

DISCLAIMER

Due to uncertainty surrounding the application of recent amendments to the Competition Act (Canada), these documents are provided for historical information purposes only and do not constitute active or current representations of ATCO Ltd. or any of its related parties. The purpose of these documents is to comply with disclosure requirements that were in effect on the date these documents were filed; ATCO undertakes no obligation to update such information except as required by applicable law. ATCO remains committed to taking steps to address climate change and continuing to engage in sustainability initiatives.



A YEAR IN REVIEW
THE ESSENTIALS

ATCO LTD. | 2020



ATCO

YEAR IN REVIEW 2020

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FORWARD-LOOKING INFORMATION

Information provided by ATCO Ltd. in this publication may be considered forward-looking statements. By their nature, such statements are subject to numerous known and unknown risks and uncertainties and therefore actual results may differ materially from those currently anticipated. ATCO Ltd. disclaims any intention or obligation to update or revise such statements. Due to the nature of the Corporation's operations, quarterly revenues and earnings are not necessarily indicative of annual results.

The background of the entire slide is a photograph of a modern office interior. The office features a glass ceiling with a grid of wooden beams. The walls are covered in dark wood paneling. The floor is made of light-colored wood. In the center of the office, there is a long, white reception desk. Behind the desk, there are several workstations with computers and chairs. The office is well-lit, with natural light coming from large windows on the right side.

OUR VISION

Delivering inspired solutions for a better world.
Always there. Anywhere.

OUR MISSION

Deliver growth within our holding company portfolio with a focus on select opportunities in the essential global services of shelter, logistics and transportation, agriculture, water, real estate, energy and energy infrastructure.

MESSAGE FROM THE CHAIR & CEO

RIISING TO UNPRECEDENTED CHALLENGE

Dear ATCO Share Owners,

Throughout 2020, we braved political, social and economic waves that changed how we think about the fundamentals that we used to take for granted.

After an extended phase of opening global markets that promised new opportunities, we felt the effect of a surge of protectionism from Europe to North America and Asia that has hindered possibilities for collaboration and innovation. Global trade and human progress are not a zero-sum game where countries must defend their own, above all others. I believe there is such a thing as the global common good, and that we can build a better reality emerging from the economic uncertainty and social disconnect we now face.

So many things about 2020 were unprecedented. As the pandemic encompassed every aspect of our lives, that idea pervaded our collective consciousness. Never before had we faced this intensity—and intersection—of personal strife, societal shift and economic

devastation. I often reflect on the changing landscape in which we live and work, and this last year we found ourselves adapting on the spot, in a completely foreign milieu. 2020 quickly became a story about agility. About pivoting our position, so we could continue to meet the essential needs of our communities, safely. But first and foremost, for ATCO, 2020 was about people and leadership.

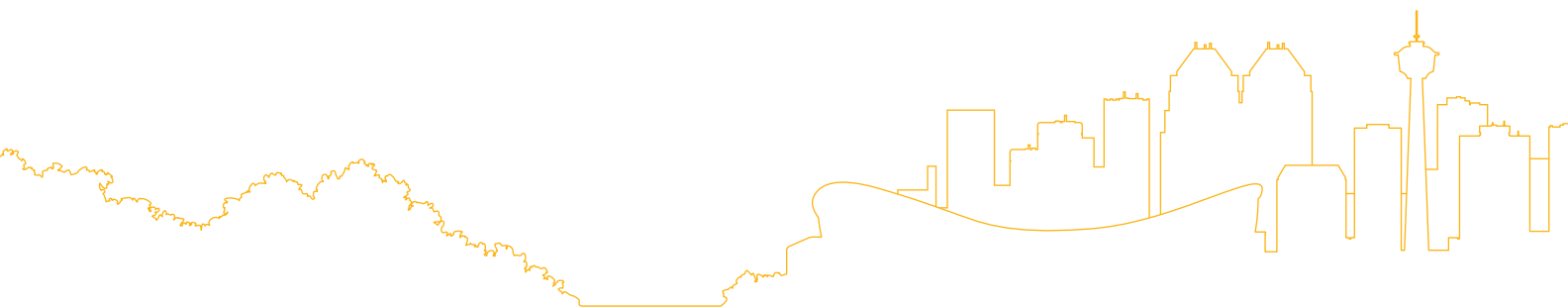
Leadership wasn't just how our executive took the helm to steer your company through the storm, but the leadership of each and every one of our employees, who were constantly assessing the dynamics around them and charting a course for what needed to be done. I am so proud of the contribution of each one of our 6,200-member team, who worked so hard and so smart, often during times of immense personal stress.

Through this leadership, and over time, we no longer saw the pandemic as unprecedented. We saw it as the next challenge. The evolving reality. Another step in our journey. It's the same attitude that has driven us for seven decades to strive for a future

where we provide critical products and services in a way that is better than how we did before. Better for the environment, better for our customers and communities, better for our employees—now and for generations to come.

To always do better, we must be unrelenting. Unrelenting is a culture. It seeps into every aspect of our business, from making safety our first consideration to reducing our own environmental impact, from increasing operational reliability to focusing on our communities.

Transitioning to lower-emitting energy is a critical priority, where we are working fiercely to make a difference. Hydrogen is one cleaner energy option that I am particularly committed to. We are building Alberta's first hydrogen blending project, after successful outcomes at our Clean Energy Innovation Hub in Western Australia. Emissions Reduction Alberta shares our confidence and has awarded ATCO \$2.8 million in funding. Once completed, it will be Canada's largest hydrogen blending project. Research,



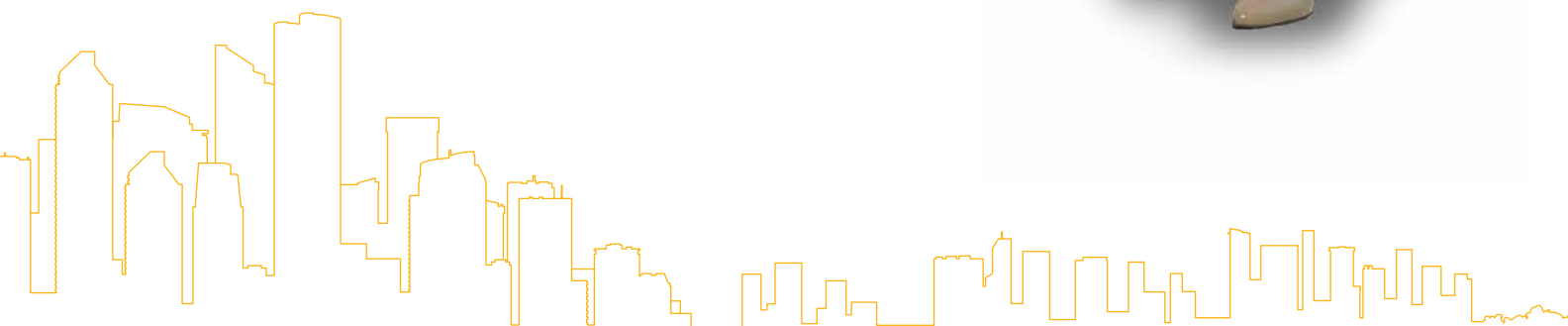
innovation and calculated risks—with a long-term goal in mind. That's how we change the world.

But, the reality is we can't change the world in a context that doesn't support it. Cumbersome government policy remains a concern, and as citizens become disenchanted with the politics of the day, it is time for another kind of change. It is an ongoing exercise to peel away the layers that build up over time caused by unnecessary policy or regulation, or just habit. Responsive government that supports businesses in their desire to do better is critical for our ambitions of sustainability.

We've shown what's possible by rethinking and refining our approach to projects. This last year, we were bestowed the prestigious International Edison Award for our work on the Fort McMurray West 500-kilovolt Transmission Project, completed by Alberta PowerLine, our partnership with Quanta Services. The award recognizes distinguished leadership, innovation and contribution to the advancement of the electric power

industry. Specifically, we led the way in developing state-of-the-art energy infrastructure and creating new models for consultation and engagement, long-term economic benefit, and reconciliation with Indigenous Peoples. This project was a success because we did what we do best: extraordinary project execution, forward-thinking collaboration, and a focus on how things should be done, not how they've always been done.

Our vision is inextricably intertwined with the goals and needs of our customers, as we offer the essentials. Amidst the most adverse conditions, including a global pandemic, a significant flood in Fort McMurray, Alberta and a cyclone in Australia, we provided unwavering support to our customers through a range of products and services. We built and managed workforce accommodation for ambitious projects in Canada and built medical facilities in Mexico. We made inviting schools and hotels. We planned rapid response after earthquakes damaged a U.S. military base.



As the pandemic strained Canada's medical infrastructure, collaboration between businesses and government became key to supporting public health. I am immensely proud that we are able to do our part to increase Canada's healthcare capacity by working with Weatherhaven Global Resources to provide a nimble fleet of specially designed medical facilities.

And, of course, there is the crucial essential of energy: electricity, natural gas and renewables. We provide these essentials to over two million customers with a laser focus on sustainability and an eye on the future. The projects that often stand out for me are the ones where we work together with our Indigenous partners. In 2020, we completed Canada's largest off-grid solar project, providing the remote Northern Alberta hamlet of Fort Chipewyan with clean energy and reducing local diesel use by about 800,000 litres annually. In partnership with Three Nations Energy, we showcased how we can collaborate to develop sustainable energy solutions that benefit today's and future generations.

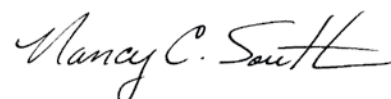
Benefiting generations is also at the heart of our work in Puerto Rico with an exciting addition to our portfolio of global energy infrastructure in Latin America. After the devastation of Hurricane Maria, we were chosen with our partner Quanta Services to rebuild and operate the electric grid to one that is safe, reliable, sustainable and affordable. LUMA Energy, as our new company on the island is called, will advance this historic transformation over 15 years, producing enduring benefits to the people and communities of Puerto Rico. This endeavour exemplifies our disciplined approach, as we pursue opportunities for growth.

Beyond the business of ATCO, I am immensely proud of the community spirit of our people. ATCO EPIC, or Employees Participating in Communities, is a long-standing employee-led program that rallies the spirit of our people all over the world, combining volunteerism, fundraising events and individual donations. With our employees working safely from home, the contribution that EPIC provides was in danger of faltering. I am so proud of our team, who re-assessed how the program could work and leveraged technology to ensure our

people could contribute to their communities without leaving their desks. This new approach actually increased the number of our employees who participated, pushing us to exceed our goal from last year. This unexpected and impressive outcome is the result of ingenuity, plain and simple.

2021 is a year of hope and renewed optimism. We've walked together through some dark times in 2020. I would like to express my deepest appreciation to our Board of Directors, whose stewardship drives our success. I would also like to personally acknowledge the strength, support and commitment of our customers, communities and employees as we collaborated in extremely difficult circumstances to provide the most essential products and services to those who needed them most. The world will never be quite the same. I believe, it will be better.

Sincerely yours,



Nancy C. Southern
*Chair & Chief Executive Officer,
ATCO Ltd.*

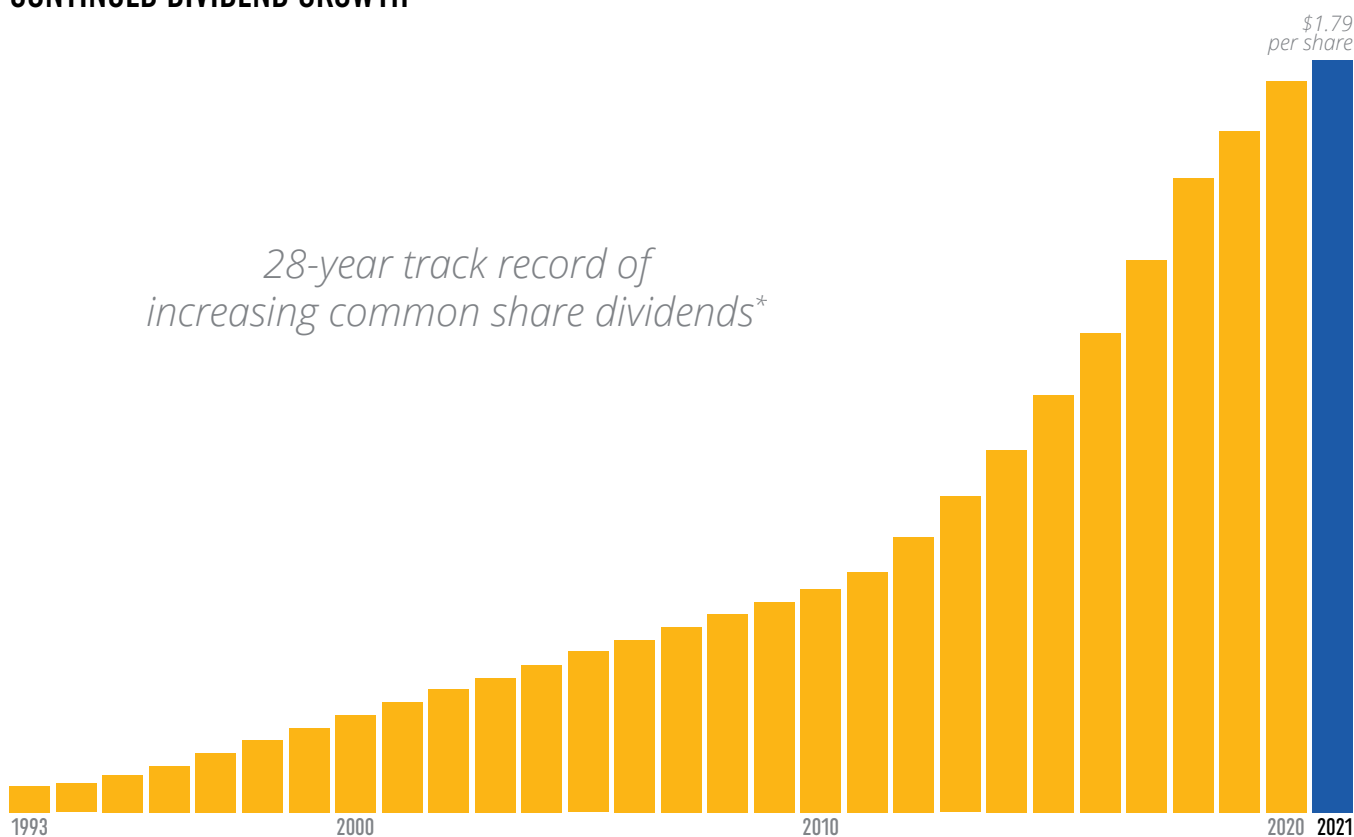


FINANCIAL HIGHLIGHTS

Consistent and steady financial strength is fundamental to our success. Despite significant shifts in the global business environment in which we operate, our growth, long-term earnings stability, A-range credit rating and our financial performance have set us apart from our competitors.

