p>  |

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## COMPONENTS

Our executive compensation program includes direct and indirect compensation. Direct compensation consists of two components:

- Fixed (base salary)
- Variable (short and long-term incentives)

Indirect compensation includes a pension plan, and other benefits, which are described starting on Page [50](#).

### Direct Compensation

|                                      | Component                     | How it works  | How it is paid   | Performance period  |
|--------------------------------------|-------------------------------|---|--|---|
| <b>Fixed</b>                         | <b>Salary</b>                 | Fixed level of income based on the market value of the position | <b>Cash</b>  | One-year  |
| <b>Variable short-term incentive</b> | <b>Short-term incentive</b>   | Annual bonus based on the achievement of specific goals         | <b>Cash</b>  | One-year  |
| <b>Variable long-term incentives</b> | <b>Restricted share units</b> | Rewards long-term sustainable growth and company success        | <b>Equity</b><br>Restricted share units are cash settled upon vesting                        | Three-year term, with 25 per cent vesting on the first and second anniversaries of the grant. The remaining 50 per cent vesting on the third anniversary of the grant |
|                                      | <b>Stock options</b>          |   | <b>Equity</b><br>Options to buy ATCO Class I Shares and/or Canadian Utilities Class A shares | Eight-year term, with 25 per cent vesting each year starting on the first anniversary of the grant  |

GOCOM and the CEO also have the discretion to award bonuses to senior executives for their contribution to particularly notable accomplishments or to not award annual bonuses.

Total direct compensation is targeted at the median (50th percentile) of the comparator group. Pay mix varies from year to year. The target ranges in the table below depend on the executive's responsibilities and ability to influence business results. The actual pay mix depends on corporate, Business Unit, and individual performance, as well as GOCOM's discretion. This mix allows GOCOM to provide a competitive total direct compensation package while ensuring that a significant portion of each executive's compensation is performance-based, and therefore, pay at risk.

|                          |        |                           | CEO               | Other senior executives |
|--------------------------|--------|---------------------------|-------------------|-------------------------|
| <b>Fixed</b>             | Cash   | Salary                    | 15% to 25%        | 25% to 35%              |
| <b>Variable</b>          | Cash   | Short-term incentive plan | 25% to 35%        | 25% to 35%              |
|                          | Equity | Restricted share units    | 0% to 20%         | 15% to 25%              |
|                          | Equity | Stock options             | 40% to 60%        | 15% to 25%              |
| <b>Total pay at risk</b> |        |                           | <b>75% to 85%</b> | <b>65% to 75%</b>       |
| <b>Total</b>             |        |                           | <b>100%</b>       | <b>100%</b>             |

## Fixed Compensation

Base salaries are targeted at the median (50th percentile) of the comparator group. GOCOM can decide to pay up to the 75th percentile to executives who consistently perform above the expectations of the role. It also has the discretion to adjust an executive's salary during the year if their responsibilities change.

## Variable Compensation

Variable compensation makes up a significant portion of each senior executive's total compensation. Awards and payouts are tied to corporate, Business Unit, and individual performance, and in the case of equity awards, to the long-term sustainable growth of the Company.

## Corporate Performance

Corporate performance has a direct impact on short-term incentive pool funding.

## Business Unit Performance

Business Unit performance has a direct impact on the amount allocated from the short-term incentive pool to the Business Unit's incentive pool.

## Individual Performance

GOCOM reviews an individual performance rating for each senior executive that is:

- Used to determine their short-term incentive payout
- Considered by GOCOM when deciding whether to grant long-term incentives

Each senior executive's performance is measured against both individual and Business Unit objectives in four categories, as outlined below. Specific objectives are set for each category based on the senior executive's areas of responsibility.

| 1. Individual                              | 2. Operational   | 3. People leadership   | 4. Long-term sustainable growth  |
|--|--|--|--|
| Objectives are specific to each individual | Objectives normally include: <ul style="list-style-type: none"><li>• Health and safety</li><li>• Service quality</li><li>• Management controls</li><li>• Environmental stewardship</li></ul> | Objectives normally include: <ul style="list-style-type: none"><li>• Succession planning</li><li>• Leadership development</li><li>• Attraction and retention</li></ul> | Objectives normally include: <ul style="list-style-type: none"><li>• Long-term growth strategies at each Business Unit</li><li>• Strategic planning and integration of long-term growth across all ATCO businesses</li></ul> |

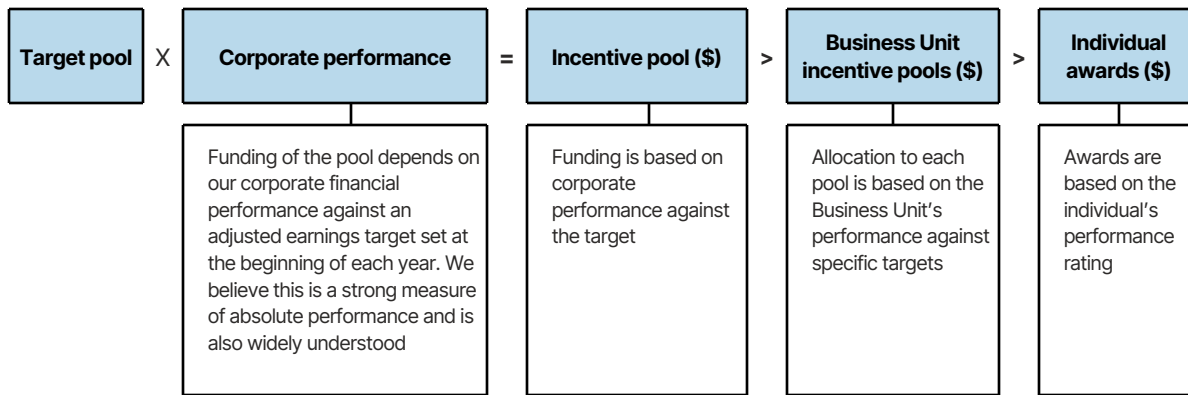
Performance against these objectives results in a performance rating ranging from Not Fully Meeting to Significantly Exceeding. A rating of Significantly Exceeding receives the maximum payout from the short-term incentive plan. A rating below Meets Expectations does not receive a payout (assuming it is not a new role).

GOCOM also has broad discretion to not make incentive payments.

### Short-Term Incentive

Funding of the short-term incentive pool depends on our performance against the corporate financial target set at the beginning of each year. Performance below the target reduces the size of the incentive pool, and performance above the target increases the size of the incentive pool.

The size of the individual award is determined by four factors: 1) the size of the overall incentive pool, 2) the amount allocated to the Business Unit from the incentive pool, 3) the executive's individual performance rating, and 4) comparing the individual's total direct compensation relative to his or her peer group.



### Long-Term Incentive

GOCOM awards long-term incentives at its discretion, based on a senior executive's total direct compensation and individual performance, and may also consider previous grants of long-term incentives when determining new grants. In previous years, long-term incentives had been granted in the form of stock options and/or share appreciation rights (SARs). In 2020, GOCOM approved the decision to grant long-term incentives only in the form of stock options. Subsequently, in 2023, the Board approved a restricted share unit (RSU) plan pursuant to which restricted share units may be granted to certain officers and employees of the Company and its subsidiaries. The Company began granting awards under the RSU plan in 2024.

While the Company no longer grants SARs under its share appreciation rights plans, SARs granted prior to 2020 remain outstanding. SARs have a ten year term, with 20 per cent vesting each year starting on the first anniversary of the grant. Vested SARs, when exercised, provide for a cash payment equal to any increase from the grant price to the market price at time of exercise.

### Equity Compensation Plan – Restricted Share Units

ATCO's use of RSUs is a more recent addition to its incentive compensation arrangements for officers and employees of ATCO and its subsidiaries. These time-based awards are designed to reward long-term sustainable growth and company success, further align executive and share owner interests, and assist in attracting and retaining qualified and motivated executives and employees.

A summary of the material terms of the RSU plan is set out in Schedule C.

### Equity Compensation Plan – Stock Option Plan

ATCO's use of stock options to acquire Class I Shares is an important component of its incentive compensation arrangements for officers and key employees of ATCO and its subsidiaries. We believe that this practice achieves alignment between executives and share owner interests and assists in attracting and retaining qualified and motivated senior executives and employees.

Since its inception in 1994, the Company's Stock Option Plan ("Stock Option Plan") has required the maintenance of a reserve of Class I Shares to cover the options granted to participants. This reserve must be replenished from time to time so that the Company has a sufficient number of Class I Shares to cover new option grants. In May 2022, share owners approved an ordinary resolution to replenish the share reserve which maintained the fixed maximum number of Class I Shares authorized for issuance at 10,200,000. The replenishment of the Class I Shares reserved for issuance under the Stock Option Plan was also approved by the TSX.

A summary of the material terms of the Stock Option Plan is set out in Schedule D.

## Indirect Compensation

### Perquisites

Senior executives are eligible to receive standard perquisites, including a company vehicle, parking, a club membership, financial advice, and a medical health assessment.

### Employee Share Purchase Plan

Senior executives and employees can contribute up to 10 per cent of their base salary to the employee share purchase plan. The Company matches 25 per cent or 35 per cent of their contribution.

### Pension Plans

The named executives participate in either the Retirement Plan for Employees of Canadian Utilities Limited and Participating Companies (Canadian Utilities plan) or the Retirement Plan No. 1 for Salaried Employees of ATCO Structures & Logistics Ltd. and Participating Companies (ATCO Structures plan). Both plans have a defined benefit (DB) and a defined contribution (DC) component.

Nancy C. Southern participates in the DB component of the Canadian Utilities plan. Katie J. Patrick and Bob J. Myles participate in the DC component of the Canadian Utilities plan. Adam M. Beattie participates in the DC component of the ATCO Structures plan. Wayne K. Stensby was a suspended participant in the DB component and participated in the DC component until his retirement.

How the DB component works:

- Executives do not contribute to the plan
- Participants can retire with full pension benefits when they turn 62, or if their age plus their years of service equals 90 or more. They can retire as early as age 55. However, if they have not achieved 90 points, their pension benefit is reduced by 3 per cent for every year of retirement before age 62, and by another 3 per cent for every year before age 60
- Pension benefits are paid until the participant dies; then, 60 per cent is paid to the surviving spouse
- Retiree pension benefit payments have historically been increased annually with inflation, to a maximum of 3 per cent

How we calculate the pension benefit:

$$\left[ 1.4\% \times \begin{array}{l} \text{average year's maximum} \\ \text{pensionable earnings} \\ (\$64,060 \text{ in } 2024) \end{array} + 2\% \times \begin{array}{l} \text{average salary (highest five consecutive} \\ \text{years of base salary, not including} \\ \text{short-term incentive) minus } \$64,060 \end{array} \right] \times \begin{array}{l} \text{Years of} \\ \text{service} \end{array}$$

How the DC component works:

- Executives do not contribute to the plan
- The Company contributes 10 per cent of base salary up to the maximum permitted by the *Income Tax Act* (Canada) which was \$32,490 in 2024
- Participants are responsible for the investment decisions in the DC plan and may invest contributions in a broad selection of funds

### Supplemental Pension Benefits

Pension benefits under our pension plans are subject to limits imposed by the *Income Tax Act* (Canada). Benefits that are higher than these limits are paid to Nancy C. Southern and Wayne K. Stensby as a supplemental pension. This supplemental pension is provided by Canadian Utilities and benefits are not pre-funded; it is also inclusive of the benefit under the Canadian Utilities plan. Wayne K. Stensby's supplemental pension is the amount exceeding these limits had he remained active in the DB provision, with the same survivor benefits and top-up for inflation.

How it works:

- Supplemental pension benefits are provided as a defined benefit plan
- Executives do not contribute to the supplemental plan
- Service is limited to 35 years

Nancy C. Southern's supplemental pension benefit is part of her employment agreement with ATCO (see Page 61). Her benefits are calculated as 80 per cent of the average of the highest five years of cash compensation (salary and short-term incentives) throughout her career.

# 2024 PERFORMANCE

Innovation, growth, financial strength, and a commitment to our core values provide the foundation from which we grow our Company. Our strategic imperatives are supported by our unwavering commitment to financial strength, operational excellence, our customers, our people, and the communities we are privileged to serve around the world. Below we have outlined achievements throughout our group of companies that demonstrate how we have created sustainable share owner value in 2024.

## STRATEGIC IMPERATIVE: VALUING A LONG-TERM OUTLOOK

### Maintaining Strong Credit Ratings

Fitch Ratings affirmed its 'BBB+' issuer rating and stable outlook on ATCO and its 'A-' issuer rating with a stable outlook on both Canadian Utilities and CU Inc.

DBRS Limited affirmed its 'A (low)' long-term corporate credit rating and stable outlook on ATCO, its 'A' long-term corporate credit rating and stable outlook on Canadian Utilities, and its 'A (high)' long-term corporate credit rating and stable outlook on CU Inc.

On September 11, 2024, CU Inc. issued \$410 million of 4.664 per cent 30-year debentures. Proceeds from the issue are being used to finance capital expenditures, to repay existing indebtedness and for other general corporate purposes.

### Adjusted Earnings Growth

Adjusted earnings\* of \$481 million for the year ended December 31, 2024 were above the performance target set by the Board of Directors at the beginning of the year.

\*Adjusted earnings, is a total of segments measure (as defined in National Instrument 52-112 - *Non-GAAP and Other Financial Measures Disclosure*). Adjusted earnings as reported in the consolidated financial statements for the year ended December 31, 2024, are the earnings attributable to Class I and Class II Shares after adjusting for the timing of revenues and expenses associated with rate-regulated activities and unrealized gains or losses on mark-to-market forward and swap commodity contracts. Adjusted earnings also exclude one-time gains and losses, impairments, and items that are not in the normal course of business or a result of day-to-day operations. For additional information, please see the Non-GAAP and Other Financial Measures Advisory on Page [78](#).

### Transfer of ATCO Energy Ltd.

In 2023, ATCO acquired Fresh Bites, a food service company, and subsequently transferred its legacy retail food services brand Blue Flame Kitchen from Canadian Utilities to ATCO to create strategic alignment. Continuing this alignment, in the third quarter of 2024, ATCO purchased ATCO Energy Ltd. (ATCOenergy and Rūmi) from Canadian Utilities.

## CORE VALUE: SAFETY

### Compare Favourably to Safety Benchmarks

Safety is one of the Company's core values and is the first consideration in everything we do. In 2024, our lost time incident frequency (LTIF) was 0.15/200,000 hours worked and our total recordable incident frequency (TRIF) was 1.11 incidents/200,000 hours worked.

Our LTIF and TRIF compare favourably to many benchmarks, including Alberta Occupational Health and Safety, U.S. private industry, and industry best practice rates. While our results are favourable to benchmarks, we continue to strive to have best-in-class safety programs that prioritize the safety of our people.

