

A close-up portrait of a man wearing a white hard hat with the ATCO logo and clear safety glasses. He is smiling slightly and looking off-camera. He is wearing a dark blue jacket with high-visibility yellow-green stripes on the shoulders. The background is a blurred industrial setting with metal structures and pipes.

Sustainability Report 2024

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Message from our Chair & CEO

I am pleased to present ATCO's 2024 Sustainability Report—a comprehensive reflection of our unwavering commitment to sustainability, transparency and long-term value creation.

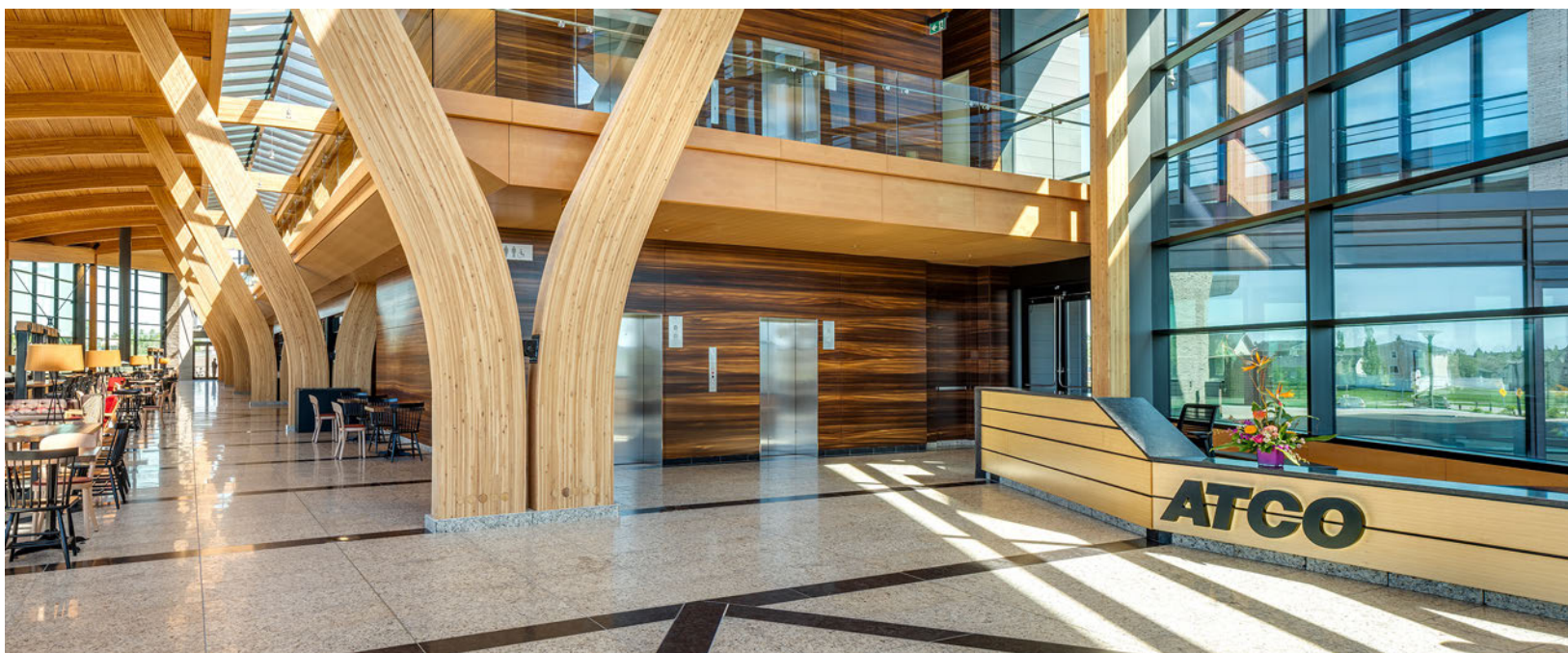
Over the past year, in many parts of the world, geopolitical uncertainties and economic pressures have drawn some of the focus away from shared societal goals, such as decarbonization, even as material risks and opportunities endure. At the same time, and owing to these same uncertainties, concerns over supply chain disruptions, energy security and economic stability have intensified.

Companies that flourish over many decades are those that prioritize a long-term vision and look beyond the immediate horizon. For our group of companies, sustainable practices, strong governance, and operational excellence are not just moral obligations but long-term strategic imperatives. In that respect, they are safeguards against the volatility of today's business and political environment.

To that end, the past year was marked by meaningful progress.

// As we navigate the complexities of today's global landscape, we recognize that achieving our sustainability goals requires unprecedented cooperation from all stakeholders - governments, Indigenous communities, regulators, investors, partners, employees and customers. //





Safety and resilience are at the core of our operations. In 2024, we enhanced our emergency preparedness and response capabilities, ensuring we can swiftly and effectively manage crises such as the wildfires that impacted Alberta and the Northwest Territories. I am particularly proud of the Herculean efforts of our team in response to the devastating wildfire in Jasper National Park, which necessitated the evacuation of 25,000 people and resulted in the destruction of over 350 buildings. As the wildfire surged, ATCO teams from across Alberta seamlessly coordinated their efforts, responding with remarkable efficiency and unwavering dedication to the safety of our people.

With respect to the energy transition, we continued to invest in cleaner fuels, renewable energy and innovative technologies that

are essential as we work towards our net-zero emissions ambition by 2050. We have made advancements in hydrogen production, utilization and storage, including the launch of North America's first building heated by 100 per cent hydrogen. Additionally, our renewable generation capacity has expanded, with wind and solar projects now accounting for 64 per cent of our power generation portfolio. These efforts not only contribute to reducing our carbon footprint but also support our customers to reduce their emissions.

We have also continued to invest in our electricity and natural gas systems to bolster reliability, energy security, and resilience—topics of growing importance to our customers and communities across the world. This includes investment in new smart grid

infrastructure, as well as connecting Indigenous communities to natural gas service to displace diesel.

Our partnerships with Indigenous communities continue to be a cornerstone of our approach to business. We are committed to creating equitable economic opportunities and fostering long-term prosperity for these communities. In 2024, we delivered \$123 million in net economic benefit to our Indigenous partners—an increase of 73 per cent from our 2020 baseline, reflecting our dedication to meaningful engagement and true partnerships.

As we navigate the complexities of today's global landscape, we recognize that achieving our sustainability goals requires unprecedented cooperation from all stakeholders—governments, Indigenous communities, regulators, investors, partners, employees and customers. This collaboration is doubly essential in today's environment, as it fosters innovation, leverages diverse perspectives, and builds the collective resilience needed to navigate and overcome global challenges.

I extend my heartfelt gratitude to the people of ATCO for their dedication and hard work. Their resilience and innovation inspire me every day as we strive to build a sustainable future for generations to come.

Sincerely yours,

Nancy Southern
Chair & CEO, ATCO Ltd.

Integrated solutions

Creating prosperity and opportunity for generations to come

Working to meet the world's essential energy, housing, security and transportation needs. Sustainability disclosures reflect our business operations including:



ATCO Energy Systems

Delivers essential energy for an evolving world through its electricity and natural gas transmission and distribution.



ATCO EnPower

Creates sustainable energy solutions in the areas of electricity generation, energy storage, industrial water and alternative fuels.



ATCO Australia

Provides critical energy infrastructure, while supporting the transition through renewables, storage and alternative fuels.



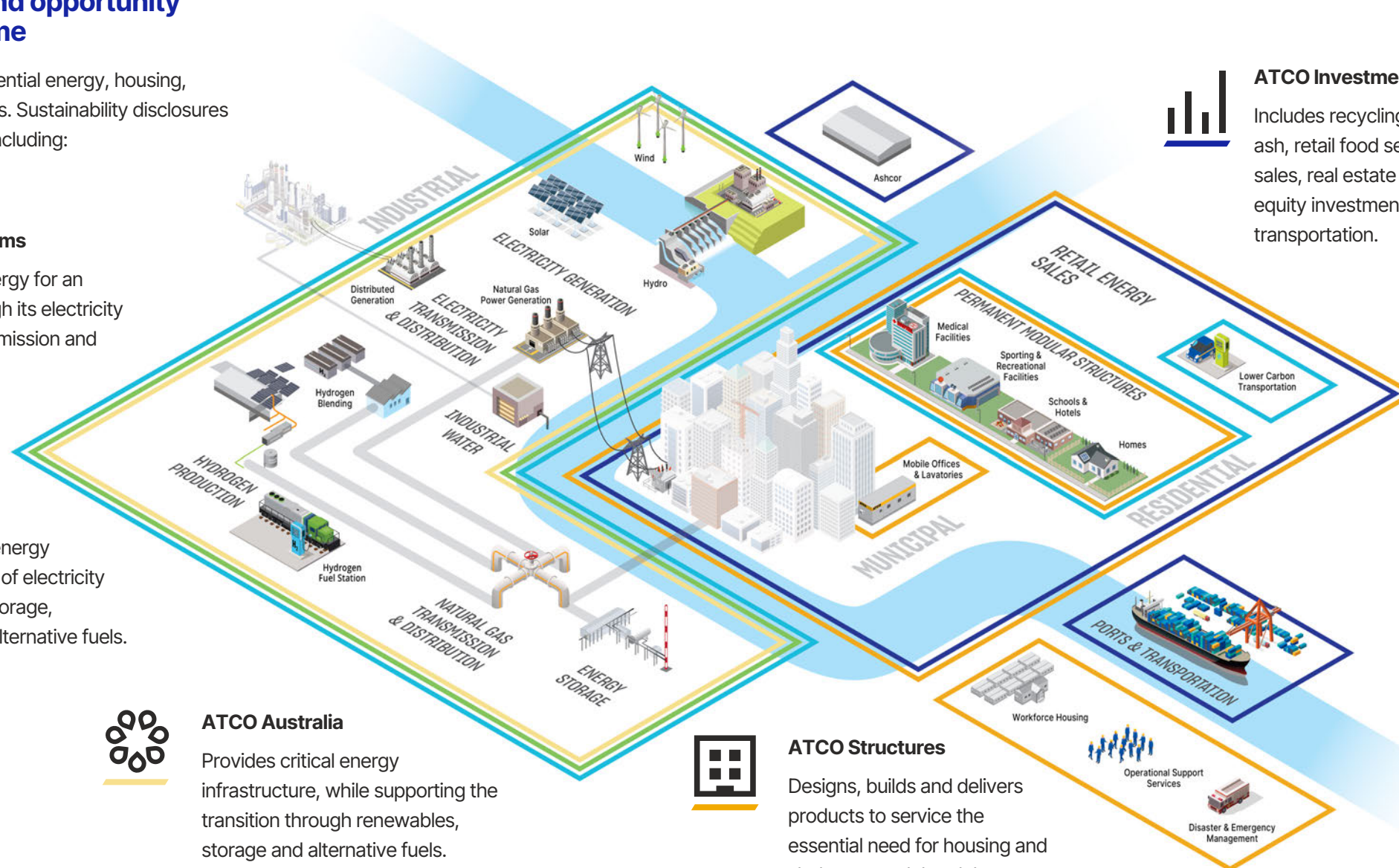
ATCO Structures

Designs, builds and delivers products to service the essential need for housing and shelter around the globe.

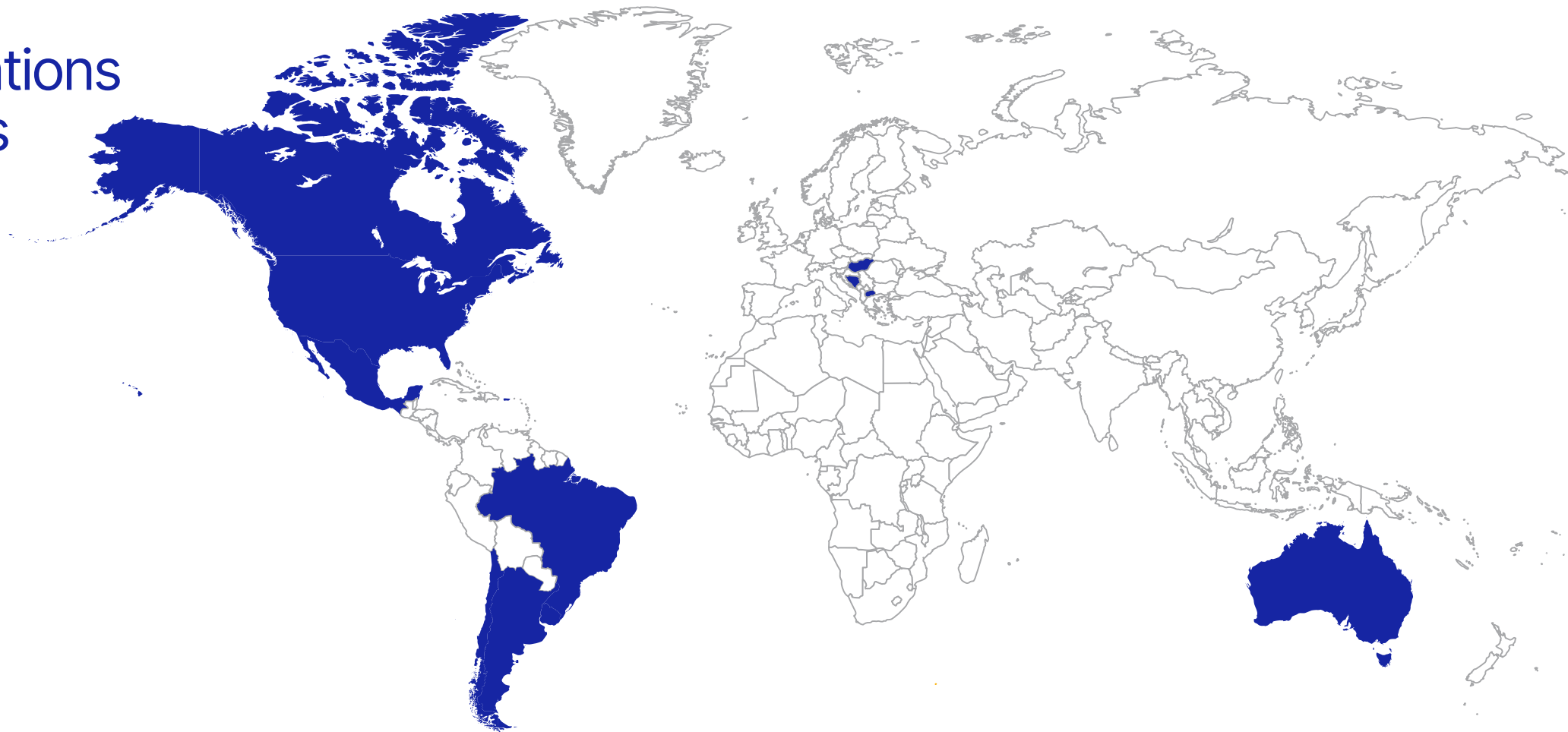


ATCO Investments

Includes recycling and marketing of ash, retail food services, retail energy sales, real estate development and equity investments in ports and transportation.



Current operations & investments



\$27B In assets	\$4.9B In revenues	4M+ Global customers	544,000 m³ Natural gas liquids capacity	66,000 KM Natural gas pipelines	12 Modular building manufacturing facilities	106,000 KM Electric power lines
\$481M Adjusted earnings*	\$1.8B Capital expenditures	21,000 Employees (including subsidiaries and affiliates)	85,200 m³/D Water infrastructure capacity	117 PJ Natural gas storage capacity	27,600 Rental fleet units	771 MW Power generation operated

Our approach to sustainability

At ATCO, we believe we have a responsibility to our customers, employees, share owners, and Indigenous and community partners to build prosperity for generations to come. Our essential products and services are delivered with a focus on safety, reliability, affordability and sustainability.

Sustainability is integrated into our governance framework, business strategy, risk management approach and day-to-day operations. Around the world, we create opportunities to innovate, advise and participate in the energy transition. We believe in building truly equitable partnerships with Indigenous communities. We collaborate with community partners to enhance economic and social development. And, we always champion a diverse and inclusive environment where inspired people can make a meaningful difference.

Our actions reflect our core values of safety, integrity, agility, caring and collaboration. These foundational principles guide us as we balance the short- and long-term economic, environmental and social considerations of our businesses.

Alongside our long-term ambition of supporting society's goal of net-zero greenhouse gas (GHG) emissions by 2050, we have set environmental, social and governance (ESG) targets for 2030. These targets measure our progress in achieving our strategic goals of enabling the energy transition, advancing Indigenous reconciliation and supporting the communities we serve, while supporting long-term growth.

About this report

In alignment with our core values, we recognize the importance of being transparent about our sustainability progress. This report highlights qualitative and quantitative performance for the ATCO Group of Companies, including subsidiary companies Canadian Utilities Limited and CU Inc., as well as the risks, opportunities and challenges we manage through strategic sustainability initiatives. For detailed information on our performance, policies and framework mapping, please see the [ESG Datasheet](#) at the end of this report. Separate performance summaries are available online for [Canadian Utilities Limited](#), [CU Inc.](#) and [ATCO Australia](#).



Our Sustainability Report is guided by the International Financial Reporting Standards (IFRS) Foundation's International Sustainability Standards Board (ISSB) Standards, 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.



In addition, as a provider of essential services, we contribute to the United Nations' (UN) Sustainable Development Goals (SDGs). At the beginning of each section, we highlight the UN SDGs that are most connected to our material categories.

// Our 2024 Sustainability Report demonstrates our continued commitment to sustainability initiatives and, just as important, the accurate and transparent communication of how they are integrated with our growth and long-term goals. Reporting our annual progress is a key aspect of consistent reporting, supported by the continued improvement of our internal processes. //

Colin Jackson

Senior Vice President, Financial Operations



Materiality assessment

We complete materiality assessments on a regular basis to ensure our sustainability reporting is focused on the ESG topics that are most important to our stakeholders and our business. In 2023, ATCO completed a "Double Materiality Assessment" that identified impacts, risks and opportunities (IROs) to help prioritize ESG topics. More insight to this process can be found on our [Materiality Assessment webpage](#). In our 2024 Sustainability Report, we continue to disclose under these 17 material topics:

Governance & Responsible Business	Energy Transition & Environment	Resilience & Safety	People & Partners
Corporate governance	Energy transition & climate change	System reliability & availability	Indigenous relations, economic opportunities & reconciliation
Business ethics	GHG emissions	Cybersecurity	Community engagement & investment
Responsible supply chain	Land & biodiversity	Emergency preparedness & response	Customer experience & satisfaction
Government relations & political advocacy		Public health & safety	Human capital development
		Employee safety & well-being	Diversity, equity & inclusion

While all of these topics are considered very important, five topics (outlined in light blue) were identified as being particularly dynamic and therefore will have relatively more coverage in the report.

Note that, while these topics have been prioritized for disclosure, further assessment is required to quantify their financial materiality in alignment with guidance provided by the ISSB.