Our high-quality and diverse earnings base has provided the foundation for 28 consecutive years of dividend growth for share owners.

CONTINUED DIVIDEND GROWTH



* On January 14, 2021, ATCO declared a first quarter dividend of \$0.4483 per share, or \$1.79 per share annualized.

CONSOLIDATED ANNUAL RESULTS

YEAR ENDED DECEMBER 31

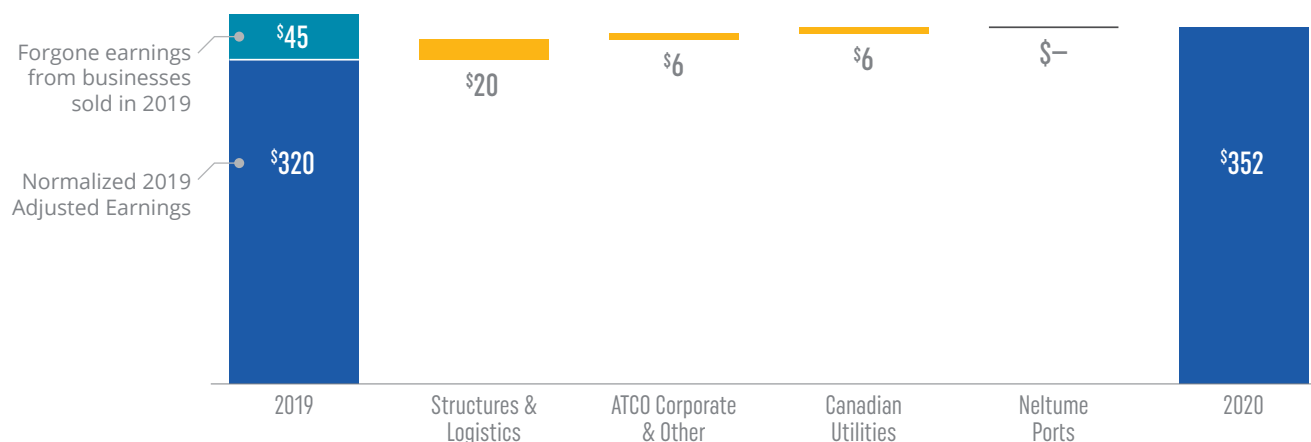
(Millions of Canadian dollars except per share data)

FINANCIAL	2020	2019	CLASS I NON-VOTING & CLASS II VOTING SHARE DATA	2020	2019
Revenues	3,944	4,706			
Earnings attributable to Class I & Class II shares	252	513	Adjusted earnings per share	3.08	3.19
Earnings attributable to non-controlling interests	245	494	Earnings per share	2.21	4.49
Earnings for the year	497	1,007	Dividends paid per share	1.74	1.62
Adjusted earnings	352	365	Weighted average shares	114,396	114,370
Total assets	22,200	21,703			
Class I & Class II share owners' equity	4,052	4,000			
Funds generated by operations	1,804	1,927			
Capital investments	1,069	1,324			

Our financial and operational achievements in 2020 relative to our strategies are included in our 2020 Management's Discussion and Analysis and the 2020 Consolidated Financial Statements. Further commentary regarding strategies and commitments to growth, financial strength, innovation, operational excellence and community involvement will be provided in the forthcoming 2020 Management Proxy Circular and Sustainability Report. The 2020 Management Proxy Circular will also contain a discussion of our corporate governance practices. Our website, ATCO.com, is a valuable source for the latest news of our activities. Prior years' reports are also available on this website.

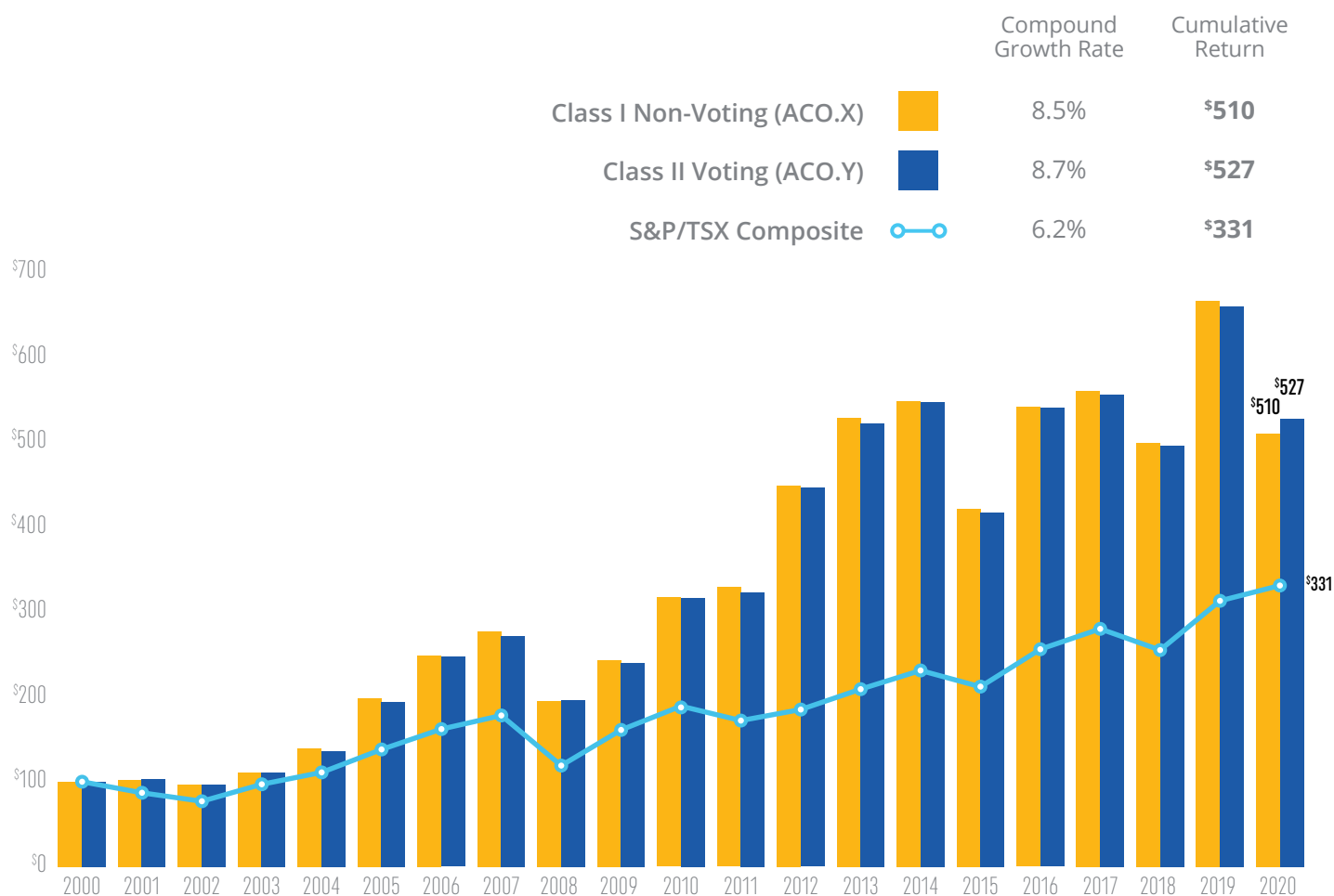
2020 ADJUSTED EARNINGS

Adjusted earnings in 2020 were \$352 million, or \$32 million higher compared to 2019, excluding the earnings from the Canadian fossil-fuel based electricity generation business and 80 per cent ownership interest in Alberta PowerLine which were sold by ATCO Subsidiary Canadian Utilities in 2019. Higher earnings were mainly due to ATCO Structures' higher workforce housing trade sale activity, and higher space rental activity from growth in the rental fleet and higher rental rates and utilization across Canada, the United States and Australia.



20-YEAR CUMULATIVE SHARE OWNER RETURN ON A \$100 INVESTMENT

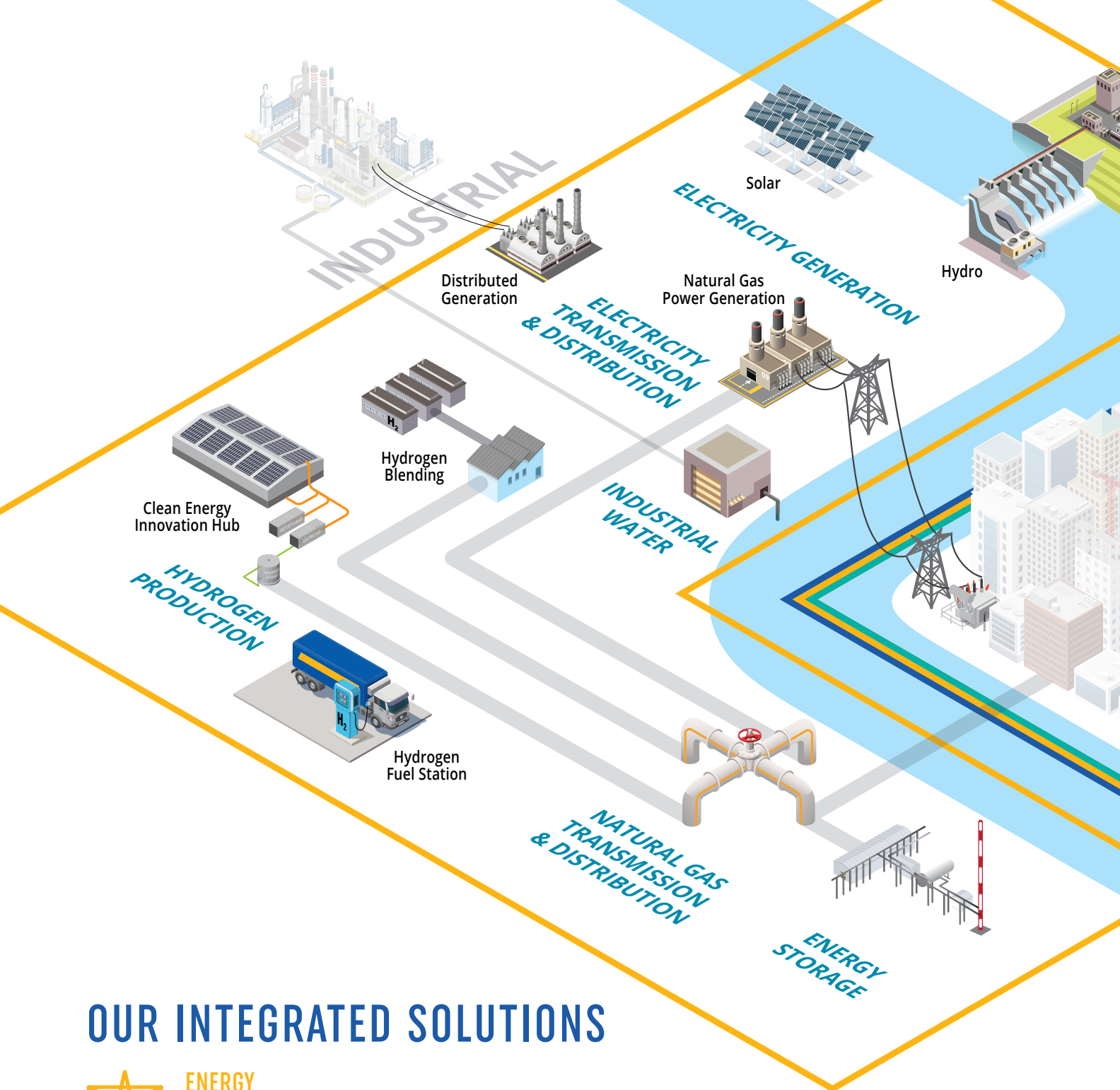
Since 2000, ATCO has generated an average compound return of 8.5 per cent per year compared to 6.2 per cent for the TSX Composite Index.