## STRATEGIC IMPERATIVE: PROVIDING SOLUTIONS FOR SHELTER AND COMMUNITY SPACES

### Acquisition of NRB Limited (NRB)

ATCO Structures grew its market presence and service capabilities through both organic and inorganic strategic initiatives. During the year, five new operating locations were established across Canada and the US to meet the demand for core product offerings. A key achievement was ATCO Structures' acquisition of NRB, which was fully integrated into Canadian modular operations in 2024. The acquisition of NRB provided manufacturing expertise, particularly in permanent modular construction, and added manufacturing capacity and capability in Ontario and British Columbia, establishing a nationwide manufacturing footprint.

### Modular Demonstration Home at ATCO Park

ATCO brought together our business units to build a modular demonstration home at ATCO Park. This collaboration between ATCO Land & Development, ATCO Structures and Triple M Housing Ltd. (Triple M) saw the home completed in just eight weeks, from foundation to furnishing. The modules that make up the home were installed in a single day after the 22-day manufacturing process at Triple M's facility in Lethbridge. Following this, an additional three weeks were dedicated to finalizing interior and exterior details. This initiative showcases ATCO's innovative approach and reinforces our role as a leader in addressing housing needs across Canada.

### ATCO Structures' Workforce Housing Projects

#### *Canada – Mining Operations*

ATCO Structures was awarded multiple contracts totaling \$29 million to supply and install an accommodation camp, and to design and supply mine dry and administrative facilities for a uranium mine in Western Canada. Delivery of units commenced during the fourth quarter of 2024, with final site completion expected in the second quarter of 2025.

#### *Australia – Camp Relocation*

ATCO Structures was awarded a \$12 million contract to decommission and relocate a rapid deployment camp from a mine site to expand an existing accommodation camp, both located in the Pilbara, Western Australia. The project commenced during the fourth quarter of 2024 and is expected to be completed during the second quarter of 2025.

#### *Latin America – Bonatti*

ATCO Structures was awarded a \$4 million contract to supply and install auxiliary buildings in support of an expansion project for a mine site located in north-central Chile. The rental term is expected to commence in the first quarter of 2025 for a term of 19 months.

## BUSINESS ACHIEVEMENTS: UTILITIES

### Yellowhead Mainline Project

On May 8, 2024, ATCO Energy Systems announced its largest ever energy infrastructure project, the Yellowhead Mainline, with the projected spend estimated at \$2.8 billion, subject to further detailed engineering and tendering of supply contracts. On September 18, 2024, ATCO Energy Systems announced the filing of a comprehensive regulatory application that establishes the need for the Yellowhead Mainline natural gas project and represents the first of two applications to the Alberta Utilities Commission.

This Alberta project consists of approximately 200-230 kilometres of high-pressure natural gas pipeline and related control and compression facilities that will run from the Edson area to the northeast Edmonton area and is expected to have the capability to deliver about 1,200 terajoules (or 1.1 billion cubic feet) per day of incremental natural gas. Subject to regulatory and the Company's approvals, construction is expected to commence in 2026 and the pipeline is expected to be on-stream in the fourth quarter of 2027.

### Central East Transfer Out (CETO) Project

In 2024, Electricity Transmission began construction of the CETO project, an electric transmission system project directly assigned to both ATCO Electric and AltaLink LP by the Alberta Electric System Operator (AESO). The construction of the 135-km 240kV transmission line will support renewable energy integration in Alberta and transport electricity in the counties of Red Deer, Lacombe and Stettler, supplying more than 1,500 megawatts of electricity to Alberta's grid. Construction commenced in the third quarter of 2024 and is being executed over two winter seasons, with expected completion in 2026. Electricity Transmission is building 85-km of the transmission line and AltaLink is constructing the remaining 50-km.

### Mains Replacement Program

Natural Gas Distribution has two mains replacement programs in Alberta which were approved in 2011, the plastic mains replacement and the steel mains program. The plastic mains replacement includes 8,000-km of polyvinyl chloride (PVC) and early generation polyethylene (PE) pipe that are planned for replacement. Natural Gas Distribution has replaced 2,809-km of PVC and PE pipe since the approval of this program. The steel mains program includes 9,000-km of steel pipe that is monitored and continually evaluated for replacement based on the performance history. Natural Gas Distribution has replaced 405-km of steel pipe since the approval of this program.

### Access Arrangement 6 (AA6)

On November 8, 2024, ATCO Gas Australia received the final AA6 decision from the Economic Regulatory Authority (ERA). ATCO Gas Australia initially submitted AA6 on September 1, 2023, which included detailed expenditure plans for the period January 1, 2025 to December 31, 2029. ERA's draft decision was released in April 2024 and ATCO Gas Australia submitted a revised plan in June 2024.

This final decision is the result of a constructive and collaborative regulatory process. The decision from the ERA approves the prices for ATCO Gas Australia's gas distribution network for the next five years. The ERA's decision is underpinned by a five-year capital expenditure program, a five-year operating cost forecast, the demand forecast of throughput on the natural gas distribution network in Western Australia, and included an evaluation of the capital expenditure program completed during the AA5 period to confirm the capital expenditures met the regulatory criteria. The decision also determines the rate of return for the AA6 period, which adopts a return on equity (ROE) of 8.23 per cent, compared to 5.02 per cent in the previous Access Arrangement. The tariffs included in the AA6 final decision are applicable for the period January 1, 2025 to December 31, 2029.

## BUSINESS ACHIEVEMENTS: NELTUME PORTS

### Vancouver Bulk Terminal Joint Venture

In May of 2024, Vancouver Bulk Terminal, a joint venture between Neltume Ports and Nautilus International Holding Corporation, secured project capital financing for the development of the soda ash export bulk facility at Terminal 2 within the Port of Vancouver, Washington. The facility will have the capacity to export 3 million tonnes of soda ash annually and will support soda ash volumes from Solvay's Green River, Wyoming operations while providing additional export capacity to the North American soda ash industry. Construction is expected to begin in 2025.

## STRATEGIC IMPERATIVE: TAKING A LEADERSHIP ROLE IN THE ENERGY TRANSITION

### Carbon Storage Site Expansion Project

In 2024, ATCO EnPower completed the Carbon Storage Site Expansion project. Initiated in 2022, the expansion has boosted the project's capacity to 68 petajoules and demonstrates ATCO EnPower's adaptability to the ever-changing energy market. The Company has enhanced its capacity to store surplus gas during periods of low demand, enabling rapid redeployment to the system when needed. This strategic improvement helps ensure a reliable and consistent gas supply for all Albertans.

### **Hydrogen Technology in Home Building**

ATCO Gas & Pipelines, with its partner Qualico, completed the build of a residential home in Sherwood Park, Alberta, that showcases how hydrogen technology can play a pivotal role in the future of home heating in the province, keeping homeowners safe and warm year-round while reducing carbon emissions. With the support of Alberta Innovates, the home showcases technologies that may be used in a future development in Strathcona County, which has the potential to be the world's largest 100 per cent hydrogen community.

### **Atlas Carbon Storage Hub**

On June 26, 2024, ATCO EnPower, in partnership with Shell Canada Limited, announced that a Final Investment Decision had been made to proceed with the first phase of the Atlas Carbon Storage Hub. The first phase of the project is expected to be operational in late 2028, anchored by CO<sub>2</sub> volumes from Shell's Polaris carbon capture project. The multi-phase, open-access carbon storage hub is a major milestone in the Company's commitment to advancing products and services which may contribute positively to society's goal of reducing emissions, and is the first step in ATCO EnPower's work to create a full value chain for hydrogen development – from production and carbon abatement to transport and export. The Atlas Carbon Storage Hub is integral to ATCO's long-term strategy and sustainability aspirations. The facility will be located east of Edmonton and able to store emissions from the Alberta Industrial Heartland region. Future development of the hub, which is subject to future investment decisions, will further increase ATCO EnPower's ability to deliver cost-effective products and services aligned with our customers' needs and society's goals.

### **ATCO Heartland Hydrogen Hub Project (AH3)**

ATCO EnPower remains committed to hydrogen development within Alberta's Industrial Heartland and has signed a Letter of Intent with Linde Canada Inc. (Linde). ATCO EnPower and Linde are working alongside other parties to further the development and commercial success of the AH3 project, with the objective to commence Front End Engineering Design (FEED) in 2025 and advance both domestic and export offtake opportunities. The project has significant potential to supply hydrogen to domestic and international markets, including the Alberta gas grid, industrial, municipal, and commercial transport users. The parties continue to work with supportive federal and provincial governments to establish policy and frameworks that facilitate investment in the Canadian hydrogen economy of both export and domestic opportunities, and to work with First Nations for their participation in the development of and ownership in the project.

### **Forty Mile Wind Facility Uprate**

In December 2024, ATCO EnPower successfully completed uprating work on the Forty Mile wind facility increasing Forty Mile wind generation capacity from 202-MW to 225-MW.

### **Canadian Pacific Kansas City Limited (CPKC) Hydrogen Locomotive Project**

In September 2024, ATCO EnPower successfully produced hydrogen through two 1-MW electrolyzers that were constructed and commissioned in Edmonton and Calgary. This is a significant milestone for ATCO EnPower's partnership with CPKC, which was announced in 2022, to provide engineering, procurement, and operating services for two hydrogen production and refueling facilities in Calgary and Edmonton.

### **Solar Sheep Vegetation Management at Empress Solar**

ATCO EnPower continues its history of innovation by introducing a sustainable solution for vegetation management in a sensitive wildlife area at a lower cost. 450 sheep were relocated to the Empress solar facility until mid-November to control vegetation throughout the site while they graze. Additionally, ATCO EnPower improved the vegetation available by seeding grass and legume species to improve the sheep's food sources for 2025. ATCO EnPower will continue to use sheep for vegetation management for the foreseeable future. The Empress solar project achieved commercial operations in the fourth quarter of 2023 and provides enough renewable electricity to power more than 11,000 homes.

## STRATEGIC IMPERATIVE: ADVANCING EQUITABLE PARTNERSHIPS WITH INDIGENOUS COMMUNITIES

### Promoting Reconciliation

In 2024, ATCO had its first land-based learning program in Kananaskis, Alberta. The two-day session, attended by 18 ATCO employees, focused on trees and forestry and explored the interconnected concepts of Indigenous stewardship, restoration, wildfire management, and cumulative impacts.

### Supporting Communities in the Energy Transition

ATCO Energy Systems worked closely with Bigstone Cree Nation and the Hamlet of Sandy Lake to transition their home heating systems from propane and firewood to a safer, more affordable, and more reliable natural gas system. The Company also conducted an Emergency Services Training session focused on natural gas safety, knowledge, and emergency response. Twenty-two first responders from Bigstone, Sandy Lake, Red Earth, Calling Lake, and Wabasca First Nations participated in the session.

### Indigenous Scholarship Funding

ATCO funded Canada's first-ever Indigenous Chevening Scholar, marking a significant milestone in the program's history. The successful scholar is a member of Deninu Kųę First Nation in the Northwest Territories and earned a fully-funded one-year master's programme in the United Kingdom.

## STRATEGIC IMPERATIVE: COLLABORATING FOR THE BETTERMENT OF COMMUNITIES

### Community Involvement Through EPIC

With the combined efforts of our employees around the world and the Company's donation match program, ATCO pledged more than \$3.1 million to support hundreds of community charities in 2024. The annual ATCO Employees Participating In Communities (EPIC) campaign has a cumulative fundraising total of nearly \$57 million since its inception in 2006.

### ATCO Community Energy Fund

In its second year, the ATCO Community Energy Fund selected 12 deserving projects in 2024 to receive funding. This program supports Alberta's schools, non-profits, and municipalities in their energy transition journeys. The funded projects include feasibility audits, the installation of electric vehicle charging stations, solar panel installations, and the development of an innovative hydrogen learning tool.

### Invictus Games Co-Presenting Sponsor

ATCO was a Co-Presenting Sponsor of the Invictus Games Vancouver Whistler 2025. As part of this partnership ATCO provided Alberta students an opportunity to win one of 10 trips to the Games being held in Vancouver, British Columbia from February 15-17, 2025, through its "Why Military Matters" contest.

For the Invictus Games, ATCO created the 'I AM' Campaign: Inspired by the Invictus Games mantra 'I AM unconquered.' This campaign invited employees to share their own 'I AM' statements. These were on display at the 2025 Invictus Games in Vancouver and Whistler and in ATCO's Activation zone.

## STRATEGIC IMPERATIVE: SUPPORTING THE TALENT AND DIVERSITY OF THE ATCO TEAM

### Negotiated Collective Agreements

In 2024, balanced collective agreements were successfully negotiated with the Canadian Energy Workers Association (CEWA), Natural Gas Employees Association (NGEA), and United Utility Workers' Association (UUWA).

### Succession Planning and Talent Development

Our focus on succession planning and developing our talent continues to be enhanced through leveraging robust talent analytics to equip leaders with the talent data needed to inform business decisions. Collaboratively working with employees and leaders, we promote continuous learning and growth.

The voice of our employees is valued and various ATCO Business Units enhanced their employee listening strategies through bespoke engagement surveys.

### Talent Attraction

ATCO was recognized in 2024 as one of Alberta's Top Employers for a fourth year in a row, solidifying our reputation as one of the province's leading workplaces. This accolade, part of the Canada's Top 100 Employers project, highlights organizations that go above and beyond to foster an outstanding work environment for their teams. Earning this distinction, along with being named one of Canada's Top Employers for Young People reinforces our commitment to creating a workplace where employees feel valued and supported to succeed.

In 2024, ATCO's refined employee value proposition was successfully rolled out to seamlessly integrate with the recruitment process and was prominently featured on our careers site for priority talent segments.

Additionally, ATCO launched its Veteran Talent Program, underscoring our commitment to becoming an employer of choice for veteran talent pools across our operational geographies. This program is spearheaded by a Canadian Armed Forces Veteran, demonstrating ATCO's ongoing dedication to the military and Veterans.

ATCO continues to focus on strategically securing a pipeline of skilled and innovative talent. By proactively engaging with post-secondary institutions through student co-op and internship opportunities, this targeted approach identifies top talent at an early stage. This approach not only addresses immediate skill gaps but also fosters long-term loyalty and alignment with the company's culture and values, ensuring a sustainable and dynamic workforce ready to drive future growth and success.

### Leadership Development

We continue to deliver five levels of leadership development programming, ranging from emerging leaders to executive leaders, with an average Net Promoter Score of 85 per cent (global benchmark is 67 per cent).

# 2024 COMPENSATION SUMMARY

## Compensation in 2024

The table below is a summary of total direct compensation awarded to the named executives in 2024.