2024 highlights

Resilience & Safety

118,000

smart meters installed
in Alberta



77,000

electrical poles
fire-wrapped
for protection in 2024

5,000

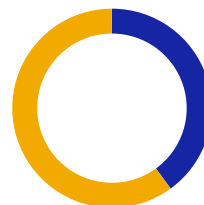
gas customers were
assisted with damage
prevention practices



Energy Transition & Environment

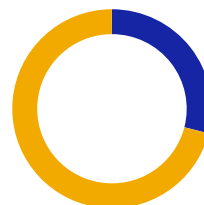
40%

reduction in emissions
intensity from 2020 baseline



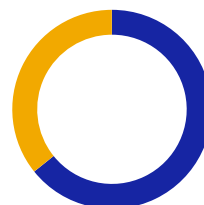
29%

reduction in methane
emissions since 2020



64%

of power generation
capacity are renewables



5,300

homes provided with
hydrogen-blended
natural gas

1,387KT

reduction in customer
GHG emissions cumulatively
since 2020

People & Partners

\$123M

in Indigenous net
economic benefit

67

partnerships, MOUs and
other arrangements with
Indigenous groups

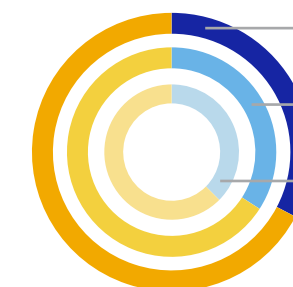
\$9.7M

invested in communities through gifts
in-kind, sponsorships, donations and
our matching contribution to the
employee-led ATCO EPIC program

Top

ranked as one of Alberta's
Top Employers for the
fourth year in a row

Women at ATCO



33% Workforce

34% Senior management

38% Board

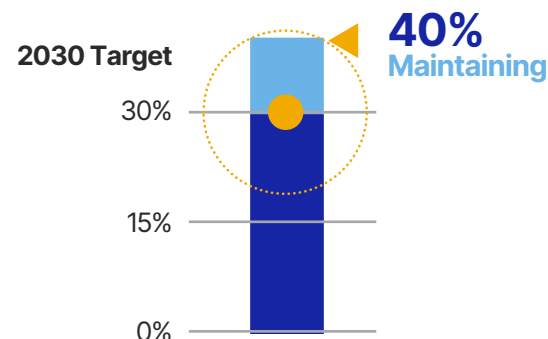
2024 progress towards 2030 ESG targets

In January 2022, we announced an initial set of 2030 ESG targets focused on reducing our operational GHG intensity and customer emissions, growing our renewable energy footprint and transitional products and services, increasing economic benefits for Indigenous partners, continuing our focus on safety, and further promoting diversity, equity and inclusion in the workplace.

In 2024, we made progress towards achieving our 2030 targets against a 2020 baseline. Each target is defined in this report or in our [ESG Datasheet](#) and is applicable at the ATCO level, including its subsidiaries Canadian Utilities Limited and CU Inc. We are proud to have achieved our targets around inclusive growth in our workforce and communities, signifying our ongoing commitment to inclusion practices. We also continue to evaluate additional potential ESG targets in each of our material categories.

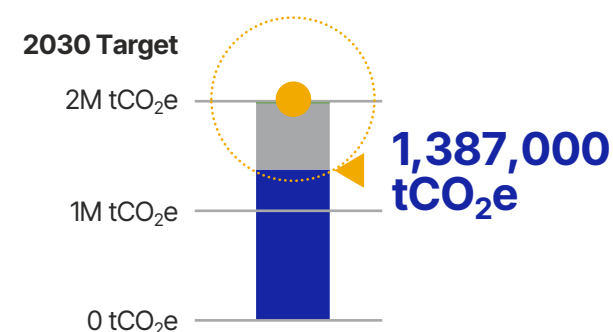
Supporting the energy transition and reducing GHG emissions

Reduce GHG emissions to earnings intensity by 30 per cent (Scope 1 and 2).



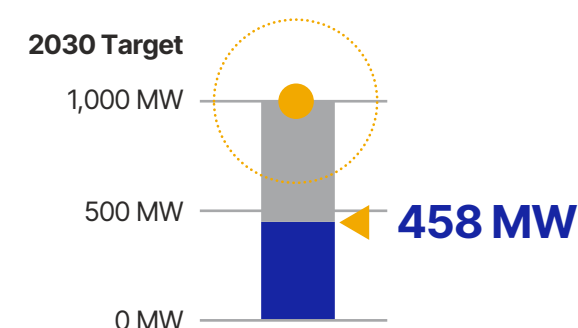
We reduced our GHG emissions to earnings intensity by 40 per cent from 2020 baseline.

Reduce our customers' GHG emissions by two million tonnes through continued participation in renewable energy, cleaner fuels, energy efficiency, and energy infrastructure and storage projects.



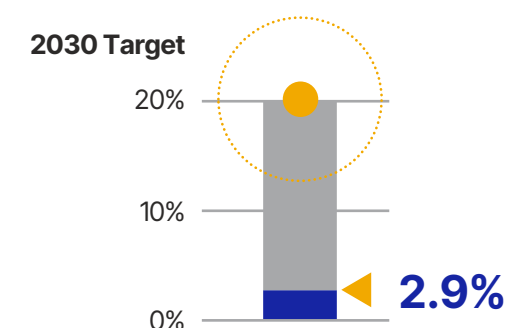
We have reduced customers' emissions by 1,387,000 tonnes carbon dioxide equivalent (tCO₂e) cumulatively since 2020.

Own, develop or manage over 1,000 megawatts (MW) of renewable energy.



By the end of 2024, we owned, managed or developed 458 MW of renewable energy.

Derive 20 per cent of revenues from transitional product categories (e.g., renewable natural gas and hydrogen).



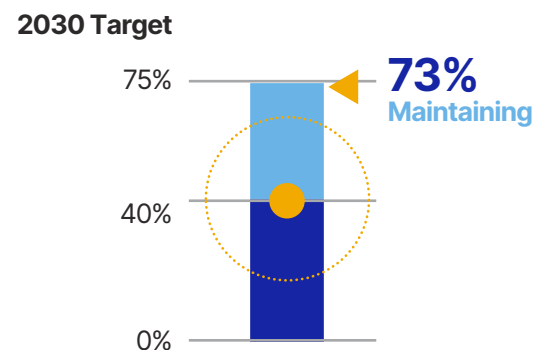
We derived 2.9 per cent of our revenue from transitional product and service categories. We continue to work toward this target, developing additional renewable and fuel-switching projects aligned with policy and regulatory changes supporting investment.

For more information, see the [→ Energy Transition & Environment](#) section.

2024 progress towards 2030 ESG targets

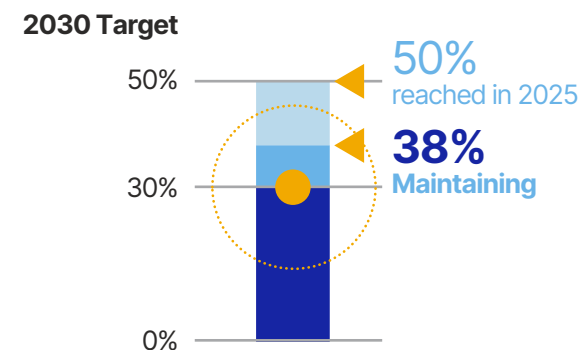
Promoting inclusive growth in our workforce and communities

Increase net economic benefits to our Indigenous partners by 40 per cent.



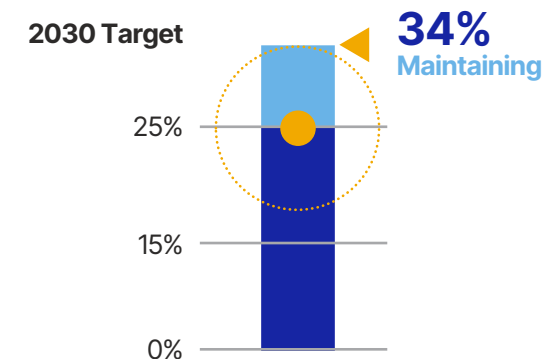
The net economic benefits to our Indigenous partners increased 73 per cent from our baseline. While we exceeded this target again in 2024, we continue to look for opportunities with our Indigenous partners to increase economic benefits to their communities. For more information, see the [People & Partners](#) section.

Achieve and maintain a minimum of 30 per cent female representation at the Board of Directors and senior leadership levels.



Women represent 38 per cent of the Board of Directors and 34 per cent of senior management. Subsequent to year end, appointments to the Board of Directors announced in January 2025 increased women representation to 50 per cent. For more information, see the [People & Partners](#) section.

Achieve and maintain a minimum of 25 per cent minority representation within the workforce.



Minorities represent 34 per cent of our workforce. We exceeded our target again in 2024, signifying our ongoing commitment to a diverse and inclusive workforce. For more information, see the [People & Partners](#) section.

Maintain leading health and safety practices and performance.



As one of our core values, safety continues to be a focus area. We strive to maintain best practices in health and safety, and our safety rates compare favourably to industry benchmarks. For more information on our safety performance, see the [Resilience & Safety](#) section.

**02**

Governance & Responsible Business


ATCO's businesses cover many sectors with operations in communities around the world. All our work is guided by our core values to support transparent, ethical and accountable operations. Strong and effective corporate governance is central to meeting the standards we set for ourselves and generating sustainable value over the long term.

In this section

- [Corporate governance](#)
- [Business ethics](#)
- [Responsible supply chain](#)
- [Government relations & political advocacy](#)

Learn more

[Governance & Responsible Business](#)[Modern Slavery Report](#)[Doing Business with ATCO](#)

 The initiatives in this section align with the following **UN SDGs**:



Corporate governance

ATCO has an effective, tailored system of corporate governance that recognizes the need to provide autonomy and flexibility to our different businesses and operating jurisdictions, while accommodating the needs of both our regulated and non-regulated businesses.

Effective corporate governance stewards the interests of our customers, share owners, employees, and Indigenous and community partners over the near-, medium- and long-term, providing review and oversight of corporate strategies. Our Board of Directors, board committees and executive management team provide oversight of our strategic initiatives, performance metrics and external disclosures related to sustainability.

We regularly evaluate our governance practices to ensure they are effective. We integrate sustainability and ESG into our Board of Directors and board committee governance structures, reflecting that they are core strategic components and not standalone issues. Board mandates explicitly include sustainability and ESG matters.

// Sustainability and ESG matters are fully integrated into the Board and Board Committee responsibilities. As we oversee the execution of our business strategies and risk management practices, sustainability isn't a distinct, standalone consideration - it is interwoven into everything we do to create long-term value for our customers, share owners, employees, and Indigenous and community partners. Our approach to sustainability is aligned with our core values of safety, integrity, agility, caring and collaboration. //



Dr. Robert Routs
Lead Director, ATCO Ltd.
Board of Directors

Board oversight

Key elements of our corporate governance system include the oversight and diligence provided by the Board of Directors, the Lead Director, our Corporate Governance, Nomination, Compensation and Succession Committee (GOCOM) and the Audit & Risk Committee.

While the Board provides oversight on strategy, risk management, sustainability, succession planning, corporate governance, and diversity, equity and inclusion (DEI), each of the board committees has specific responsibilities assisting the Board in fulfilling this oversight.

The GOCOM oversees corporate governance practices including any change to Board and committee composition. This includes finding the most qualified individuals available with the diverse skills, experience and expertise to complement the Board and align with our strategic objectives. Please refer to the [People & Partners](#) section for more information on diversity at ATCO.

The GOCOM also oversees succession planning and senior executive officers' performance, compensation and remuneration. In addition to financial results, our executive compensation program is based on operational objectives (such as health and safety, service quality, management controls and environmental stewardship), people leadership (such as leadership development, attraction and retention), and long-term sustainable growth (growth strategies and strategic planning).

In 2024, a standing agenda item was added for GOCOM to receive updates on various strategic sustainability initiatives, such as decarbonization, safety, DEI and Indigenous relations. Additionally,

the Senior Vice President, Financial Operations provides an update on consolidated key sustainability metrics, including progress against our ESG targets.

The Audit & Risk Committee areas of oversight most relevant to sustainability are public reporting and enterprise risk management. In addition to reviewing our Sustainability Report prior to release, the committee semi-annually reviews risks and opportunities that could materially impact our ability to achieve strategic and operational objectives. This includes sustainability and ESG matters such as climate-related risks and opportunities, climate change

resilience and adaptation, and cybersecurity risks. Additional detail on business risks is included in [ATCO's Management Proxy Circular](#), [Management's Discussion and Analysis \(MD&A\)](#) and the [Governance webpage](#).

The senior executive of each operating division reports on operating results and risks to the Audit & Risk Committee. In addition, each division prepares 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.

Integration of sustainability/ESG into existing oversight process

	Strategy	Governance & Performance	Risk & External Disclosure
Board	✓		
GOCOM		✓	
Audit & Risk			✓
Executive Management	✓	✓	✓

Management's role

Our executive management team is kept informed through quarterly, internal sustainability dashboards that report consolidated key performance indicators, including environmental, safety and Indigenous relations metrics. They also receive periodic updates from the Senior Vice President, Financial Operations on progress towards our ESG targets and strategically significant ESG developments.

ATCO's corporate sustainability and ESG team reports through the Senior Vice President, Financial Operations to the Executive Vice President, Chief Financial & Investment Officer. The team is responsible for engaging with stakeholders to report global consolidated sustainability and ESG performance internally and externally, facilitating integration into existing strategy and risk processes, and preparing for emerging requirements. In 2024, an internal Sustainability and ESG Council was created with operating company experts in our energy businesses to facilitate information sharing, alignment and prioritization of initiatives.

We continue to progress our multi-year preparation for upcoming and expected mandatory sustainability disclosure requirements by evolving sustainability and ESG reporting processes to more closely align with financial reporting. This is guided by a Mandatory Disclosure Steering Committee, acknowledging the cross-functional requirement across Finance, Accounting, Risk, Audit, Internal Controls and Sustainability.

The daily management of sustainability-related risks and opportunities is guided by divisional leadership and corporate subject matter experts through topic-specific policies, training, monitoring and other management considerations. Sustainability is managed collaboratively across numerous groups, including Health and Safety, Environment, Human Resources, Corporate Affairs, Indigenous Relations, Marketing and Communications, Legal, Corporate Governance, Compliance, Internal Audit, and Supply Chain, among others. These groups monitor best practices, develop and implement policies and standards, and support our various divisions.

Our established Enterprise Risk Management program outlines the process for regularly identifying, assessing, responding to, monitoring and reporting operational and strategic risk in the execution of day-to-day business objectives, as well as our long-term strategic goals. Through the program, we anticipate market and societal shifts and identify obstacles to strategic objectives, followed by clear accountability for managing and mitigating risks.

Business ethics

Our [Code of Ethics](#) is reviewed and updated on a regular basis, with employees required to complete annual training – available in English, French and Spanish – and certification. In 2024, we further enhanced our employee disclosure process so employees can proactively identify and complete formal documentation about potential conflicts of interest, promoting transparency and reducing the incidence of conflicts.

Our Code of Ethics, [How We Do Business](#) sets out the behaviours and standards of conduct we expect of anyone who works for, or represents, ATCO. This includes topics related to bribery and corruption, for which we engaged external experts to assess our governance processes in 2024.

Our [ATCO Integrity Line](#) provides employees and external parties with a confidential venue to speak up, ask questions and express concerns regarding any of our activities or operations.



Responsible supply chain

We take a big-picture approach to managing our supply chain, as the risks associated with the global supply chain are more complex and interconnected than ever before. We regularly evaluate our supply chain governance and focus on building resiliency against supply chain disruptions.

Our vendor onboarding program is designed to address risks, such as labour conditions, and opportunities, including Indigenous procurement and inventory modernization. Vendors are expected to comply with equivalent standards of conduct that apply to ATCO internally through our [Vendor Conduct Requirements](#). We conduct additional due diligence prior to engaging vendors that operate in some regions where risk has been assessed to be higher.

We released our second [Modern Slavery Report](#) in Canada on February 27, 2025, while our Australia team will release their annual report in June 2025. These reports provide a summary of our actions to eliminate different forms of modern slavery, including forced labour, child labour and human trafficking.

Government relations & political advocacy

ATCO's political advocacy centres on energy-related policies and regulations, alongside other pertinent interests across our operating companies such as the provision of community infrastructure, modular structures and logistical services. We work collaboratively with all levels of government, regulators and institutions to develop policy solutions that address the needs of our customers, communities and share owners.

With respect to the energy transition, the pace and scale of change necessary for advancing our net-zero ambition requires a bold, coordinated effort. Among other factors, this effort must be backed by targeted, long-term government support, evidence-based policymaking and a conducive regulatory environment to drive investment and innovation by the private sector.

To that end, we engage in public policy discussions covering a broad range of initiatives, including affordability and reliability, international competitiveness, progressing opportunities related to hydrogen and renewable electricity, and advancing regulatory pathways that will enable investment in large energy infrastructure projects. We are also actively engaged in discussions with governments and Indigenous communities in Canada to advance various cleaner fuels projects such as, transitioning from diesel to renewables or natural gas as an alternate fuel for heating.

We advocate directly to governments and policymakers by providing relevant research, expert perspectives and informed recommendations on policy and regulatory proposals. At the request of governments, we may participate in technical and advisory working groups. Our involvement extends to industry

associations, chambers of commerce and business councils. In all our advocacy efforts and interactions with government officials, both domestically and internationally, we uphold the highest standards of integrity and transparency. We strictly follow all relevant laws, regulations and conventions.

// Policymakers and regulators are important arbiters in the path to decarbonization, setting the stage with policies that can accelerate progress. Across the ATCO Group of Companies, we work hand-in-hand with all levels of government, Indigenous Peoples, customers, and other stakeholders to ensure that our emissions reduction efforts are not only effective but also maintain the important balance of affordability and reliability. It's a delicate but critical equilibrium - particularly amid today's uncertain geopolitical environment. //

Dale Friesen

Senior Vice President, Corporate Affairs & Chief Government Affairs Officer



03

Resilience & Safety

We are proactively investing in our ability to provide reliable and affordable essential services, with safety as our top priority. We leverage technology and best practices, with a focus on innovation, to create more resilient systems for the services our customers and communities depend on.

In this section

- [System reliability & availability](#)
- [Cybersecurity](#)
- [Emergency preparedness & response](#)
- [Public health & safety](#)
- [Employee and contactor safety & well-being](#)

Learn more [↗](#)

[Resilience & Safety](#)

[↗](#) The initiatives in this section align with the following **UN SDGs**:



System reliability & availability

Investing in our systems

Delivering essential energy to our customers, including electricity and natural gas, has been core to our business for decades and will continue to be part of our future. We are looking forward and investing in current and new systems to position our businesses to meet the evolving needs of our customers over the long term. In a world that requires more energy, we are committed to delivering it safely, reliably and affordably.

Our customers must have energy available when they need it to turn on lights, heat homes, operate businesses and support critical industrial processes. As we participate in a responsible and equitable energy transition, the focus of our investment is to build systems that are better than before. Improving our resiliency, adapting to climate change and decreasing carbon emissions, often through innovative technology, can also lead to improvements in operational efficiency.

To uphold the reliability of our energy infrastructure and networks, we undertake proactive planning for route and site selection, asset hardening, and regular monitoring and maintenance. Proactive measures for our electricity infrastructure include vegetation management around power lines as well as burying power lines in select areas. For our natural gas infrastructure, we conduct regular leak surveys and aerial patrols. In addition, we conducted in-line inspections on 860 km or approximately 10 per cent of our natural gas transmission pipeline system in 2024. We replace or upgrade infrastructure to improve our systems, or when our monitoring

indicates that investment is necessary to maintain a safe and reliable system.

In addition, our energy storage supports a resilient system by holding a supply of energy so that it can be deployed when needed. Our businesses have regulated and unregulated energy storage facilities strategically located across central Alberta. For example, in addition to natural gas storage, our ATCO Heartland Energy Centre storage facility provides safe, efficient and cost-effective storage for natural gas liquids. Our Australian operations also include natural gas-powered generation to reliably provide energy when required to meet demand and stabilize the grid.