This graph compares the cumulative share owner return over the last twenty years of the Class I Non-Voting and Class II Voting shares of the company (assuming reinvestment of dividends) with the cumulative total return of the S&P/TSX composite index.

ATCO SHARE OWNERSHIP FOR PRESENT AND PROSPECTIVE OWNERS

It is important for prospective owners of ATCO shares to understand that ATCO is a diversified group of companies principally controlled by Sentgraf Enterprises Ltd., a Southern family holding company. It is also important for present and prospective share owners to understand that the ATCO share registry has both non-voting and voting common shares.



OUR INTEGRATED SOLUTIONS



ENERGY

- Electricity Transmission
- Electricity Distribution
- Electricity Generation
- Natural Gas Distribution
- Natural Gas Transmission
- Hydrogen Production
- Energy Storage
- Industrial Water
- Retail Electricity and Natural Gas (Home and Business)



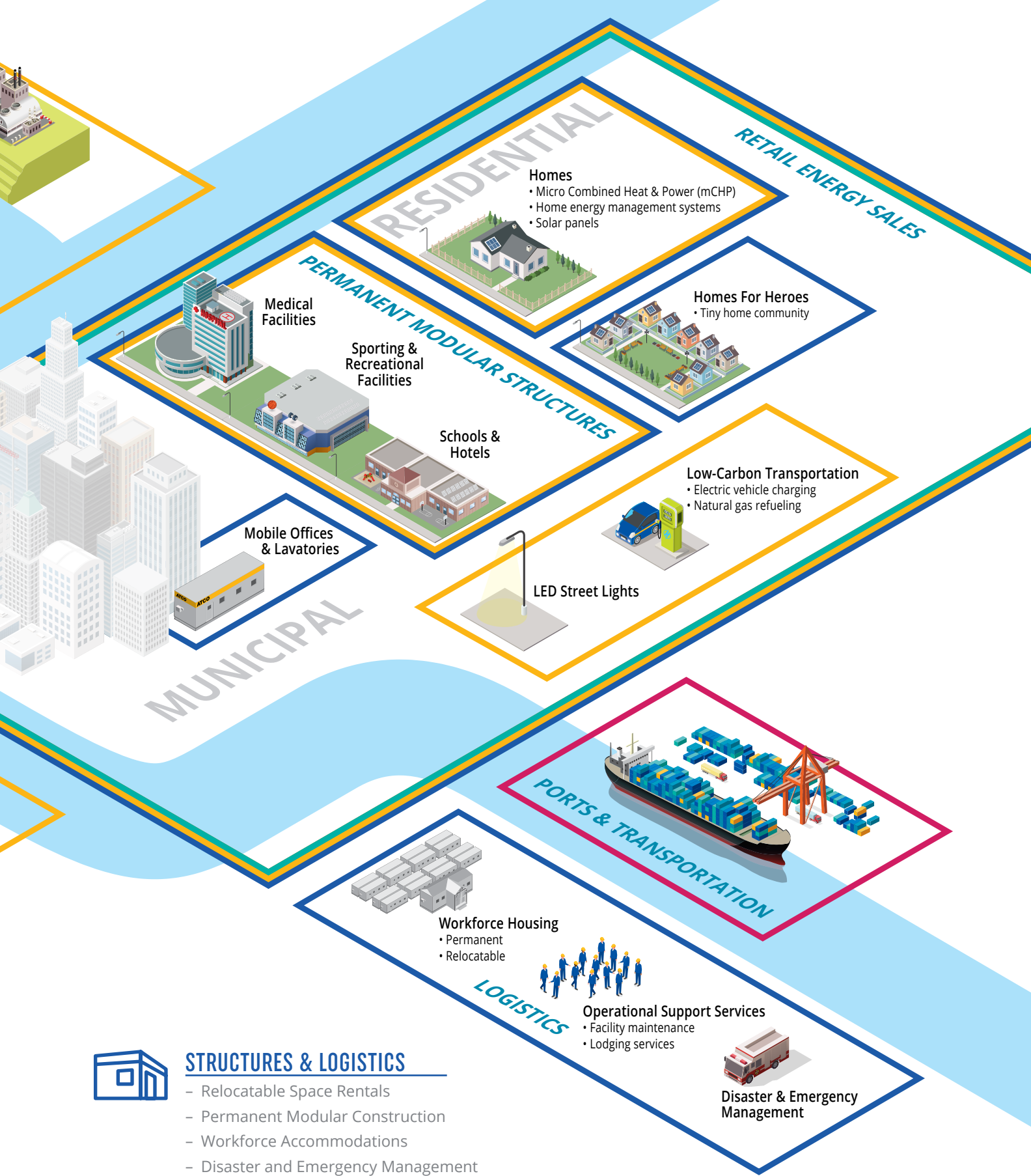
LAND AND DEVELOPMENT

- Salable or Leasable Office Space
- Industrial Space
- Land



PORTS & TRANSPORTATION

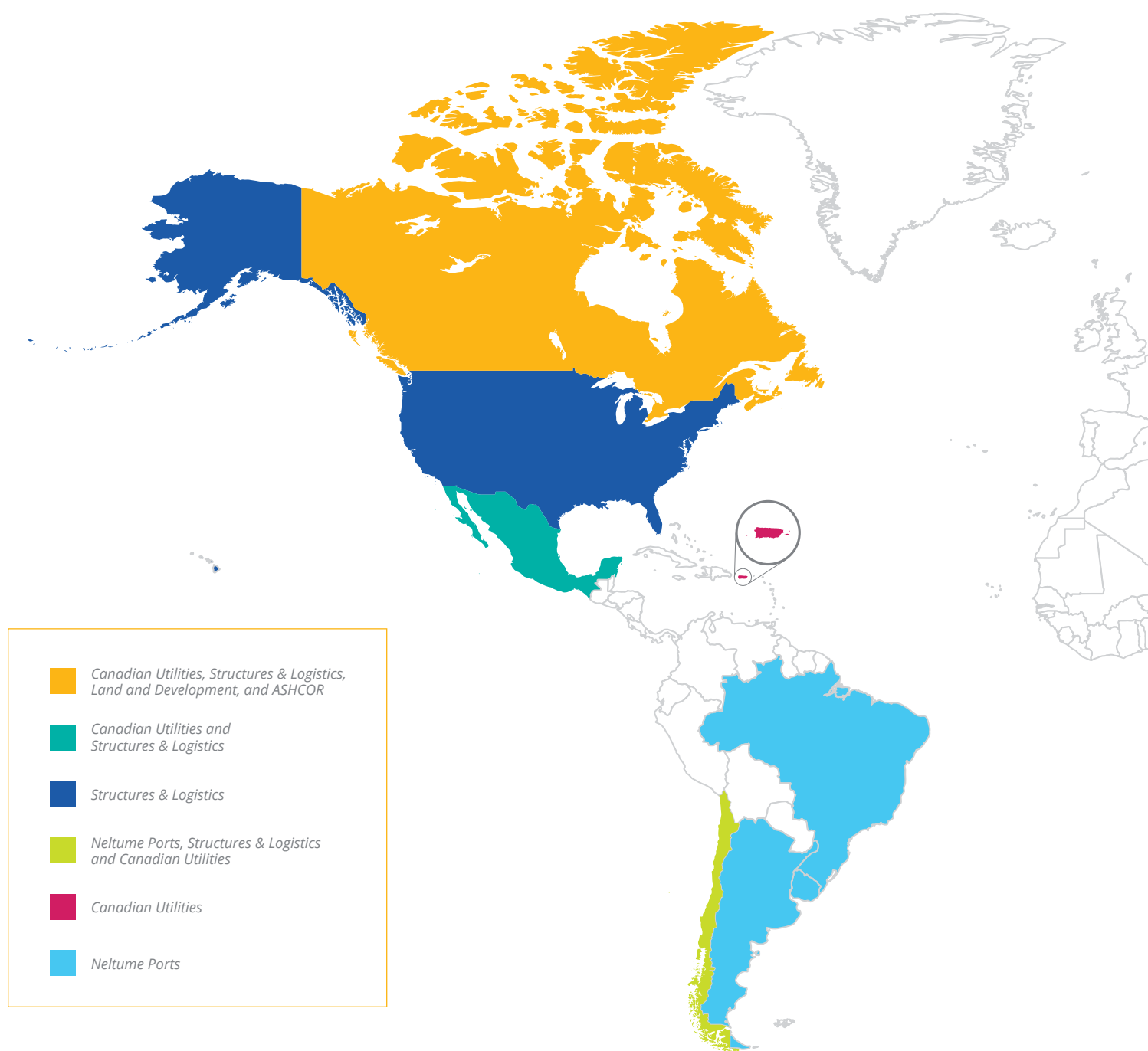
- Port Facilities
- Port Operations Services



STRUCTURES & LOGISTICS

- Relocatable Space Rentals
- Permanent Modular Construction
- Workforce Accommodations
- Disaster and Emergency Management
- Operations and Maintenance Services
- Lodging Services
- Site Services

CURRENT OPERATIONS



\$22B

IN ASSETS



2M+

GLOBAL CUSTOMERS



100+

COUNTRIES IN OUR
73-YEAR HISTORY



6,200

EMPLOYEES



22,000
SPACE RENTAL UNITS



400,000 M³
NATURAL GAS LIQUIDS CAPACITY



6
MODULAR BUILDING
MANUFACTURING FACILITIES
CANADA: 1 U.S.A.: 1 MEXICO: 1
AUSTRALIA: 2 CHILE: 1

64,000 KM
NATURAL GAS PIPELINES

85,200 M³/D
WATER INFRASTRUCTURE CAPACITY*

52 PJ
NATURAL GAS STORAGE CAPACITY**
*cubic metres per day **petajoules



16
PORT FACILITIES

3
PORT OPERATIONS
SERVICES BUSINESSES



75,000 KM
ELECTRIC POWERLINES

296 MW
POWER GENERATION CAPACITY

CORPORATE STRUCTURE

ATCO is a \$22 billion enterprise operating globally with a diverse portfolio that positions us to deliver essential services to our global customers: ATCO Structures, ATCO Frontec, Canadian Utilities Limited, ASHCOR, ATCO Land and Development and Neltume Ports.

At the heart of our business are 6,200 employees, carrying forward more than seven decades of innovation and service excellence in solving our customers' challenges, big and small—from major infrastructure projects and workforce housing to home energy delivery.

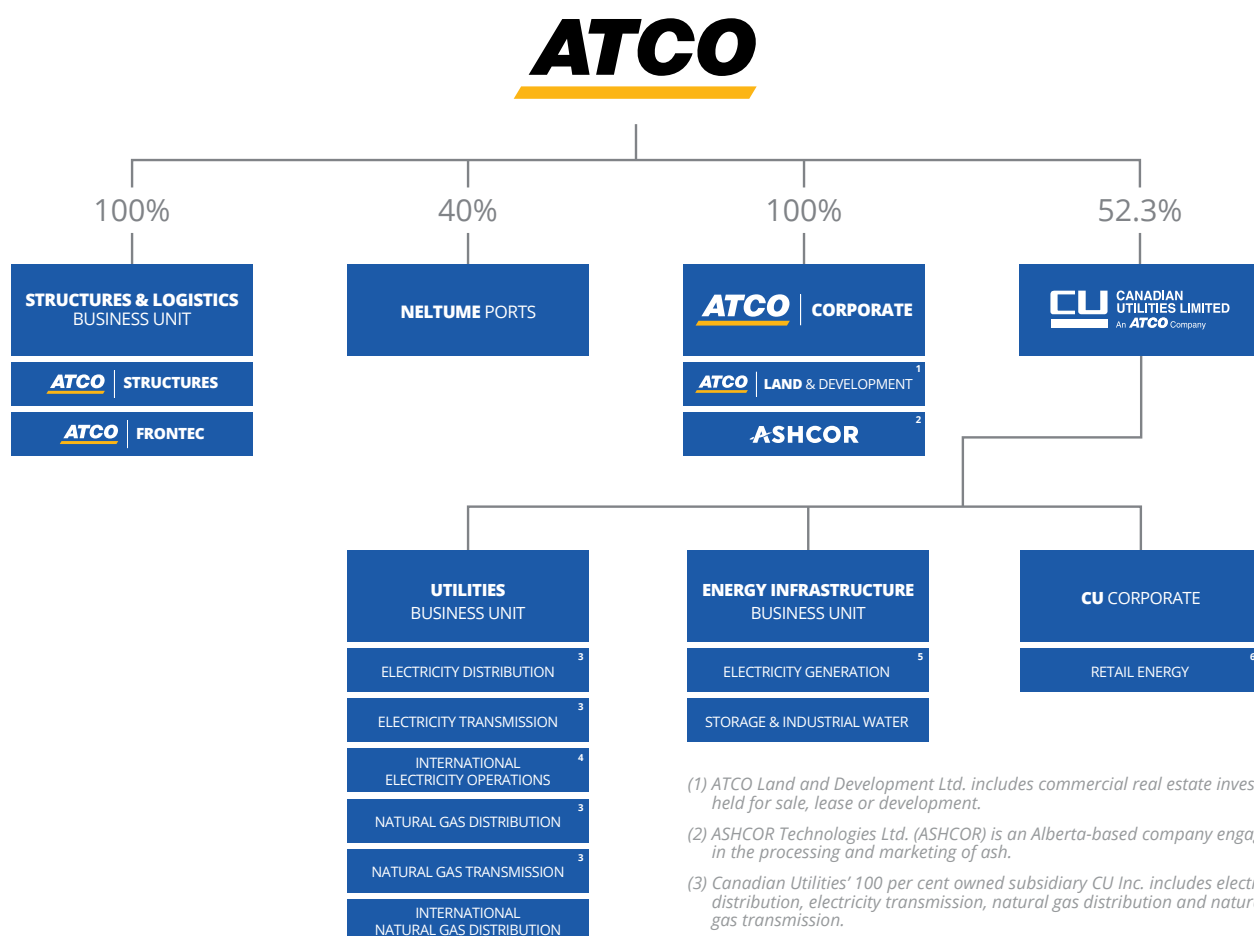
ATCO Structures designs and manufactures workforce housing and innovative modular facilities for sale or rent around the world. ATCO Frontec delivers site support services, and logistics and operations management to a broad range of industry partners and public services.