**This is the total compensation they received from both ATCO and Canadian Utilities.**

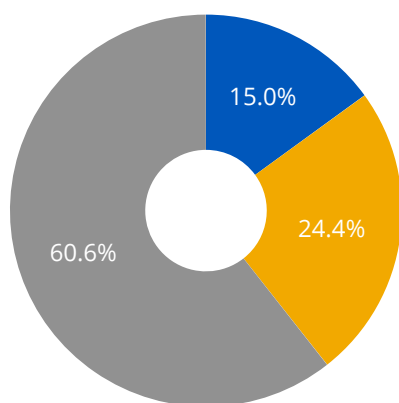
Please see Page 66 for the summary compensation table, which shows total compensation for the past three years, and the assumptions used for the long-term incentive values.

|                               | Total cash compensation received<br>from both companies<br>(\$) |                         | Long-term incentives<br>(\$) |               | Total direct<br>compensation<br>(\$) |
|-------------------------------|---|-------------------------|------------------------------|---------------|--------------------------------------|
|                               | Salary  | Short-term<br>incentive | Restricted<br>share units    | Stock options |                                      |
| Nancy C. Southern             | 1,033,333   | 1,680,000               | N/A                          | 4,182,500     | 6,895,833                            |
| Katie Patrick                 | 581,250   | 660,000                 | 606,220                      | 588,800       | 2,436,270                            |
| Bob J. Myles                  | 787,500   | 875,000                 | 515,797                      | 454,650       | 2,632,947                            |
| Adam M. Beattie               | 631,250   | 725,000                 | 606,220                      | 588,800       | 2,551,270                            |
| Wayne K. Stensby <sup>1</sup> | 837,500   | 850,000                 | 515,797                      | 454,650       | 2,657,947                            |

<sup>1</sup> Mr. Stensby was Chief Operating Officer, ATCO Energy Systems until his retirement on January 31, 2025.

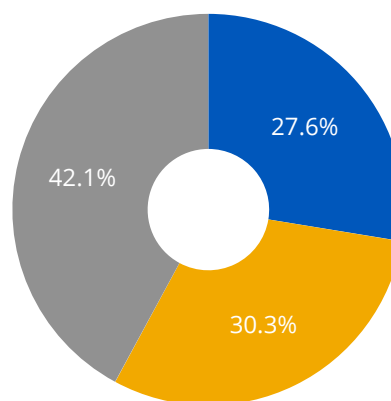
## 2024 Pay Mix

### CEO



■ Base salary  
■ Short-term incentive  
■ Long-term incentives

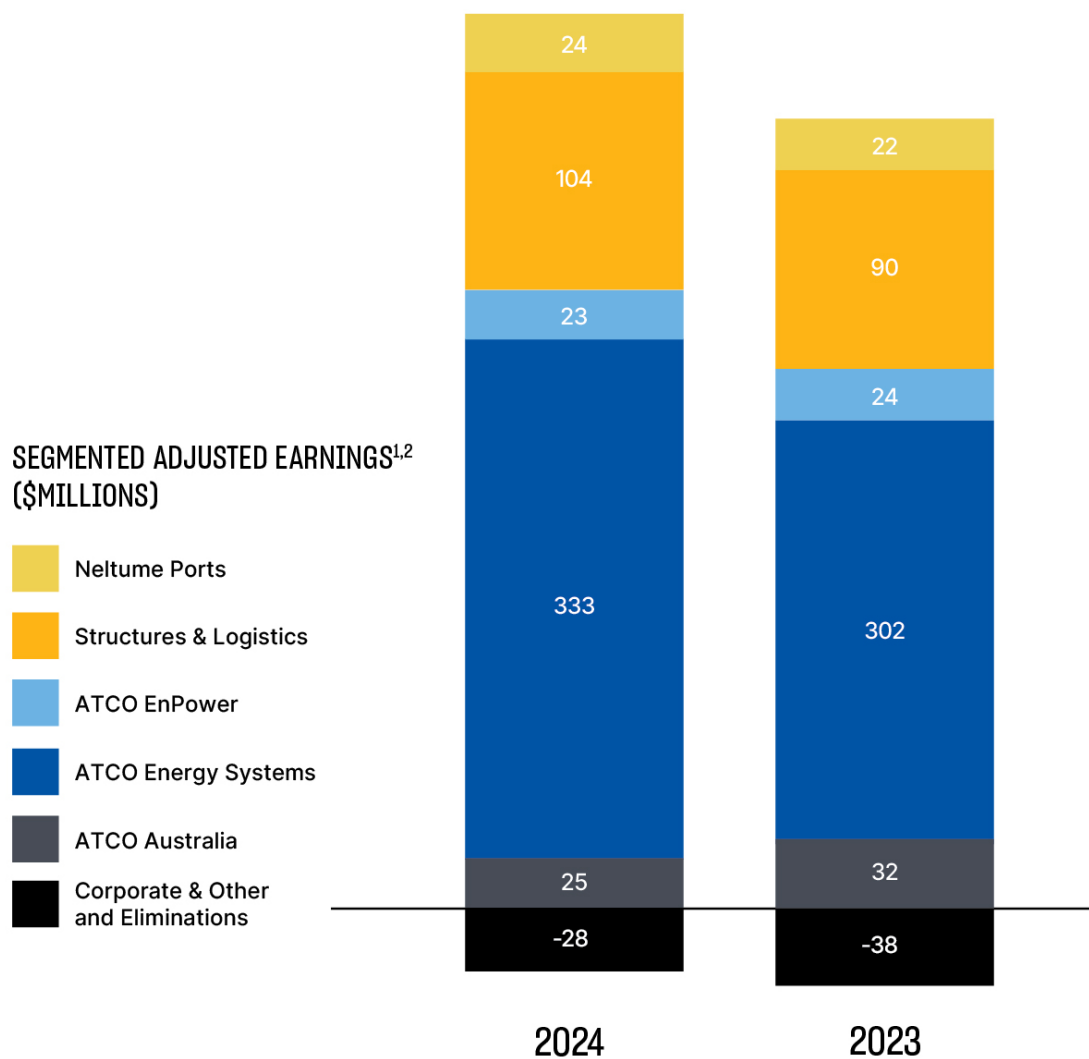
### Other Named Executives



■ Base salary  
■ Short-term incentive  
■ Long-term incentives

## Compensation Linked to Financial Performance

The graph below shows adjusted earnings for each of the past two years (total and by Business Unit), compared with total direct compensation paid to the named executives in each year.



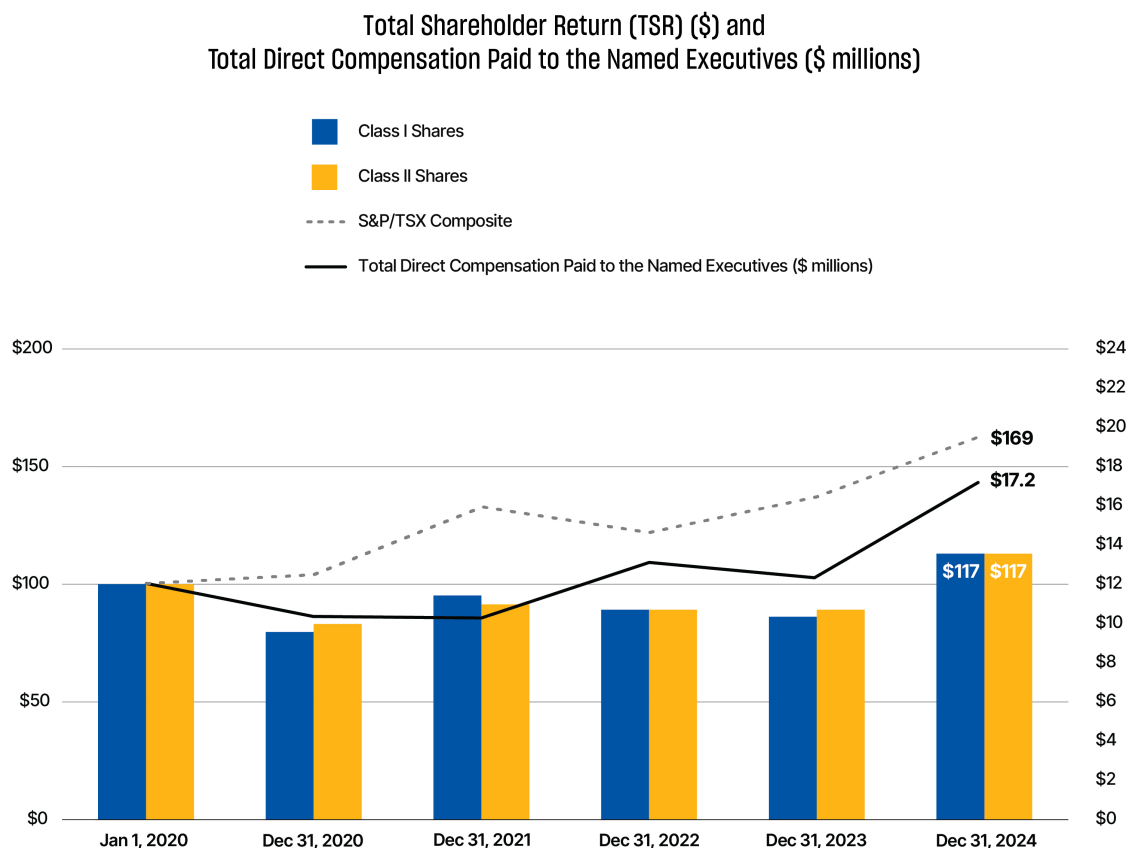
| (\$millions)   | 2024 | 2023 |
|--|------|------|
| Adjusted earnings <sup>1</sup>                         | 481  | 432  |
| Total direct compensation paid to the named executives | 17.2 | 12.1 |
| As a % of adjusted earnings                            | 3.6% | 2.8% |

<sup>1</sup> For additional information, please see the Non-GAAP and Other Financial Measures Advisory on Page 78.

<sup>2</sup> In 2024, the Company changed its operating segment structure to better align with management accountability. This change involved reporting a new operating segment, ATCO Australia, which includes natural gas distribution and electricity generation operations based in Australia. Previously, ATCO Australia's natural gas distribution operations were reported in the ATCO Energy Systems operating segment and the electricity generation operations were reported in the ATCO EnPower operating segment. In addition, ATCO Australia's corporate office was included in Corporate & Other. Comparative segment results previously reported have been reclassified to reflect this change in the reportable operating segments.

## Compensation Linked to Share Owner Return

The graph below compares the cumulative value of \$100 invested in Class I Shares or Class II Shares (assuming reinvestment of dividends) on January 1, 2020, with the cumulative value of \$100 invested in the S&P/TSX Composite Index over the same period. The chart also shows the total direct compensation paid to the named executives in each of the past five years.



Total direct compensation includes:

- Base salary
- Short-term incentive
- Dividends earned during calendar years related to the mid-term incentive plan
- Grant date fair value of restricted share units awarded plus the value of additional restricted share units received during the calendar year on each dividend payment date
- Grant date fair value of stock options using the Black-Scholes method

The above performance graph shows how an investment of \$100 on January 1, 2020 in either Class I or Class II Shares would equate to \$117 on December 31, 2024 based on the respective closing prices of \$47.58 and \$48.90. The same \$100 investment in the S&P/composite Index over the same period would equate to \$169. Our compensation program ensures that the compensation we pay to our executive officers is related to factors that influence share owner value. Share price performance is not the only predictor or outcome of the success of our executive team. It is one of many considerations that influence our NEO compensation decisions. As shown in the above performance graph, TSR and NEO compensation decreased in 2020. In 2021, TSR increased significantly while NEO compensation levels remained relatively consistent. TSR decreased in 2022 while NEO compensation levels increased, and in 2023, TSR was relatively consistent year-over-year while NEO compensation decreased. In 2024, both TSR and NEO compensation significantly increased.



## NANCY C. SOUTHERN

Chair & Chief Executive Officer

Location: Calgary, Canada

Years of service: 35

Age: 68

Ms. Southern is Chair & Chief Executive Officer of ATCO and Canadian Utilities. Ms. Southern reports to the Board of Directors and has been a director of ATCO since 1989. She has full responsibility for ATCO's strategic direction and operations and has been instrumental in executing ATCO's global growth strategy. Under her leadership, ATCO acquired WA Gas Networks in Western Australia in 2011; re-entered Latin America with ATCO-Sabincos in 2016; acquired a 40 per cent stake in Neltume Ports in 2018; and completed the award-winning Fort McMurray 500-kV West Transmission Project in Alberta in 2019. She has also positioned the Company at the forefront of Indigenous economic reconciliation and the energy transition, with a focus on cleaner fuels, electricity, and critical energy infrastructure. Ms. Southern is the recipient of numerous honours for her commitment to democratic principles and free enterprise. In 2024, she was honoured as a member of the Alberta Order of Excellence, the highest honour the Province of Alberta can bestow on a citizen.

### COMPENSATION

|  | 2024<br>(\$)     | 2023<br>(\$)     | 2022<br>(\$)     |
|--|------------------|------------------|------------------|
| <b>Cash</b>  |                  |                  |                  |
| Base salary  | 1,033,333        | 1,000,000        | 1,000,000        |
| Short-term incentive   | 1,680,000        | 1,800,000        | 1,800,000        |
| <b>Total cash compensation from both<br/>ATCO and Canadian Utilities</b>   | <b>2,713,333</b> | <b>2,800,000</b> | <b>2,800,000</b> |
| <b>Equity</b>  |                  |                  |                  |
| Restricted share units   | N/A              | N/A              | N/A              |
| Stock options  | 4,182,500        | 2,473,000        | 3,469,500        |
| <b>Total equity</b>  | <b>4,182,500</b> | <b>2,473,000</b> | <b>3,469,500</b> |
| <b>Total direct compensation from both<br/>ATCO and Canadian Utilities</b> | <b>6,895,833</b> | <b>5,273,000</b> | <b>6,269,500</b> |

### EMPLOYMENT AGREEMENT

Ms. Southern has an employment agreement with ATCO that is reviewed and approved regularly. It is currently extended to February 28, 2026. The agreement includes insurance benefits if Ms. Southern dies or becomes disabled before she retires or employment is terminated. The amount is based on her salary, using formulas that take into account the amounts payable to her under ATCO's group life insurance policies and disability income programs. It also includes supplemental pension benefits, which are described on Page 51. A certain portion of Ms. Southern's supplemental pension benefits are payable to her surviving spouse in the event of her death.

Additionally, Ms. Southern's employment agreement addresses the use and disclosure of confidential information both during and any time after her employment with the Company. Her employment agreement also includes a non-competition provision that prevents Ms. Southern from engaging in certain business and employment arrangements during her employment with the Company and during any period, in connection with a termination event, where she is receiving payment from the Company or is entitled to exercise her incentive awards.



## KATHERINE-JANE PATRICK

Executive Vice President, Chief Financial & Investment Officer

Location: Calgary, Canada

Years of service: 9

Age: 46

Ms. Patrick is Executive Vice President, Chief Financial & Investment Officer of ATCO and Canadian Utilities. She has accountability for Finance, Accounting, Treasury, Taxation, Risk Management, Investor Relations, and administration of the Internal Audit function. Ms. Patrick also oversees the Company's investment focused financial growth strategy and has responsibility for ATCO investments including Neltume Ports and ASHCOR. She joined ATCO in 2015 and has held progressively senior roles in ATCO and Canadian Utilities. Ms. Patrick was appointed to her current role in October 2021.