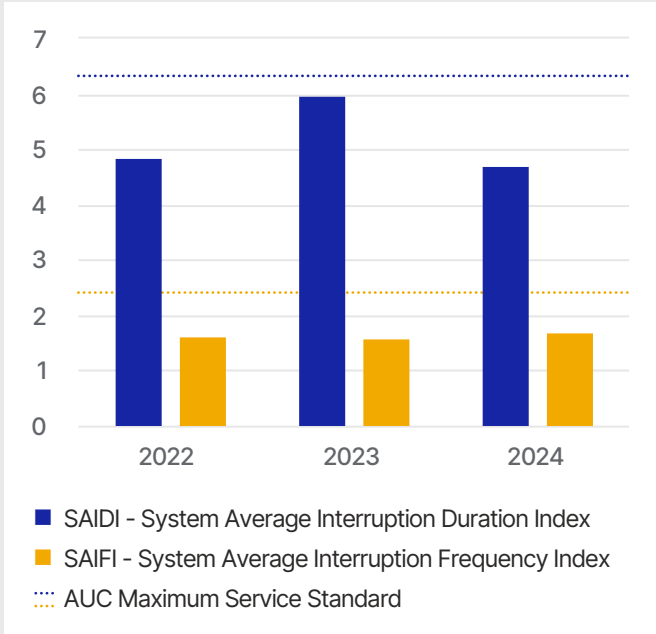
860 KM
of natural gas transmission pipeline
in-line inspections in 2024

99%
availability factor in our Australian
natural gas-powered generation

Outage measurement & management

A variety of metrics are used to measure direct impacts to the reliability of our electricity distribution systems, including system average interruption duration index (SAIDI) and system average interruption frequency index (SAIFI).

Electricity reliability in Alberta



Our Alberta electricity distribution business reported a SAIDI of 4.72 and SAIFI of 1.69 in 2024. SAIDI improvement in Alberta was related to reduced impact from wildfires, as well as a recommitment to reliability that included a monthly reliability committee that enhanced analytics and refocused on action planning for outages.

Grid modernization

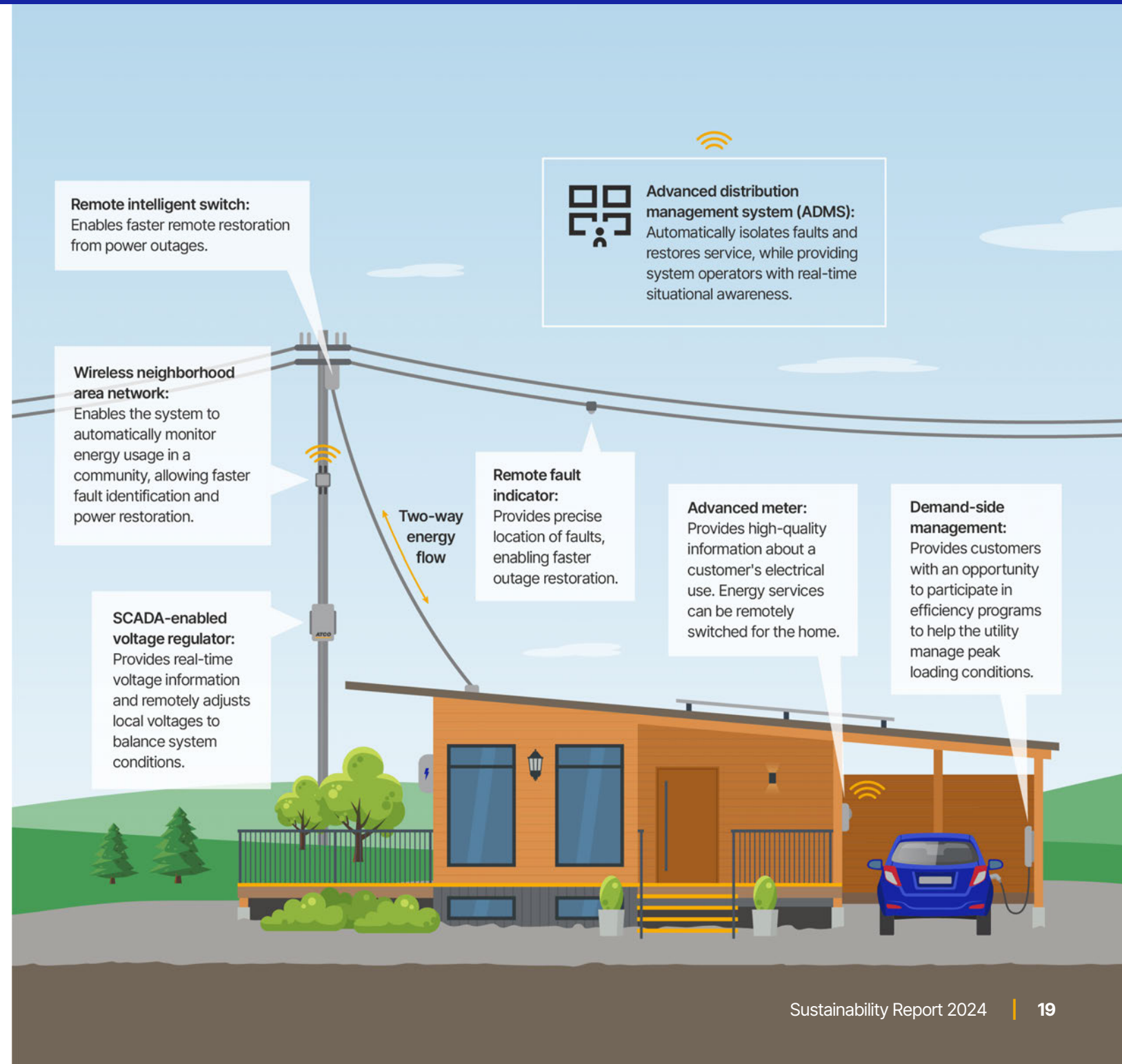
We are investing in a **modern grid**, which leads to improved energy efficiency and reliability, and better support for customer energy needs of the future. We are proactively advancing several innovative technology projects to evolve the grid from the traditional one-way flow of energy to multi-directional flow. A modern grid could also enable cost and emissions reductions through demand-side management (DSM), further described in the [Energy efficiency](#) section.

Leveraging data and digitalizing our utilities technology remains a priority. We are able to reduce outages and drive continued efficiencies as our systems become more capable of predicting and responding to customers' needs and system stressors.

We continue to replace traditional electricity meters with smart meters. Across our service territory, we have now installed 118,000 of a potential 220,000 electric smart meters, or over 50 per cent.

118,000

electric smart meters
installed in Alberta



Climate adaptation

Our assets are exposed to the physical effects of climate change. Beyond our established, proactive and robust mitigation strategies to safeguard our infrastructure – such as those highlighted in the [Investing in our systems](#) section – we are always looking for new approaches. Across our portfolio, we continually improve how we assess and prioritize the physical risks of climate change across multiple hazards.

Our above-ground linear infrastructure has been identified as having the greatest exposure to extreme weather events. As part of our work, we are investigating innovative tools to monitor and prepare for extreme weather and address risks identified in our system.

We also take preventative action. For example, we installed interphase spacers on select powerlines to maintain a safe distance between powerlines and applied fire mesh to 15,000 transmission poles and 62,000 distribution poles to reduce the risk of burning, increasing the total number of poles covered to 35,000 transmission poles and 75,000 distribution poles.

Our global property insurer for all non-linear assets (i.e., production facilities and buildings) provides an annual global assessment which tests assets against multiple hazards and scenarios, helping us to assess and proactively manage and reduce risks. Our utility businesses are undertaking physical risk assessments in 2025 to prioritize appropriate long-term investment and adaption initiatives to protect our linear infrastructure and, where appropriate, submit regulatory applications for capital expenditures.



For more information on climate-related physical risks, see our [MD&A](#) and [Summary of climate-related risks and opportunities](#) in the [ESG Datasheet](#).

77,000

electrical poles fire-wrapped
for protection

How we prepare for, and respond to, extreme weather events is summarized in our [Emergency preparedness & response](#) section.

Cybersecurity

As we rely more on information technology (IT) and operational technology (OT) to support business objectives and drive efficiencies, we continue to increase our focus on cybersecurity to minimize the probability and impact of a cybersecurity incident. Our cybersecurity strategy is based on the National Institute of Standards and Technology Cybersecurity Framework and is integrated with our organization-wide enterprise risk management system. Our IT and OT environments are assessed regularly by an independent third party. We maintain a cybersecurity insurance policy, and our technology service providers submit independently audited reports for the infrastructure and procedures they operate on our behalf.

Cybersecurity is the responsibility of every employee, as each computer is a potential gateway to our systems. Employees are required to complete training modules on an annual and as-needed basis to ensure they are well-informed about how to keep our systems safe.



Emergency preparedness & response

As extreme weather events increase in frequency and severity, emergency preparedness and response have never been more critical. Even with our investment in reliability and resilience, we must prepare for emergencies so that when they inevitably take place, we can respond quickly, efficiently and effectively. That means we are ready to deploy teams that are trained and equipped for whatever they will face. We are also able to deploy temporary dwelling units during emergencies and reconstruction.

Our enterprise-wide Crisis Management Committee monitors incidents that could escalate into crises, allowing us to quickly ramp up and sustain a significant, coordinated response when an emergency arises. We use the Incident Command System (ICS), an internationally recognized and standardized management system, in operations across the ATCO Group of Companies. Our enterprise-wide approach supports a coordinated response, leveraging resources efficiently and effectively. In 2024, along with testing our systems, we trained 600 employees in ICS levels 100, 200 or 300 to improve our incident response readiness.

We regularly review and improve our corporate Crisis Management Plan, with 2024 updates including enhancements from lessons learned during the COVID-19 pandemic and recent wildfire events. In addition, each of our operating companies have region-specific Incident Management Plans.

With many of our assets in potentially very cold climates, we proactively design and monitor our systems to prepare for cold weather, and we are ready to respond when needed.

During a cold snap in which temperatures approached -40°C across Alberta, we took quick action to protect our customers when gas service was disrupted in two communities southeast of Calgary. We conducted aerial meter readings by flying over the impacted communities to pinpoint which homes did not have gas service and needed help. At the same time, our storage facilities provided help across the province with a back-up supply of natural gas to support Alberta's energy needs. Augmenting our storage systems, compressed natural gas trailers were deployed to meet customer needs for short periods, providing further localized system support.

We also provide emergency preparedness and response services to others who are in difficult circumstances. When Hurricane Helene hit the southeastern United States in September 2024, we quickly mobilized a response team to support the Federal Emergency Management Agency (FEMA) on the ground.

700 employees responded to wildfires

600 employees completed ICS levels 100, 200 or 300 training in 2024

In less than 24 hours, we were able to support over 1,000 National Guard soldiers, as well as residents, with critical camp support services, including laundry facilities, washrooms and showers.

Spill prevention is built into our asset management process through training, monitoring, and maintenance as part of our efforts to protect the environment, despite hydrocarbon liquids being less than one per cent of our pipeline operations. The hydrocarbon liquids we manage are related to fuel management in northern communities, hydrocarbon storage in Alberta's Industrial Heartland, as well as electrical transmission and distribution equipment.

Vandalism of our electrical transmission and distribution equipment, as well as wildfires, are the cause of most of our spills. To reduce the risk of vandalism, in 2024, we removed inactive equipment from 51 per cent of high-risk, idle sites. In addition, to mitigate spill risks related to wildfires, we implemented new response procedures that incorporated learnings from our response to the 2023 wildfires in Alberta and the Northwest Territories, resulting in improved wildfire response times.

Our emergency response and recovery efforts during the 2023 wildfires in Alberta and the Northwest Territories were recognized with the prestigious [Edison Electric Institute Emergency Response Award](#). This award recognizes companies directly impacted by a natural disaster who put forth outstanding efforts to restore service promptly to their customers.



Feature story: Jasper wildfire response & recovery

In the summer of 2024, Jasper National Park faced a devastating wildfire that led to the evacuation of approximately 25,000 people, the destruction of over 350 structures and damage to 440 ATCO assets. Amidst this crisis, our Alberta utility teams worked tirelessly alongside multi-agency response teams to restore essential services.

Within just 16 construction days, power was restored to 100 per cent of undamaged residential properties in town. In less than three weeks, gas services were restored to 98 per cent of the undamaged properties, bringing gas back to over 1,000 customers.

As the wildfire surged, ATCO teams from across Alberta seamlessly worked together to efficiently respond to the crisis, while keeping our people safe. During recovery work, quick restoration time was always a priority. But our focus was also to “build back better” – not just to rebuild, but to improve our infrastructure’s resilience. We re-installed a new, insulated steel cable known for its reliability and durability during extreme weather conditions. We buried overhead lines, used composite poles and upgraded the legacy system.

Although power was restored quickly, we continued to support the Jasper community with ongoing recovery work. By the end of 2024, we upgraded a major Jasper electrical line, improving power quality and capacity, as well as the safety, reliability and resilience of our infrastructure.

Public health & safety

Our commitment to safety includes our customers and the public. Whether it is contractors working near overhead power lines or underground natural gas pipelines, or homeowners landscaping their yards or using natural gas appliances in their homes, our goal is to maintain safety through monitoring, preventative measures and stakeholder education.

The more people know about how to stay safe around electricity and natural gas, the fewer incidents we can expect to see. In Australia, we continue to raise awareness through a winter gas program called “Now you know, you’re good to go.” Information focuses on what people should keep in mind to make sure they are using gas safely in their homes.

To assist excavating industries such as road and building construction, the Alternate Locate Provider (ALP) program was launched in Alberta in 2024. It provides a faster and more flexible option to locate and mark underground utilities using a vastly expanded pool of highly trained professionals. More than 100 new locators have been approved to meet the demands of Alberta’s busy digging season. This not only increases capacity but also allows for more direct communication between the excavator and the locator, which is crucial for understanding the specifics of each project.

With the support of ALP, we had an annual average of 1.43 line hits per 1,000 locates of natural gas pipelines. While slightly higher than 2023, it is below the national average.

To discuss safe digging practices near natural gas lines, our Canadian natural gas division participated in over 900 industry meetings, 1,300 contractor meetings, 350 damage prevention meetings and helped over 5,000 customers who asked for assistance with damage prevention practices.

5,000 gas customers were assisted with damage prevention practices

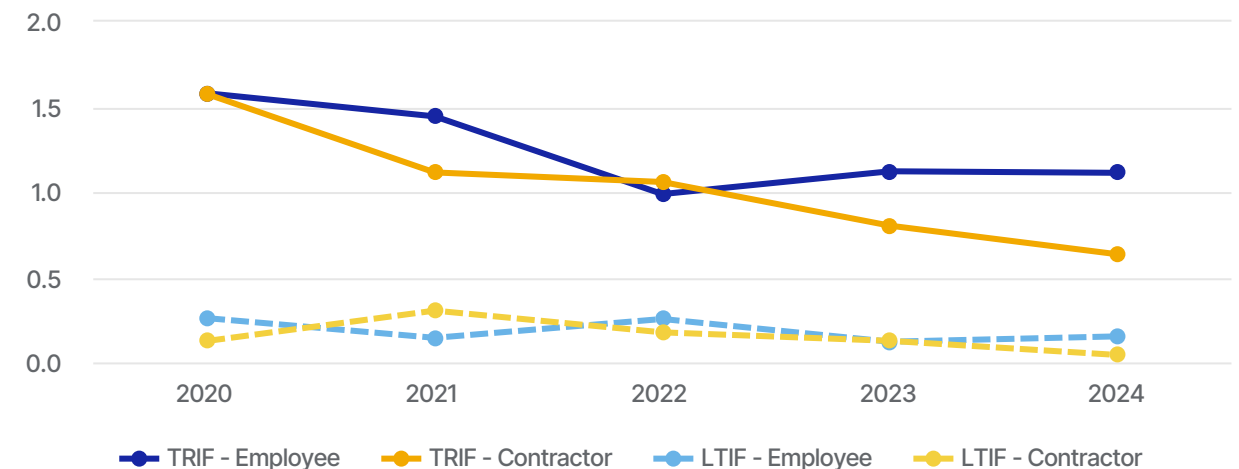
Employee and contractor safety & well-being

We have set a 2030 ESG target to maintain leading health and safety practices and performance. We are enhancing our safety leadership, encouraging proactive reporting behaviour, implementing prevention programs and ensuring people are aware of where safety incidents may occur, so risks can be mitigated in pursuit of our ultimate goal of zero incidents.

In addition to many leading indicators, we track safety performance with two key metrics – total recordable incident frequency (TRIF) and lost-time incident frequency (LTIF). In 2024, our employee and contractor TRIF decreased by one per cent and 22 per cent, respectively, from 2023. Over the same period, our contractor LTIF decreased 68 per cent; however, employee LTIF increased by 23 per cent. All incidents are analyzed to identify opportunities for improvement and to mitigate the likelihood of recurrence.

Incident frequency rates

(Incidents per 200,000 hours worked)



In 2024, we saw an improvement in three out of our four key metrics: employee TRIF, contractor TRIF and contractor LTIF.



Similar to previous years, the majority of incidents in 2024 were related to individual slips, trips and falls or musculoskeletal injuries. While we have seen a consistent number of low-severity incidents, we are continuing to improve our management systems, engage our employees through a variety of preventative measures and implement training initiatives.

Our leaders are required to take safety training and conduct regular safety meetings to share information and learnings. They also conduct regular visits to operations and the field to improve safety engagement. We conduct regular safety orientations and audits, as well as annual health and safety training for employees and contractors, to reinforce industry-relevant operating guidelines and procedures.

Safety initiatives in 2024 included the implementation of standardized online training courses for our EnPower employees in Canada and Mexico. The courses – called Energy Based Safety Training and Life Saving Rules – were offered in both English and Spanish.

Our Alberta utilities businesses conducted a safety perception survey in late 2023. The results, shared with employees in early 2024, helped to identify areas for improvement. Leaders continue to engage with their teams to further identify focus areas going forward.

Our Alberta utilities businesses are enhancing safety for our employees and our communities with automated external defibrillators available in more than 1,500 fleet vehicles. These portable devices can be critical life-saving tools as our employees are in the community, at work and at home.

Health and well-being are an important part of our safety culture. Our Employee Family Assistance Program offers services to help keep staff healthy, boost their resilience, and foster a productive and happy workforce. We bundle our mental, social, psychological and financial wellness offerings into a cohesive and comprehensive program called Well-being @ ATCO.

Safety training in action

A new initiative engages our electrical business's field and office employees in how to mitigate slip, trip and fall risks, with seminars and a mobile, trailer-based "slip simulator" to demonstrate risk assessment and good practice. The simulator uses a variety of surfaces and obstacles for participants to assess and navigate in a real-life, physical setting, while safely harnessed. Following its Edmonton launch in 2024, the training is being rolled out to field and office employees in other locations and regions.

For customer service representatives working on residential utilities, domestic dogs can present a specific risk. In Australia, regular dog-safety procedures have been supplemented by expert training from a canine specialist covering canine body language, breed-specific considerations, bite prevention and how to respond to attacks should they occur.