Canadian Utilities is a diverse energy company focused on electricity generation, transmission and distribution;

natural gas transmission and distribution; energy storage and industrial water solutions; and electricity and natural gas retail sales. We own 50 per cent of LUMA Energy, LLC, a company created to transform, modernize and operate Puerto Rico's 30,000 kilometre (km) electricity transmission and distribution system for the next 15 years.

ATCO Land and Development focuses on commercial real estate and currently owns properties including office and industrial space, as well as land holdings with significant development potential.

We own a 40 per cent stake in Neltume Ports, a leading company in port operation and development in the growing South American market. Neltume Ports connects our customers to global markets through 16 port facilities and three port operations services businesses.



(1) ATCO Land and Development Ltd. includes commercial real estate investments held for sale, lease or development.

(2) ASHCOR Technologies Ltd. (ASHCOR) is an Alberta-based company engaged in the processing and marketing of ash.

(3) Canadian Utilities' 100 per cent owned subsidiary CU Inc. includes electricity distribution, electricity transmission, natural gas distribution and natural gas transmission.

(4) International Electricity Operations includes Canadian Utilities' 50 per cent ownership in LUMA Energy, LLC (LUMA Energy), a company formed to transform, modernize and operate Puerto Rico's 30,000 km electricity transmission and distribution system under an Operations and Maintenance Agreement with a 15-year term after a one-year transition period, which began on June 22, 2020.

(5) Canadian Utilities owns 296-MW of non-regulated electricity generation assets in Australia, Mexico, Canada and Chile.

(6) Retail Energy, through ATCO Energy Ltd. (ATCOenergy), provides retail electricity and natural gas service in Alberta.

STRATEGIES



INNOVATION

We seek to create a work environment where employees are encouraged to take a creative and innovative approach to meeting our customers' needs. By committing to applied research and development, we are able to offer our customers unique and imaginative solutions that differentiate us from our competitors.



GROWTH

Our long-term strategy is focused on sustainable growth. We approach this strategy by expanding geographically to meet the global needs of our customers; developing significant, value-creating greenfield projects; fostering continuous improvement; and delivering reliable, cleaner and affordable energy for our customers.

We pursue the acquisition and development of complementary assets and businesses that have future growth potential and provide long-term value for share owners.



FINANCIAL STRENGTH

Financial strength is the bedrock of our current and future success. It ensures that we have the financial capacity to fund existing and future capital investments through a combination of predictable cash flows from operations, cash balances on hand, credit facilities and access to capital markets. It enables us to sustain our operations and to grow through economic cycles, thereby providing long-term financial benefits.

We continuously review our holdings to evaluate opportunities to sell mature assets and recycle the proceeds into growing areas of the company. The viability of such opportunities depends on the outlook of each business as well as general market conditions. This ongoing focus supports the optimal allocation of capital across the company.



OPERATIONAL EXCELLENCE

We achieve operational excellence through high service, reliability, and product quality for our customers and the communities we serve. We are uncompromising about maintaining a safe work environment for employees and contractors, promoting public safety and striving to minimize our environmental impact. We ensure the timely supply of goods and services that are critical to our customers' ability to meet their core business objectives.



COMMUNITY INVOLVEMENT

We are committed to a respectful and collaborative community approach, where meaningful partnerships and positive relationships are built with community leaders and groups that will enhance economic and social development. Community involvement creates the opportunity to develop partnerships with Indigenous and community groups and build ongoing, positive Indigenous relationships that contribute to economic and social development in their communities. We also engage with governing authorities, regulatory bodies and landowners. We encourage partnerships throughout the organization. We encourage our employees to participate in community initiatives that will serve to benefit non-profit organizations through volunteer efforts and the provision of products and services in-kind.

For further commentary regarding strategies and commitments to growth, financial strength, innovation, operational excellence and community involvement, see the Investors section of [ATCO.com](https://www.atco.com).

COVID-19 PANDEMIC RESPONSE

WE'RE HERE FOR YOU

As a global company facing a global pandemic, every part of our business was touched by COVID-19. In some ways, the solution seemed easy: wash our hands, stay two metres apart and stay home. For us, with a workforce of 6,200 living across five continents, many with jobs that demand they work together on the ground, our approach needed to be comprehensive and coordinated. Our Pandemic Response Plan, in place since 2009, was critical in guiding our actions during an unprecedented time.

Different infection rates and government restrictions to follow. Different essential products and services to deliver. Setting up thousands of employees to be connected and productive from their kitchen tables, almost overnight. In times of crisis, the essentials of shelter, transportation and logistics, and energy become even more critical, and we needed to keep our organization running smoothly.

Our objectives as we navigated the pandemic were clear in our minds: the health and safety of our team, customers and communities.

We wanted our customers and communities to know we were there for them, and that they could trust us to provide their critical services. To do that, we needed to help our employees adjust to the new normal and know that we would work hard to support them.

We deferred utility bills for customers who needed it. We built mobile health units for sick people. We deployed hundreds of modular units to help governments and businesses respond and adapt. We operated a COVID-19

screening checkpoint at an international border crossing. We procured and donated bottles to support a local distillery's shift in production to hand sanitizer. We loaned tents to seniors facilities to support safe outdoor visits with families. We set up a help line for our employees. We provided food to the vulnerable and overwhelmed.

The foundation underpinning our actions was proactive communications so the people we cared about—our customers, communities and employees—knew what was happening. How we were moving forward as a company and as individual business groups. What we were planning and thinking. Where people could find the information they needed: tools, resources, updates, connection with others.

From reaching out to our community partners to see if they needed support to daily updates for employees, the actions we took and the conversations we fostered led to an effective response to an unprecedented challenge.



We've implemented COVID-19 protocols at all of our business locations.



FOCUS ON SUSTAINABILITY

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

In 2020, we completed a materiality assessment to identify sustainability topics that are most critical to both internal and external stakeholders. Five key categories were identified.

ENERGY TRANSITION

We enable the transition to cleaner fuels and electricity, without sacrificing the safety, reliability or affordability of energy, by developing a suite of solutions from which our customers can choose. Solutions are driven by innovative technologies that will be integrated into a modern energy infrastructure.

CLIMATE CHANGE & ENVIRONMENTAL STEWARDSHIP

We minimize our environmental impacts and reduce emissions to do our part in tackling climate change. Critical to this approach is our focus on exploring new and more efficient ways to generate, transport and conserve energy.



We enable lower-emitting energy infrastructure through initiatives such as LED streetlight conversion.

OPERATIONAL RELIABILITY & RESILIENCE

We prepare for the future, so that even in times of crisis, our systems continue to provide the essential services our customers need. We are committed to providing reliable energy, working around the clock to minimize service outages and ensuring our assets are resilient for decades to come.

PEOPLE

The health and safety of people is the first consideration in everything we do. And, while we protect the people in our workforce and communities, we know we must also reflect the people in our workforce and communities by promoting diversity, equity and inclusion.

COMMUNITY & INDIGENOUS RELATIONS

Building respectful and mutually beneficial relationships with

communities, with Indigenous Peoples and with businesses has long defined how we do business. Together with our Indigenous and community partners, we are continually exploring new ways to collaborate.

Our comprehensive Sustainability Report, which will be released in May 2021, provides further insight into how we work across our operations to improve our sustainability performance.

Our reporting is aligned with the internationally recognized Global Reporting Initiative Standards and is guided by the Sustainability Accounting Standards Board and the recommendations of the Financial Stability Board's Task Force on Climate-related Financial Disclosures. For more information about how our efforts contribute to the United Nations Sustainable Development Goals, go to [ATCO.com](https://atco.com).

THE ESSENTIALS

HOUSING AND STRUCTURES



Through our joint ventures with Bird Construction Inc. and the Haisla Nation, we completed the first phase of the LNG Canada Cedar Valley Lodge in 2020, which will ultimately become one of the largest worker accommodation centres in Canada.

People need shelter. But to live life well, shelter must be more than just a roof over our heads. We believe the places where we live and work should be built so we are inspired to interact, play and reflect in ways that fulfill us.



...our commitment to providing housing and shelter is at the heart of our business...

For ATCO, creating inspiring environments for our clients means being innovative and responsive to their needs, now and into the future. We tailor our structures to each client and can rapidly implement adaptable, high-quality and cost-effective solutions.

Around the world and across many sectors, our commitment to providing housing and shelter is at the heart of our business—a passion that drove our creation over 70 years ago and will continue in a changing world.

CANADA

Through our joint ventures with Bird Construction Inc. and the Haisla Nation, we completed the first phase of the LNG Canada Cedar Valley Lodge in 2020, which will ultimately become one of the largest worker accommodation centres in Canada. After a year of manufacturing and site construction, the facility is currently home to more than 1,500 workers who are involved

in the construction of LNG Canada's natural gas liquefaction and export facility in Kitimat, B.C. The facility will accommodate almost 4,500 people as LNG Canada project construction activity increases. Workers will be able to enjoy a comfortable place to rest and recover from their demanding jobs, with amenities from onsite healthcare to high-speed internet service, expansive dining options, and a full range of leisure and recreational opportunities.

On the other side of the province, we expanded the Two Rivers Lodge to support BC Hydro's Site C Clean Energy Project. The lodge is designed to afford hotel-like comforts, including a 100-person movie theatre, a licensed lounge and a fully equipped gymnasium. With 1,700 construction workers needing a comfortable place to live, we manufactured and installed a 444-person expansion, including 12 dormitories, each with 37 rooms. Now able to accommodate more than



Inside the Two Rivers Lodge at BC Hydro's Site C Clean Energy Project.



The safe opening of the TMEP Clearwater Camp.

2,200 people, we continue to provide all lodging and maintenance services to make the accommodation feel like home for the duration of the eight-year contract.

Bridging between B.C.'s interior and coastal ports, the Trans Mountain Expansion Project (TMEP) uses a series of camp communities along the pipeline route to limit pressure on local housing and services during construction. We safely built two camps housing more than 1,100 people that are self-sufficient for utilities and provide lodging, security and recreational services for their residents. These sites are now

operated by ATCO Frontec through Tsetsik'wem Management Services—a joint-venture partnership between Simpcw Resources LLP and ATCO.

Our housing and structures efforts in Canada go further than temporary solutions that support workplaces. We also provide permanent housing that is affordable, so that low-income individuals and families have an opportunity to have this basic need met with dignity. During 2019 and 2020, we constructed several supportive housing complexes in British Columbia for the provincial agency BC Housing.

Our latest efforts include new apartment buildings in New Westminster and Powell River, B.C., each featuring 44 residential units with kitchenettes and washrooms, a common dining room with commercial kitchen, lounge, medical office, laundry and reception. We are continuing our partnership with BC Housing with a 61-unit complex in Surrey, B.C., with delivery expected in 2021.



ATCO provided modular housing units across Louisiana and Alabama in 2020 to support residents affected by Hurricanes Laura and Sally.

UNITED STATES RENTAL SOLUTIONS ANYWHERE AND ANYTIME—EVEN FOR A LIMITED TIME

We started our business building and renting temporary facilities that have all the benefits of a permanent structure. This is a market segment in which we continue to be a leader. From this platform, we lease and sell re-locatable modular offices, classrooms, accommodations, and commercial and industrial workplaces.

Our rental businesses and manufacturing facilities are strategically placed in Canada, Chile, Mexico, Australia and the United States, where we are particularly focused on growth. The total number of rental units has increased to almost 22,000, with a steady utilization rate of about 75 per cent— among the highest in the industry.

With the recent opening of our sales branch in Denver, Colorado and consolidation of manufacturing operations at Diboll, Texas, we have provided rapid-response rentals to meet the unique demands of the pandemic and local crisis response, including temporary housing facilities for 300 people in Nevada and 250 people in Louisiana.