### COMPENSATION

|  | 2024<br>(\$)     | 2023<br>(\$)     | 2022<br>(\$)     |
|--|------------------|------------------|------------------|
| <b>Cash</b>  |                  |                  |                  |
| Base salary  | 581,250          | 506,250          | 437,500          |
| Short-term incentive   | 660,000          | 600,000          | 550,000          |
| <b>Total cash compensation from both<br/>ATCO and Canadian Utilities</b>   | <b>1,241,250</b> | <b>1,106,250</b> | <b>987,500</b>   |
| <b>Equity</b>  |                  |                  |                  |
| Restricted share units   | 606,220          | N/A              | N/A              |
| Stock options  | 588,800          | 335,400          | 538,200          |
| <b>Total equity</b>  | <b>1,195,020</b> | <b>335,400</b>   | <b>538,200</b>   |
| <b>Total direct compensation from both<br/>ATCO and Canadian Utilities</b> | <b>2,436,270</b> | <b>1,441,650</b> | <b>1,525,700</b> |



## ROBERT J. MYLES

President & Chief Operating Officer, Canadian Utilities

Location: Calgary, Canada

Years of service: 25

Age: 60

Mr. Myles is President & Chief Operating Officer, Canadian Utilities Limited. He has operational, financial, and strategic oversight of Canadian Utilities' operations across North and South America. He is responsible for the strategic direction and operations of Canadian Utilities' natural gas and electric utilities, including the company's interests in Puerto Rico. Mr. Myles is also responsible for leading the energy transition with renewable energy solutions, energy storage and water facilities, hydrogen, ammonia, and carbon capture sequestration projects. He has held a variety of progressively senior roles in ATCO and Canadian Utilities. Mr. Myles was Chief Operating Officer, ATCO EnPower prior to his promotion to President & Chief Operating Officer, Canadian Utilities Limited effective February 1, 2025.

### COMPENSATION

|  | 2024             | 2023             | 2022             |
|--|------------------|------------------|------------------|
|  | (\$)             | (\$)             | (\$)             |
| <b>Cash</b>  |                  |                  |                  |
| Base salary  | 787,500          | 679,167          | 531,250          |
| Short-term incentive   | 875,000          | 750,000          | 750,000          |
| <b>Total cash compensation from both ATCO and Canadian Utilities</b>   | <b>1,662,500</b> | <b>1,429,167</b> | <b>1,281,250</b> |
| <b>Equity</b>  |                  |                  |                  |
| Restricted share units   | 515,797          | N/A              | N/A              |
| Stock options  | 454,650          | 362,450          | 376,200          |
| <b>Total equity</b>  | <b>970,447</b>   | <b>362,450</b>   | <b>376,200</b>   |
| <b>Total direct compensation from both ATCO and Canadian Utilities</b> | <b>2,632,947</b> | <b>1,791,617</b> | <b>1,657,450</b> |



## ADAM M. BEATTIE

President, ATCO Structures & Logistics Ltd.

Location: Calgary, Canada

Years of service: 21

Age: 44

Mr. Beattie is President, Structures of ATCO Structures & Logistics Ltd. He is tasked with leading the strategic development and financial performance for ATCO's Modular business lines which include manufacturing facilities, fleet assets and construction activities and services to support the supply of products and services globally. Mr. Beattie joined ATCO in 2003 and has held a number of senior commercial, operational and management roles within the Structures & Logistics division both in Australia and Canada. He was appointed to his current role in 2019.

### COMPENSATION

|                                  | 2024<br>(\$)     | 2023<br>(\$)     | 2022<br>(\$)     |
|----------------------------------|------------------|------------------|------------------|
| <b>Cash</b>                      |                  |                  |                  |
| Base salary                      | 631,250          | 568,750          | 533,750          |
| Short-term incentive             | 725,000          | 800,000          | 760,000          |
| <b>Total cash compensation</b>   | <b>1,356,250</b> | <b>1,368,750</b> | <b>1,293,750</b> |
| <b>Equity</b>                    |                  |                  |                  |
| Restricted share units           | 606,220          | N/A              | N/A              |
| Stock options                    | 588,800          | 335,400          | 538,200          |
| <b>Total equity</b>              | <b>1,195,020</b> | <b>335,400</b>   | <b>538,200</b>   |
| <b>Total direct compensation</b> | <b>2,551,270</b> | <b>1,704,150</b> | <b>1,831,950</b> |



## WAYNE K. STENSBY

Former Chief Operating Officer, ATCO Energy Systems

Location: Calgary, Canada

Years of service: 36

Age: 58

Mr. Stensby was Chief Operating Officer of ATCO Energy Systems until his retirement on January 31, 2025. He was responsible for the strategic direction and operations of ATCO's natural gas and electric utilities, including the company's interests in Puerto Rico. Collectively, these businesses provide safe, efficient, and reliable energy to millions of homes and businesses in hundreds of communities. Mr. Stensby joined the Company in 1989 and held a variety of leadership positions across multiple operating jurisdictions.

### COMPENSATION

|  | 2024<br>(\$)     | 2023<br>(\$)     | 2022<br>(\$)     |
|--|------------------|------------------|------------------|
| <b>Cash</b>  |                  |                  |                  |
| Base salary  | 837,500          | 706,923          | 537,500          |
| Short-term incentive   | 850,000          | 800,000          | 1,000,000        |
| <b>Total cash compensation from both<br/>ATCO and Canadian Utilities</b>   | <b>1,687,500</b> | <b>1,506,923</b> | <b>1,537,500</b> |
| <b>Equity</b>  |                  |                  |                  |
| Restricted share units   | 515,797          | N/A              | N/A              |
| Stock options  | 454,650          | 430,200          | 376,200          |
| <b>Total equity</b>  | <b>970,447</b>   | <b>430,200</b>   | <b>376,200</b>   |
| <b>Total direct compensation from both<br/>ATCO and Canadian Utilities</b> | <b>2,657,947</b> | <b>1,937,123</b> | <b>1,913,700</b> |

# 2024 COMPENSATION DETAILS

## Compensation Table

The table below summarizes the total compensation each of the named executives received or was awarded for the years ended December 31, 2024, 2023, and 2022. The compensation we report here is compensation received from both ATCO and Canadian Utilities. 100 per cent of the non-equity compensation of Bob J. Myles and Wayne K. Stensby is allocated to Canadian Utilities. 100 per cent of Adam M. Beattie's compensation is allocated to ATCO. The table below shows how the non-equity compensation expense for executives with dual roles has been shared over the past three years:

|      | Amount paid and reported by ATCO (%) | Amount paid by Canadian Utilities (%) | Combined total reported in ATCO proxy circular (%) |
|------|--------------------------------------|---------------------------------------|--|
| 2024 | 12.0                                 | 88.0                                  | 100  |
| 2023 | 11.0                                 | 89.0                                  | 100  |
| 2022 | 11.0                                 | 89.0                                  | 100  |

|  | Salary    | Share based awards <sup>1</sup> | Option based awards <sup>2,3</sup> | Non-equity annual incentive plans | Pension value <sup>4</sup> | All other compensation <sup>5</sup> | Total compensation |
|--|-----------|---------------------------------|------------------------------------|-----------------------------------|----------------------------|-------------------------------------|--------------------|
| <b>Nancy C. Southern</b>                                       |           |                                 |                                    |                                   |                            |                                     |                    |
| Chair & Chief Executive Officer                                |           |                                 |                                    |                                   |                            |                                     |                    |
| 2024   | 1,033,333 | N/A                             | 4,182,500                          | 1,680,000                         | 1,891,487                  | 36,167                              | 8,823,487          |
| 2023   | 1,000,000 | N/A                             | 2,473,000                          | 1,800,000                         | 1,805,027                  | 35,000                              | 7,113,027          |
| 2022   | 1,000,000 | N/A                             | 3,469,500                          | 1,800,000                         | 1,290,915                  | 35,000                              | 7,595,415          |
| <b>Katie Patrick</b>   |           |                                 |                                    |                                   |                            |                                     |                    |
| Executive Vice President, Chief Financial & Investment Officer |           |                                 |                                    |                                   |                            |                                     |                    |
| 2024   | 581,250   | 606,220                         | 588,800                            | 660,000                           | 32,490                     | 1,453                               | 2,470,213          |
| 2023   | 506,250   | N/A                             | 335,400                            | 600,000                           | 31,560                     | 1,266                               | 1,474,476          |
| 2022   | 437,500   | N/A                             | 538,200                            | 550,000                           | 30,780                     | 281                                 | 1,556,761          |
| <b>Bob J. Myles</b>  |           |                                 |                                    |                                   |                            |                                     |                    |
| President & Chief Operating Officer, Canadian Utilities        |           |                                 |                                    |                                   |                            |                                     |                    |
| 2024   | 787,500   | 515,797                         | 454,650                            | 875,000                           | 32,490                     | 19,688                              | 2,685,125          |
| 2023   | 679,167   | N/A                             | 362,450                            | 750,000                           | 31,560                     | 16,990                              | 1,840,167          |
| 2022   | 531,250   | N/A                             | 376,200                            | 750,000                           | 30,780                     | 13,281                              | 1,701,511          |
| <b>Adam M. Beattie</b>   |           |                                 |                                    |                                   |                            |                                     |                    |
| President, ATCO Structures & Logistics Ltd.                    |           |                                 |                                    |                                   |                            |                                     |                    |
| 2024   | 631,250   | 606,220                         | 588,800                            | 725,000                           | 32,490                     | 11,047                              | 2,594,807          |
| 2023   | 568,750   | N/A                             | 335,400                            | 800,000                           | 31,560                     | 9,953                               | 1,745,663          |
| 2022   | 533,750   | N/A                             | 538,200                            | 760,000                           | 30,780                     | 9,341                               | 1,872,071          |
| <b>Wayne K. Stensby<sup>6</sup></b>                            |           |                                 |                                    |                                   |                            |                                     |                    |
| Former Chief Operating Officer, ATCO Energy Systems            |           |                                 |                                    |                                   |                            |                                     |                    |
| 2024   | 837,500   | 515,797                         | 454,650                            | 850,000                           | 486,325                    | 29,313                              | 3,173,585          |
| 2023   | 706,923   | N/A                             | 430,200                            | 800,000                           | 545,615                    | 134,742                             | 2,617,480          |
| 2022   | 537,500   | N/A                             | 376,200                            | 1,000,000                         | 187,386                    | 180,063                             | 2,281,149          |

1 The share based awards value represents the grant date fair value of the RSUs awarded plus the value of additional RSUs received during the calendar year on each dividend payment date. The accounting fair value is based on the full value share price at the time of grant.

2 The option values shown for the last three years are the grant date fair values determined using the Black-Scholes method, the same method used for determining the accounting fair values. The assumptions used were as follows:

|                           | 2024   |                    | 2023   |                    | 2022   |                    |
|---------------------------|--------|--------------------|--------|--------------------|--------|--------------------|
|                           | ATCO   | Canadian Utilities | ATCO   | Canadian Utilities | ATCO   | Canadian Utilities |
| <b>Option Assumptions</b> |        |                    |        |                    |        |                    |
| Expected life (years)     | 7.0    | 6.7                | 7.0    | 6.7                | 7.1    | 6.8                |
| Risk free rate of return  | 2.76%  | 2.75%              | 3.79%  | 3.82%              | 3.17%  | 3.20%              |
| Volatility                | 24.62% | 23.47%             | 24.48% | 22.81%             | 25.98% | 21.44%             |
| Dividend yield            | 4.24%  | 5.07%              | 5.14%  | 5.69%              | 3.98%  | 4.41%              |

3 Total ATCO and Canadian Utilities stock options.

4 Estimated using a prescribed formula based on several assumptions. Also includes other compensatory items. For additional information, please see the disclosure under Pension and Retirement Benefits starting on Page 71.

5 Employer contributions to the Employee Share Purchase Plan.

6 Mr. Stensby was Chief Operating Officer, ATCO Energy Systems until his retirement on January 31, 2025.

## Outstanding Share-Based Awards

The table below shows each named executive's outstanding share-based awards as of December 31, 2024.

|                                     | Share-based awards                                    |                    |   |                    |  |                    |
|-------------------------------------|---|--------------------|---|--------------------|--|--------------------|
|                                     | Number of share-based awards that have not vested (#) |                    | Market or payout value of share-based awards that have not vested <sup>1</sup> (\$) |                    | Market or payout value of vested share-based awards not paid out or distributed (\$) |                    |
|                                     | ATCO  | Canadian Utilities | ATCO  | Canadian Utilities | ATCO   | Canadian Utilities |
| <b>Nancy C. Southern</b>            |   |                    |   |                    |  |                    |
| 2024                                | N/A   | N/A                | N/A   | N/A                | N/A  | N/A                |
| <b>Katie Patrick</b>                |   |                    |   |                    |  |                    |
| 2024                                | 15,313  | 0                  | 728,593   | 0                  | N/A  | N/A                |
| <b>Bob J. Myles</b>                 |   |                    |   |                    |  |                    |
| 2024                                | 5,104   | 10,263             | 242,848   | 357,666            | N/A  | N/A                |
| <b>Adam M. Beattie</b>              |   |                    |   |                    |  |                    |
| 2024                                | 15,313  | 0                  | 728,593   | 0                  | N/A  | N/A                |
| <b>Wayne K. Stensby<sup>2</sup></b> |   |                    |   |                    |  |                    |
| 2024                                | 5,104   | 10,263             | 242,848   | 357,666            | N/A  | N/A                |

<sup>1</sup> Based on the market value as of December 31, 2024, of ATCO Class I Shares (\$47.58) and Canadian Utilities Class A shares (\$34.85). The share-based awards value includes the value of additional RSUs received during the calendar year on each dividend payment date.

<sup>2</sup> Mr. Stensby was Chief Operating Officer, ATCO Energy Systems until his retirement on January 31, 2025.