**04**

Energy Transition & Environment

Central to our business strategy is supporting the transition to fuels that emit less carbon while maintaining access to safe, reliable and affordable energy for our customers. We are leveraging our expertise across our asset base to diversify and move forward with innovative technologies. Beyond GHG emissions, we are committed to protecting air, land, water and biodiversity throughout our operations.

In this section

- [Our role: net-zero ambition](#)
- [Enabling the energy transition](#)
- [Energy transition](#)
- [GHG emissions performance](#)
- [Land use & biodiversity](#)

Learn more

[Energy Transition & Environment](#)[Hydrogen](#)

The initiatives in this section align with the following **UN SDGs**:



Our role: net-zero ambition

When we launched our net-zero ambition in 2022, we recognized it would require unprecedented collaboration among industry participants, all levels of government, Indigenous partners, investors, customers, regulators and employees.

We are constructively participating in discussions, advancing projects and evolving our portfolio with the understanding that optimal solutions to reduce emissions may be unique in different jurisdictions and for different customers.

We believe our energy transition initiatives, under the following five pillars, are where we can make the biggest impact to support society's long-term goals of decarbonizing, while supporting safe, reliable, resilient and affordable essential services.



Cleaner fuels

Supporting lower-carbon options for our customers



Renewable energy

Developing and integrating renewable energy solutions



Energy infrastructure & storage

Modernizing our infrastructure to integrate more diverse fuels and sources of energy



Energy efficiency

Supporting more efficient energy usage



Carbon credits & offsets

Considering carbon credits generated and offsets



Enabling the energy transition

We integrate opportunities within the five pillars into our long-term strategic planning, demonstrating our commitment to tackle the complexities and challenges of the energy transition. We take our role seriously, leveraging expertise and innovation across our businesses to drive our ambition of net-zero. Looking ahead, as we execute our plans, we will continue to monitor and evaluate the evolution of key dependencies, which shape how we transition our portfolio of assets.

2020 -----> 2050

Net-zero ambition of scope 1, 2 and material scope 3 emissions

Cleaner fuels

- Evolve customer decarbonization, including hydrogen

Renewable energy

- Expand renewable production, including wind and solar energy

Energy infrastructure & storage

- Provide back-up to renewables and progress carbon storage

Energy efficiency

- Progress demand-side management and enable technology

Carbon credits & offsets

- Participate in compliance and voluntary carbon markets

Key dependencies

- Long-term consideration of **energy safety, reliability, resiliency and affordability**.
- Society's preference for **pace of energy transition**, considering potential impacts.
- **Constructive policy landscape** to support investment, innovation and development within our businesses.
- **Supportive regulatory environment** sustained over the long term to enable critical infrastructure investments.
- **Access to commercially viable technology** at scale to support emissions-reduction initiatives.
- **Positive market dynamics** along the value chain (e.g., pricing, demand), which support the advancement and adoption of lower-carbon energy choices.
- Required **workforce expertise and resourcing** in place.

More information on key climate-related transition risks and opportunities can be found [here](#).

Energy transition

Our strategy to reduce emissions for our customers and our portfolio is focused on five pillars: cleaner fuels, renewable energy, energy infrastructure and storage, energy efficiency, and carbon credits and offsets. These pillars work together to meet the energy needs of today and the future, while supporting energy security and driving our continued growth.

We are committed to thoughtful development and engagement. We take the time in stewarding our innovative projects to allow for thoughtful planning and safe execution.

Each jurisdiction has its own optimal solution to reduce emissions given its climate, access to natural resources and local economy. Fit-for-purpose approaches will help support different regions to find the appropriate mix of lower-carbon options to drive forward our common energy transition ambitions.

We have worked hard to become a preferred partner in the regions where we operate as we continue to grow and pursue energy transition opportunities. Working together with customers and strategic partners can help us manage risks, while enabling us to diversify our asset portfolio.



Cleaner fuels

We are diversifying our cleaner fuels projects by tailoring them to the opportunities that exist in the different areas we operate. Hydrogen production is our focus where there is demand for it, including from industry for hydrogen as feedstock, from consumers for hydrogen-fuelled electricity, fuel for transportation, or blending hydrogen into natural gas systems.

In 2024, we signed a letter of intent with Linde Canada Inc. (Linde) for hydrogen development within Alberta's Industrial Heartland near Fort Saskatchewan, Alberta. ATCO EnPower and Linde are working alongside other parties to further the development and commercial success of the ATCO Heartland Hydrogen Hub project, with the objective to commence Front End Engineering Design in 2025. The project has the potential to supply hydrogen to domestic and international markets, including the Alberta gas grid, industrial and municipal customers, and commercial transport users.

In 2024, our Australian operations continued to work with partners to progress the South Australian Hydrogen Jobs Plan, which included a 250 MW hydrogen production facility, a 200 MW hydrogen-fuelled electricity generation facility and hydrogen storage. Subsequent to year end, the Australian Government announced this project would be deferred as they reallocate resources.

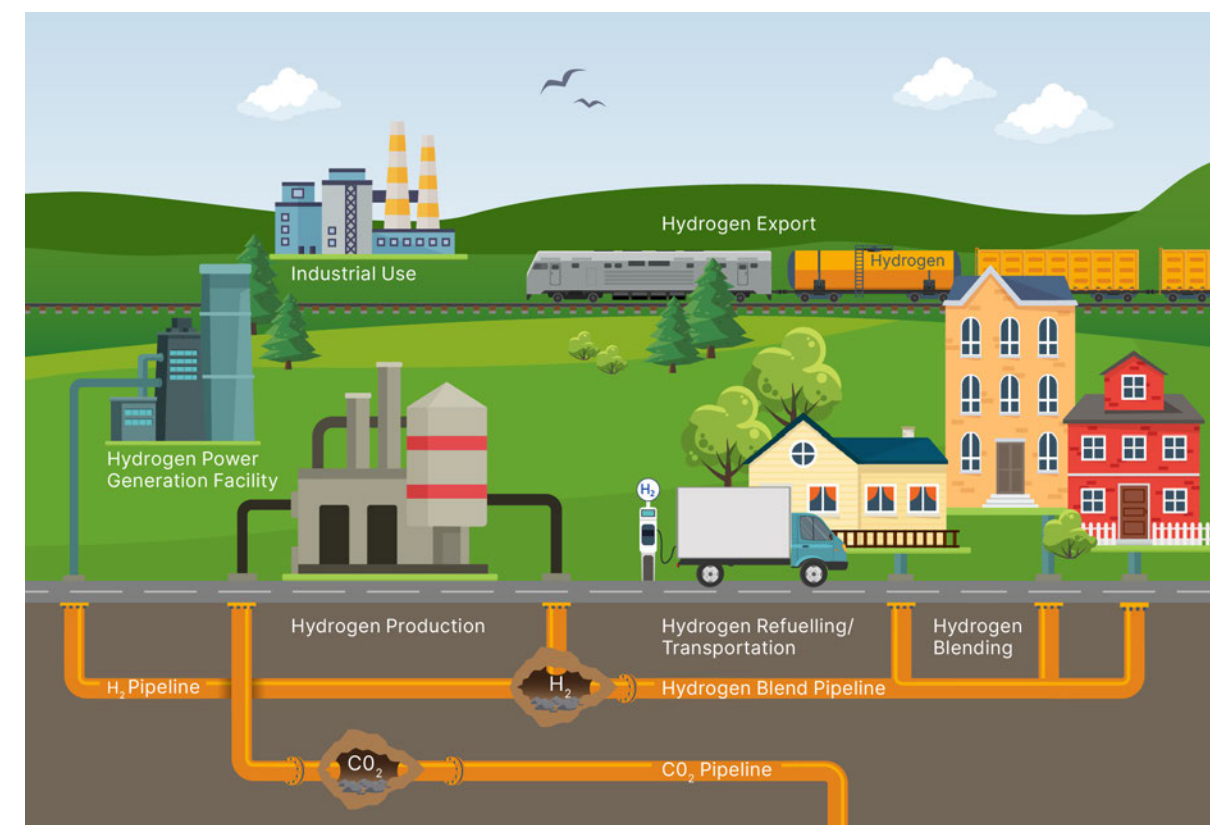
Our Energy Discovery Centre (EDC) in Fort Saskatchewan, Alberta opened in 2024, showcasing hydrogen technologies and safety. As the first building in North America heated by 100 per cent hydrogen, the EDC demonstrates that hydrogen heating is no longer an idea; it is a reality. We have toured over 600 guests to show what the future of alternative energy may look like. With Qualico, an integrated real estate company, we also opened North America's first 100 per cent hydrogen-heated home, HomeOne, with a combination hydrogen-fuelled furnace and water heater developed by Calgary's Gradient Thermal.

In total, pilot projects in Alberta and Australia are supplying 5,300 homes with hydrogen blended through existing natural gas supply systems, with no impact on customers' end uses. This builds upon expertise developed at our Clean Energy Innovation Hub in Australia, which is also piloting hydrogen production and a refuelling station for passenger vehicles.

In 2024, we safely produced hydrogen from two electrolyzers, each with a one MW capacity, that we constructed and commissioned in Edmonton and Calgary. This is a significant milestone for our

partnership with Canadian Pacific Kansas City to provide engineering, procurement and construction services for hydrogen production and locomotive refuelling facilities in both cities.

To further support cleaner energy and reliability, we have taken an important step in our natural gas transmission business. The largest single investment in our history, the [Yellowhead Mainline Project](#) will build over 200 km of natural gas pipeline from central-western Alberta to the province's Industrial Heartland, and will help facilitate downstream investments in the industrial, commercial and residential sectors.



Hydrogen can play a significant role in decarbonizing our energy systems, with growing opportunities in production, storage, residential heat and power, industrial applications, power generation and transportation alternatives.

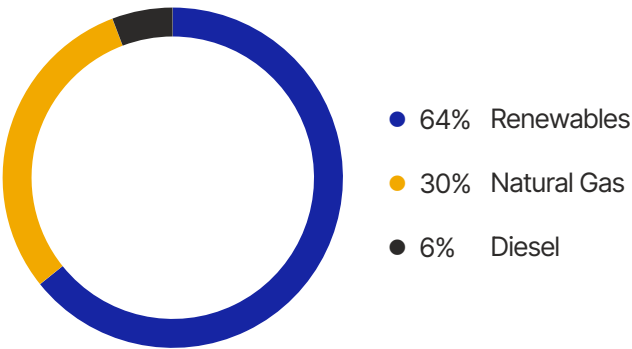
Renewable energy

Many communities and customers in areas where we operate see value in shifting their energy use to renewable resources. We continue to look for opportunities to enable this broad transition to lower-emitting energy, while also transitioning our own power generation portfolio.

As of the end of 2024, ATCO owned, operated or developed 458 MW of renewable energy capacity and is positioned to achieve our ambition to own, develop or manage over 1,000 MW of renewable energy by 2030.

We continue to safely operate our wind and solar renewable projects and are developing additional production capacity. In 2024, we increased our wind-generation capacity at the Forty Mile wind Phase 1 facility from 202 MW to 225 MW.

Power generation capacity



As of December 31, 2024, our total owned power generation capacity is 616 MW, including 396 MW of renewable power generation. Diesel power generation is predominantly provided to remote, off-grid communities.



458 MW
owned, developed or managed
renewable energy capacity

1.9M KM
electric vehicle travel provided
by Peaks to Prairies EV network

Energy infrastructure & storage

To support a reliable energy future, we must have infrastructure that stores energy until it is needed by customers. Alberta's Industrial Heartland gives us the ability to develop unique energy storage infrastructure that is not available in most regions, including storage for natural gas and natural gas liquids, and to advance carbon and hydrogen storage at scale. For decades, we have stored natural gas and natural gas liquids until they are needed. Having energy in reserve, quickly available during peak demand, supports the reliability and affordability of the natural gas grid and natural gas-generated electricity in Alberta.

In partnership with Shell Canada Limited, in late June 2024, we made the final investment decision to proceed with the first phase of our Atlas Carbon Storage Hub, an open-access carbon sequestration project in Alberta's Industrial Heartland that will store industrial emissions from the region. The first phase of the project is expected to be operational in late 2028. Once all phases are complete, the facility is anticipated to have a total sequestration capacity of approximately 7 to 10 million tonnes of CO₂ per year. Looking to the future, we are testing hydrogen storage in salt caverns in anticipation of developing Canada's first large-scale commercial hydrogen storage facility.

Extensive charging infrastructure is vital for electric vehicles (EVs) to be reliable transportation. Our 20 Peaks to Prairies EV charging stations, powered by renewable energy, had 99.6 per cent uptime for fast chargers and enabled 1.9 million km of electric vehicle travel in 2024.



Energy efficiency

Reducing or optimizing energy use means we need less of it, effectively reducing costs and emissions.

Supported by distributed energy resources, such as solar panels, EV batteries and smart thermostats, customers can make decisions to shift or reduce their energy use, along with making improvements to their building envelopes. Beyond supporting individual customers, system-wide benefits of DSM include lower energy costs and waste, improved load management and energy reliability. For more information on grid modernization initiatives, see the [Resilience & Safety](#) section.

In our Alberta utilities businesses, we have been working with other utilities, the Utilities Consumer Advocate, the Alberta Energy Efficiency Alliance and other stakeholders to seek policy and

regulatory change that would enable Alberta's utilities to offer ratepayer-funded, utility-administered DSM programs to customers, as is common in other jurisdictions. This would enable utility systems growth, while meeting the needs of our customers.

In our [Structures](#) business, we build prefabricated modular units in custom manufacturing facilities. These facilities consume less energy, reduce waste and increase product recyclability when compared to building on site, outdoors. With our acquisitions of Alberta-based Triple M Housing Ltd. in 2023 and NRB Limited in 2024, we have diversified our product line and expanded our output capabilities to meet the rising demand for housing. Using automation on the factory floor, our consistent approach adds to the energy efficiency of the production process.

Carbon credits & offsets

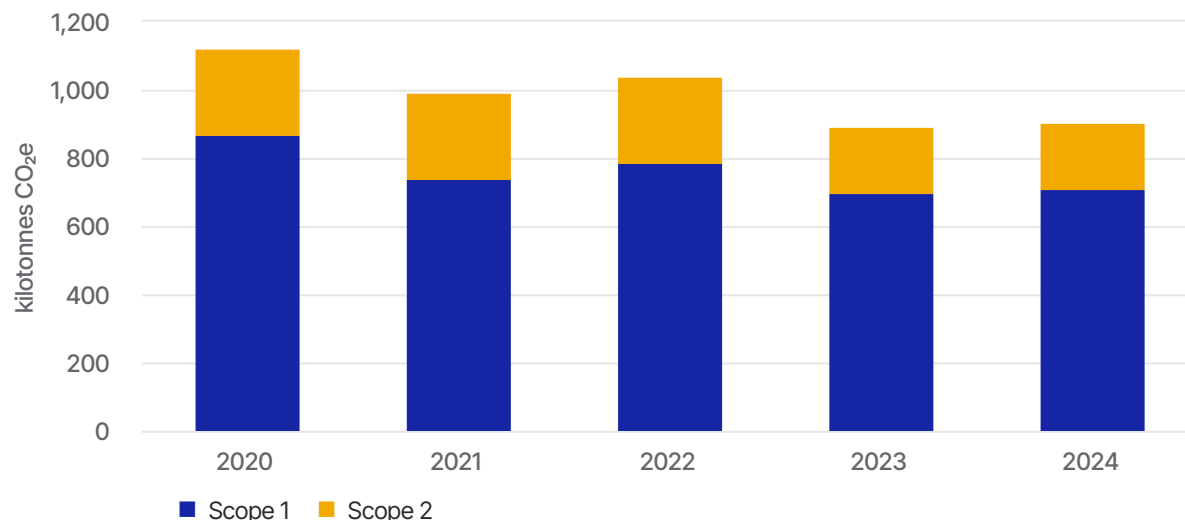
ATCO participates in various compliance and voluntary carbon markets in Canada, Australia and Latin America. While we expect to reduce our emissions over time, applying these carbon credits and offsets in the future could be a transitional tool to address residual emissions in our portfolio. In several of our operations, we generate Carbon Offsets, Emission Performance Credits and Renewable Energy Certificates (RECs) through projects that have voluntarily reduced or avoided GHG emissions. In our Australian operations, we have secured funding to purchase Australian Carbon Credit Units from 2025 to 2026 to offset Scope 1 emissions aligned to emissions reduction targets.

ATCO Energy also offers renewable energy options to our Alberta-based electric customers, allowing them to purchase 25 or 100 per cent renewable energy using RECs that represent one megawatt hour of energy generated from a renewable source. In 2024, ATCO Energy purchased 17,000 RECs on behalf of these consumers.

17,000
RECs purchased on
behalf of ATCO Energy
customers

GHG emissions performance

Operational GHG emissions (Scope 1 and 2)



Total direct and indirect GHG emissions have decreased over the last five years. GHG emissions have increased by one per cent from 2023 to 2024, and have decreased by 19 per cent since 2020.

In addressing emissions reductions, we must balance the transition to lower-carbon energy options, while continuing to provide access to safe, reliable and affordable energy for customers. This means emissions reductions will not decrease consistently year over year. We do expect, however, to reach our goal to reduce Scope 1 and 2 emissions to earnings intensity by 30 per cent from 2020 levels, by 2030.

Our 2024 direct GHG emissions, or Scope 1 emissions, increased by two per cent from the previous year, which is 18 per cent below our 2020 baseline. The increase is primarily due to increased demand from ATCO Australia's natural gas-powered generation. Australian power generation fluctuates depending on demand directives from market operators and customer demand where it is an essential energy source. Market directives are largely driven by grid stabilization requirements, particularly as renewables increase.

In 2024, methane emissions were 28 per cent of operational GHG emissions. We continue to advance GHG reduction initiatives and operational efficiencies and look for ways to meet or exceed regulations by reducing or eliminating venting and fugitive emissions of methane in our natural gas transmission and distribution infrastructure. These initiatives include using monitoring technology to identify fugitive emissions, maintaining and replacing pipelines, and reducing compressor and gate station venting. As a result of these efforts, our methane emissions have decreased by 29 per cent since 2020. We are evaluating and implementing projects to enhance emissions data accuracy through a targeted fuel measurement program. By installing additional measurement devices, we are increasingly relying on actual data rather than emission factors and engineering estimates. This approach allows us to achieve more precise and reliable emissions reporting.

In our Australian operations, which include a significant portion of our natural gas-powered generation, power station assets were certified in 2023 to International Organization for Standardization (ISO) 9001 and 45001 standards related to quality management systems and occupational health and safety management systems, respectively.

Our Scope 2 emissions are primarily related to electrical line losses. Our Scope 2 emissions decreased three per cent in 2024 primarily due to reduced Alberta grid-emissions intensity.