Extreme weather events with Hurricanes Laura and Sally also created crisis in the communities they hit—and we were there to help. We deployed and mobilized modular housing units with 2,800 beds across Louisiana and Alabama within six days of those hurricanes to assist with disaster and emergency response.

UNITED STATES

Our rapid response planning was at the ready when two major earthquakes severely damaged the U.S. Military Base at China Lake in the Mojave Desert. Rebuilding and improving the base will take three-to-five years and up to 3,000 workers. Our role, combining our expertise in structures and logistics services, is to provide two workforce housing facilities and services for 950 people, using a combination of existing fleet and new units. Once built, we will operate and maintain the facilities for the next three-and-a-half years, providing housekeeping, janitorial, site maintenance, groundskeeping, security, waste management, food services, television and Internet.

Elsewhere in California, in the United States permanent structures market, we are modelling forward-thinking business solutions like our projects with Marriott Hotels. Working with Marriott, we designed, built and supplied modular units for the Marriott Fairfield Inn near San Francisco and a similar-sized Marriott Moxy Hotel in Oakland. With ATCO's focus on the finest details of high-quality, off-site construction for smaller footprints, and Marriott's focus on guest experience, these hospitality venues offer a perfect meeting of form and function.

MEXICO

The pandemic created an urgent need for innovative modular shelter solutions in healthcare around the world, as hospitals exceeded their capacity to care for patients with the virus. After expanding into Mexico in 2019 and becoming the largest manufacturer of modular products with the second largest fleet of rental assets in the country, we were well-positioned to provide critical support to the country in its COVID-19 response.

With our business established in the country, we were able to leverage our emergency response expertise to design and construct medical facilities in Tijuana and Mexico City. The Tijuana project included a full modular hospital, completed in 23 days. The Mexico City projects are in two parts. The first, a modular

clinic with standalone reception and examination area, was completed in just five days. The second, a small clinic connected to the Mexico City Hospital department of pulmonary disease, was built in one week, with five patient evaluation units designed to identify COVID-positive patients to reduce the risk of infected people entering the main hospital.

Our operations in Mexico are also providing innovative solutions in neighbouring Guatemala for the United Nations Office for Project Services. This project, targeted for completion in 2021, will supply two healthcare complexes with 7,400 square metres of clinic space for the treatment of patients with COVID-19.

CHILE

In December 2020, ATCO completed the purchase of the remaining 50 per cent interest in the ATCO Sabinco S.A. Joint Venture. Building on our strong foundation, this acquisition expands our position in the South American marketplace. Our Chilean assets now include full ownership of a large-scale modular manufacturing facility in Santiago. We also increased our space rental fleet by 1,776 units and 18 workforce housing units.

...we were well-positioned to provide critical support to Mexico in its COVID-19 response.



When Dromana Secondary College in Victoria, Australia needed newer, more effective learning spaces, ATCO provided an architecturally designed, permanent modular building.

AUSTRALIA

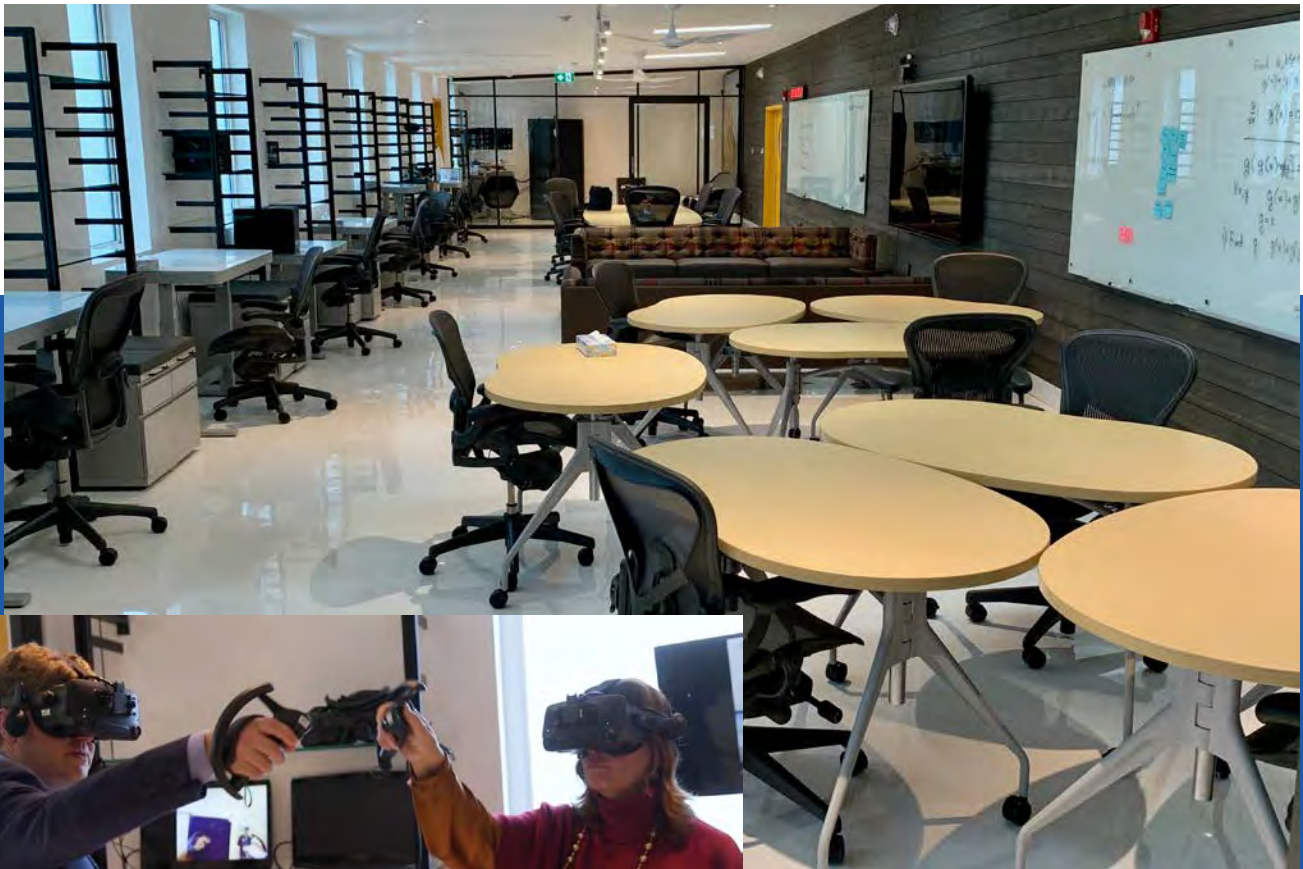
Fortescue Metals Group's Eliwana iron mine and rail project in Western Australia needs its employees well-rested and able to be at their best, far away from their homes. Following a detailed design plan, we completed final installation of the Kartajirri Village in 2020, providing permanent facilities for about 1,000 people who work at the Eliwana site, including dining, swimming pool, fitness studio, theatre and, of course, a cricket pitch.

Some 300 km north of Kartajirri on Australia's North West Coast, we

also completed Karratha Bay Village, a two-story, 400-room community to accommodate employees of Woodside Energy, Australia's leading natural gas producer. We worked hard to meet an aggressive production schedule, despite a cyclone during installation. Materials were carefully chosen to ensure the accommodation was comfortable and durable to withstand Karratha's cyclone season.

While we support workplaces today, we are also helping to build learning spaces for the next generation. When Dromana Secondary College

in Victoria State needed more space for students to learn, we provided a complete, turn-key solution with a permanent modular building extension. With six learning areas, a covered breezeway with lockers and a large kitchenette, the extension allows Year 10 and 11 students to focus on their studies, participate in video calls with their sister school in China or make a beverage while chatting with teachers.



BUILDING 13 A RETURN TO OUR R&D ROOTS



In 2020, we completed the first phase of an extensive refurbishment project of Building 13, the historical hub of ATCO's research and development activities. Located adjacent to our Structures manufacturing plant in Calgary, Alberta, the facility is designed as an open workspace to encourage collaboration, creativity and exploration among our SpaceLab project teams.

The SpaceLab framework provides ATCO teams with the opportunity to

generate sustainable new value for our enterprise. As a result, Building 13 has a number of features to foster discovery, prototyping and learning, and includes an ergonomically-designed test kitchen for our Blue Flame Kitchen team that emphasizes creating online and social-media content.

We have a history of pioneering development, including an important role in the race for the moon. The 1966 soft-landing of the NASA Surveyor 1 space probe on

the lunar surface was facilitated by landing gear developed by Mechanics Research Inc., an ATCO company. This led the way to the manned Apollo missions that allowed humans to take our first steps on a celestial body. And, as we seek to grow ATCO's differentiating advantages in pursuit of indefinitely sustainable success, Building 13 reminds us of the entrepreneurial roots that took us to the moon and encourages us to go far beyond.

THE ESSENTIALS

TRANSPORTATION AND LOGISTICS



A mobile health unit designed, built and equipped by Weatherhaven in partnership with ATCO in Brockville, Ontario, as part of Canada's pandemic response planning.

As people around the world stayed home in 2020 to protect the safety of our communities, the importance of transportation and logistics in delivering goods and services to meet people's needs was never more essential to our ability to survive and thrive.



Photo credit: Weatherhaven Global Resources

If the pandemic response has underlined one thing, it's the importance of resiliency.

We helped keep the world moving during a challenging time of restriction and stress for many, whether directly supporting COVID-19 response, providing emergency response or continuing to offer logistics, operational and port services following local health and safety guidelines.

RESPONSIVE AND RESILIENT

Throughout the pandemic, we have deployed hundreds of modular units to support COVID-19 response efforts globally, while continuing to provide highly specialized emergency and crisis management services to customers across Canada, including Indigenous communities.

Across Canada and internationally, expanding communities' medical capacity by bringing in functioning healthcare facilities has been key to supporting public health. In 2020, we worked with Weatherhaven Global Resources Ltd. to provide Mobile Health Units in support of the Government of Canada's COVID-19 pandemic response.

ATCO and Weatherhaven developed hybrid modular medical facilities designed to accommodate as many as 100 patients, together with accompanying workforce housing facilities for medical and support staff, if needed. We have remained on standby since April to mobilize and

operate two units and supported a trial deployment in December.

While supporting those directly fighting the virus, we also operated a health screening checkpoint at the U.S.-Canada border from Montana to Alberta—the largest border crossing in Alberta. Coordinating with Alberta Health, Alberta Transportation, Alberta Sheriffs and the Canadian Border Services Agency, we operated a COVID-19 screening checkpoint where non-commercial travelers had their temperature taken, underwent a short visual health inspection, and submitted and confirmed their mandatory 14-day isolation plans. With a rotating team working 24/7, traffic across the border kept flowing smoothly, with minimal interruptions for travelers.

As our teams worked at Canada's southern border, other teams worked around the clock North of 60,

where COVID-19 restrictions made maintaining government and defense operations a challenge. From Resolute Bay to Alert, Nunavut, many of our staff were unable to leave site due to travel restrictions and so worked without a break to provide essential services, such as fuel delivery, power generation, maintaining water and wastewater systems and repairing infrastructure. We earned our clients' confidence during this trying time and strengthened relationships in these communities.

If the pandemic response has underlined one thing, it's the importance of resiliency. Through our Partnering 4 Resilience program, we worked with Indigenous communities throughout Alberta to share best practices for preparing for, responding to and recovering from emergency events. Creating resilience is about building capacity in a way that is tailored to each individual community—understanding unique circumstances, aspirations and what tools may be available to assist in the process. Underpinning this work is an open dialogue that ensures a true partnership is developed and maintained.

At the beginning of the pandemic, we shifted our energy toward emergency response services and Incident Command System support. As the year progressed, our focus returned to its original intent of building resilience for future events.



COVID-19 screening checkpoint at the border between Montana and Alberta.



ATCO provided the workforce housing and camp services at Two Rivers Lodge for construction crews building BC Hydro's massive Site C clean energy project.

An important aspect of this work has been to look back and assess the pandemic response. Many learnings can be taken from times of crisis, enabling communities to become more resilient as the frequency and severity of both natural and human-caused disasters rise.

COMFORTS OF HOME

The logistics of running a large-scale lodge for a remote workforce is critical to ensuring people are safe, comfortable and productive. Once our structures are built, we often provide complete camp and facility management services to cater to both the practical side of an operation and the health and well-being of working teams. We believe our demonstrated ability to safely operate accommodation facilities during COVID-19 increased our clients' confidence and camp occupancies.

We operate several camps in B.C., including the Two Rivers Lodge that supports BC Hydro's Site C Clean Energy Project and camps for TMEP, operated by ATCO Frontec through Tsetsk'wem Management Services—a joint venture between Simpcw Resources LLP and ATCO.

Providing a temporary home for workers means more than a place to lay their heads at night. Along with the fundamentals of dining options, maintenance and fire protection, many of our lodges include health and personal care services, and a full range of leisure and recreational opportunities. All these offer supplier and employment opportunities for local communities, including Indigenous Peoples.