## Outstanding Option-Based Awards

The table below shows each named executive's outstanding option-based awards as of December 31, 2024.

| Option-based awards                                     |                   |                      |                   |        |   |       |                               |   |                    |
|---|-------------------|----------------------|-------------------|--------|---|-------|-------------------------------|---|--------------------|
| Number of securities underlying unexercised options (#) |                   |                      |                   |        | Option exercise price /SARs base value (\$) |       | Option / SARs expiration date | Value of unexercised in- the-money options / SARs <sup>5</sup> (\$) |                    |
| ATCO  |                   | Canadian Utilities   |                   |        | Canadian Utilities                          |       |                               | ATCO  | Canadian Utilities |
| Options <sup>1</sup>                                    | SARs <sup>2</sup> | Options <sup>3</sup> | SARs <sup>4</sup> | ATCO   | Canadian Utilities                          |       | ATCO                          | Canadian Utilities  |                    |
| <b>Nancy C. Southern</b>                                |                   |                      |                   |        |   |       |                               |   |                    |
| 2024  | 350,000           | N/A                  | 350,000           | N/A    | 45.46                                       | 35.24 | 2032-09-15                    | 742,000   | 0                  |
| 2023  | 300,000           | N/A                  | 200,000           | N/A    | 36.41                                       | 31.28 | 2031-09-15                    | 3,351,000   | 714,000            |
| 2022  | 275,000           | N/A                  | 175,000           | N/A    | 47.54                                       | 40.89 | 2030-09-15                    | 11,000  | 0                  |
| 2021  | 250,000           | N/A                  | 150,000           | N/A    | 45.38                                       | 35.76 | 2029-06-15                    | 550,000   | 0                  |
| 2020  | 200,000           | N/A                  | 140,000           | N/A    | 38.40                                       | 32.09 | 2028-12-15                    | 1,836,000   | 386,400            |
| 2019  | 65,000            | 65,000               | 65,000            | 65,000 | 49.51                                       | 38.97 | 2029-11-15                    | 0   | 0                  |
| 2018  | 65,000            | 65,000               | 65,000            | 65,000 | 42.08                                       | 34.13 | 2028-03-15                    | 715,000   | 93,600             |
| 2017  | 65,000            | 65,000               | 65,000            | 65,000 | 48.82                                       | 38.07 | 2027-03-15                    | 0   | 0                  |
| 2016  | 62,500            | 62,500               | 62,500            | 62,500 | 38.93                                       | 36.08 | 2026-03-25                    | 1,081,250   | 0                  |
| 2015  | 50,000            | 50,000               | 50,000            | 50,000 | 46.98                                       | 40.78 | 2025-03-15                    | 60,000  | 0                  |
| <b>Katie Patrick</b>                                    |                   |                      |                   |        |   |       |                               |   |                    |
| 2024  | 80,000            | N/A                  | N/A               | N/A    | 45.46                                       | N/A   | 2032-09-15                    | 169,600   | N/A                |
| 2023  | 60,000            | N/A                  | N/A               | N/A    | 36.41                                       | N/A   | 2031-09-15                    | 670,200   | N/A                |
| 2022  | 60,000            | N/A                  | N/A               | N/A    | 47.54                                       | N/A   | 2030-09-15                    | 2,400   | N/A                |
| 2021  | 6,000             | N/A                  | N/A               | N/A    | 41.04                                       | N/A   | 2029-10-30                    | 39,240  | N/A                |
| 2021  | 4,000             | N/A                  | 2,000             | N/A    | 45.38                                       | 35.76 | 2029-06-15                    | 8,800   | 0                  |
| 2020  | 4,000             | N/A                  | 2,000             | N/A    | 38.40                                       | 32.09 | 2028-12-15                    | 36,720  | 5,520              |
| 2019  | 1,000             | 1,000                | 2,000             | 2,000  | 49.51                                       | 38.97 | 2029-11-15                    | 0   | 0                  |
| 2018  | 750               | 750                  | 750               | 750    | 42.08                                       | 34.13 | 2028-03-15                    | 8,250   | 1,080              |
| 2017  | 500               | 500                  | 500               | 500    | 50.33                                       | 40.82 | 2027-06-15                    | 0   | 0                  |
| <b>Bob J. Myles</b>                                     |                   |                      |                   |        |   |       |                               |   |                    |
| 2024  | 15,000            | N/A                  | 75,000            | N/A    | 45.46                                       | 35.24 | 2032-09-15                    | 31,800  | 0                  |
| 2023  | 15,000            | N/A                  | 70,000            | N/A    | 36.41                                       | 31.28 | 2031-09-15                    | 167,550   | 249,900            |
| 2022  | 10,000            | N/A                  | 50,000            | N/A    | 47.54                                       | 40.89 | 2030-09-15                    | 400   | 0                  |
| 2021  | 10,000            | N/A                  | 20,000            | N/A    | 45.38                                       | 35.76 | 2029-06-15                    | 22,000  | 0                  |
| 2020  | 10,000            | N/A                  | 20,000            | N/A    | 38.40                                       | 32.09 | 2028-12-15                    | 91,800  | 55,200             |
| <b>Adam M. Beattie</b>                                  |                   |                      |                   |        |   |       |                               |   |                    |
| 2024  | 80,000            | N/A                  | N/A               | N/A    | 45.46                                       | N/A   | 2032-09-15                    | 169,600   | N/A                |
| 2023  | 45,000            | N/A                  | N/A               | N/A    | 36.41                                       | N/A   | 2031-09-15                    | 502,650   | N/A                |
| 2022  | 60,000            | N/A                  | N/A               | N/A    | 47.54                                       | N/A   | 2030-09-15                    | 2,400   | N/A                |
| 2021  | 65,000            | N/A                  | N/A               | N/A    | 45.38                                       | N/A   | 2029-06-15                    | 143,000   | N/A                |
| 2020  | 16,250            | N/A                  | N/A               | N/A    | 38.40                                       | N/A   | 2028-12-15                    | 149,175   | N/A                |
| 2019  | 5,000             | 5,000                | N/A               | N/A    | 49.51                                       | N/A   | 2029-11-15                    | 0   | N/A                |
| <b>Wayne K. Stensby<sup>6</sup></b>                     |                   |                      |                   |        |   |       |                               |   |                    |
| 2024  | 15,000            | N/A                  | 75,000            | N/A    | 45.46                                       | 35.24 | 2032-09-15                    | 31,800  | 0                  |
| 2023  | 20,000            | N/A                  | 80,000            | N/A    | 36.41                                       | 31.28 | 2031-09-15                    | 223,400   | 285,600            |
| 2022  | 10,000            | N/A                  | 50,000            | N/A    | 47.54                                       | 40.89 | 2030-09-15                    | 400   | 0                  |
| 2021  | 20,000            | N/A                  | 65,000            | N/A    | 45.38                                       | 35.76 | 2029-06-15                    | 44,000  | 0                  |
| 2020  | 20,000            | N/A                  | 65,000            | N/A    | 38.40                                       | 32.09 | 2028-12-15                    | 183,600   | 179,400            |
| 2019  | 2,500             | 2,500                | 5,000             | 5,000  | 49.51                                       | 38.97 | 2029-11-15                    | 0   | 0                  |
| 2018  | 5,000             | 5,000                | 5,000             | 5,000  | 42.08                                       | 34.13 | 2028-03-15                    | 55,000  | 7,200              |
| 2017  | 5,000             | 5,000                | 5,000             | 5,000  | 48.82                                       | 38.07 | 2027-03-15                    | 0   | 0                  |
| 2016  | 2,500             | 2,500                | 2,500             | 2,500  | 38.93                                       | 36.08 | 2026-03-25                    | 43,250  | 0                  |
| 2015  | N/A               | N/A                  | 1,000             | 1,000  | N/A   | 36.78 | 2025-05-15                    | 0   | 0                  |

1 Options to buy ATCO Class I Shares.

2 Share appreciation rights based on ATCO Class I Shares.

3 Options to buy Canadian Utilities Class A shares.

4 Share appreciation rights based on Canadian Utilities Class A shares.

5 The difference between the market value as at December 31, 2024, of ATCO Class I Shares (\$47.58) and Canadian Utilities Class A shares (\$34.85) underlying the option based awards and the exercise price of the option-based awards.

6 Mr. Stensby was Chief Operating Officer, ATCO Energy Systems until his retirement on January 31, 2025.

### Incentive plan awards — value vested or earned during the year

The table below shows incentive plan awards that have vested or were earned for each named executive during 2024.

|                               | Option-based awards  |                   |                      |                   | Share-based awards |                    | Non-equity incentive plan compensation |
|-------------------------------|----------------------|-------------------|----------------------|-------------------|--------------------|--------------------|--|
|                               | ATCO                 |                   | Canadian Utilities   |                   | ATCO               | Canadian Utilities |  |
|                               | Options <sup>1</sup> | SARs <sup>2</sup> | Options <sup>3</sup> | SARs <sup>4</sup> |                    |                    | Value earned during the year (\$)      |
| Nancy C. Southern             | 1,242,500            | 0                 | 346,000              | 0                 | N/A                | N/A                | 1,680,000                              |
| Katie Patrick                 | 171,025              | 0                 | 1,650                | 0                 | N/A                | N/A                | 660,000                                |
| Bob J. Myles                  | 62,125               | N/A               | 97,175               | N/A               | N/A                | N/A                | 875,000                                |
| Adam M. Beattie               | 310,063              | 0                 | N/A                  | N/A               | N/A                | N/A                | 725,000                                |
| Wayne K. Stensby <sup>5</sup> | 99,250               | 0                 | 145,825              | 0                 | N/A                | N/A                | 850,000                                |

1 Options to buy ATCO Class I Shares.

2 Share appreciation rights based on ATCO Class I Shares.

3 Options to buy Canadian Utilities Class A shares.

4 Share appreciation rights based on Canadian Utilities Class A shares.

5 Mr. Stensby was Chief Operating Officer, ATCO Energy Systems until his retirement on January 31, 2025.

### Equity compensation plan information

|                          | Non-voting shares to be issued upon exercise of outstanding options | Weighted average exercise price of outstanding options | Non-voting shares remaining available for future issuance under equity compensation plans (not including outstanding options) | Total number of outstanding shares | Non-voting shares to be issued upon exercise of outstanding options (as a % of total outstanding shares) | Non-voting shares available for future issuance (as a % of total outstanding shares) |
|--------------------------|---|--|---|------------------------------------|--|--|
| <b>December 31, 2024</b> |   |  |   |                                    |  |  |
| ATCO                     | 2,837,650   | \$43.18  | 7,268,650   | 112,235,578                        | 2.5%   | 6.5%   |
| Canadian Utilities       | 3,147,350   | \$35.25  | 9,603,250   | 271,563,841                        | 1.2%   | 3.5%   |
| <b>March 7, 2025</b>     |   |  |   |                                    |  |  |
| ATCO                     | 2,820,400   | \$43.20  | 7,269,900   | 112,251,578                        | 2.5%   | 6.5%   |
| Canadian Utilities       | 2,954,600   | \$35.32  | 9,761,750   | 271,598,091                        | 1.1%   | 3.6%   |

## Incentive Plan Awards

| Plan details for Restricted Share Unit Plans     |   |   |
|--|---|---|
|  | ATCO  | Canadian Utilities  |
| <b>Number of outstanding securities awarded:</b> | <ul style="list-style-type: none"> <li>112,298 RSUs outstanding as of December 31, 2024</li> </ul>  | <ul style="list-style-type: none"> <li>177,045 RSUs outstanding as of December 31, 2024</li> </ul>  |
| <b>Activity in 2024:</b>                         | <ul style="list-style-type: none"> <li>111,500 RSUs were granted</li> <li>2,314 RSUs were provided as reinvested dividends</li> <li>1,516 RSUs were cancelled</li> <li>0 RSUs vested</li> </ul> | <ul style="list-style-type: none"> <li>176,500 RSUs were granted</li> <li>4,599 RSUs were provided as reinvested dividends</li> <li>4,054 RSUs were cancelled</li> <li>0 RSUs vested</li> </ul> |

| Plan details for Stock Option Plans                        |  |   |
|--|--|---|
|  | ATCO   | Canadian Utilities  |
| <b>Maximum number of shares that can be issued:</b>        | <ul style="list-style-type: none"> <li>10,200,000 Class I Shares (9.1% of outstanding Class I and Class II Shares as of December 31, 2024)</li> </ul>  | <ul style="list-style-type: none"> <li>12,800,000 Class A shares (4.7% of outstanding Class A and Class B shares as of December 31, 2024)</li> </ul>  |
| <b>Number of outstanding securities awarded:</b>           | <ul style="list-style-type: none"> <li>Options to purchase 2,837,650 Class I Shares as of December 31, 2024 (2.5% of outstanding Class I and Class II Shares as of December 31, 2024)</li> </ul>                           | <ul style="list-style-type: none"> <li>Options to purchase 3,147,350 Class A shares as of December 31, 2024 (1.2% of outstanding Class A and Class B shares as of December 31, 2024)</li> </ul>                             |
| <b>Number of remaining securities available for grant:</b> | <ul style="list-style-type: none"> <li>7,268,650 Class I Shares available as of December 31, 2024 (6.5% of outstanding Class I and Class II Shares as of December 31, 2024)</li> </ul>                                     | <ul style="list-style-type: none"> <li>9,603,250 Class A shares available as of December 31, 2024 (3.5% of outstanding Class A and Class B shares as of December 31, 2024)</li> </ul>                                       |
| <b>Activity in 2024:</b>                                   | <ul style="list-style-type: none"> <li>661,500 options were granted</li> <li>76,700 Class I Shares were issued on the exercise of options</li> <li>4,250 options were cancelled</li> <li>96,500 options expired</li> </ul> | <ul style="list-style-type: none"> <li>757,000 options were granted</li> <li>5,500 Class A shares were issued on the exercise of options</li> <li>28,700 options were cancelled</li> <li>111,300 options expired</li> </ul> |

## Dilution Measure

Burn rate is calculated as the number of shares granted divided by the weighted average number of securities outstanding. The weighted average number of securities outstanding during the period is the number of securities outstanding at the beginning of the period, adjusted by the number of securities bought back or issued during the period multiplied by a time-weighting factor. The table below provides the burn rate for the past three fiscal years.

|                    | December 31, 2024 | December 31, 2023 | December 31, 2022 |
|--------------------|-------------------|-------------------|-------------------|
| ATCO               | 0.59%             | 0.51%             | 0.42%             |
| Canadian Utilities | 0.28%             | 0.26%             | 0.20%             |

## Pension and Retirement Benefits

### Defined Benefit

The table below shows the pension benefits and accrued obligations under all registered defined benefit pension plans and supplemental arrangements for Nancy C. Southern and Wayne K. Stensby. See Page 51 for more information about our pension plans.

|                               | Number of years credited service (#) | Annual benefits payable (\$) |           | Opening present value of defined benefit obligation (\$) | Compensatory change (\$) | Non-compensatory change (\$) | Closing present value of defined benefit obligation (\$) |
|-------------------------------|--------------------------------------|------------------------------|-----------|--|--------------------------|------------------------------|--|
|                               |                                      | At year end                  | At age 65 |  |                          |                              |  |
| Nancy C. Southern             | 29.00                                | 2,149,333                    | 2,149,333 | 36,745,242   | 1,891,487                | (2,316,362)                  | 36,320,367   |
| Wayne K. Stensby <sup>1</sup> | 35.00                                | 312,863                      | 312,863   | 5,544,941  | 453,835                  | 613,447                      | 6,612,223  |

<sup>1</sup> Mr. Stensby was Chief Operating Officer, ATCO Energy Systems until his retirement on January 31, 2025.

Number of years of credited service is the time the executive has been a member of the pension plan, and is used to calculate the pension.

Annual pension benefits payable at year end is based on the defined benefit credited service and actual average pensionable earnings at December 31, 2024. The benefits are reduced if a named executive is eligible for early retirement.

Annual pension benefits payable at age 65 is based on actual average pensionable earnings at December 31, 2024, and their projected service at age 65, to a maximum of 35 years service.

The Company calculates the accrued pension obligation using the method prescribed by IFRS and based on management's best estimate of future events that affect the cost of pensions, including assumptions about adjustments to base salary in the future.