40%

reduction to
emissions
intensity from
2020 baseline

29%

reduction in
methane
emissions
since 2020

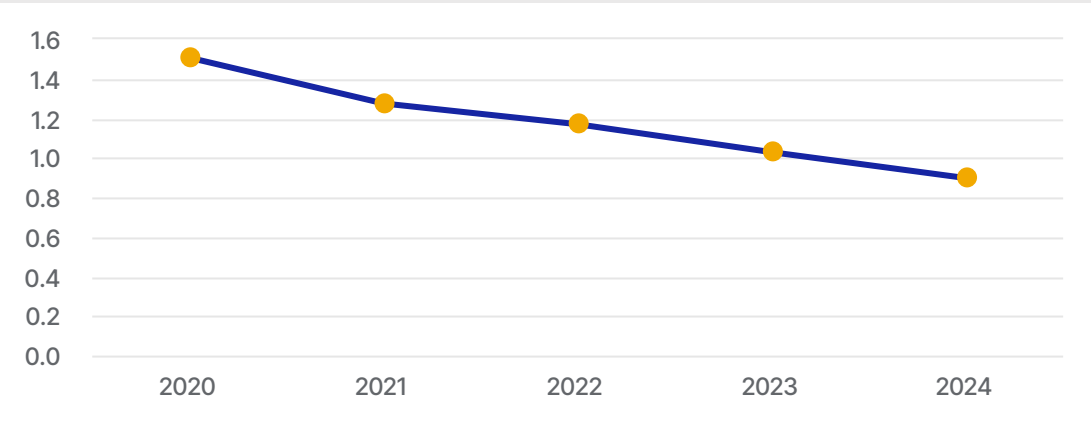
19%

reduction in
operational
emissions
since 2020

Emissions intensity

Our emissions intensity target provides a meaningful way to measure annual emissions reduction progress when our asset base or level of business activity is evolving. We continue to pursue both emissions reductions and business growth opportunities.

Equity basis GHG emissions intensity
(kilotonnes CO₂e/millions \$CAD adjusted earnings)



GHG emissions to earnings intensity in 2024 was 0.90 KT CO₂e/\$M. Emissions intensity has decreased by 13 per cent since 2023, and has decreased by 40 per cent from 2020 baseline.

We report Scope 3 GHG emissions from our energy businesses in two sub-categories of emissions along the value chain that we do not directly control, but are related to our activities. While Scope 3 emissions include 15 sub-categories, almost all our energy businesses’ Scope 3 emissions – over 90 per cent – fall in the categories of upstream production and generation, and downstream end use. Focusing on these two sub-categories that are most material to our business allows us to effectively demonstrate our progress towards our target of reducing our customers’ GHG emissions by two million tonnes. Our Scope 3 emissions based on these two key categories decreased by one per cent in 2024, compared to 2023.

Sales contracts from our wind and solar facilities continue to contribute the majority of our targeted two million tonne reduction in customer GHG emissions. Energy efficiency projects – notably our [Ashcor](#) business’s proprietary coal ash reclamation technology – also contributed to customer GHG emissions reductions while supporting our customers’ reclamation of their coal ash impoundments. These reductions are expected to increase this year from greater ash sales in Canada and the United States. In January 2025, Ashcor announced an agreement to extract and repurpose millions of tonnes of impounded coal ash from a retiring coal-fired generation facility in Michigan, with removal and processing of the ash expected to commence on or before January 1, 2027.

As standardized measurement methodologies and mandatory disclosure requirements evolve, we continue to evaluate external reporting of additional Scope 3 categories in addition to avoided emissions (Scope 4).

Customer emissions reductions

2024 projects	Annual reduction (kilotonnes CO ₂ e)
Renewable energy	413
Solar	
Wind	
Energy efficiency	Over 190
Ashcor RAM™	
Energy infrastructure & storage	<1
EV chargers - Alberta	
Cleaner fuels	<1
Hydrogen production & blending - Australia	
Hydrogen fuelling	
Hydrogen blending - Alberta	
Total	Over 603

We are committed to progressing initiatives to reduce or eliminate GHG emissions from our value chain, including our customers’ GHG emissions as described throughout this section. The table above illustrates how our projects reduced customer emissions in 2024, helping us progress towards our 2030 targets and net-zero ambition.

Land use & biodiversity

We integrate the protection of land, water, air and biodiversity into all our current operations and through the lifecycle of new projects, while working closely with local and Indigenous communities and other rights holders. In all our operations, we meet or exceed environmental regulations and standards.

We strive to minimize and mitigate our impacts through adoption of best practices and robust environmental management systems. Our businesses have established Environmental Management Systems that align with international standards such as ISO 14001 or equivalent. Our Australian Environmental Management System is ISO 14001 certified.

Solar sheep

The 39 MW Empress solar facility sits on 280 acres of mixed prairie vegetation near the Alberta-Saskatchewan border. To manage grass and weeds, while ensuring unobstructed sunlight, we contracted with a local company for 300 sheep to graze the site, reducing our reliance on manual, chemical or mechanical methods.

Wildlife risk mitigation

Reducing the risk of avian mortality is integrated into the design, construction and operations of our electrical utility. In areas known to contain sensitive raptor species, our infrastructure is designed to prevent nesting in dangerous locations. This year, we designed and installed equipment-specific perch deterrents to reduce the risk of contact with energized equipment which can lead to outages and fires.



New and developing technologies are playing an increasing role in managing our environmental impacts. Bears climbing power poles and coming into contact with energized lines can lead to wildlife mortality, outages and fires. After testing different styles of bear guards, we designed our own to prevent this common issue, while allowing easy and safe access for our teams.

Learn More [🔗](#)

[Integrated Vegetation Management Plan](#)

**05**

People & Partners

It is people – Indigenous Peoples, community members, customers and our employees – who drive our success. We strive to be the supplier of choice for our customers and the employer of choice for our people. We aim to build mutually beneficial, long-term relationships in the communities in which we operate.

In this section

- Indigenous relations
- Community engagement & investment
- Customer experience & satisfaction
- Employee attraction, retention & development
- Diversity, equity & inclusion

Learn more [↗](#)

[People & Partners](#)[Sponsorships](#)[Diversity & Inclusion](#)

[↗](#) The initiatives in this section align with the following **UN SDGs**:

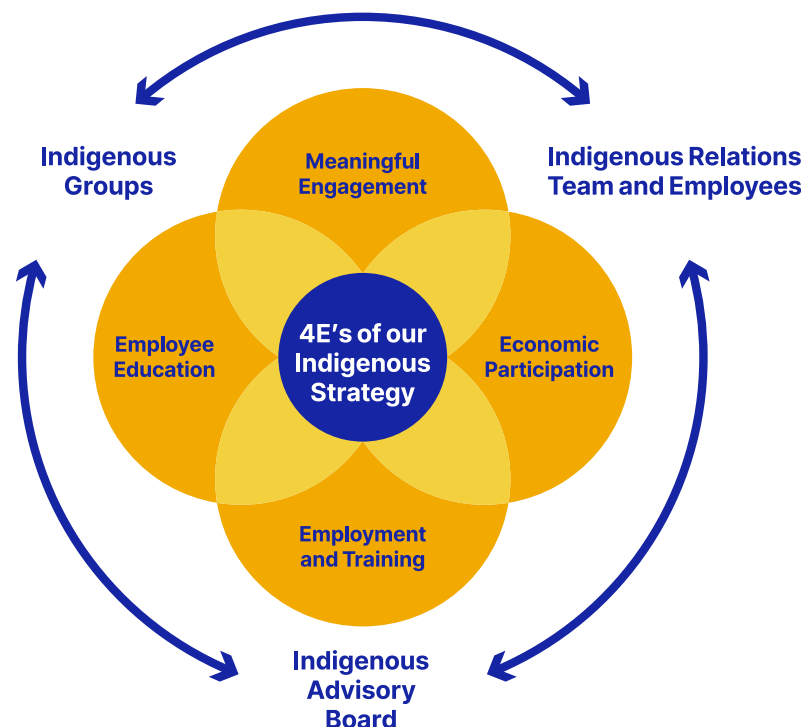


Indigenous relations

For decades, our relationships with Indigenous Peoples have been integrated into our business approach. With a foundation of respectful dialogue, transparency and trust, we continually strive to improve how we connect with our Indigenous partners and neighbours by looking for opportunities to do better. We actively identify gaps, revise our approaches and innovate with our Indigenous partners in how we work together.

Our Indigenous Advisory Board brings experience and wisdom from several Indigenous communities with six Indigenous representatives, as well as ATCO's Chair & CEO. Their input supports our Indigenous relations activities, including how we work with partners and create mutually beneficial economic opportunities.

In the spirit of Canada's Truth and Reconciliation Commission and the United Nations Declaration on the Rights of Indigenous Peoples, our Indigenous strategy focuses on what we call the four "E's": meaningful engagement; economic participation; employment and training; and employee education and awareness. We implement this strategy to strengthen our existing relationships and foster new connections.



Meaningful engagement

At its core, meaningful engagement entails listening to our partners and responding constructively. This creates partnerships that consider community needs within the context of our business and projects.

Meaningful engagement impacts Indigenous reconciliation, relationship agreements, community development, and consultation and engagement on projects.

Relationship agreements reflect the common ground we share with our partners and neighbours. We currently have 18 agreements that formalize long-term strategic commitments, including new agreements with James Smith Cree Nation, Sucker Creek First Nation, Swan River First Nation and Kapawe'no First Nation. These agreements require regular strategic discussions about how we can work together, now and in the future, and have become the foundation for project-specific memorandums of understanding (MOUs) and joint venture (JV) partnerships.

In Northern Alberta, we are engaging the Lubicon Lake Band on plans to gasify their community, providing a cleaner fuel option. Since we were chosen by the Band to build the 38 km of pipeline to connect 236 buildings, we have begun discussions about how construction will take place. Local workers shadowed our surveyors as we assessed the pipeline route, and there will continue to be employment opportunities for wildlife and vegetation assessment and mitigation. Our communication with the community and landowners will be ongoing, with meetings and open houses to share information, listen to feedback and appropriately adjust project plans to mitigate potential impacts.

37 years

ATCO's oldest Indigenous partnership
with Denendeh Investments
Incorporated

67

partnerships, MOUs and other
arrangements with Indigenous groups



Nancy Southern, Chair & CEO, ATCO Ltd. and Darrell Beaulieu, CEO, Denendeh Investments Incorporated

Sometimes meaningful engagement means respecting the unique language of our partners. Together with 50/50 JV-partner Denendeh Investments Incorporated (DII), Northland Utilities' operations were rebranded to include the word "Naka". In most Dene First Nations' languages, Naka means northern lights, which have been referred to as a powerful beacon that connects communities and guides people home. Northland Utilities – one of Canada's longest-standing Indigenous partnerships in the utility sector – received the 2024 Leadership in Community

Partnerships Award from Electricity Canada, recognizing outstanding commitment to community partnerships, collaboration and mutual respect.

We have been recognized, for the third time in a row, by the Canadian Council for Indigenous Business's (CCIB) Partnership Accreditation in Indigenous Relations program as good business partners, great places to work and committed to prosperity in Indigenous communities. ATCO Structures continues to be a Gold-Level company, demonstrating sustained leadership in Indigenous relations that other companies aspire to achieve. ATCO Frontec continues to achieve the Silver Level, with a proven Indigenous relations program with outcomes that have made a difference. ATCO Frontec is also recognized as an Indigenous Procurement Champion by the CCIB.

Economic participation

Economic participation contributes to the prosperity of Indigenous communities, now and for future generations. Participation can take many forms, including equity arrangements, revenue sharing, JV partnerships and procurement opportunities. As of the end of 2024, we have 67 JV agreements, MOUs and other partnerships in place with Indigenous groups that, in total, generate millions of dollars annually for these communities.

Net economic benefit is a way to measure the value of our **mutually beneficial relationships to Indigenous communities**.

We set a target to increase net economic benefits to our Indigenous partners by 40 per cent from 2020 levels and have continued to exceed this target annually. We continue to look for

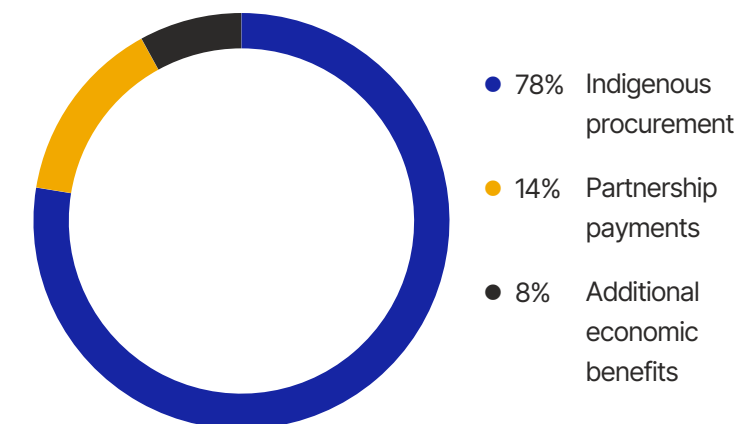
\$123M

in Indigenous net economic benefit

opportunities to further grow this important metric, with our 2024 progress a 73 per cent increase from our baseline.

We continually review our procurement strategy with respect to Indigenous and Indigenous-affiliated contractors. As a result, we are working towards increasing the importance of being Indigenous-owned in our contractor assessment criteria. In 2024, ATCO awarded contracts totalling over \$95 million to Indigenous and Indigenous-affiliated contractors.

2024 Indigenous net economic benefit



In 2024, we generated \$123 million in net economic benefit to Indigenous groups, including awarding contracts totalling over \$95 million to Indigenous and Indigenous-affiliated contractors.

Employment & training

Employment, education and training opportunities for Indigenous Peoples create a stronger local workforce and contribute to vibrant communities. Working together allows us to learn from each other and share knowledge and expertise.

The Indigenous Skills Program at the Jansen Discovery Lodge, offered as part of our JV with George Gordon First Nation, builds culinary, janitorial and housekeeping skills. All 2024 participants successfully finished the program, with 88 per cent finding employment with the lodge afterward. The lodge also has an Auntie in Residence position, held by a valued First Nation member as well as an employee of ATCO, to mentor Indigenous employees and support their growth and sense of belonging.

The **Indigenous Summer Student Program** offers employment opportunities for Indigenous post-secondary students across the company. We offer an individualized buddy program that allows Indigenous students to meet other Indigenous employees at ATCO, gain mentorship opportunities, build relationships and broaden their network. This unique program provides each student with professional guidance and skills development in a positive learning environment.

Employee education & awareness

Our mandatory, online Indigenous Awareness Training provides employees with an introduction to the history, culture, contemporary issues and initiatives, contributions to society and actions towards reconciliation. Additionally, it provides an understanding of our commitment to Indigenous relationships and partnerships as a hallmark of our business.

5,600

employees participated in additional Indigenous cultural training

In addition, employees can participate in a two-day course called Pathway to Understanding and Working with Indigenous Peoples. This classroom course provides a deeper understanding of Indigenous histories, current policy and action plans, discussion around contemporary issues, and practical skills for engaging with nations and communities.

New in 2024, we began offering an additional land-based learning pilot, created and delivered in partnership with the Stoney Nakoda Nation and the University of Calgary. The two-day session is an engaging journey that connects Indigenous worldviews with personal and professional practices. Participants walk in a parallel path of understanding through experiential learning, facilitated discussions and activities to deepen their understanding of the connections between Indigenous knowledge systems and Western approaches.

To support ongoing employee engagement beyond these courses, we hosted awareness events in 2024, including reconciliation walks on Truth and Reconciliation Day and a Pow Wow on Indigenous Peoples' Day.

Scholarships, training & education



Indigenous Education Awards

49 First Nation, Inuit and Métis students across Canada received scholarships, bursaries and merit awards totalling \$71,100 to help pursue higher education.

ATCO Explore Program

ATCO Explore inspired 100 Alberta Indigenous students in grades 10 through 12 by exploring career opportunities at ATCO. This program develops youth leadership and encourages youth to pursue education and meaningful employment.

Indigenous Summer Student Program

We continued our Indigenous Summer Student Program, with 21 students welcomed in different roles. We look for opportunities to transition Indigenous summer students to full-time employment.

Community engagement & investment

We understand the importance of relationships with our project neighbours. We foster open dialogue with people potentially impacted by our activities throughout the project lifecycle and look for opportunities to address their concerns. For our Yellowhead Mainline Project, we have conducted numerous in-person townhalls to discuss the project and provide meaningful opportunities for local residents to influence how the project unfolds.

We invest in the communities where we live and work around the globe, with diverse contributions helping to build thriving communities.

Our community investment spirit is exemplified by **ATCO EPIC** (Employees Participating in Communities), a longstanding employee-led program that rallies the spirit of our people, combining volunteerism, fundraising events and individual donations. With the combined efforts of our employees around the world, we pledged more than \$2.5 million to support hundreds of community charities in 2024, taking the program's cumulative fundraising total to over \$59 million since its inception in 2006. Employees donate directly to the health and wellness causes that matter most to them, and we enhance our people's generosity by matching those donations.

\$2.5M

raised for charities through our ATCO EPIC campaign, with over \$59 million raised for charities since 2006

\$9.7M

invested in communities through gifts in-kind, sponsorships, donations and our matching contribution to the employee-led ATCO EPIC program

Canada

We provide support for many Canadian organizations that align with our values. We are particularly proud of our new Community Energy Fund, through which we support Alberta's schools, non-profits and municipalities in their energy transition journeys with grants of up to \$15,000. In 2024, 12 projects received funding.

In Ontario, our Adelaide Wind Project – a partnership of ATCO and Aamjiwnaang First Nation – has continued to support local organizations with its Community Benefit Fund. In 2024, we contributed \$140,000 to seven deserving groups that work hard to make a difference in their communities.

Australia

In 2024, the ATCO Communities Fund supported 18 grassroots initiatives that demonstrated a commitment to fostering healthy, sustainable and prosperous communities. From supporting mobile dental services for disadvantaged students to funding a new shed for volunteer firefighters, this fund demonstrates our core values and commitment to support communities across Australia.

In 2024, our partnership with Foodbank in Western Australia enabled nearly 200 kids to learn about nutrition, cooking and shopping wisely.

Mexico

We work with neighbouring Indigenous communities to identify ways we can invest in projects that are meaningful to them.

In 2024, residents of Acontla identified the need for a communal water tank during town assemblies. In response, we funded this important project that improves access to clean water for the community. Residents of Macuilca let us know they needed a roof over the high school courtyard; the new roof now provides students with a shaded and weather-protected space for activities. Together, these two projects benefit approximately 545 residents of Acontla and Macuilca in the state of Veracruz.

Customer experience & satisfaction

We work hard to earn our customers' business – their satisfaction is critical to our success as a supplier and partner of choice. We engage with our customers so we can understand and meet their needs and expectations. In 2024, 97 per cent of ATCO Gas customers and 94 per cent of ATCO Electric customers reported that we provide good service. In addition, both businesses received awards of recognition for initiatives to improve customer experience.

Our industry-leading initiative IrisCX was awarded the Michael Mulcahy Award for Excellence and Innovation in Customer Care and Service by the Canadian Gas Association. This initiative allows customers to video call our teams with their issues and concerns. Proactively leveraging technology has led to improved customer satisfaction with quicker response times and better resolution rates. Additionally, the initiative supports employee safety as more issues are able to be resolved remotely without the need to drive to site.

Our five-year Customer Experience Transformation Program received Chartwell's Award for Excellence in Customer Transformational Leadership for its groundbreaking efforts to lead customers towards a cleaner energy future. To meet our customers' changing expectations, the program's 12 initiatives focused on proactive engagement, improving operational efficiencies and empowering customers.

Our customer-centric approach is demonstrated by our My ATCO Electricity app. The app provides information tailored to a customer's specific location, using online maps, and offers timely notification about any outages in our service territory.

On the retail energy side, ATCO Energy provides customers with flexible and competitive electricity and natural gas plans to fit their needs. We also have ATCO Energy Home Services, which provides home maintenance services and professional home advice in Alberta. ATCO Energy Home Services has focused on "ease of doing business", where our goal is to create an environment of comfort and trust.