KEEPING GOODS MOVING

Our transportation network continued to grow in 2020. Neltume Ports began construction on a copper export facility extension at one of our ports in Chile. Once complete, the facility is contracted to load copper concentrate for 25 years, positioning us to increase copper exports as production in the region grows.

We also entered into a joint-venture partnership to build and operate a roll-on roll-off automobile logistics terminal in Mobile, Alabama, our first port facility outside South America. Operating under a 10-year concession agreement with the partnership's choice of two consecutive 10-year extensions, the terminal will primarily support the import and export needs of the growing local automotive sector in the region.

THE ESSENTIALS

ENERGY



ATCO constructed a new high-pressure natural gas pipeline from its existing Pembina Transmission system near Drayton Valley to its existing Keephills Transmission system in the Genesee area. This pipeline supported the development of natural gas electricity generation in the Genesee area.

People's need for secure, reliable, affordable energy isn't changing—but how that energy is produced and delivered continues to evolve.





The Pembina-Keeyik Transmission Line directly supports the phasing out of coal-generated electricity, ultimately reducing greenhouse gas emissions with cleaner burning natural gas.

ENERGY STEWARDSHIP

We are striving to lead the world in energy stewardship. At home. At work. From our cities to the most remote communities. Our focus is innovation and integrating emerging technology, including initiatives in renewable energy, energy efficiency, low-carbon transportation and overall energy systems.

For a utilities company, operational excellence isn't a nice-to-have, it's a must-have. Our customers need reliable power with exceptional customer service. And when your products are electricity and natural gas,

safety is paramount. Operational excellence is how we deliver on these commitments.

EL RESPLANDOR SOLAR PROJECT

Three years ago in the Bío Bío region of south-central Chile, solar developer IMPULSO visited a 7 hectare pasture—about the size of 10 football fields—in search of opportunity. The land was an agricultural area with grazing animals bathed in bright sunlight. That was the start of what will ultimately become a 9-megawatt (MW) solar energy project, built in two phases by ATCO Chile and IMPULSO as a minority partner.

The switch was opened for full operation of the El Resplandor Solar Plant's Phase 1 in June 2020 with peak generation capacity of 3-MW. Sheep still roam outside the plant of 7,000 solar panels that generate enough renewable energy to support 4,000 households without noise or emissions of any kind. The 6-MW Phase 2 is scheduled for completion in 2021.

The project is closely aligned with Chile's long-term vision and ATCO's goals: investment in affordable, reliable and environmentally responsible energy, all with local community involvement.

... the project generated more than \$10 million in opportunity to businesses in the area.

FUELLING COAL-TO-GAS CONVERSIONS

Although we sold our Canadian fossil fuel-based electricity generation in 2019, we continue to support the transition to a cleaner electricity system. Converting coal-fired electric generation facilities to natural gas reduces greenhouse gas emissions while maintaining a reliable electric base load as renewable sources continue to grow. We are working to enable this lower-carbon transition with the completion of a critical piece in Alberta's coal-to-gas power plant conversion—the successful construction and commissioning of the Pembina-Keeyik Transmission Line in 2020. The high-pressure pipeline and seven above-ground facilities connect natural gas resources in Drayton Valley, Alberta to the former coal-fired plant at Genesee, with the capacity to power 30 per cent of Alberta's electric grid with cleaner burning natural gas.

In our role as project manager, we had technical oversight on all aspects of the project, including design, engineering, procurement, construction, reclamation and—very importantly—stakeholder engagement. After seven-and-a-half months working in challenging terrain, topography and temperatures spanning -40°C to 30°C, the project was completed safely, on schedule and on budget. With a peak daily workforce of more than 600 people, the project generated more than \$10 million in opportunity to businesses in the area. And more than that, our crews raised over \$20,000 for local charities.

With the Pembina-Keeyik project complete, we begin a new journey with the \$255 million acquisition of Pioneer Pipeline, expected to be completed in mid-2021. The 131-km natural gas pipeline west of Edmonton, Alberta will facilitate the conversion of the Sundance and Keeyik coal-fired electricity generating plants to cleaner-burning natural gas.

REDUCING EMISSIONS IN ISOLATED COMMUNITIES

We believe it's important to develop sustainable and renewable energy solutions that will benefit today's and future generations—especially in Canada's remote communities. 2020 saw the completion of Canada's largest off-grid solar project, providing the remote northern Alberta hamlet of Fort Chipewyan (Fort Chip) with new clean energy, reducing local diesel use by approximately 800,000 litres (l) annually.

In partnership with Three Nations Energy (3NE), which is jointly owned by the Athabasca Chipewyan First Nation, Mikisew Cree First Nation and Fort Chipewyan Métis Association, we designed and built the two-phased project that includes a 600-kiloWatt (kW) solar farm, owned and operated by ATCO, and a 2,200-kW solar farm owned by 3NE and operated by ATCO.

Fort Chip, located about 150 km away from the nearest tie-in to Alberta's electric grid, is home to nearly 1,000 residents who have relied solely on diesel-fueled generation for electricity. Each year, diesel is transported by trucks on a winter ice road, which has

only been open for a six-week period recently. The solar project will provide about 25 per cent of Fort Chip's electricity needs annually with 7,500 solar panels, reducing trucking and consumption of diesel fuel, eliminating the equivalent of 2,145 tonnes of CO₂ annually.

As part of this project, we also operate and maintain battery energy storage and a microgrid control system. This technology has provided grid reliability and stability.

In addition to environmental stewardship, together with 3NE, we are fostering community ownership and self-sustaining economic development through job creation, investment in infrastructure, and revenue from the sale of clean power.

We also progressed the Old Crow solar project, with the Vuntut Gwitchin First Nation in Yukon, by connecting it to the Old Crow microgrid. The community will benefit from approximately 100 days of electricity production from the project in the summer months of each year. This project builds on the 25-year energy agreement that we signed with the Vuntut Gwitchin in 2018, with a 948-kW solar project and 616-kW-hour battery storage system in place. While the Vuntut Gwitchin owns the solar field, we buy the solar energy, feed it into the grid, and redistribute it to the community. This project enables a 200,000-l reduction in annual diesel consumption in Old Crow—or about a quarter of their annual fuel use.



Alberta has the fourth largest fleet of electric vehicles in Canada and ATCO is leading the charge in building infrastructure, a key factor in electric vehicle adoption.

INFRASTRUCTURE SERVICES

Our goal is to unlock energy potential. Whether customers are looking to connect to the grid, invest in distributed energy resources off the grid or strengthen their existing utility systems, we offer a unique perspective and collaborative approach to manage every stage of their project.

We drive growth outside our regulated footprint by focusing on energy infrastructure projects and services across the electricity, natural

gas and renewables sectors. From planning and design to engineering, construction and maintenance, we bring our deep expertise to help customers meet their energy needs.

URBAN INNOVATION

The City of Grande Prairie, Alberta has taken a foundational step to modernizing their electric grid with our installation of advanced meters that provide real-time information about how customers are using electricity. Real-time information helps us make decisions by

understanding usage throughout the day so we can analyze and predict what our energy future could look like, including energy management markets. Research and development opportunities will arise in areas such as artificial intelligence and machine learning. We can examine how renewables and alternate energy sources could best be connected to the existing grid, while customers can use information to actively participate in microgrids on-site generation, battery energy storage, EV charging and to manage their demand.

We aren't stopping at advanced meters. We are installing systems to remotely monitor and control dozens of critical points in Grande Prairie's urban distribution system, allowing us to avoid and reduce the impact of power outages. This is also one of the first steps in making Grande Prairie an innovation hub for energy transformation, from the distribution systems that power homes and workplaces to EV charging and street lighting that responds to local conditions.

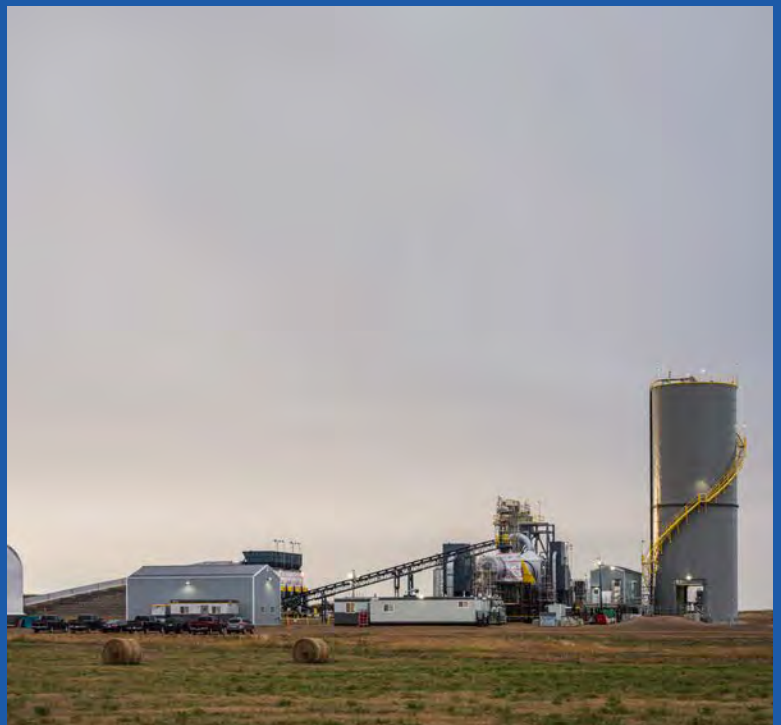
EMERGENCY RESPONSE

High river waters are a regular spring-time occurrence in Fort McMurray, Alberta; however, when the waters reached flood levels in April 2020, it was the worst they'd seen in years. Add to that a global pandemic and it's safe to say residents and responders had a lot to manage. It was all-hands-on-deck in the Northern Alberta community, with our crews working around the clock to ensure gas and electricity were shut off, outages responded to, and—first-and-foremost—that customers and employees stayed safe, all while maintaining COVID-related protocols.



A TRUSTED ASH EXPERT

For over 20 years, ASHCOR has supplied premium, reliable fly ash produced at coal-fired power plants for concrete and well cementing applications. Declining coal-fired generation is causing regional fly ash shortages. Anticipating this shift, ASHCOR has engineered a commercial solution that processes previously stored coal ashes into a high-grade cement supplement for use in concrete, offering a long-term supply of premium ash. Our flagship Reclaimed Ash Management facility is located near Forestburg, Alberta.



ASHCOR Reclaimed Ash Management facility near Forestburg, Alberta.



THE RÜMI FAMILY

As we grow, it makes sense to evolve the way different parts of our business work together so they can have a greater impact. Seeing this opportunity in three unique areas, we are deliberately creating a dynamic internal culture as we bring together ATCOenergy, our Blue Flame Kitchen, and new products and services into one RÜmi family. RÜmi exists to make people happy by making it easier for everyone to love the places they live or work.

RÜmi helps take the stress out of managing a home. Our customers can start with a Virtual Home Checkup, where a certified inspector will tour a home through a smart mobile device and advise on upcoming maintenance. Anyone can also download our app with a robust list of more than 30 maintenance suggestions, allowing you to create your own to-do list, set reminders and book local services in Calgary and Edmonton, Alberta. Helpful articles provide guidance on what can be done independently, when an expert might be needed, and what products could be helpful.

In addition, RÜmi's Business Services—a complement to our home solutions—offers small to medium-sized business owners a selection of products, services and innovations designed to enhance their confidence.

The offerings to homes and businesses grew in 2020, with 650 products now available.

We provide a range of solutions and services, including:

- Air quality
- Carpet and upholstery cleaning
- Duct, ventilation and furnace cleaning
- Electrical installation and repair
- Energy audits
- EV charger installations
- Heating and cooling
- Plumbing, including water tank and filtration systems
- Roofing and exterior
- Tree and shrub pruning



ATCOenergy

Utilities might not be super flashy, but you can't have a happy home without heat, lights and maybe even air conditioning on that one day in summer. ATCOenergy is a retail electricity and natural gas provider bringing positive energy to homes and businesses across Alberta.

Despite a challenging 2020 with COVID-19 and difficult economic times, we have maintained our position as the third-largest competitive utility retailer in Alberta. In fact, we increased our market share, continuing the trend of growing connections to customers ever since we launched.