The compensatory change includes the service cost, differences between actual and estimated earnings, the impact of plan amendments and past service benefits, as well as changes in expected future retirement dates.

The non-compensatory change includes interest on the obligation and the impact of assumption changes. See Note 15, Retirement Benefits, in the Company's consolidated financial statements for the year ended December 31, 2024, for more information about the methods and assumptions used to calculate accrued obligations.

### Defined Contribution

The table below shows the defined contribution disclosure for the named executives, other than Nancy C. Southern who does not participate in the defined contribution pension plan.

|                               | Accumulated value at start of year (\$) | Compensatory (\$) | Accumulated value at year end (\$) |
|-------------------------------|---|-------------------|------------------------------------|
| Katie Patrick                 | 295,145                                 | 32,490            | 390,879                            |
| Bob J. Myles                  | 121,762                                 | 32,490            | 167,733                            |
| Adam M. Beattie               | 177,349                                 | 32,490            | 244,823                            |
| Wayne K. Stensby <sup>1</sup> | 1,234,073                               | 32,490            | 1,559,422                          |

<sup>1</sup> Mr. Stensby was Chief Operating Officer, ATCO Energy Systems until his retirement on January 31, 2025.

The compensatory amount is the Company's contribution. Participants are responsible for their investments and may invest contributions in a broad selection of funds.

## Termination and Change of Control

Termination of employment of an executive is subject to applicable legislation and common law provisions as there are no employment agreements in place for the named executives, except for Ms. Southern. The table below shows how various components of our compensation program are typically impacted by retirement, resignation, change of control, and termination.

We would consider a *change of control* to occur if holders of Class II Shares accept an offer to purchase more than 50 per cent of all Class II Shares. This could occur by way of a takeover bid or some other means, as long as it is not the result of a transaction to convert ATCO to a trust with our share owners owning more than 50 per cent of the voting securities of the trust, which would not be considered a *change of control*.

We have an employment agreement with Ms. Southern, Chair & Chief Executive Officer, ATCO and Canadian Utilities. See Page [61](#) for more information.

|                          |  |
|--------------------------|--|
| <b>Retirement</b>        | <ul style="list-style-type: none"> <li>• Salary ends</li> <li>• Retiring allowance is typically based on years of service to a maximum of one month's salary unless something different is approved by GOCOM in connection with an executive's retirement</li> <li>• Retiree health benefits coverage starts when he or she retires, and continues until six months after the pensioner dies</li> <li>• Annual incentive is paid on a pro rata basis to the retirement date</li> <li>• All unvested RSUs will continue to vest on their original schedule</li> <li>• All options granted after 2019 will continue to vest over the four-year term and expire eight years after the grant date</li> <li>• All vested options and share appreciation rights granted in or prior to 2019 can be exercised within 24 months of the retirement date, or on the expiry date if earlier</li> <li>• Pension benefits are provided based on membership in the Pension Plan (and Supplemental Pension Benefits, as applicable) as more fully described on Page <a href="#">51</a></li> </ul> |
| <b>Resignation</b>       | <ul style="list-style-type: none"> <li>• All salary and benefits end</li> <li>• Annual incentive for the current year is forfeited</li> <li>• All unvested RSUs are forfeited on the resignation date</li> <li>• All vested options and share appreciation rights can be exercised within 90 days of the resignation date, or on the expiry date if earlier</li> <li>• All unvested options and share appreciation rights are forfeited on the resignation date</li> <li>• Pension is paid as a commuted value or deferred benefit</li> </ul>  |
| <b>Change of control</b> | <ul style="list-style-type: none"> <li>• No changes to salary, incentives, or benefits</li> <li>• All unvested RSUs will vest as of the change of control date</li> <li>• All vested options and share appreciation rights can be exercised upon a change of control. These awards can be exercised until the earlier of their scheduled expiry and 90 days after the date of any termination of the participant's status with the Company</li> <li>• All unvested options and share appreciation rights vest upon a change of control. These awards can be exercised until the earlier of their scheduled expiry and 90 days after the date of any termination of the participant's status with the Company</li> </ul>  |

|  |  |
|--|--|
| <b>Termination without cause of Nancy C. Southern</b>      | <p>A lump sum payment equal to the sum of:</p> <ul style="list-style-type: none"> <li>• three (3) times Ms. Southern's annual base salary; plus</li> <li>• three (3) times the Company's annual cost of providing all of Ms. Southern's benefits and perquisites; plus</li> <li>• an amount equal to the average of Ms. Southern's annual bonuses received for the past three years multiplied by three (3)</li> </ul> <p><i>Treatment of long term incentive awards</i></p> <ul style="list-style-type: none"> <li>• The vesting of all unvested options and share appreciation rights would be accelerated and these awards would be exercisable for a period of two years, or until the expiry date if earlier</li> </ul> <p><i>Pension</i></p> <ul style="list-style-type: none"> <li>• Pension is paid as a commuted value or deferred benefit</li> </ul> <p>Ms. Southern has the right to terminate her employment for "Good Reason", in which case, she would be entitled to the same termination treatment described above. "Good reason" (as defined in her employment agreement) means any situation where duties are materially changed, salary is reduced without express written consent, benefits or incentive compensation is discontinued, or relocation outside of the Province of Alberta is required.</p> |
| <b>Termination without cause of other named executives</b> | <ul style="list-style-type: none"> <li>• All salary and benefits end</li> <li>• Annual incentive for the current year is forfeited</li> <li>• All unvested RSUs are forfeited on the applicable termination date</li> <li>• All vested options and share appreciation rights can be exercised within 90 days of the applicable termination date, or on the expiry date if earlier</li> <li>• All unvested options and share appreciation rights are forfeited on the applicable termination date</li> <li>• Pension is paid as a commuted value or deferred benefit</li> <li>• If applicable, severance is provided based on employment standards and entitlements at common law</li> </ul>  |

The table below shows incremental amounts that would be paid to the named executives based on differing scenarios - retirement, resignation, termination without cause, and change of control without termination, assuming the triggering event took place on December 31, 2024.

| Incremental amounts                 | Retirement<br>(\$) | Resignation<br>(\$) | Termination<br>without cause<br>(\$) <sup>1</sup> | Change of control<br>without termination<br>(\$) <sup>2</sup> |
|-------------------------------------|--------------------|---------------------|---|---|
| <b>Nancy C. Southern</b>            |                    |                     |   |   |
| Cash payment                        |                    |                     | 8,280,000   |   |
| Share-based awards <sup>3</sup>     |                    |                     |   |   |
| Option-based awards <sup>4</sup>    |                    |                     | 3,933,750   | 3,933,750   |
| Pension                             |                    |                     |   |   |
| Benefits                            |                    |                     | 300,000   |   |
| Perquisites                         |                    |                     | 140,340   |   |
| <b>Total</b>                        |                    |                     | <b>12,654,090</b>                                 | <b>3,933,750</b>  |
| <b>Katie Patrick</b>                |                    |                     |   |   |
| Cash payment                        |                    |                     |   |   |
| Share-based awards <sup>3</sup>     |                    |                     |   | 728,593   |
| Option-based awards <sup>4</sup>    |                    |                     |   | 685,460   |
| Pension                             |                    |                     |   |   |
| Benefits                            |                    |                     |   |   |
| Perquisites                         |                    |                     |   |   |
| <b>Total</b>                        |                    |                     |   | <b>1,414,053</b>  |
| <b>Bob J. Myles</b>                 |                    |                     |   |   |
| Cash payment                        |                    |                     |   |   |
| Share-based awards <sup>3</sup>     |                    |                     |   | 600,514   |
| Option-based awards <sup>4</sup>    |                    |                     |   | 350,588   |
| Pension                             |                    |                     |   |   |
| Benefits                            |                    |                     |   |   |
| Perquisites                         |                    |                     |   |   |
| <b>Total</b>                        |                    |                     |   | <b>951,102</b>  |
| <b>Adam M. Beattie</b>              |                    |                     |   |   |
| Cash payment                        |                    |                     |   |   |
| Share-based awards <sup>3</sup>     |                    |                     |   | 728,593   |
| Option-based awards <sup>4</sup>    |                    |                     |   | 709,200   |
| Pension                             |                    |                     |   |   |
| Benefits                            |                    |                     |   |   |
| Perquisites                         |                    |                     |   |   |
| <b>Total</b>                        |                    |                     |   | <b>1,437,793</b>  |
| <b>Wayne K. Stensby<sup>5</sup></b> |                    |                     |   |   |
| Cash payment                        |                    |                     |   |   |
| Share-based awards <sup>3</sup>     |                    |                     |   | 600,514   |
| Option-based awards <sup>4</sup>    |                    |                     |   | 424,750   |
| Pension                             |                    |                     |   |   |
| Benefits                            |                    |                     |   |   |
| Perquisites                         |                    |                     |   |   |
| <b>Total</b>                        |                    |                     |   | <b>1,025,264</b>  |

<sup>1</sup> The named executives are not entitled to any incremental payments in the event of termination for cause. For Ms. Southern, the values in this column also apply in the event of termination for "Good Reason" as more fully described on Page 73.

- 2 *The cash payment that would be made upon termination in the event of change of control is the same value as shown under "Termination without cause".*
- 3 *Assumes the vesting of all unvested restricted share units. Shows the estimated value of accelerated awards based on \$47.58 and \$34.85, the respective closing prices of ATCO Class I Shares and Canadian Utilities Class A shares on December 31, 2024. The share-based awards value includes the value of additional RSUs received during the calendar year on each dividend payment date.*
- 4 *Assumes the exercise of all unvested options and share appreciation rights. Shows the estimated value of accelerated awards based on \$47.58 and \$34.85, the respective closing prices of ATCO Class I Shares and Canadian Utilities Class A shares on December 31, 2024.*
- 5 *Mr. Stensby was Chief Operating Officer, ATCO Energy Systems until his retirement on January 31, 2025.*

# OTHER INFORMATION

## Directors and Officers Liability Insurance

ATCO and its subsidiaries have purchased insurance with an annual aggregate limit of \$200 million. Coverage for the directors and officers is \$200 million, with coverage for ATCO and its subsidiaries limited to \$175 million. ATCO paid a premium of \$689,360 in the financial year ended December 31, 2024. No part of the premium was paid by a director or officer. ATCO is responsible for the first \$1 million of any securities claim and for the first \$500,000 of any other loss. There is no deductible in respect of claims against any director or officer.

## Indebtedness of Directors, Executive Officers and Employees

No current or proposed director, executive officer or employee of ATCO or any of its subsidiaries, nor any former director, executive officer or employee of ATCO or any of its subsidiaries, nor any associate of the foregoing, is, or has been, at any time since January 1, 2024, other than routine indebtedness previously outstanding as defined under Canadian securities laws, indebted to ATCO or its subsidiaries, either in connection with the purchase of ATCO securities or otherwise. ATCO does not provide loans to directors, executive officers or employees except for:

- Senior executive officers that are transferred at the request of the Company from one place of employment to another who may require bridge financing or a market differential loan
- Senior executive officers requiring an advance to fund significant expenses to be incurred on behalf of the Company that will be settled through submission of an expense account.

Internal policies detail the specifics of the handling of these exceptions.

## Interest of Certain Persons or Companies in Matters to be Acted Upon

Management of ATCO is not aware of any material interest, direct or indirect, by way of beneficial ownership of securities or otherwise, of any director or nominee for director, executive officer, or anyone who has been a director or executive officer of ATCO at any time since January 1, 2024, or of any associate or affiliate of any of the foregoing individuals, in any matter to be acted on at the meeting, other than the election of directors, except for as set forth in this Circular.

## Interest of Informed Persons in Material Transactions

There were no material interests, direct or indirect, of any informed person of the Company, any proposed director of the Company or any associate or affiliate of any informed person or proposed director of the Company, in any transaction since January 1, 2024 or in any proposed transaction which has materially affected or would materially affect the Company or its subsidiaries.

## Management Contracts

No management functions of the Company or any of its subsidiaries are performed by a person or corporation other than the directors or executive officers of the Company or its subsidiaries.

## Normal Course Issuer Bid (NCIB)

We believe that, from time to time, the market price of our Class I Shares may not fully reflect the value of our business, and that purchasing Class I Shares represents a desirable use of available funds. The purchase of Class I Shares, at appropriate prices, will also minimize any dilution resulting from the exercise of stock options. During the most recent 12-month period preceding the date hereof, no Class I shares have been purchased pursuant to a NCIB which commenced on March 13, 2024 and expired on March 12, 2025. On March 10, 2025, the Company filed a notice of intention to make a NCIB with the TSX, under which the Company may purchase up to 1,996,301 outstanding Class I Shares. The bid commenced on March 13, 2025 and will expire on March 12, 2026. The aggregate number of Class I Shares that the Company may purchase under the NCIB during any trading day is subject to a maximum daily purchase limit of 48,601 Class I Shares (being 25% of the average daily trading volume for

the six calendar months preceding the date of the acceptance of the notice, which was equal to 194,406 Class I Shares). Any Class I Shares purchased pursuant to the NCIB will be cancelled. Copies of the Company's notice of intention to make a NCIB, which was accepted by the TSX, can be obtained by the share owners, without charge, by contacting the Company.

## Additional Information

Additional information about ATCO is available on SEDAR+ at [www.sedarplus.ca](http://www.sedarplus.ca). Financial information is provided in ATCO's financial statements and the management's discussion and analysis for the year ended December 31, 2024.

Copies of these documents and additional copies of this Circular may be obtained upon request from Investor Relations at 3<sup>rd</sup> Floor, West Building, 5302 Forand Street S.W., Calgary, Alberta, T3E 8B4.

Corporate information, including our privacy commitment, is also available on ATCO's website: [www.ATCO.com](http://www.ATCO.com)

## Forward-Looking Information Advisory

Certain statements contained in this Circular constitute forward-looking information. Forward-looking information is often, but not always, identified by the use of words such as "anticipate", "plan", "estimate", "expect", "may", "will", "intend", "should", "goals", "targets", "strategy", "future", and similar expressions. In particular, forward-looking information in this Circular includes, but is not limited to references to: the business and procedure of the meeting; the composition of the Board following the meeting; GOCOM's belief that ATCO's compensation policies and practices do not encourage any executive to take inappropriate or excessive risks that could have a materially adverse effect on the Company and that ATCO has proper practices in place to effectively identify and mitigate potential risks; statements relating to strategic plans, goals and targets; growth plans; statements relating to the Company's continuing commitment to a diverse and inclusive working environment; the Company's continuing commitment to build and maintain positive and mutually beneficial relationships and partnerships with communities we serve, including Indigenous groups; ATCO's role as a leader in addressing housing needs across Canada; expectations regarding ATCO Structures' various projects, including timing expectations for project completion and/or rental commencement; the projected cost, the number of regulatory applications, and timing for the construction and completion of the Yellowhead Mainline Pipeline project; the anticipated size, specifications, incremental natural gas delivery capacity, and benefits of the Yellowhead Mainline project; the anticipated size, capacity and benefits of the CETO project and construction of the project; the storage capacity resulting from the Carbon Storage Site Expansion project; the construction of a soda ash bulk facility at Terminal 2 within the Port of Vancouver, Washington, the export capacity expected when construction is complete, and timing expectations for construction commencement; the storage capacity resulting from the Carbon Storage Site Expansion project; the pivotal role that hydrogen technology can play in the future of home heating in Alberta and a future development in Strathcona County that has the potential to be the world largest 100 per cent hydrogen community; the anticipated timing of commercial operation of the Atlas Carbon Storage Hub, the storage of industrial emissions, including from Shell's Polaris carbon capture project, and expected future development of, initial capacity of, and anticipated benefits from the Atlas Carbon Storage Hub project, including it being the first step in ATCO EnPower's work to create a full value chain for hydrogen development and being integral to ATCO's long-term strategy and sustainability aspirations; the Company's AH3 project, including the project's potential, the Company's continuing commitment to the project, and continuing engagement with federal and provincial governments and First Nations groups in relation to the project; ATCO EnPower plans to continue to use sheep for vegetation management at Empress Solar; the expected value, term, impact and/or benefits of contracts; the expected timing for commencement, construction, completion or commercial operations of facilities, assets or projects; expected economic and community benefits of projects; information pertaining to planned but not yet fully developed projects; and the Company's intention to apply for a renewed NCIB subsequent to the expiration of its current NCIB.