Employee attraction, retention & development

Attracting, retaining and developing a talented workforce is critical to achieving our business goals. Our human capital development programs aim to make ATCO an employer of choice and a place to build a career in a competitive job market.

We refreshed our Employee Value Proposition (EVP) in 2024, in partnership with employees and leaders across our global operations. The EVP has three pillars: we are energized by people, built to innovate and geared for growth.

Building on what was a grassroots initiative, our Mentorship Program was formalized in our electrical and gas businesses in 2024, and further expanded into other parts of the organization. Participating, as a mentor or mentee, enhances employee engagement, improves retention, accelerates skill development and promotes a collaborative work environment.

Our long-standing commitment to the military and veterans has been further enhanced through the newly formed Veteran Talent Program. The program focuses on skills-based hiring by effectively translating military skills into civilian job requirements. To address the knowledge gap, comprehensive training was launched for recruiters and other HR professionals.

We are proud to be in the top quartile of global businesses for employee engagement. We are committed to maintaining this high level of engagement through regular interactions and a formal feedback mechanism that fosters an open and inclusive culture. The voice of our employees is valued, and various ATCO business units enhanced their employee listening strategies through bespoke engagement surveys in 2024. Our next broad employee



survey is planned for 2025 to ensure we continue to hear from and understand our employees' perspectives and insights.

For the fourth year in a row, ATCO has been recognized as one of **Canada's Top Employers for Young People** and one of **Alberta's Top Employers in 2025**, highlighting our commitment to fostering an exceptional workplace for young professionals. We're excited to be building a workplace where everyone can thrive.

Top
ranked as one of Alberta's Top Employers
for the fourth year in a row

Diversity, equity & inclusion

A commitment to DEI creates an environment where everyone feels safe and valued. We aim to foster an inclusive and respectful work environment where we can all bring our best – and fully authentic – selves to work each day.

Our people have led grassroots diversity committees for years. The Persons with Disabilities and Neurodiversity Employees Resource Group, the Veteran Employee Resource Group and the Student Employee Resource Group (ERG) are the most recent additions. There are currently five ERGs and four business unit inclusion committees across our businesses.

On an enterprise-wide level, our DEI Council supports our grassroots committees by addressing barriers and developing advocates and leaders. These efforts resulted in a DEI Centre of Expertise that was advanced in 2024 with a dedicated staff, led by a senior leader, positioning DEI as a core function that is visible and accessible to employees and leaders.

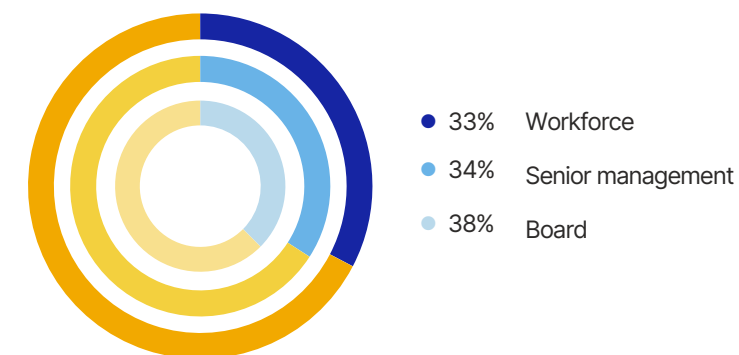
As we continue to strive to be an industry leader in DEI, we hosted the third **DEI Conference** with ATCO employees (including our CEO) and welcomed over 100 ATCO DEI champions joining over 140 guests from 80 organizations.

To support leadership's commitment to DEI, 60 leaders from across our global organization took part in a series of in-person and virtual sessions, learning about inclusive decision-making, allyship and how to mitigate unconscious bias. Many participants, with others joining, have now formed a DEI Community of Practice with regular meetings to continue discussions.

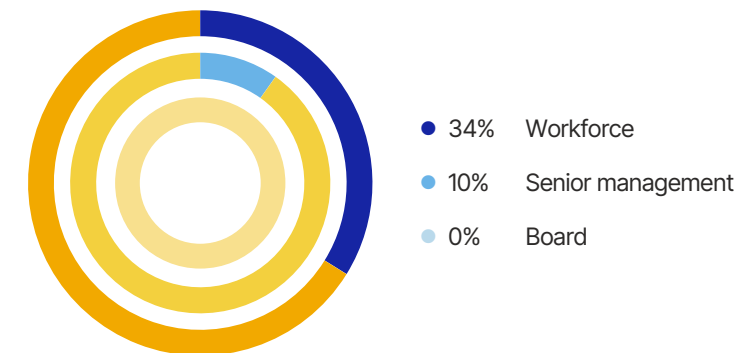
Our commitment to diversity is reflected in our 2030 ESG target to achieve and maintain 30 per cent women representation in our senior leadership and Board of Directors, and 25 per cent minority representation in our workforce by 2030. With recent announcements in January 2025, women representation on our Board increased to 50 per cent, from 38 per cent at the end of 2024. We are proud to have met or exceeded these diversity targets in each of the last four years, signifying our ongoing commitment to inclusion practices, fostering a safe working environment, and providing development and succession planning.



ATCO 2024 Board, senior management & workforce diversity



Women at ATCO



Minority representation at ATCO

In 2024, women represented 33 per cent of our workforce, 34 per cent of senior management and 38 per cent of the Board of Directors. Minorities represented 34 per cent of the workforce and 10 per cent of senior management. We continue to work towards our commitment to create an inclusive environment for all, and increase minority representation in leadership roles within our organization.



06

ESG Datasheet

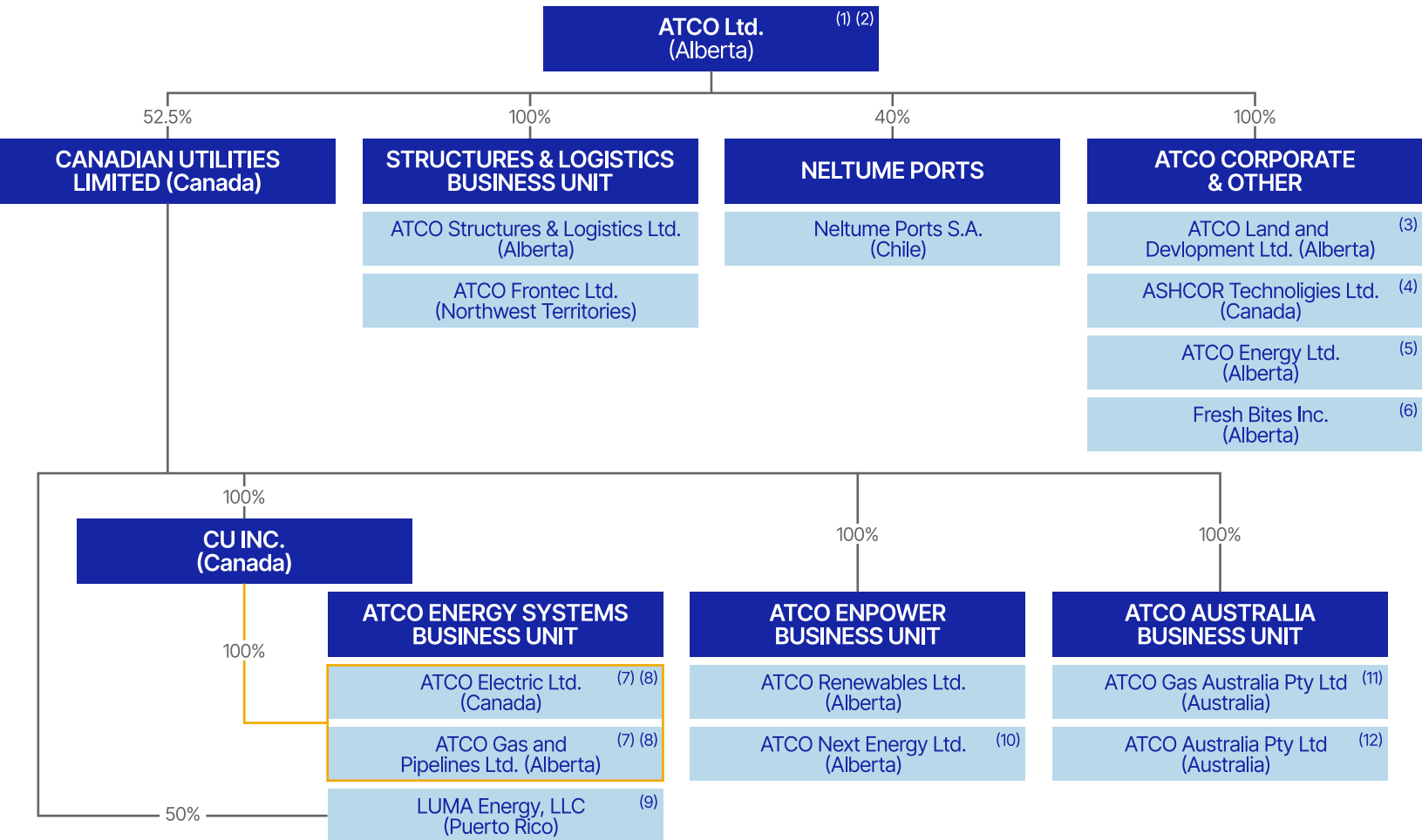
In this section

- [Reporting boundaries](#)
- [Key documents](#)
- [ATCO Ltd. performance summary](#)
- [Task Force on Climate-related Financial Disclosures \(TCFD\)/IFRS S2 index](#)
- [Summary of climate-related risks & opportunities](#)
- [Sustainability Accounting Standards Board \(SASB\) index](#)
- [Global Reporting Initiative \(GRI\) index](#)

Reporting boundaries

The terms ATCO, ATCO Group, the ATCO Group of Companies, our, we, the Company and the corporation, refer to ATCO Ltd. as a whole, including its subsidiary companies Canadian Utilities Limited and CU Inc. and their subsidiaries. Our Sustainability Report is referencing the internationally recognized Global Reporting Initiative (GRI) Standards and the IFRS Foundation's International Sustainability Standards Board (ISSB) Standards, which incorporate the Sustainability Accounting Standards Board (SASB) Standards and recommendations from the Task Force on Climate-related Financial Disclosures (TCFD).

This report communicates our sustainability performance in 2024 and reflects operations as of December 31, 2024 unless otherwise noted, for ATCO, our subsidiaries and joint ventures (JVs). Financial data is in Canadian dollars and environmental data is in metric units. Environmental performance metrics reported include 100 per cent for facilities where ATCO, or one of its subsidiaries, has operational control, regardless of percentage of financial ownership. Operational control is defined in alignment with the Greenhouse Gas Protocol: A Corporate Accounting and Reporting Standard (GHG Protocol). Exceptions are explicitly noted in the data notes with the relevant information. We also have investments in Neltume Ports, S.A. (40 per cent) and LUMA Energy, LLC (50 per cent), which are not included in our operational control boundary, as defined in alignment with the GHG Protocol. However, we expect our business partners and JV operations to adhere to the same or similar ethical standards and we take an active role on partnership and JV boards, where possible. All available data for Canadian Utilities Limited (Canadian Utilities) and CU Inc. is included in their respective ESG Datasheets, available at canadianutilities.com.



(1) At December 31, 2024, ATCO owned 99.6 per cent of the Canadian Utilities Class B common shares, which are the only voting securities outstanding, and 37.3 per cent of the Class A non-voting shares, for an aggregate ownership of 52.5 per cent.

(2) The organizational chart does not include all of the subsidiaries of the Company. The assets and revenues of excluded subsidiaries in the aggregate did not exceed 20 per cent of the total consolidated assets or total consolidated revenues of the Company as at December 31, 2024.

(3) ATCO Land and Development Ltd. is a real estate development business that holds investments for sale, lease or development.

(4) Ashcor Technologies Ltd. is engaged in the recycling and marketing of ash, a waste byproduct of electricity generation.

(5) ATCO Energy Ltd. (ATCO Energy) offers retail electricity and natural gas services, home products, home maintenance services, and professional home advice in Alberta.

(6) Fresh Bites Inc. is a food service company that incorporates our legacy retail food services brand Blue Flame Kitchen acquired by ATCO in 2023.

(7) ATCO Electric Ltd. includes Electricity Distribution and Electricity Transmission. ATCO Gas and Pipelines Ltd. includes Natural Gas Distribution and Natural Gas Transmission.

(8) ATCO Gas and Pipelines Ltd. and ATCO Electric Ltd. (Alberta Utilities) are wholly owned subsidiaries of CU Inc., which is 100 per cent owned by Canadian Utilities.

(9) Canadian Utilities' 50 per cent ownership in LUMA Energy, LLC, a company which is transforming, modernizing and operating Puerto Rico's 31,000-km electricity transmission and distribution system, is included in International Electricity Operations.

(10) ATCO Next Energy Ltd. includes Storage & Industrial Water and Cleaner Fuels.

(11) ATCO Gas Australia Pty Ltd. is a regulated provider of natural gas distribution services in Western Australia, serving Metropolitan Perth and surrounding regions.

(12) ATCO Australia Pty Ltd includes non-regulated electricity generation assets in Australia.

Sustainability at ATCO Ltd., Canadian Utilities Limited, and CU Inc.

Sustainability performance is reported for ATCO Ltd. and its two largest subsidiaries, Canadian Utilities Limited and CU Inc.

Canadian Utilities Limited (Canadian Utilities) is the largest principally controlled company of the ATCO Group of Companies, and is a diversified energy infrastructure corporation delivering essential services and innovative business solutions through ATCO Energy Systems (electricity and natural gas transmission and distribution, and international electricity operations); ATCO EnPower (generation, energy storage, industrial water solutions and cleaner fuels); and ATCO Australia (natural gas distribution and electricity generation).

CU Inc. is a wholly owned subsidiary of Canadian Utilities, comprised of the regulated utility operations in natural gas and electricity distribution and transmission. CU Inc.’s and Canadian Utilities’ approach to sustainability is fully aligned with ATCO’s.



🔗 Key Documents (ATCO)

[ESG Datasheet](#)

[How We Do Business \(Policies and Practices\)](#)

[Management Proxy Circular](#)

[Management’s Discussion and Analysis \(MD&A\)](#)

[Annual Report](#)

[Annual Information Form](#)

[Stakeholder Engagement](#)

[UN SDGs](#)

[Materiality Assessment](#)

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ATCO Ltd. performance summary

Indicator ^{1,2}	Units	2024	2023	2022	...	2020
ENVIRONMENT						
Greenhouse Gas Emissions^{3,4}						
Operational direct (Scope 1) greenhouse gases ⁵	kilotonnes CO ₂ e	713	698	786		873
Operational direct (Scope 1) methane emissions ⁶	kilotonnes CO ₂ e	199	227	257		281
Operational indirect (Scope 2) greenhouse gases	kilotonnes CO ₂ e	193	199	254		248
Equity basis direct (Scope 1) greenhouse gases ^{5,7}	kilotonnes CO ₂ e	327	336	358		404
Equity basis indirect (Scope 2) greenhouse gases ⁷	kilotonnes CO ₂ e	105	108	137		126
Equity basis greenhouse gas emission intensity ^{7,8}	kilotonnes CO ₂ e / millions adjusted earnings	0.90	1.03	1.17		1.51
Upstream production and generation (Scope 3 - category 3) greenhouse gases ⁹	kilotonnes CO ₂ e	7,114	7,451	8,675		8,737
Downstream end-use (Scope 3 - category 11) greenhouse gases ⁹	kilotonnes CO ₂ e	16,036	15,958	15,836		15,504
Subtotal operational other indirect (Scope 3) greenhouse gases ⁹	kilotonnes CO ₂ e	23,150	23,409	24,511		24,241
Air Emissions						
Sulphur dioxide	tonnes	52	39	34		36
Nitrogen oxides	tonnes	2,474	2,104	1,656		1,796
Particulate matter (PM2.5)	tonnes	38	33	22		22
Carbon monoxide ¹⁰	tonnes	639	787	576		608
Volatile organic compounds	tonnes	173	146	174		188
Mercury	kg	0	0	0		1
Ozone depleting substances	kg	0	0	0		0
Energy Consumption	(PJ) petajoules	9.3	8.5	9.4		10.4
Operational Water Use¹¹	million m ³	1.2	1.2	1.2		1.5
Equity Basis Water Use	million m ³	0.7	0.7	0.7		0.9
Spills¹²						
Hydrocarbon - number ¹³	number	78	98	23		18
Hydrocarbon - volume ¹³	thousand litres	40.5	50.4	16.2		10.0
Non-hydrocarbon - number	number	0	1	1		2
Non-hydrocarbon - volume	thousand litres	0.0	0.1	37.3		0.0

Indicator ^{1,2}	Units	2024	2023	2022	...	2020
ENVIRONMENT						
Hazardous Waste	tonnes	1,037	1,025	1,341		2,210
Environmental Fines and Penalties	\$ thousand	0	0	1		0
Owned, Developed or Managed Renewable Energy ¹⁴	(MW) megawatts	458	429	78		—
Revenues from Transitional Product Categories (e.g., renewable natural gas and hydrogen) ¹⁵	per cent	2.86	3.22	1.78		—
SOCIAL¹⁶						
Health and Safety^{17,18}						
Lost-time injury rate (employees)	cases/200,000 hours worked	0.15	0.12	0.26		0.26
Lost-time injury rate (contractors)	cases/200,000 hours worked	0.04	0.13	0.18		0.13
Recordable injury rate (employees)	cases/200,000 hours worked	1.11	1.12	0.99		1.58
Recordable injury rate (contractors)	cases/200,000 hours worked	0.63	0.80	1.06		1.58
Fatalities (employees)	number	0	0	0		0
Fatalities (contractors)	number	0	0	0		0
Employees	number	8,183	8,011	7,580		6,183
Workforce by Employment Type						
Men - full-time	number	4,683	4,530	4,399		4,200
Women - full-time	number	2,193	2,261	2,096		1,873
Men - part-time	number	32	48	41		23
Women - part-time	number	128	121	114		87
Workforce by Employment Contract						
Men - permanent	number	4,284	4,149	4,049		3,937
Women - permanent	number	2,015	2,080	1,935		1,738
Men - temporary	number	431	429	391		286
Women - temporary	number	306	302	275		222
Workforce by Region						
Canada - permanent	number	5,775	5,577	5,384		4,877
Canada - temporary	number	614	606	579		419

Indicator ^{1,2}	Units	2024	2023	2022	...	2020
SOCIAL¹⁶						
Workforce by Region (continued)						
Mexico - permanent	number	139	137	159		33
Mexico - temporary	number	5	0	0		0
Australia - permanent	number	803	735	663		567
Australia - temporary	number	43	45	65		59
South America - permanent	number	165	258	301		9
South America - temporary	number	289	321	95		0
Other - permanent	number	249	239	306		189
Other - temporary	number	101	93	28		30
Voluntary Turnover Rate	per cent	7.1	9.8	10.3		6.3
Employees in Employee Unions or Associations	per cent	39	42	45		49
Diversity						
Women in workforce	per cent	33	34	33		30
Women in senior management ¹⁹	per cent	34	34	34		26
Minorities in workforce ²⁰	per cent	34	35	29		—
Minorities in senior management	per cent	10	12	14		—
Revenue Generated from Indigenous Joint Ventures (Indigenous share only)	\$ million	220.5	213.9	178.7		113.6
Net Economic Benefit to Indigenous Groups²¹	\$ million	123.3	128.0	117.7		71.4
GOVERNANCE²²						
Human Rights and Ethics Incidents						
Discrimination incidents	number	1	0	2		0
Indigenous rights incidents	number	0	0	0		0
Corruption Incidents²³	number	1	1	0		0
Customer Privacy Breaches	number	0	0	0		0
Number of Regulatory Non-compliance Incidents^{24,25}	number	12	1	4		1
Fines and Penalties for Regulatory Non-compliance²⁴	\$ thousand	3,041.8	14.5	31,003.5		0.8

Indicator ^{1,2}	Units	2024	2023	2022	...	2020
GOVERNANCE²²						
Board Diversity						
Women on Board of Directors	per cent	38	38	33		33
Minorities on Board of Directors	per cent	0	0	0		0
ECONOMIC						
Economic Value Generated²⁶	\$ million	4,942	4,741	4,978		3,944
Economic Value Distributed						
Suppliers	\$ million	1,802	1,726	1,871		1,402
Employee wages and benefits ²⁷	\$ million	738	644	599		531
Lenders	\$ million	533	485	426		413
Share Owners	\$ million	544	533	519		501
Governments ²⁸	\$ million	430	421	444		346
Communities ²⁹	\$ million	10	10	8		6
Economic Value Retained³⁰	\$ million	885	922	1,111		745
Coverage of Defined Benefit Pension Plan Obligations	per cent	97	96	96		91
OPERATIONAL						
System Average Interruption Duration Index (SAIDI)³¹						
Alberta electricity distribution	hours	4.72	5.99	4.85		4.09
Yellowknife	hours	0.55	0.70	0.76		0.19
Northwest Territories	hours	5.53	3.95	4.09		1.96
Yukon	hours	5.88	6.17	6.17		4.91
System Average Interruption Frequency Index (SAIFI)³²						
Alberta electricity distribution	per cent	1.69	1.60	1.63		1.58
Yellowknife	per cent	1.36	2.67	1.20		0.64
Northwest Territories	per cent	3.58	3.32	6.49		4.01
Yukon	per cent	4.54	4.60	5.42		2.71

We strive to continually improve our tracking and measurement systems and may adjust indicator definitions and performance data to reflect current best practice. We use standard industry and regulatory calculation methodologies and definitions that may be updated periodically to improve accuracy.