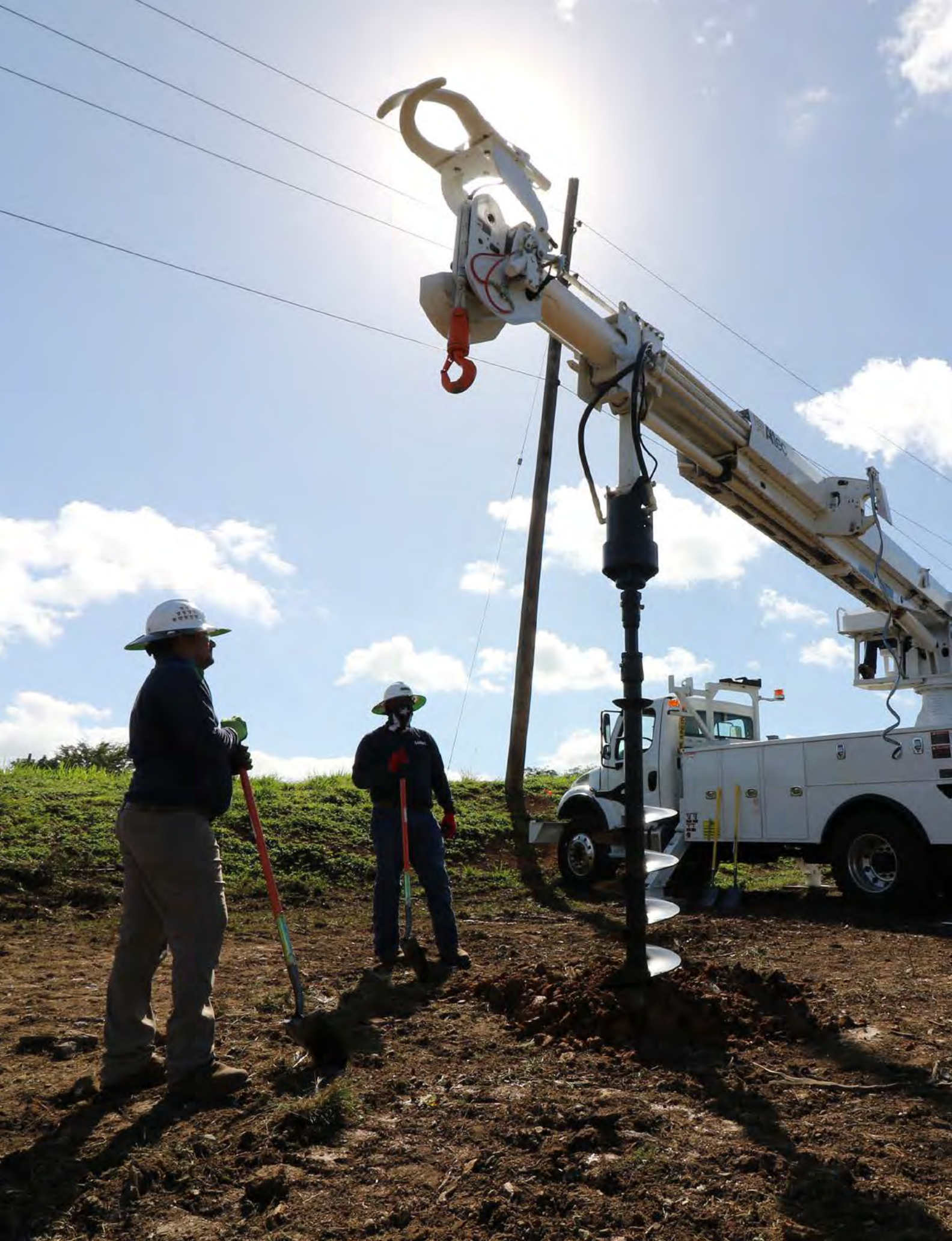
Our newest innovative product is the Advantage Rate Plan. Unlike any other plan in the retail energy market, it allows customers to pay the same wholesale rates we do for a flat daily fee, instead of a consumption-based mark-up common in other variable or floating rate plans.

FROM OUR KITCHEN TO YOURS

Like any great chef, we're working with the ingredients we have—our Red Seal chefs and professional home economists are ready to help you cook up virtually anything. And that's how we're connecting our kitchens—with on-line cooking classes for kids and adults and easy-order take-away meals.

Within 72 hours of COVID-19 restrictions leading to the closure of our Blue Flame Kitchen Café, we had launched our take-away meals. In 2020, we filled over 4,000 individual orders and sold over 21,000 items, with curbside pick-up to keep people safe. This includes holiday feasts for Easter and Thanksgiving, and a sold-out Christmas dinner.

Check out what else we've been up to in the Community Involvement section of this report.





ENERGIZING

THE PEOPLE OF PUERTO RICO

When Puerto Rico suffered a direct hit from Hurricane Maria in 2017, no part of the island was spared.

The territory had existing challenges with its power system, but the storm devastated it—people were left without power, many for over 100 days. Puerto Rico repaired what it could, but the need persisted to re-build and transform its system of over 30,000 km of transmission and distribution lines that service 1.5 million households and businesses.

That's where LUMA Energy comes in.

LUMA is a joint venture with Quanta Services, an infrastructure project management company that we've worked with successfully on many projects. LUMA was chosen on June 22, 2020, after a rigorous 18-month competitive process against some of North America's—and the world's—largest utility providers, to transition Puerto Rico's aged and inefficient electric grid to one that is safe, reliable, resilient, sustainable and affordable. LUMA will expedite this historic electricity transformation over 15 years to deliver lasting benefits to the people, communities and businesses on the island.



The model for this development is innovative: we provide operational expertise to a local jurisdiction that continues to own the utility assets. The first step in 2020 was to set up headquarters in San Juan and relocate a team to the island to oversee the full transfer of the transmission and distribution operations to LUMA, which we expect will be completed in June 2021.

As we continue to build our portfolio of global energy infrastructure in strategic growth markets, this is a watershed win for our company that will further establish us on the world stage as a leader in energy infrastructure.

EMPLOYMENT

Before LUMA can build and operate a modern transmission and distribution system for the next 15 years, we must first build a team of 4,000 committed people—most of whom we hope will join from the current public electricity provider. As part of our People First, Safety Always culture, we're committed to offering continuous learning opportunities and career-long support to our workforce. Our employees receive substantial training and development, as well as opportunities for advancement and success.

As part of our commitment to the health and safety of our people and communities, we're opening a world-class technical training college on the island. The campus will offer customized curriculum and hands-on training to LUMA utility workers and the next generation of Puerto Rico's skilled workforce.

With a comprehensive employee benefits package, we will work hard to become an employer of choice for Puerto Ricans. Beyond investing in our employees, we will invest in the communities of Puerto Rico where we live and work. Because the hallmark of an exceptional business is not just

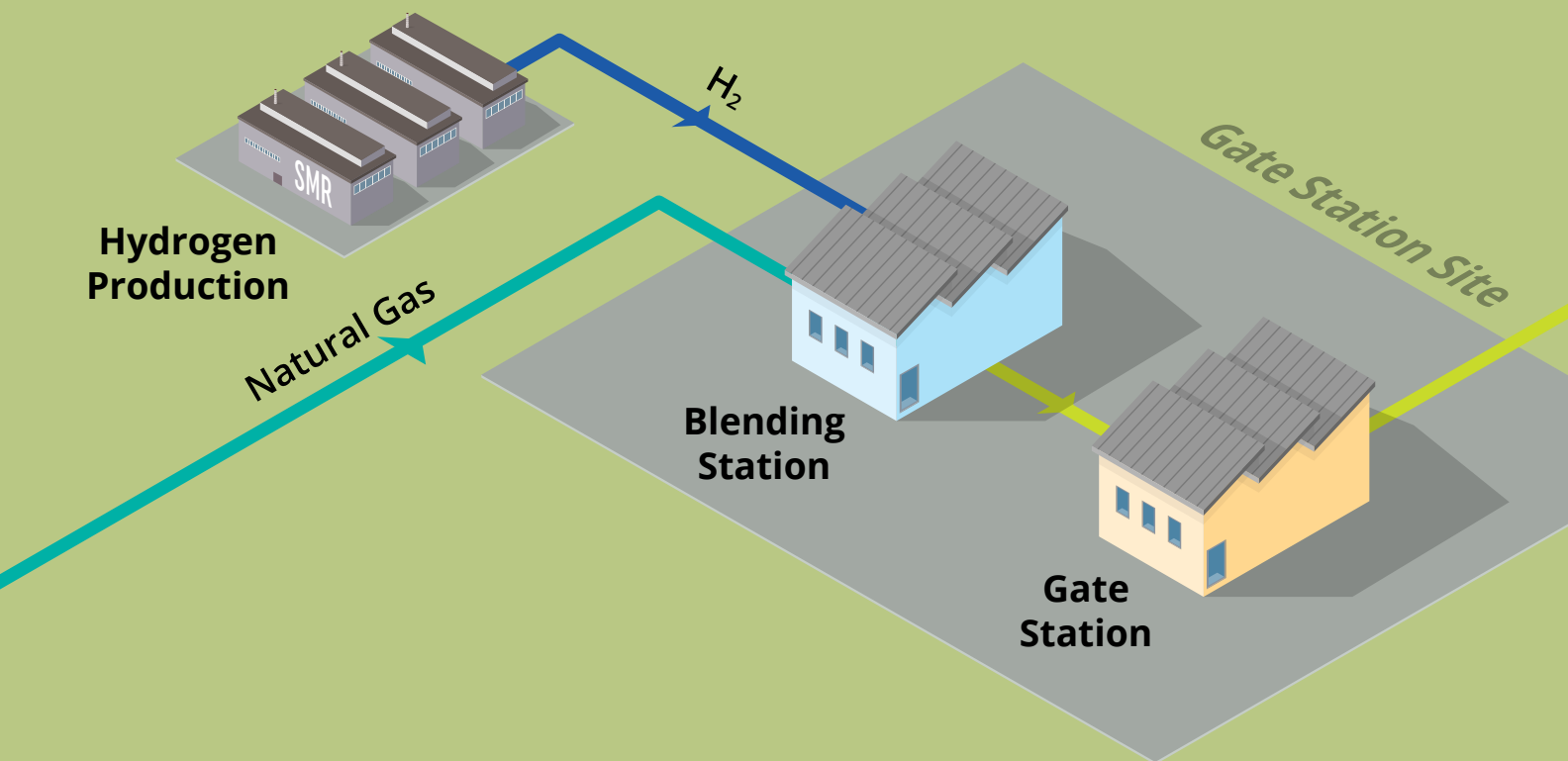


its financial success or operational performance—it's also about being a socially conscious and engaged corporate citizen.

WE'RE FAMILY NOW

From human resources experts to customer service professionals, a core team of Canadians have moved their families south to work alongside Puerto Rican colleagues. As a new neighbour said, "we're family now." And we take that relationship very seriously.

"Beyond investing in our employees, we will invest in the communities of Puerto Rico where we live and work."



ENERGY OF THE

ATCO is committed to identifying innovative energy solutions for customers that will further the world's energy transition to lower-emission fuels. This drive to greater sustainability is key to our organization and our culture. We are passionate about fostering positive change through our work, each and every day. To help us do that, we have a range of research and development projects underway.

CLEAN ENERGY INNOVATION IN AUSTRALIA

In 2019, we officially opened our Clean Energy Innovation Hub (CEIH) in Western Australia, the only facility in Australia generating green or 'clean'


hydrogen through water electrolysis. The industry-leading facility is a test bed for hybrid energy solutions and integrates natural gas, solar panels, battery storage and clean hydrogen production. The CEIH is providing valuable insights into how our extensive existing gas distribution infrastructure can continue to benefit customers as part of the future energy mix.

Building on the research from the CEIH, we conducted a feasibility study into the development of a commercial-scale hydrogen production plant, with support from the Western Australia Government, to be named the Clean Energy Innovation Park (CEIP). We submitted a funding application to the Australian Renewable Energy Agency (ARENA)

as one of seven shortlisted projects, with their funding decision expected in late March 2021. If successful, ATCO would work with ARENA to reach a final decision to proceed with the project by the end of 2021, with the CEIP expected to begin operation in 2023. This innovative work has the potential to build a new hydrogen economy in Western Australia that could be implemented globally.

HYDROGEN VEHICLE FUELLING

Expanding our focus to include transportation, we are working with Fortescue Metals Group in Australia to develop vehicle fuelling infrastructure. In 2020, we were awarded funding by the government of Western Australia to support the development of this Hydrogen Vehicle Refuelling System. Construction will



Blended Gas
(95% Natural Gas, 5% Hydrogen)

Fort Saskatchewan

FUTURE

begin in April 2021, and it is expected to be operational in July. The H2 Refueller will fill a hydrogen vehicle's tank in less than five minutes, allowing it to travel up to 500 km emissions-free.

HYDROGEN IN ALBERTA

If you could make the flame on your gas stove more environmentally friendly and just as safe, would you? It's called hydrogen blending and, with funding from Emissions Reduction Alberta's Natural Gas Challenge, we are building Alberta's first project of its kind in a section of Fort Saskatchewan's residential natural gas distribution network. By blending five per cent hydrogen into the conventional natural gas we will be lowering carbon intensity, because hydrogen emits only water when it combusts.

We are always looking to the future for a better way to power the world. Affordably decarbonizing the production of heat is vital to achieve our long-term emissions and energy goals, particularly in the cold Canadian climate.

The Fort Saskatchewan Hydrogen Blending Project will use hydrogen from natural gas. Our intent is to eventually use Alberta's existing carbon capture and sequestration infrastructure to store emissions associated with the production process. Engaging with customers and the community of Fort Saskatchewan will be integral to the project; we will work diligently to create awareness about the safety of hydrogen and its environmental benefits.

HYDROGEN FAST FACTS

- Colourless, odorless, tasteless, non-toxic and non-poisonous.
- When burned, hydrogen produces water vapour and no carbon emissions.
- When produced with renewable electricity, the process is carbon neutral.
- An efficient way to store and transport energy.

COMMUNITY INVOLVEMENT

MAKING A DIFFERENCE



Let's face it—we couldn't do it without you. The communities we serve are the communities in which we live and work. We are more than a company that passes through town.