Although the Company believes that the expectations reflected in the forward-looking information are reasonable based on the information available on the date such statements are made and processes used to prepare the information, such statements are not guarantees of future performance and no assurance can be given that these expectations will prove to be correct. Forward-looking information should not be unduly relied upon. By its nature, forward-looking information involves a variety of assumptions, known and unknown risks and uncertainties, and other factors, which may cause actual results, levels of activity, and achievements to differ materially from those anticipated in such forward-looking information. The forward-looking information reflects the Company's beliefs and assumptions with respect to, among other things, the growth of energy demand; inflation; the development and

performance of technology and technological innovations and the ability to otherwise access and implement all technology necessary to achieve business objectives; continuing collaboration with new business partners and regulatory and environmental groups; the performance of assets and equipment; demand levels for oil, natural gas, gasoline, diesel and other energy sources; certain levels of future energy use; future production rates; future revenue and earnings; the ability to meet current project schedules, and complete proposed development projects at currently estimated project budgets; the availability of financing sources on acceptable terms; and other assumptions inherent in management's expectations in respect of the forward-looking information identified herein.

The Company's actual results could differ materially from those anticipated in this forward-looking information as a result of, among other things, risks inherent in the performance of assets; capital efficiencies and cost savings; applicable laws and government policies; regulatory decisions; competitive factors in the industries in which the Company operates; prevailing economic conditions; credit risk; interest rate fluctuations; the availability and cost of labour, materials, services, and infrastructure; future demand for resources; the development and execution of projects; prices of electricity, natural gas, natural gas liquids, and renewable energy; potential termination or breach of contract by contract counterparties; the development and performance of technology and new energy efficient products, services, and programs including but not limited to the use of zero-emission and renewable fuels, carbon capture, and storage, electrification of equipment powered by zero-emission energy sources and utilization and availability of carbon offsets; the occurrence of unexpected events such as fires, extreme weather conditions, explosions, blow-outs, equipment failures, transportation incidents, and other accidents or similar events; global pandemics; the imposition of customs duties, tariffs or other trade restrictions; geopolitical tensions and wars; and other risk factors, many of which are beyond the control of the Company. Due to the interdependencies and correlation of these factors, the impact of any one material assumption or risk on a forward-looking statement cannot be determined with certainty. Readers are cautioned that the foregoing lists are not exhaustive. For additional information about the principal risks that the Company faces, see "Business Risks and Risk Management" in the Management's Discussion and Analysis for the year ended December 31, 2024 (MD&A), which is available on SEDAR+ at [www.sedarplus.ca](http://www.sedarplus.ca).

This Circular may contain information that constitutes future-oriented financial information or financial outlook information, all of which are subject to the same assumptions, risk factors, limitations and qualifications set forth above. Readers are cautioned that the assumptions used in the preparation of such information, although considered reasonable at the time of preparation, may prove to be imprecise or inaccurate and, as such, undue reliance should not be placed on such future-oriented financial information or financial outlook information. The Company's actual results, performance and achievements could differ materially from those expressed in, or implied by, such future-oriented financial information or financial outlook information. The Company has included such information in order to provide readers with a more complete perspective on its future operations and its current expectations relating to its future performance. Such information may not be appropriate for other purposes and readers are cautioned that such information should not be used for purposes other than those for which it has been disclosed herein. Future-oriented financial information or financial outlook information contained herein was made as of the date of this Circular.

Any forward-looking information contained in this Circular represents the Company's expectations as of the date hereof, and is subject to change after such date. The Company disclaims any intention or obligation to update or revise any forward-looking information whether as a result of new information, future events or otherwise, except as required by applicable securities legislation.

## **Non-GAAP and Other Financial Measures Advisory**

This Circular includes references to "adjusted earnings", which is a "total of segments measure" as that term is defined in National Instrument 52-112 *Non-GAAP and Other Financial Measures Disclosure*. The most directly comparable measure reported in accordance with IFRS is "earnings attributable to Class I and Class II shares", which was \$430 million as at December 31, 2024 and \$432 million as at December 31, 2023. For additional information, see "Other Financial and Non-GAAP Measures" and "Reconciliation of Adjusted Earnings to Earnings Attributable to Class I and Class II Shares" in the MD&A, which is available on SEDAR+ at [www.sedarplus.ca](http://www.sedarplus.ca). The information provided in the MD&A under the heading "Reconciliation of Adjusted Earnings to Earnings Attributable to Class I and Class II Shares" is incorporated by reference herein.

# SCHEDULE A – BOARD OF DIRECTORS MANDATE

The Board of Directors (the Board) of ATCO Ltd. (the Corporation) is responsible for the stewardship of the Corporation and for overseeing the conduct of the business of the Corporation and the activities of management, who are responsible for the day-to-day conduct of the business.

## COMPOSITION AND OPERATION

The Board operates by reserving certain powers to itself and delegating certain of its authorities to management. The Board retains responsibility for managing its own affairs, including selecting its chair, planning its composition and size, nominating candidates for election to the Board, determining independence of Board members, constituting committees of the Board, determining director compensation, periodically discussing matters of interest separate from and independent of any influence from management, and assessing the effectiveness of the Board, committees and directors in fulfilling their responsibilities. Subject to the articles and by-laws of the Corporation and the Alberta Business Corporations Act (the ABCA), the Board may constitute, seek the advice of, and delegate powers, duties and responsibilities to committees of the Board.

## RESPONSIBILITIES

The Board's primary responsibilities are to enhance and preserve long-term shareholder value and to ensure that the Corporation meets its obligations on an on-going basis and operates in a reliable and prudent manner. In performing its duties, the Board should also consider the legitimate interests that other interested parties, such as employees, customers and communities, may have in the Corporation. In broad terms, the stewardship of the Corporation involves the Board in strategic planning, risk management and mitigation, senior management determination, communication planning, and internal control integrity. More specifically, the Board is responsible for:

- a. to the extent feasible, satisfying itself as to the integrity of the Chief Executive Officer (CEO) and other executive officers and that the CEO and other executive officers create a culture of integrity throughout the organization,
- b. adopting a strategic planning process and approving, on at least an annual basis, a strategic plan for the Corporation which takes into account, among other things, the opportunities and risks of the business,
- c. identifying the principal risks of the Corporation's business and ensuring the implementation of appropriate systems to manage these risks,
- d. succession planning (including training and monitoring senior management),
- e. adopting a communication policy for the Corporation that includes measures for receiving feedback from interested parties,
- f. the Corporation's internal control and management information systems,
- g. developing the Corporation's approach to corporate governance, including developing a set of corporate governance principles and guidelines that are specifically applicable to the Corporation, and
- h. on an individual basis, attending Board meetings, reviewing meeting materials in advance of meetings, and complying with the other expectations and responsibilities of directors of the Corporation established by the Board.

## SPECIFIC DUTIES

The Board's specific duties, obligations and responsibilities fall into the following categories:

### 1. Legal Requirements

- a. The Board has oversight responsibility for the Corporation's satisfaction of its legal obligations and for properly preparing, approving and maintaining the Corporation's documents and records.
- b. The Board has the statutory obligation to
  - i. manage or supervise the management of the business and affairs of the Corporation,
  - ii. act honestly and in good faith with a view to the best interests of the Corporation,
  - iii. exercise the care, diligence and skill that a reasonably prudent person would exercise in comparable circumstances, and
  - iv. act in accordance with its obligations contained in the ABCA and the regulations thereunder, the Corporation's articles and by-laws, and other relevant legislation and regulations.
- c. The Board has the statutory obligation to consider certain matters as a board of directors. The Board may not delegate to management or to a committee of the Board the authority to
  - i. submit to the shareholders any question or matter requiring the approval of the shareholders,
  - ii. fill a vacancy among the directors or in the office of auditor, or appoint additional directors,
  - iii. issue securities except in the manner and on the terms authorized by the Board,
  - iv. declare dividends,
  - v. purchase, redeem or otherwise acquire shares issued by the Corporation, except in the manner and on the terms authorized by the Board,
  - vi. pay a commission to any person in consideration of the person's purchasing or agreeing to purchase shares of the Corporation from the Corporation or from any other person, or procuring or agreeing to procure purchasers for shares of the Corporation, except as authorized by the Board,
  - vii. approve any management proxy circular relating to a solicitation of proxies by or on behalf of management of the Corporation,
  - viii. approve any take-over bid circular or directors' circular,
  - ix. approve any annual financial statements of the Corporation, or
  - x. adopt, amend or repeal by-laws.

### 2. Independence

The Board is responsible for implementing appropriate structures and procedures to permit the Board to function independently of management.

### 3. Strategic Planning

The Board is responsible for ensuring that there are long-term goals and a strategic planning process in place for the Corporation and participating with management, at least annually, directly or through its committees in approving the strategic plan by which the Corporation proposes to achieve its goals.

### 4. Risk Management

The Board is responsible for understanding the principal risks of the business in which the Corporation is engaged, achieving a proper balance between risks incurred and the potential return to shareholders, and confirming that there are systems in place that effectively monitor and manage those risks with a view to the long-term viability of the Corporation.

### 5. Appointment, Training and Monitoring of Senior Management

The Board is responsible for:

- a. appointing the CEO of the Corporation, monitoring and assessing the CEO's performance, determining the CEO's compensation, and providing advice and counsel to the CEO in the execution of the CEO's duties,

- b. approving the remuneration of the named executive officers, and
- c. confirming that adequate provision has been made for the training and development of management and for the orderly succession of management.

## **6. Reporting and Communication**

The Board is responsible for:

- a. verifying that the Corporation has in place policies and programs to enable the Corporation to communicate effectively with its shareholders, other interested parties and the public generally,
- b. verifying that the financial performance of the Corporation is adequately reported to shareholders, other security holders and regulators on a timely and regular basis,
- c. verifying that the Corporation's financial results are reported fairly and in accordance with generally accepted accounting principles,
- d. verifying the timely reporting of any other developments that have a significant and material effect on the value of the Corporation, and
- e. reporting annually to shareholders on the Board's stewardship of the affairs of the Corporation for the preceding year.

## **7. Monitoring and Acting**

The Board is responsible for:

- a. verifying that the Corporation operates at all times within applicable laws and regulations to the highest ethical and moral standards,
- b. approving and monitoring compliance with the significant policies and procedures by which the Corporation is operated,
- c. overseeing the Corporation's approach to sustainability and environmental, social and governance matters,
- d. verifying that the Corporation sets appropriate environmental standards in its operations and is in compliance with environmental laws and regulations,
- e. verifying that the Corporation has in place appropriate programs and policies for the health and safety of its employees in the workplace,
- f. monitoring the Corporation's progress toward its goals and objectives and revising and altering its direction through management in response to changing circumstances,
- g. taking action when the Corporation's performance falls short of its goals and objectives or when other special circumstances warrant,
- h. verifying that the Corporation has implemented adequate disclosure controls and procedures and internal control and information systems,
- i. ensuring that the Board receives from senior management on a timely basis the information and input required to enable the Board to effectively perform its duties,
- j. adopting a written code of business conduct and ethics and monitoring compliance with the code,
- k. annually assessing the adequacy of this Mandate and making any changes deemed necessary or appropriate, and
- l. conducting and acting upon annual assessments and evaluations of the Board, committees of the Board and individual directors.

## **8. Other**

The foregoing list of duties is not exhaustive. The Board may perform any other activities consistent with this mandate, the Corporation's articles and by-laws, and any other governing laws, as the Board deems necessary or appropriate.

# SCHEDULE B – COMPARATOR COMPANIES

3M Canada Company  
Access Information Management Of Canada ULC  
Aecom Canada  
Aecon Group, Inc.  
Air Liquide Canada, Inc.  
Air Products & Chemicals  
Akzo Nobel Coatings, Ltd.  
All Weather Windows, Ltd.  
Allcard  
Allnex Canada, Inc.  
Alstom Transport Canada, Inc.  
Ambico Limited  
Amcor Packaging Canada, Inc.  
Americold Logistics  
Amerisourcebergen Corp.  
Ampco Manufacturers Inc.  
Andersen Corporation - Andersen Windows, Inc.  
Arcelormittal Dofasco Gp  
Arctic Cool Chillers Limited  
Assa Abloy Of Canada Ltd.  
Avient - Canada  
Axalta Coating Systems Canada  
Badger Infrastructure Solutions  
Ball Corporation  
BASF Canada Inc.  
Bird Construction Company  
Bollore Logistics Canada Inc  
Bolt Technologies Incorporated  
Bombardier, Inc.  
Bosch Rexroth Canada Corp.  
Bradken  
Brambles  
Brenntag Canada  
Brookfield Residential Properties ULC  
BSH Canada Home Appliances  
Burns & McDonnell  
Bwxt Canada, Ltd.  
Canada Post Corporation - Purolator  
Canadian Bank Note Company, Limited  
Canadian Pacific Railway Limited  
Carmeuse Group  
Carrier  
Cascade Canada, Ltd.  
Celanese Canada ULC  
Centuri Group Inc. - Canada  
CF Chemicals, Ltd.  
CGC Inc.  
CMA CGM Canada  
CNH Industrial Canada, Ltd.  
Colas Canada, Inc.