Indicator

- 1. This summary table consolidates data for ATCO Ltd. (ACO.X, ACO.Y). Performance summaries for ATCO’s subsidiaries Canadian Utilities Limited (CU) and CU Inc., in addition to ATCO Australia, can be found online.
- 2. This report includes performance data on indicators that were not included in all previous reports. Data for the new indicators is not provided for previous years and is denoted with a “-” symbol.

Environment

- 3. Unless otherwise noted, data is reported on an operatorship basis, which does not align with financial reporting. Operatorship basis means that environmental performance metrics reported include 100 per cent from operations over which ATCO, or one of its subsidiaries, has operational control, regardless of percentage of financial ownership. ATCO Structures’ NRB Limited acquisition has not yet been included.
- 4. GHG emissions are calculated and reported in line with carbon regulations where the facility is located and the Greenhouse Gas Protocol: A Corporate Accounting and Reporting Standard (GHG Protocol).
- 5. Scope 1 operational emissions have risen mainly due to increased generation at the Osborne Cogeneration Power Station, a joint venture between ATCO Australia and Origin Energy, however, scope 1 equity emissions have decreased.
- 6. Methane emissions are included in Operational direct (Scope 1) greenhouse gases and are not additional. The primary source of methane emissions are natural gas transmission and distribution systems in Canada and Australia. In 2024, operational methane emissions decreased predominantly as a result of decreased unaccounted for gas in the Australia natural gas distribution system.
- 7. Equity-basis reporting aligns with financial reporting in relation to treatment in external financial filings and is also guided by the GHG Protocol. However, our equity share emissions of Neltume Ports and LUMA have not yet been included.
- 8. GHG emissions intensity is calculated by dividing equity-basis reporting direct (Scope 1) and indirect (Scope 2) GHG emissions over earnings. Earnings are adjusted earnings as defined in the MD&A.

- 9. Scope 3 GHG emissions are calculated and reported in line with the GHG Protocol: Corporate Value Chain (Scope 3) Accounting and Reporting Standard. We currently report Scope 3 GHG emissions from the two categories most material to our energy businesses. Note that storage, handling, and transmission of natural gas is not included in our Scope 3 calculations; however, any associated emissions from facilities to handle and move these products are captured in direct (Scope 1) GHG emissions. As the guidance on the reporting of Scope 3 GHG emissions continues to evolve, we will annually review this approach to ensure we are in line with best practice.
- 10. The decrease in carbon monoxide emissions in 2024 is related to decreased compression related to natural gas storage.
- 11. Water use is calculated by deducting water discharged from water withdrawn.
- 12. Includes spills that meet thresholds for regulatory reporting in the jurisdiction in which they occurred. Volume spilled is often estimated due to variables such as duration, location, and when the spill was identified.
- 13. The number of reported hydrocarbon spills continues to be higher than previous years as a result of wildfire damage and vandalism to electrical transformers which accounts for 91 per cent of hydrocarbon spills.
- 14. This metric has been established to be intentionally broad to demonstrate various ways we are contributing to the energy transition and does not align with typical operational control or financial basis concepts. Renewable energy is included in three circumstances: 1) Ownership of a renewable project when ATCO has financial control; 2) Development of a renewable project where ATCO has an engineering, procurement, and construction contract, but ultimately no financial or operational control once in operation; and 3) Management or operation of a renewable energy asset for a customer, however ATCO doesn’t have ownership. Total Owned, Developed or Managed Renewable Energy increased in 2024 as a result of uprating completed at the Deerfoot and Barlow solar facilities and the Forty Mile wind facility in 2024.
- 15. Transitional products and services are defined as products or services that reduce Scope 1, 2, or 3 GHG emissions. They can include products or services that are lower carbon or to upgrade existing activities and systems.

Social

- 16. Includes our temporary workforce but does not include joint venture (JV) employees, unless otherwise noted.
- 17. Our contractor safety rates only track safety statistics for certain work mode classification (focus on where we have a supervisory, inspection, or monitoring role), or contractors with greater than a threshold contract size.
- 18. Data includes ATCO JVs where available and when ATCO has the governing authority and responsibility for the health and safety of the people, processes, and facility.
- 19. Senior management includes senior executive officers (which aligns with disclosures in the Management Proxy Circular).

- 20. Minorities includes people of different race and ethnic backgrounds. Note that this metric only includes those who choose to self-identify, may not align with local definition in all operating jurisdictions, and does not include persons with disabilities or LGBTQ2S+ people.
- 21. Net Economic Benefit to Indigenous groups equals net earnings from Indigenous JVs, partnership payments, Indigenous procurement and additional economic benefits.

Governance

- 22. We track and address concerns through several channels, including our internationally accessible ATCO Integrity Line. Only incidents that have been substantiated by an external authority have been included.
- 23. An internal investigation from the ATCO Integrity Line whistleblower process confirmed one case of employee fraud.
- 24. Regulatory non-compliance incidents include one self-reported case by ATCO Electric, resulting in a settlement with the Alberta Utility Commission, and 11 violations of Independent System Operator rules by ATCO’s renewable power facilities in Alberta.
- 25. The number of regulatory non-compliance incidents for 2023 has been restated as a result of a self-reported incident previously being incorrectly included in this metric.

Economic

- 26. Economic value generated is equal to revenue as defined in the MD&A.
- 27. Employee wages and benefits include employee salaries and amounts paid to government institutions on behalf of employees plus total benefits.
- 28. Payments to governments include income, property, and franchise taxes.
- 29. Distributions to communities include donations, in-kind contributions and sponsorships.
- 30. Economic value retained is economic value generated minus economic value distributed. This is not a financial reporting indicator and should not be confused with retained earnings.

Operational

- 31. SAIDI, or System Average Interruption Duration Index, disclosed in hours, is defined as the total duration of an interruption for the average customer during the period under reporting.
- 32. SAIFI, or System Average Interruption Frequency Index, is defined as the average number of times that a system customer experiences an outage during the period under reporting (per year).

Task Force on Climate-related Financial Disclosures (TCFD)/IFRS S2 index

ATCO continues to be a proponent of reporting core non-financial information and indicators to provide meaningful, efficient and transparent disclosures in priority areas for customers of our sustainability reporting (i.e., investors, business partners, customers, communities, Indigenous groups, employees and governments).

The Sustainability Report includes data for ATCO Ltd. (ACO.X, ACO.Y). ATCO’s sustainability reporting references the International Sustainability Standards Board (ISSB) IFRS S2 Standard, which incorporates recommendations from the Task Force on Climate-related Financial Disclosures (TCFD), as listed below.

Page Number and/or URLs		
Governance		
Disclose the organization’s governance around climate-related risks and opportunities.	Describe the board’s oversight of climate-related risks and opportunities.	Sustainability Report - Governance & Responsible Business (pp. 12-16) ATCO Ltd. Management Proxy Circular - Governance
	Describe management’s role in assessing and managing climate-related risks and opportunities.	Sustainability Report - Governance & Responsible Business (pp. 12-16) ATCO Ltd. Management Proxy Circular - Governance
Strategy		
Disclose the actual and potential impacts of climate-related risks and opportunities on the organization’s businesses, strategy, and financial planning where such information is material.	Describe the climate-related risks and opportunities the organization has identified over the short, medium, and long term.	Sustainability Report - Energy Transition & Environment (pp. 25-33) ATCO Ltd. ESG Datasheet - Summary of climate-related risks & opportunities (pp. 52-56) ATCO Ltd. Management’s Discussion & Analysis - Business Risks and Risk Management
	Describe the impact of climate-related risks and opportunities on the organization’s businesses, strategy, and financial planning.	Sustainability Report - Energy Transition & Environment (pp. 25-33) Sustainability Report - Resilience & Safety (pp. 17-24) ATCO Ltd. ESG Datasheet - Summary of climate-related risks & opportunities (pp. 52-56)
	Describe the resilience of the organization’s strategy, taking into consideration different climate-related scenarios, including a 2°C or lower scenario.	Sustainability Report - Energy Transition & Environment (pp. 25-33) Sustainability Report - Resilience & Safety (pp. 17-24) ATCO Ltd. ESG Datasheet - Summary of climate-related risks & opportunities (pp. 52-56)
Risk management		
Disclose how the organization identifies, assesses, and manages climate-related risks.	Describe the organization’s processes for identifying and assessing climate-related risks.	ATCO Ltd. Management’s Discussion & Analysis - Business Risks and Risk Management
	Describe the organization’s processes for managing climate-related risks.	ATCO Ltd. Management’s Discussion & Analysis - Business Risks and Risk Management
	Describe how processes for identifying, assessing, and managing climate-related risks are integrated into the organization’s overall risk management.	ATCO Ltd. Management’s Discussion & Analysis - Business Risks and Risk Management
Metrics and targets		
Disclose the metrics and targets used to assess and manage relevant climate-related risks and opportunities where such information is material.	Disclose the metrics used by the organization to assess climate-related risks and opportunities in line with its strategy and risk management process.	ATCO Ltd. ESG Datasheet
	Disclose Scope 1, Scope 2, and, if appropriate, Scope 3 greenhouse gas (GHG) emissions, and the related risks.	Sustainability Report - Energy Transition & Environment (pp. 25-33) ATCO Ltd. ESG Datasheet
	Describe the targets used by the organization to manage climate-related risks and opportunities and performance against targets.	Sustainability Report - 2024 progress towards 2030 ESG targets (pp. 10-11)

Summary of climate-related transition risks & opportunities

While climate-related transition risks and opportunities exist across our businesses, the following are considered to be the most material, particularly as we work towards an energy transition that balances the need to provide essential services reliably and affordably while supporting our customers’ decarbonization needs.

Policy/regulatory	Potential impacts	Key mitigations	Key opportunities
Shifts in policy that do not allow for transition in an effective, affordable manner	<ul style="list-style-type: none">Investment uncertainty due to policy shifts, including tax and incentivesIncreased capital investment, operating costs, rates to customersReliability of energy systems	<ul style="list-style-type: none">Working with all levels of government to promote awareness and understanding of potential impacts and costs related to proposed policy changes and the pace of energy transitionPartnering with government, communities, Indigenous groups, and customers on climate change resilient initiatives	<ul style="list-style-type: none">Continued business and portfolio diversification
Regulation does not evolve at same pace as decarbonization goals	<ul style="list-style-type: none">Lower emitting solutions not implemented because regulatory systems have not been adjusted to enable investment	<ul style="list-style-type: none">Working with regulators to promote awareness and understanding of potential impacts and costs related to proposed policy changes and the pace of energy transition	<ul style="list-style-type: none">Shaping constructive regulatory developments by succinctly communicating opportunities, benefits and trade-offs to facilitate pragmatic evolution at an appropriate pace
Operations in several jurisdictions subject to emission regulations	<ul style="list-style-type: none">Changing growth profiles of different energy assets (e.g., electrification)Increased operating costs due to carbon offsetting or emission constraintsIncreased rates to customers	<ul style="list-style-type: none">Recovery of carbon costs and regulated improvements through rates - e.g., methane reduction equipment is expected to continue to be included in rate base going forward	<ul style="list-style-type: none">Increased demand for efficiency/reduction projects for both our company and our customers

Market	Potential impacts	Key mitigations	Key opportunities
Changing customer behaviour	<ul style="list-style-type: none">Customer demands for lower-emitting sources cause changes to traditional energy systems and energy flowsPotential impacts to reliability and affordability	<ul style="list-style-type: none">Business and portfolio diversificationInvestment in technology to reduce emissions to meet customer demandInvestment in employees and communities to support essential services and safety	<ul style="list-style-type: none">Leveraging decades of experience in various aspects of the integration and delivery of energy to enable customer preferences for modern energy systems while ensuring reliability and affordability
Changes in carbon markets	<ul style="list-style-type: none">Fluctuations in carbon markets, carbon pricing and commodity pricing could negatively impact revenue streams and operational costsStakeholders hesitant to make long-term commitments (e.g., lenders and customers)	<ul style="list-style-type: none">Participating in policy consultations with governments and engaging with peer market participants on an ongoing basis	<ul style="list-style-type: none">Long-term de-risking of projects through partnerships and commercial arrangements, including offtake contracts and virtual power purchase agreements as examples
Technology			
Replacement of current products/services with lower-emitting options	<ul style="list-style-type: none">Lower emitting technology development doesn't materialize as expectedTechnologies needed for emission monitoring and reduction are nascent and have high costsEarly retirement of assets and replacement costs	<ul style="list-style-type: none">Grid modernizationPrudent investment and integration of innovation and technology	<ul style="list-style-type: none">Providing or enabling a suite of lower-emitting technology solutions so customers can pick the right solutions for their unique situationsDemonstrating we are the preferred partner in project development
Reputational			
Public perception of climate-related risk	<ul style="list-style-type: none">Changing public and stakeholder perception of climate-related risks could impact the company's businesses and reputation	<ul style="list-style-type: none">Authentic engagement and collaboration with stakeholders such as municipalities and customers	<ul style="list-style-type: none">Transparent reporting on sustainability activities aligned with international standards and peers

Resilience to transition risk

We have plans for the continued growth of our diverse portfolio of businesses through new projects and developments, along with investments in our existing infrastructure. We believe that innovation and strategic investment are critical as we work towards society’s long-term decarbonization goals. In support of this, we continue to evaluate decarbonization pathways, analyze the impacts of new potential projects on our emissions profile and shape our strategy accordingly.

To inform forward-looking strategy, we continue to engage third-party experts to support a comprehensive climate-related transition analysis for our energy businesses against various transition scenarios, including the International Energy Agency’s Net Zero Emissions by 2050 Scenario, in which the global temperature rise is limited to 1.5°C.

We have employed technology to facilitate comparison, optimization and financial planning of potential additional abatement opportunities. This analysis has shown there is no single solution or project that would result in us achieving decarbonization goals, but instead highlights the importance of investing in a diverse portfolio of projects. Annually, this analysis is revised and expanded to evaluate and incorporate additional abatement and growth opportunities as well as updated assumptions.

Scenario modelling framework	
	Transition scenarios
Scenario models	<div>International Energy Agency (IEA) Scenarios from the <i>World Energy Outlook 2024</i>:<ul style="list-style-type: none">Stated Policies Scenario (STEPS)Announced Pledges Scenario (APS)Net Zero Emissions by 2050 Scenario (NZE)These scenarios were chosen as most relevant to ATCO's global and diverse energy businesses.</div>
Time horizons	Impact models were used to cover the time horizons over the 7-year and 26-year (to 2050) timeframe.
Key inputs	<div>Key internal inputs include: Customer demand inputs, production estimates, discount rates, business plan forecasts.</div> <div>Key external inputs include: Carbon prices and CO₂ emissions assumptions based on the IEA's <i>World Energy Outlook 2024</i>.</div>
Key areas of our organization considered	<div>ATCO's Energy Businesses including regulated and non-regulated assets in Australia, ATCO Gas and Pipelines in Alberta, ATCO Electric in Alberta, and ATCO EnPower.</div> <div>Scope 1, 2, and 3 (Category 3 and 11) emissions from these businesses were considered.</div>

Summary of climate-related physical risks & opportunities

As the effects of climate change become more frequent and severe, our businesses continue to be exposed to the physical risks of climate change. We proactively assess and address the physical risks of climate change by pursuing opportunities to further enhance the reliability of our system and invest in our infrastructure. The table below describes the acute and chronic physical risks to our business, and the mitigations and controls we have in place to minimize the impact to our organization.

Acute	Potential impacts	Key mitigations
Extreme weather events (e.g., wildfire, strong winds, flooding, drought, extreme temperatures)	<ul style="list-style-type: none">• Customer service disruption• Health and safety of employees and the public• Changes in operations and maintenance costs• Investment in resilience and hardening of infrastructure• Rebuilding more resilient infrastructure• Increased liability	<ul style="list-style-type: none">• Asset hardening and maintenance• Proactive infrastructure route selection• Wildfire management plans• Emergency response plans• Vegetation management plans• Established regulatory processes for rebuilding damaged infrastructure• Insurance
Chronic		
Long-term shifts in climate	<ul style="list-style-type: none">• Increased costs for adaptation and mitigation• Investment in resilience and hardening of infrastructure• Health and safety of employees and the public	<ul style="list-style-type: none">• Long-term asset planning• Asset hardening and maintenance

Resilience to physical risks

We continue to evaluate ways to create greater system reliability and resiliency of our linear assets. Our electricity and gas businesses in Alberta are undertaking Climate Adaptation and Vulnerability Assessments (CAVA) in 2025 to prioritize appropriate long-term investment and adaptation initiatives to protect linear infrastructure and, where appropriate, submit regulatory applications for related capital expenditures. This work will incorporate Intergovernmental Panel on Climate Change (IPCC) climate scenarios as part of the analysis.

Our global property insurer for all non-linear assets (e.g., production facilities and buildings) provides an annual global assessment and determined that we are in the lowest 10 per cent for climate risk among peer companies. They also test assets against multiple hazards (i.e., extreme temperature, extreme participation, wind, drought, and sea level rise) from the IPCC Physical Scenarios (i.e., SSP1-2.6, SSP2-4.5, SSP5– 8.5), allowing us to proactively assess and manage risk. Details on this analysis are in this table.