The Fort Chipewyan Off-Grid Solar Project is the largest off-grid solar and storage microgrid project in Canada and will, when fully operational, reduce the Northern Alberta community's reliance on diesel fuel and associated emissions.

INDIGENOUS PARTNERSHIPS

We value our diverse partnerships with Indigenous Peoples around the world. The foundation of those partnerships is respect, transparency and trust. Our relationships have led to more than 50 joint-venture partnerships, memorandums of understanding and other partnerships with Indigenous groups—some that have lasted decades. These relationships translate into successful projects, many of which have direct economic participation and benefits for the communities we serve.

We also have partnerships where we act as an operator or provide expertise for an energy project that is Indigenous owned, such as in Fort Chipewyan, Alberta. This is an example of fostering community ownership and self-sustaining economic development through job creation, investment in infrastructure and revenue from the sale of renewable energy. Alternatively, in Yukon, while the Vuntut Gwitchin owns a project's solar panels, we buy the solar energy, feed it into the grid and redistribute it to the community.

It's a win-win for both partners, and a model for collaboration in the utilities sector.

Even with the challenges of COVID-19, we were able to safely continue our Indigenous Summer Student Program in 2020, with nine students welcomed in a variety of different roles. Their contribution was appreciated by their teams, and we look forward to continuing this program in 2021.

We value our diverse relationships with Indigenous Peoples around the world.

RECOGNIZED FOR EXCELLENCE

The 2020 International Edison Award recognized ATCO for our work on the Fort McMurray West 500-kilovolt (kV) Transmission Project, completed by Alberta PowerLine (APL). The Edison Award is presented annually by the Edison Electric Institute and has long been the electricity industry's most prestigious honour.

The project began in 2014, when ATCO and Quanta Services partnered to create APL and set out to develop, design, finance, construct and operate the Fort McMurray West 500-kV Transmission Project, the longest 500-kV transmission line in Canada, across some of the world's most difficult terrain and in its most challenging climate. Not only did we undertake one of the most significant energy infrastructure projects in Canada, but we did so in keeping with our values: ensuring the safety of our people, the protection of the environment, and making a positive and lasting difference for the communities along the route.

We engaged extensively with local communities as we designed and constructed the project. Over a three-year period, we engaged with

27 Indigenous communities with traditional land use in proximity to the transmission line. Expanding upon our existing relationships, Indigenous communities worked with us as active participants through significant contracts totalling \$85 million. We look forward to continuing our partnership with local Indigenous communities as part of our 35-year contract for the operation and maintenance of the line and associated substations.



Alberta PowerLine's Fort McMurray West 500-kV transmission project.

Following early energization of the project in March 2019, we provided an opportunity for Indigenous communities along the route to purchase equity ownership. Seven Indigenous communities in Alberta purchased a combined 40 per cent equity interest in APL: Athabasca Chipewyan First Nation, Bigstone Cree Nation, Gunn Métis Local 55, Mikisew Cree First Nation, by way of its business arm, the Mikisew Group of Companies, Paul First Nation, Sawridge First Nation and Sucker Creek First Nation.

Through this investment, they have become active partners in energy development that is occurring in their backyard and can use the resources from the project to invest in their communities as they choose.

APL is a true international success story, and an example for the world of how industry and Indigenous Peoples can work together to develop world-class energy infrastructure that benefits customers and communities, alike.

This is the second time that ATCO has received the Edison Award, following our win in 2005 for the Dover to Whitefish Transmission Line.



ATCO's Spruce Meadows Mobile Experience brought the wonder of this world-class venue to Calgary families' homes.

COMMUNITY PARTNERSHIPS

Our efforts in the community were not business as usual in 2020. COVID-19 meant that many events we have supported for years were postponed or cancelled. We didn't have to look far, though, to find other ways to support those around us by reaching out and checking in on friends and neighbours. From loaning tents to seniors facilities so families could enjoy a safe outdoor space to meet their loved ones to procuring and donating 1,000 bottles to support a local distillery's shift in production to hand sanitizer, 2020 is a year that will be unique in how we connected in our neighbourhoods.

A MOBILE EXPERIENCE

Our major partner Spruce Meadows was temporarily closed due to COVID-19 restrictions, but with ATCO's Spruce Meadows Mobile Experience, five deserving families were able to feel the wonder of this world-class sport and entertainment venue right in front of their homes. Nominated by Calgarians, winners stepped into the transparent ATCO mobile trailer to enjoy video highlights of Spruce Meadows and the Cavalry FC soccer team, before immersing themselves in a virtual reality world of show jumping a horse in the 'Masters' tournament. Next was a live virtual concert performed by Youth

Singers of Calgary artists, complete with sweet treats like cotton candy, slushies, popcorn—and Spruce Meadows' staple Purdy's ice cream bars. In a grand finale, a competition horse trotted around the corner for a visit. The day ended off with gifts and heartfelt thanks.

EDUCATION SUPPORT

With many kids around the world learning from home instead of at school, there is always concern that children may be missing out on important aspects of learning.

Near our hydroelectric station in the state of Veracruz, Mexico, many students in the mountains do not

have internet to continue with their education during the pandemic. That is why we joined forces with the Union of Teachers in Veracruz to establish a virtual classroom where small groups of children could take distance-learning sessions guided by one teacher.

Grade 12 graduates in Calgary were in danger of missing an important milestone in their education: walking across the stage to accept their diploma. ATCO was proud to be the Main Stage Sponsor of Drive Thru Grad 2020, held at Spruce Meadows and the Calgary Stampede grounds, so that graduates could celebrate with their classmates at a safe social distance.

VULNERABLE SENIORS

Seniors were particularly vulnerable and isolated in 2020, and we wanted to help. Our talented and caring culinary team at the ATCO Blue Flame Kitchen joined forces with the Calgary Seniors' Resource Society, Bow Centre Housing Society and the Kerby Centre to provide 11,700 nutritious and delicious meals to seniors who were financially impacted by COVID-19 and lived alone, with a caregiver or in a

seniors' complex in Calgary. The 23-week program included 100 meals a day for five days a week, as well as 300 Christmas meals.

HOMES FOR HEROES

In Alberta, we partnered with the Homes For Heroes Foundation to create a safe housing alternative for Canadian Armed Forces veterans at risk of homelessness. In 2020, we worked on a second veterans' community in Edmonton, while celebrating the one-year anniversary of the first community in Calgary. A festive light display during the holiday season for the Calgary village's residents was complete with an ATCO employee drive-by to show our support and thanks.

In total, we have committed a \$1.5 million gift-in-kind donation to support the Homes For Heroes Foundation. As an added gift, ATCO also matched \$100,000 in donations made to the Homes For Heroes Foundation in December.

ATCO EPIC

ATCO EPIC (Employees Participating in Communities) is a long-standing employee-led program that rallies the

spirit of our people all over the world, combining volunteerism, fundraising events and individual donations. With everyone working safely from home due to the pandemic, we needed to re-think how to manage the program in an entirely virtual environment.

The key was to leverage technology and increase the collaboration across our organization to create powerful campaigns where our people could contribute to their communities without leaving their desk. This agile approach actually increased the number of our employees who participated, pushing us to exceed our goal from last year.

With the combined efforts of our employees around the world, we pledged more than \$2.9 million to support hundreds of community charities through our annual ATCO EPIC campaign, taking the program's cumulative fundraising total to nearly \$47 million since its inception in 2006. Employees donate directly to the charities of their choice, and we enhance our people's generosity by matching those donations made to health and wellness charities.

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A MILLION DOLLARS, THOUSANDS OF PEOPLE, DOZENS OF COMMUNITIES

In response to the 2019-2020 Australian bushfires, we donated \$1 million to the Business Council of Australia's BizRebuild, an initiative to help bushfire-affected small businesses and communities get back on their feet. Here's how the donation made a difference.

Mogo pop up mall: Temporary premises for local businesses and new accommodation for the Mogo Local Aboriginal Land Council, all of which were destroyed.

Voucher Program: \$180,000 worth of vouchers to over 120 bushfire-affected businesses so they could replace essential equipment or access professional services.

Love the Bay: Expand Batemans Bay's "Love the Bay" marketing initiative, which focused on replacing lost tourism.

Classroom: Provide space for growers to train in commercial vegetable production and demonstrate the viability of small-scale farm enterprises.

Community Liaison Officers: Work with bushfire-affected communities, local councils and community organizations to support local-led business and broader community recovery.

Wheelchair Accessible Bus: Replace a community's only wheelchair accessible bus.

GoFenceMe: Provide replacement fencing materials to farmers and landholders.

Narooma Oyster Festival: Expand the annual festival and the region's broader offerings, with a mobile oyster van or pop-up oyster bar to take the product to the people.

ANSWERING THE CALL IN AUSTRALIA

In late 2019 through to early 2020, much of Australia was devastated by raging bushfires that caused heartbreaking loss of life, and significant destruction to homes, communities, wildlife and the natural environment. While our operations were spared any damage, our people—from Australia to North and South America—were swift to respond with support for their friends and neighbours. Through ATCO EPIC, we raised more than \$118,000 for charities in Australia focused on three important areas: families, farmers and wildlife. Employee-led contributions were in addition to ATCO's \$1 million donation and the use of 13 modular buildings to help businesses recover from the natural disaster.

FINDING COMMUNITY IN SPORT

For the fifth consecutive year, we proudly partnered with Spirit North. Through this partnership, more than 5,000 Indigenous students from 41 communities participated in one or more cross-country ski days and community events in the 2019-2020 season alone.

Since 2004, we have also sponsored the biannual Arctic Winter Games, the world's largest northern multisport and cultural event featuring traditional Dene and Inuit

We believe in the significant value of educating our employees about the unique cultural and historical status of Indigenous Peoples and communities.

games, cultural activities and modern athletic competitions. The games were unfortunately cancelled in 2020 due to the pandemic, but our commitment is steadfast. We look forward to continuing our support as a Legacy Sponsor next year.

YOUTH ACHIEVEMENT

Junior Achievement teaches students about budgeting in their Economics For Success in-school program, in addition to the after-school Company Program, providing a hands-on entrepreneurship experience teaching students how to start their own business. Our founder, R.D. Southern, and other local business leaders were instrumental in bringing Junior Achievement to Calgary 60 years ago. In 2020, one group of students, supported by seven mentorship volunteers from ATCO, was honoured with the Company of the Year award. Team “Beeyond Wraps” developed sustainable, 100 per cent cotton sheets glazed with an organic beeswax mixture to create eco-friendly food wraps to replace single-use plastics.

INDIGENOUS EDUCATION AND AWARENESS TRAINING

We believe in the significant value of educating our employees about the unique cultural and historical status of Indigenous Peoples and communities. Over 900 employees took Indigenous training last year, which included online orientation, informal virtual lunch and learn sessions, in-person and virtual full-day courses and the University of Calgary Indigenous Relations Training Program, which we sponsor. In 2020, we also offered new courses to provide topic-specific training for people who have additional involvement with Indigenous groups. Training took place in Canada, Mexico and Australia. In 2021, we plan to update our online training and create additional awareness opportunities around important Indigenous observances.

INDIGENOUS EDUCATION AWARDS

In 2020, \$66,000 was awarded to 49 students across Canada through our Indigenous Education Awards program. Our program supports First Nation, Inuit and Métis students by providing financial assistance to help them in their quest for higher education. Students who

demonstrate leadership and strive to be role models in their schools and communities can receive an award: \$500 merit awards for Grade 10 to 12 students; \$1,000 bursaries for students enrolled in trade, diploma or certificate programs; and \$1,500 scholarships for students enrolled in degree or graduate programs.

In Australia, we celebrated with 10 graduates of the 2020 Emerging Aboriginal Leaders Program. Established by the Western Australia Aboriginal Leadership Institute and supported by ATCO, the program develops leadership qualities of Aboriginal young people through a focus on culture and sharing experiences.

EXECUTIVE LEADERSHIP TEAM



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Executive Chair, Canadian Utilities Limited*



Dennis A. DeChamplain

*Executive Vice President
& Chief Financial Officer*



Adam M. Beattie

President, ATCO Structures



Bob J. Myles

*Executive Vice President
Corporate Development*



Becky A. Penrice

*Executive Vice President,
Corporate Services*



Siegfried W. Kiefer

*President & Chief Executive Officer,
Canadian Utilities Limited and
Member, Office of the Chair, ATCO Ltd.*



M. George Constantinescu

*Senior Vice President &
Chief Transformation Officer*



Jim Landon

President, ATCO Frontec



Wayne K. Stensby

*Executive Vice President,
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Marshall F. Wilmot

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OUR EXCELLENCE STATEMENT

“Going far beyond the call of duty. Doing more than others expect. This is what excellence is all about. It comes from striving, maintaining the highest standards, looking after the smallest detail and going the extra mile. Excellence means caring. It means making a special effort to do more.”

– R.D. Southern, Founder of ATCO

On the cover:

Black bear cubs peer out from behind a tree in the Rocky Mountains of western Alberta, while mama bear keeps a close eye on them as she forages in a grassy meadow nearby. Photo by Liron Gertsman



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