Columbian International Chemicals Corporation  
Compagnie Westrock Du Canada Corp.  
Cornerstone Building Brands  
Corning Canada  
CPC Pumps International  
Cummins Canada ULC  
Danaher - Cepheid  
Danfoss, Inc.  
Dart Canada, Inc.  
Day & Ross, Inc.  
Delaval, Inc.  
DHL Corporate  
Domtar Corporation  
Dow Chemical Canada ULC  
DSI Canada Civil, Ltd.  
Dyno Nobel Canada, Inc.  
Eastman Chemical Canada  
Eaton Industries (Canada) Company  
Ecolab Canada  
Eisai  
Electrolux  
Empire Communities  
Entegris Canada, Ltd.  
Erco Worldwide LP  
Evonik Canada, Inc.  
Exel Canada, Ltd.  
Federal Express Canada Corporation  
Fednav Limited  
Finning Canada, Inc.  
Flowserve Canada Corp.  
Fluor Canada, Ltd.  
G3 Canada Limited  
Gates Canada, Inc.  
Gea Canada  
Generac Power Systems  
Gf Piping Systems Canada Ltd.  
Givaudan Canada  
Gpg Canada  
Graham Management Service LP  
Graphic Packaging Canada  
Great Western Malting Co.  
Grundfos Canada, Inc.  
Gurit Canada  
Gxo Logistics, Inc.  
H.C. Starck Canada, Inc.  
Hammond Power Solutions  
Hapag-Lloyd  
Harley-Davidson Canada  
Hempel (Canada) Inc.  
Hillenbrand, Inc.

Hilti Canada  
Hitachi Canada, Ltd.  
Honeywell Limited  
Hood Packaging  
Husky Injection Molding Systems, Ltd.  
Hyllife, Ltd.  
IFCO  
Industries Rehau, Inc.  
Ingersoll-Rand Canada Inc.  
Intelcom Courier Canada, Inc.  
Interface Flooring Systems Canada Inc  
International Paper Canada Pulp Holdings ULC  
IPL Plastics - Consumer Packaging Solutions  
J.D. Irving, Ltd.  
John Deere Canada Ulc  
Johns Manville Canada, Inc.  
Johnson Controls, Inc.  
Kohler Canada  
Kone, Inc. (Canada)  
Konecranes Canada, Inc.  
Kruger, Inc.  
Kuehne + Nagel International Ag - Canada  
Lanxess - North America  
Ledcor Aviation  
Lehigh Hanson, Inc. (Canada)  
Lennox Industries (Canada), Ltd.  
Level-Rite Systems Company  
Linde Canada, Inc.  
Lineage Logistics Ors, Ltd.  
Lufthansa Cargo  
Maersk Line Branch Canada  
Masonite Corporation  
Masterbrand Cabinets Canada  
Mattamy Homes Limited  
Mersen Canada Dn, Ltd.  
Methanex Corporation  
Metrie Canada, Ltd.  
Metso Outotec Canada  
Michelin North America, Inc. - Canada  
Mitek Canada, Inc.  
Multiplex Construction Canada Limited  
Nexans Canada, Inc.  
Norsk Hydro Canada  
Nova Bus, Inc.  
Nova Chemicals Corporation  
Novelis, Inc.  
Nufarm Ltd. - Canada  
Nutrien, Ltd.  
Nvent Thermal Canada, Ltd.  
ODL North America, Inc.  
Oerlikon Metco (Canada) Inc.

Oldcastle Buildingenvelope  
Onxpress Transportation Partners  
Orica Canada, Inc.  
Oshkosh Corporation (Canada)  
Otis Elevator Company  
Owens Corning Canada Holdings Ulc  
Parker Hannifin Canada  
Plastic Bank  
Pomerleau  
PPG Canada, Inc.  
Precision Castparts Corp., Canada  
Prevost Car, Inc.  
Pure Metal Canada  
Quaker Houghton Canada, Inc.  
Raytheon Technologies Corp. - Corporate  
Regal Beloit Canada Ulc  
Rheem Canada, Ltd.  
Rockwell Automation Canada Control Systems  
Rockwool Inc. - Canada  
Ross Video  
RXO Inc.  
S&C Electric Canada, Ltd.  
Saint-Gobain Canada, Inc.  
Samuel, Son & Co., Limited  
Sandvik Canada, Inc.  
Schaeffler Aerospace Canada, Inc.  
Schenker Of Canada Limited  
Schindler Elevator Corporation (Canada)  
Sealed Air Canada, Inc.  
Seaspan Ship Management, Ltd.  
Shawcor, Ltd.  
Sidel Canada, Inc.  
Siemens Canada Limited  
Simpson Strong-Tie Canada, Ltd.  
SKF Canada Limited  
Sonoco Canada  
SPX Technologies, Inc. - Canada  
Stackpole International Powder Metal Products, Ltd.  
Stella-Jones  
Sunbelt Rentals Of Canada, Inc.  
Syncreon Canada, Inc.  
Teekay Shipping Canada  
Tenaris Global Services (Canada), Inc.  
Teranet, Inc.  
Tetra Pak Canada  
The CSL Group, Inc.  
The Minto Group  
The Woodbridge Group  
Thomson Reuters Canada Limited  
Thyssenkrupp Industrial Solutions (Canada) Inc.  
TK Elevator Canada

Toyota Boshoku Canada, Inc.  
Tracerco Limited - Canada  
Trane Canada Co.  
United Parcel Service Canada Ltd.  
United Rentals, Inc. (Canada)  
UPM Raflatac Canada, Inc.  
Uponor, Ltd.  
Valmet, Ltd.  
Valmont Canada  
Vanderlande Canada

Viterra, Inc.  
Vitro Flag Glass Canada, Inc.  
W. L. Gore & Associates Canada, Inc.  
Waste Management, Inc. (Canada)  
Watts Water Technologies (Canada), Inc.  
Werner Enterprises Canada Corporation  
Wesco Distribution Canada Lp  
West Fraser Timber Co. Ltd.  
Willscot Mobile Mini Canada  
Windsor-Detroit Bridge Authority

# SCHEDULE C - SUMMARY OF THE MATERIAL TERMS OF THE RESTRICTED SHARE UNIT PLAN

In September 2023, the Board approved the Restricted Share Unit (RSU) Plan.

## Eligible Participants

Certain officers and employees of the Company and its affiliates and related entities are eligible to participate in the RSU Plan, at the Board's discretion.

## Securities Awarded

RSUs may be granted, and notionally credited, to participants on the terms and conditions set out in the RSU Plan and the applicable grant agreement.

Each RSU awarded represents the right to receive, upon vesting, a cash payment equal to the volume weighted average trading price of the Class I Shares on the TSX during the last five trading days prior to the payout date (the Total Cash Value).

The table on Page [70](#) of the Circular shows the number of RSUs currently outstanding.

## Vesting, Payout and Assignability

Each grant agreement shall specify the number and/or dollar amount of RSUs awarded, the vesting conditions, including the vesting date, and any performance or other criteria that are applicable to the vesting of such RSUs.

The payment of vested RSUs shall occur as soon as practicable following the vesting date, and in any event, prior to December 15 of the third calendar year following the end of the year in which such RSUs were granted.

RSUs may not be assigned or transferred, except by will or applicable law in the event of the death or permanent disability of the Restricted Share Unit Plan participant.

## Cessation of Entitlements

The table below summarizes the treatment of a participant's RSUs upon the resignation, termination, retirement, death or permanent disability of the participant.

| Event   | Treatment of RSUs  |
|---|--|
| Resignation / Termination (With or Without Cause) | As of the participant's Service Termination Date (as defined in the RSU Plan), all unvested RSUs shall immediately terminate.  |
| Retirement  | Any unvested RSUs as of the date of Retirement (as defined in the RSU Plan) shall continue to vest in accordance with the vesting schedule set out in the participant's grant agreement(s). Notwithstanding the foregoing, if, following Retirement, the participant provides services as an employee or consultant to any Competitive Business (as defined in the RSU Plan), the participant shall immediately forfeit all right, title and interest to any unvested RSUs previously granted to such participant.           |
| Death / Permanent Disability                      | In the event of the death or permanent disability of the participant: (a) unless otherwise determined by the Board, such participant shall forfeit all right, title and interest to any unvested RSUs on the date of such participant's death or permanent disability; and (b) the participant or the participant's beneficiary, as applicable, shall be entitled to receive a cash payment equal to the Total Cash Value for any RSUs that were vested RSUs on the date of the participant's death or permanent disability. |

## Sale of Assets / Change of Control

If there is a sale by the Company of all or substantially all of its assets, or if there is a Change of Control of the Company (as defined in the RSU Plan), unless otherwise determined by the Board, all RSUs credited to a participant's RSU account which have not become vested RSUs shall become vested RSUs as of the participant's Service Termination Date (as defined in the RSU Plan).

## Amendments / Termination

The RSU Plan and any grant agreements may be amended or terminated at any time by the Board in whole or in part; however, no amendment of the RSU Plan shall, without the consent of the participants affected by the amendment, or unless required by applicable law, adversely affect the rights accrued to such participants with respect to RSUs granted prior to the date of the amendment.

# SCHEDULE D - SUMMARY OF THE MATERIAL TERMS OF THE STOCK OPTION PLAN

## Plan Maximum, Securities Awarded and Securities Available for Grant

Since its inception in 1994, the Stock Option Plan has required the maintenance of a reserve of Class I shares to cover the options granted to participants. This reserve must be replenished from time to time so that the Company has a sufficient number of Class I shares to cover new option grants. Share owners were last asked to approve the Stock Option Plan in May 2022, when share owners approved a resolution to replenish the share reserve by 8,664,900 Class I Shares which resulted in the reservation of the maximum number of Class I Shares authorized for issuance, being 10,200,000.

Prior to that, share owners approved general amendment provisions for the Stock Option Plan in May 2007, and prior to that, the Stock Option Plan was approved by share owners in May 2000, at which time the number of Class I Shares approved for issuance under the Stock Option Plan was 2,550,000. The Company subsequently completed two stock splits, which changed the fixed maximum of Class I Shares reserved for issuance under the Stock Option Plan to 10,200,000.

The table on Page [70](#) of the Circular shows the number of options to acquire Class I Shares currently outstanding as well as the amount available for future grants. The table on Page [70](#) of the Circular shows the annual burn rate of the Stock Option Plan for the past three years.

## Eligible Participants and Insider Participation Limits

Certain officers and key employees of the Company and its subsidiaries are eligible to participate in the Stock Option Plan, at the Board's discretion. The number of the Company's securities (a) issued to insiders of the Company, within any one year period, and (b) issuable to insiders of the Company, at any time, under the Stock Option Plan, or when combined with all of the Company's other security based compensation arrangements, shall not exceed 10% of the Company's total issued and outstanding securities. The Stock Option Plan does not provide for a maximum number of securities that any one person or company is entitled to receive under the Stock Option Plan.

## Exercise Price, Vesting, Term, Blackout Periods, Assignability, Financial Assistance and Cashless Exercise

Options to purchase Class I Shares granted under the Stock Option Plan have an exercise price based on the market price of Class I Shares at the time of the option grant. For these purposes, the market price of Class I Shares at the time of the option grant equals the weighted average trading price of the Class I Shares on the TSX for the five trading days immediately preceding the date of the option grant. The Board may impose vesting limitations in its sole unfettered discretion at the time of the option grant. Generally, options granted prior to 2020 have a ten-year term with one-fifth of the total option grant vesting each year starting on the first anniversary date of the grant and options granted 2020 forward have an eight-year term with one-quarter of the total option grant vesting each year starting on the first anniversary date of the grant. At the time an option is granted, the Board shall determine the number of Class I Shares that may be acquired under such option and the period during which such option may be exercised.

In the event the expiration date for an option falls during or within ten (10) business days after a "black out period" is imposed by the Company under its insider trading policy, then the expiry date of such option shall be extended to the date that is ten (10) business days after the last day of the black out period, after which time the option will expire and terminate.

Options may not be assigned or transferred, except by will or applicable law in the event of death or permanent disability of the Stock Option Plan participant. The Company is not permitted to provide any financial assistance to Stock Option Plan participants in order to facilitate the exercise of options. The Stock Option Plan allows for the

“cashless” exercise of options and provides details regarding how a Stock Option Plan participant can make this election and complete a “cashless” exercise of options.

## Cessation of Entitlements

The table below summarizes the treatment of a Stock Option Plan participant’s options upon resignation, termination, retirement, and death or permanent disability.

| Event  | Treatment of Options  |
|--|---|
| <b>Resignation / termination (with or without cause)</b> | As of the service termination date (as defined in the Stock Option Plan), all unvested options shall immediately terminate. Any vested options shall expire on the date that is the earlier of (a) 90 days after the service termination date and (b) the scheduled expiry of the option.   |
| <b>Retirement</b>  | <p>For options granted after 2019: Any unvested options as of the date of retirement (as defined in the Stock Option Plan) shall continue to vest in accordance with the vesting schedule set out in the participant’s option agreement(s). Any options vested on, prior to or after the date of retirement, shall be exercisable on or before the last day of the scheduled expiry of the option. Notwithstanding the above, if, following retirement, the participant provides services as an employee or consultant to any competitive business (as defined in the Stock Option Plan) then any unvested options shall immediately terminate and any vested options shall be exercisable on or before the earlier of (a) 90 days after the date of retirement and (b) the scheduled expiry of the option.</p> <p>For options granted in or prior to 2019: Any unvested options as of the date of retirement are forfeited as of the date of retirement. Any options which have vested as of the date of retirement can be exercised until the earlier of (a) 24 months after the date of retirement, or (b) the scheduled expiry of the option.</p> |
| <b>Death / permanent disability</b>                      | Any unvested options as of the date of the participant’s death or permanent disability shall immediately expire and terminate. Any vested options shall be exercisable on or before the earlier of (a) 24 months after the date of death or permanent disability and (b) the scheduled expiry of the option.  |

## Sale of Assets or Change of Control

If there is a sale by the Company of all or substantially all of its assets, or if there is a change of control of the Company, then a participant shall be entitled to exercise each option granted to the participant until the earlier of: (a) the scheduled expiry of the option and (b) the 90th day after the date of termination of the participant’s status with the Company or a subsidiary of the Company at the time and under which the option was granted.

## Amendments

The Board may at any time, without share owner approval, add to or repeal any of the terms of the Stock Option Plan or any options and without limiting the generality of the foregoing, may make the following changes, deletions, revisions or amendments:

- I any amendment to the vesting provisions of the Stock Option Plan or any option,
- II any amendment to the termination provisions of the Stock Option Plan or any option, provided that such amendment does not entail an extension beyond the expiry date of the option,
- III any amendment to the persons eligible to receive options or otherwise relating to the eligibility of anyone to receive options other than an amendment which would have the potential of broadening or increasing insider participation,
- IV any amendment with respect to the method or manner of exercise of any option,
- V any amendment of a "housekeeping" nature, and
- VI any other amendment that under the rules of the TSX (or such other stock exchange on which the Class I Shares may be listed) does not require share owner approval,

provided that no such addition, repeal, or amendment shall in any manner materially adversely affect the rights of any participant under any options theretofore granted under the Stock Option Plan without such participant's consent.

The foregoing is intended to provide the Board with the broadest scope of amendment powers permitted by the rules of the TSX (or such other stock exchange on which the Class I Shares may be listed), as such rules may be amended from time to time.

## Suspension / Termination

The Board may, at any time, suspend or terminate the Stock Option Plan.



5302 Forand St SW, Calgary, Alberta T3E 8B4 Canada  
403 292 7500 | [ATCO.com](http://ATCO.com)

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