How we prepare for and respond to extreme weather events is summarized in our [Emergency preparedness & response](#) section.

Scenario modelling framework	
	Physical scenarios
Scenario models	IPCC (AR6): <ul style="list-style-type: none">• SSP1-2.6• SSP2-4.5• SSP5-8.5 These scenarios were chosen as the most thorough to assess the acute and chronic risks.
Time horizons	Scenario models focused on the short-term (2030) and long-term (2050) time horizons as they relate to key milestones and targets for ATCO and global emission reduction targets.
Key inputs	Key internal inputs include: Global operation footprint and property value assessments. Key external inputs include: Historical and projected IPCC climate datasets covering extreme precipitation, wind, extreme temperatures, drought, and sea level rise.
Key areas of our organization considered	ATCO's global non-linear assets (e.g., power stations, substations, wind and solar farms, office and warehouse buildings).

Sustainability Accounting Standards Board (SASB) index

The Sustainability Report includes data for ATCO Ltd. (ACO.X, ACO.Y). ATCO’s sustainability reporting references Sustainability Accounting Standards Board (SASB) Standards, as listed below, for the Electric Utilities & Power Generators industry and the Gas Utilities & Distributors industry.

Standard Reference	Disclosure	Page Number and/or URLs
SASB IF-EU-000.A	Number of: (1) residential, (2) commercial, and (3) industrial customers served	ATCO Ltd. Annual Information Form (pp. 17-18)
SASB IF-EU-000.B	Total electricity delivered to: (1) residential, (2) commercial, (3) industrial, (4) all other retail customers, and (5) wholesale customers	ATCO Ltd. Annual Information Form (pp. 17-18)
SASB IF-EU-000.C	Length of electricity transmission and distribution lines	Sustainability Report (p. 6)
SASB IF-EU-000.D	Total electricity generated, percentage by major energy source, percentage in regulated markets	Evaluating for future disclosure
SASB IF-EU-000.E	Total wholesale electricity purchased	Evaluating for future disclosure
SASB IF-EU-110a.1	Direct (Scope 1) GHG emissions	ATCO Ltd. performance summary (p. 46)
SASB IF-EU-110a.2	Greenhouse gas emissions associated with power deliveries	Evaluating for future disclosure
SASB IF-EU-110a.3	Direct (Scope 1) GHG emissions strategy including reduction targets	Sustainability Report (pp. 10-11, 25-33)
SASB IF-EU-120a.1	Nitrogen oxides, sulphur oxides and other significant air emissions	ATCO Ltd. performance summary (p. 46)
SASB IF-EU-140a.1	Water consumption	ATCO Ltd. performance summary (p. 46)
SASB IF-EU-140a.2	Number of incidents of non-compliance associated with water quality permits, standards and regulations	Not applicable
SASB IF-EU-140a.3	Description of water management risks and discussion of strategies and practices to mitigate those risks	Not applicable
SASB IF-EU-150a.1	Coal combustion products (CCPs) generated and recycled	Not applicable to ATCO's operations
SASB IF-EU-150a.3	Description of coal combustion products (CCPs) management policies and procedures for active and inactive operations	Not applicable to ATCO's operations

Standard Reference	Disclosure	Page Number and/or URLs
SASB IF-EU-240a.1	Average retail electric rate for (1) residential, (2) commercial, and (3) industrial customers	Evaluating for future disclosure
SASB IF-EU-240a.3	Number of residential customer electric disconnections for non-payment, percentage reconnected within 30 days	Evaluating for future disclosure
SASB IF-EU-240a.4	Discussion of factors that affect energy affordability	Sustainability Report (pp. 19 , 25-33)
SASB IF-EU-320a.1	Work-related injury rates	Sustainability Report (pp. 23-24) ATCO Ltd. performance summary (p. 47)
SASB IF-EU-420a.2	Percentage of electric load served by smart grid technology	Evaluating for future disclosure
SASB IF-EU-420a.3	Customer electricity savings from efficiency measures, by market	Evaluating for future disclosure
SASB IF-EU-540a.1	Nuclear power units	Not applicable to ATCO's operations
SASB IF-EU-540a.2	Nuclear safety	Not applicable to ATCO's operations
SASB IF-EU-550a.1	Number of incidents of non-compliance with physical or cybersecurity standards or regulation	Evaluating for future disclosure
SASB IF-EU-550a.2	System Average Interruption Duration Index (SAIDI), System Average Interruption Frequency Index (SAIFI)	Sustainability Report (p. 18) ATCO Ltd. performance summary (p. 49)
SASB IF-GU-000.A	Number of: (1) residential, (2) commercial, and (3) industrial customers served	ATCO Ltd. Annual Information Form (pp. 20-21, 27-28)
SASB IF-GU-000.B	Amount of natural gas delivered to: (1) residential customers, (2) commercial customers, (3) industrial customers, and (4) transferred to a third party	ATCO Ltd. Annual Information Form (pp. 20-21, 27-28)
SASB IF-GU-000.C	Length of gas (1) transmission and (2) distribution pipelines	Sustainability Report (p. 6)
SASB IF-GU-240a.1	Average retail gas rate for (1) residential, (2) commercial, (3) industrial customers, and (4) transportation services only	Evaluating for future disclosure
SASB IF-GU-240a.3	Number of residential customer gas disconnections for non-payment, percentage reconnected within 30 days	Evaluating for future disclosure

Standard Reference	Disclosure	Page Number and/or URLs
SASB IF-GU-240a.4	Discussion of factors that affect energy affordability	Sustainability Report (pp. 25-33)
SASB IF-GU-420a.2	Customer gas savings from efficiency measures, by market	Evaluating for future disclosure
SASB IF-GU-540a.1	Number of (1) reportable pipeline incidents, (2) Corrective Actions Orders (CAO), and (3) Notices of Probable Violation (NOPV)	Evaluating for future disclosure
SASB IF-GU-540a.2	Percentage of distribution pipeline that is (1) cast or wrought iron and (2) unprotected steel	Evaluating for future disclosure
SASB IF-GU-540a.3	Transmission pipeline in-line inspections	Sustainability Report (p. 18)
SASB IF-GU-540a.4	Description of efforts to manage the integrity of gas delivery infrastructure, including risks related to safety and emissions	Sustainability Report (pp. 18 , 21-22 , 30)

Global Reporting Initiative (GRI) index

The Sustainability Report includes data for ATCO Ltd. (ACO.X, ACO.Y). ATCO’s sustainability reporting references Global Reporting Initiative (GRI) Standards, as listed below.

Standard Reference	Disclosure	Page Number and/or URLs
GRI 2: GENERAL DISCLOSURES		
GRI 2-1	Organizational details	ATCO Ltd. Annual Information Form (pp. 2-6)
GRI 2-2	Entities included in the organization's sustainability reporting	Sustainability Report (pp. 6-7 , 44 , 45) ATCO Ltd. Consolidated Financial Statements (CFS). Entities covered in the CFS are also covered in our sustainability reporting unless noted. The treatment of joint ventures may be addressed differently in ATCO’s 2024 Annual Report with respect to financial performance.
GRI 2-3	Reporting period, frequency and contact point	Annual reporting period: January 1 - December 31, 2024 Contact point: sustainability@atco.com
GRI 2-4	Restatements of information	ATCO Ltd. performance summary (pp. 46-50)
GRI 2-5	External assurance	Senior management and relevant staff have reviewed all information and believe it is an accurate representation of our performance. We undertook a variety of internal and external review activities on information presented in the 2024 Sustainability Report and associated disclosures. However, third-party assurance has not been conducted. In 2025, we will continue the process of moving towards external third-party assurance.
GRI 2-6	Activities, value chain and other business relationships	Sustainability Report (p. 5) ATCO Ltd. Management's Discussion & Analysis (pp. 16-31)
GRI 2-7	Employees	Sustainability Report (p. 6) ATCO Ltd. performance summary (p. 47) ATCO Ltd. Management's Discussion & Analysis (p. 4) ATCO Ltd. Annual Information Form (p. 35)
GRI 2-8	Workers who are not employees	ATCO Ltd. performance summary (p. 47)
GRI 2-9	Governance structure and composition	ATCO Ltd. Annual Information Form (pp. 2-3, 42-49) ATCO Ltd. Management Proxy Circular (pp. 25-26) ATCO Ltd. Board of Directors ATCO Ltd. Executive Committee
GRI 2-10	Nomination and selection of the highest governance body	ATCO Ltd. Management Proxy Circular (pp. 9-18, 19-20, 37)

Standard Reference	Disclosure	Page Number and/or URLs
GRI 2: GENERAL DISCLOSURES <i>(Continued)</i>		
GRI 2-11	Chair of the highest governance body	ATCO Ltd. Management Proxy Circular (p. 14)
GRI 2-12	Role of the highest governance body in overseeing the management of impacts	ATCO Ltd. Management Proxy Circular (pp. 25-37) ATCO Ltd. Corporate Governance ATCO Ltd. Board Mandate
GRI 2-13	Delegation of responsibility for managing impacts	ATCO Ltd. Management Proxy Circular (pp. 25-37)
GRI 2-14	Role of the highest governance body in sustainability reporting	Sustainability Report (pp. 12-16) ATCO Ltd. Management Proxy Circular (pp. 27-29)
GRI 2-15	Conflicts of interest	How We Do Business (p. 9) ATCO Ltd. Annual Information Form (p. 49)
GRI 2-16	Communication of critical concerns	How We Do Business (pp. 31-33)
GRI 2-17	Collective knowledge of the highest governance body	ATCO Ltd. Management Proxy Circular (pp. 9-20)
GRI 2-18	Evaluation of the performance of the highest governance body	ATCO Ltd. Management Proxy Circular (p. 32)
GRI 2-19	Remuneration policies	ATCO Ltd. Management Proxy Circular (pp. 38-51)
GRI 2-20	Process to determine remuneration	ATCO Ltd. Management Proxy Circular (pp. 38-51)
GRI 2-21	Annual total compensation ratio	ATCO Ltd. Management Proxy Circular (pp. 58-70)
GRI 2-22	Statement on sustainable development strategy	Sustainability Report (pp. 7 , 12-16)
GRI 2-23	Policy commitments	How We Do Business
GRI 2-24	Embedding policy commitments	Sustainability Report (pp. 12-16) How We Do Business (pp. 4-7)
GRI 2-25	Processes to remediate negative impacts	How We Do Business (pp. 31-33) Integrity and Compliance
GRI 2-26	Mechanisms for seeking advice and raising concerns	How We Do Business (pp. 31-33)
GRI 2-27	Compliance with laws and regulations	How We Do Business (pp. 7, 32)

Standard Reference	Disclosure	Page Number and/or URLs
GRI 2: GENERAL DISCLOSURES <i>(Continued)</i>		
GRI 2-29	Approach to stakeholder engagement	Sustainability Report (pp. 7 , 15 , 35-42) Stakeholder Engagement
GRI 2-30	Collective bargaining agreements	ATCO Ltd. performance summary (p. 48) How We Do Business (p. 19)
GRI 3: MATERIAL TOPICS		
GRI 3-1	Process to determine material topics	Sustainability Report (p. 8) Materiality Assessment
GRI 3-2	List of material topics	Sustainability Report (p. 8)
GRI 3-3	Management of material topics	Sustainability Report (pp. 8 , 13-15)
MATERIAL TOPICS		
GOVERNANCE & RESPONSIBLE BUSINESS		
GRI 205-3	Confirmed incidents of corruption and actions taken	ATCO Ltd. performance summary (p. 48)
GRI 407-1	Operations and suppliers in which the right to freedom of association and collective bargaining may be at risk	Sustainability Report (pp. 6 , 16) How We Do Business (p. 19)
GRI 408-1	Operations and suppliers at significant risk for incidents of child labor	Sustainability Report (pp. 6 , 16) How We Do Business (p. 19) Modern Slavery Report
GRI 409-1	Operations and suppliers at significant risk for incidents of forced or compulsory labor	Sustainability Report (pp. 6 , 16) How We Do Business (p. 19) Modern Slavery Report

Standard Reference	Disclosure	Page Number and/or URLs
MATERIAL TOPICS <i>(Continued)</i>		
ENERGY TRANSITION & ENVIRONMENT		
GRI 302-1	Energy consumption within the organization	ATCO Ltd. performance summary (p. 46)
GRI 302-4	Reduction of energy consumption	Sustainability Report (pp. 25-33)
GRI 303-5	Water consumption	ATCO Ltd. performance summary (p. 46)
GRI 305-1	Direct (Scope 1) GHG emissions	Sustainability Report (pp. 32-33) ATCO Ltd. performance summary (p. 46)
GRI 305-2	Energy indirect (Scope 2) GHG emissions	Sustainability Report (pp. 32-33) ATCO Ltd. performance summary (p. 46)
GRI 305-3	Other indirect (Scope 3) GHG emissions	Sustainability Report (p. 33) ATCO Ltd. performance summary (p. 46)
GRI 305-4	GHG emissions intensity	Sustainability Report (p. 33) ATCO Ltd. performance summary (p. 46)
GRI 305-5	Reduction of GHG emissions	Sustainability Report (pp. 32-33) ATCO Ltd. performance summary (p. 46)
GRI 305-6	Emissions of ozone-depleting substances (ODS)	ATCO Ltd. performance summary (p. 46)
GRI 305-7	Nitrogen oxides (NOx), sulphur oxides (SOx), and other significant air emissions	ATCO Ltd. performance summary (p. 46)
GRI 306-3 2020	Waste generated	ATCO Ltd. performance summary (p. 47)
RESILIENCE & SAFETY		
GRI 306-3 2016	Significant spills	Sustainability Report (p. 22) ATCO Ltd. performance summary (p. 46)
GRI 403-9	Work-related injuries	Sustainability Report (pp. 23-24) ATCO Ltd. performance summary (p. 47)

Standard Reference	Disclosure	Page Number and/or URLs
MATERIAL TOPICS <i>(Continued)</i>		
PEOPLE & PARTNERS		
GRI 401-1	Employee turnover rate	ATCO Ltd. performance summary (p. 48)
GRI 405-1	Diversity of governance bodies and employees	Sustainability Report (p. 42) ATCO Ltd. performance summary (pp. 48-49) ATCO Ltd. Management Proxy Circular (pp. 30-31)
GRI 406-1	Incidents of discrimination and corrective actions taken	ATCO Ltd. performance summary (p. 48)
GRI 411-1	Incidents of violations involving rights of Indigenous Peoples	ATCO Ltd. performance summary (p. 48)
GRI 416-2	Incidents of non-compliance concerning the health and safety impacts of products and services	Included as part of ‘Number of Regulatory Non-compliance Incidents’ in ATCO Ltd. performance summary (p. 48)
GRI 418-1	Substantiated complaints concerning breaches of customer privacy and losses of customer data	ATCO Ltd. performance summary (p. 48)
OTHER TOPICS COVERED		
ECONOMIC		
GRI 201-1	Direct economic value generated and distributed	ATCO Ltd. performance summary (p. 49)
GRI 201-2	Financial implications and other risks and opportunities due to climate change	Sustainability Report (p. 26-27) Task Force on Climate-related Financial Disclosures (TCFD)/IFRS S2 index (pp. 51-56)
GRI 201-3	Defined benefit plan obligations and other retirement plans	ATCO Ltd. performance summary (p. 49) ATCO Ltd. Consolidated Financial Statements (CFS)
GRI 201-4	Financial assistance received from government	Any material financial assistance from governments is reported in the ATCO Ltd. Management's Discussion & Analysis

Forward-looking information advisory

Certain statements contained in this Report 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 Report includes, but is not limited to, references to: strategic plans, goals and targets, including ATCO’s commitment to sustainability and transparency, its progress toward its 2030 ESG targets and ATCO’s net-zero ambition by 2050; the energy transition and ATCO’s role within it; ATCO’s progress toward expected mandatory sustainability disclosure requirements; ATCO’s commitment to building equitable partnerships with Indigenous communities; ATCO’s commitment to a diverse and inclusive environment; expectations regarding system reliability and availability and grid modernization opportunities; expectations regarding emergency preparedness, public health and safety, and employee and contractor safety initiatives; ATCO’s strategic focus on cleaner fuels, renewable energy, energy infrastructure and storage, energy efficiency, and carbon credits and offsets; expected decarbonization, emissions reductions and carbon offsets; expected generation capacity, productive capacity and/or storage capacity of assets and projects, including assets and projects that have been acquired or that are expected to be developed in the future; growth expectations; expected increase in revenues from transitional product and service categories; the expected advancement of technology and integrated solutions to transition energy systems in a safe, secure, reliable, and affordable manner; anticipated uses of hydrogen, the export of hydrogen (and derivative products), and benefits associated with increased use of hydrogen; the expected impact, benefits, term, timing or value of contracts or projects; the expected purchase and sale of electricity; planned uses of government funding; the timing for commencement, construction, commercial operations and/or product supply in connection with facilities, assets, or projects; information pertaining to various projects, including the Yellowhead Mainline Project, the Heartland Hydrogen Hub Project, the Energy Discovery Centre, the Canadian Pacific Kansas City Hydrogen Locomotive project; solar and wind generation in planning and development; the Atlas Carbon Storage Hub project, and various other projects that are described in this Report; and GHG emissions reductions initiatives and potential measurement methodologies and reporting frameworks.

Although ATCO 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 such information, such information does not constitute a guarantee 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. Such 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 by such forward-looking information. The forward-looking information reflects ATCO’s beliefs and assumptions with respect to, among other things: ATCO’s current plans and its perception of historical trends; current conditions and expected future developments; the ability to successfully achieve net-zero GHG emissions by 2050; the development, performance, and implementation of processes, technology and technological innovations; the ability to access and implement commercially viable technology at scale necessary to achieve GHG and other ESG targets; the pace of the energy transition; continuing collaboration with certain business partners and engagement with new business partners, and regulatory and environmental groups; the performance of assets and equipment; inflation; 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 design specifications of development projects; the availability of labour, materials, services, and infrastructure; the satisfaction by third parties of their obligations; a constructive policy landscape and a supportive regulatory environment; the ability to meet current project schedules and complete proposed development projects at currently estimated project budgets; required workforce expertise and resourcing in place; the availability of financing sources on acceptable terms; and other assumptions inherent in management’s expectations with respect to the forward-looking information identified herein.

ATCO’s actual results could differ materially from those anticipated in the forward-looking information as a result of, among other things: risks related to the development and performance of assets, technology, and new energy efficient products, services, and programs, including but not limited to the use of zero-emission and cleaner fuels, carbon capture utilization and storage, electrification of equipment powered by zero-emission energy sources, and the utilization and availability of carbon offsets; applicable laws, regulations and government policies, including uncertainty with respect to recent amendments to the Competition Act (Canada); regulatory decisions; competitive factors; political factors; prevailing market and economic conditions; credit risk; interest rate fluctuations; the availability and cost of labour, materials, services, and infrastructure; the development and execution of projects, including development projects, not proceeding on schedule or at all, or at currently estimated budgets; the availability of financing sources for development projects on acceptable terms; prices of electricity, natural gas, natural gas liquids, and renewable energy; potential termination or breach of contracts by contract counterparties; the occurrence of unexpected events such as fires, severe weather conditions, explosions, blowouts, 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 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 ATCO’s Management’s Discussion and Analysis for the year ended December 31, 2024.

Any forward-looking information contained in this Report reflects ATCO’s expectations as of the date hereof and is subject to change after such date. ATCO 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.



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