

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.





Q3 2023 Business Highlights

ATCO Ltd.



ATCO Structures Highlights

Our Structures business continues to focus on the expansion of its base business earnings, comprised of global space rentals and global workforce housing, with this subset of the business now representing, on average, two-thirds to three-quarters of our segment earnings. The base business earnings are less cyclical than the large workforce projects that support global infrastructure development.

Global Space Rentals

We continue to expand our space rentals fleet in existing geographies and drive new growth in key markets like the United States.

Utilization rates have remained strong as we have grown both our fleet size and average rental rates.

Global Workforce Housing

We continue to refine our fleet and tailor it to the specific needs of customers, allowing us to secure new workforce housing projects and drive growth in average rental rates.

Global Space Rentals¹

Metrics	Q3 2023	Q3 2022
Number of units	23,897	21,835
Average Utilization	74%	79%
Average rental rate (monthly)	\$735	\$637

Global Workforce Housing¹

Metrics	Q3 2023	Q3 2022
Number of units	2,764	2,659
Average Utilization	68%	76%
Average rental rate (monthly)	\$2,313	\$1,803

1. For the three months ending September 30, 2023.

Neltume Ports Highlights

Our Neltume Ports business continues to focus on growth and the deployment of capital – both in the form of increased ownership in our existing investments and through the pursuit of new investments for our diversified portfolio.

Port	Prior Year % Ownership ¹		Current % Ownership ²	Country	Terminal Type	Key Cargo
Terminal Puerto Arica	50%		50%	CHL	Container	Mixed
Terminal Puerto Angamos	40%	➡	50%	CHL	Multi	Copper
Terminal Graneles del Norte	40%	➡	50%	CHL	Dry Bulk	Coal/Copper
Puerto Mejillones	50%		50%	CHL	Dry Bulk	Zinc/Copper
Terminal Mejillones	50%		50%	CHL	Liquid Bulk	Sulfuric Acid
Terminal Puerto Coquimbo	70%		70%	CHL	Multi	Copper
Terminal Pacifico Sur	60%		60%	CHL	Container	Fruit/Wine
Puerto Coronel	25%		25%	CHL	Multi	Pulp/Wood
Terminal Puerto Rosario	50%		50%	ARG	Multi	Mixed
Montecon	100%		100%	URY	Container	Mixed
Terminales Graneleras Uruguayas	54%		54%	URY	Dry Bulk	Soy Beans
Terminal Ontur	28%		28%	URY	Multi	Agri./Pulp
Sagres - Four Ports (TLRG, TLP, TPP, TLG)	90%	➡	95%	BRA	Multi	Pulp/Wood
Automobile International Terminal	50%		50%	US	Roll-on Roll-off	Vehicles
Vancouver Bulk Terminal	0%	➡	50%	US	Multi	Mixed

1. As of December 31, 2022.

2. As of September 30, 2023.



Clean Fuels Strategy and Update

Our Clean Fuels strategy takes a customer first approach, building on our core corporate values and leveraging our existing expertise across the value chain to collaborate with governments, partners and other stakeholders to deliver solutions.

1

Prioritizing long term competitive solutions and large volume offtake to manage risk and provide earnings stability

2

Aligning with social and government priorities that offer a pathway to long-term competitiveness

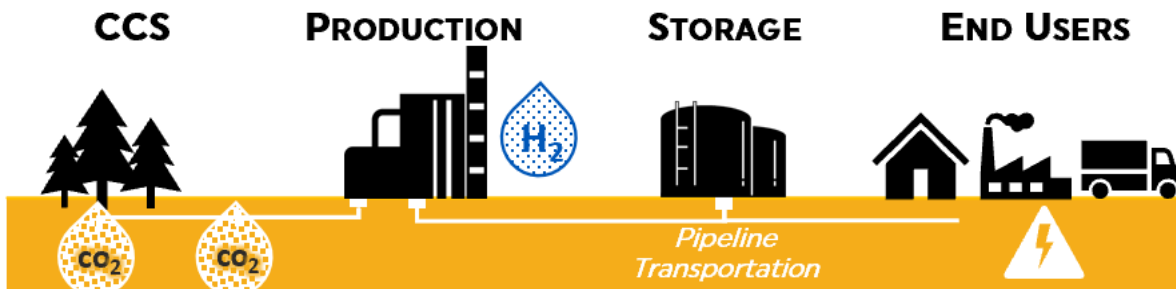
3

Leveraging ATCO's competitive advantage through strategic development and partnerships across the clean fuels value chain

ATCO Heartland Hydrogen Hub

Overview

- Proposed world-scale clean hydrogen production hub near Fort Saskatchewan, Alberta
- Working collaboratively with government, potential partners and local offtakers to move the project towards a sanctioning decision
- Optionality for a fully integrated hub; including hydrogen storage, transportation infrastructure, and carbon sequestration through our partnership in the Atlas Sequestration Hub



Key Project Details



Hydrogen produced using Autothermal Reforming Technology



Strategically located near demand centers in the Alberta Industrial Heartland



>95% carbon capture, with 2.7 million tonnes per year sequestered through our partnership in the Atlas Sequestration Hub



Producing 300,000 gross tonnes of H₂ per year

Renewable Generation Strategy - Development Update

Asset	Scale (Gross MW)	Ownership	Comments
Alberta Solar Projects			
Barlow Solar	27	49%	Achieved full commercial operations in Q3 2023; operating on a merchant basis selling to the Alberta grid
Deerfoot Solar	37	49%	Full commercial operations are expected in Q4 2023; power purchase agreement in place with Microsoft
Empress Solar	39	100%	Full commercial operations are expected in Q4 2023; virtual power purchase agreement in place with Lafarge
Near-Term Development Projects			
Forty Mile Wind Phase 1 Uprating	24	100%	Final completion expected in Q1 2024
Forty Mile Solar	220	100%	AUC approval in place; GUOC ¹ payment made (Stage 5)
Mid-Stage Development Projects			
Craig Lake Wind	246	100%	Environmental studies underway; submissions filed into the AESO Cluster Assessment to assess transmission interconnection requirements
Kitscoty Wind	174	100%	
Hand Hills Wind/Solar Hybrid	300	100%	
Forty Mile Wind Phase 2	200	100%	
Early-Stage Development Projects			
4 Solar Opportunities	490	100%	Existing land lease option agreements; varying progressions of environmental studies, meteorological data collection, interconnection assessments and stakeholder consultations

1. GUOC refers to the Generating Unit Owners Contribution.



Key Regulatory Highlights

Third Performance-Based Regulation (PBR 3)

- Decision on the parameters for PBR 3 was received in October 2023
- Key changes vs. PBR 2 include:
 - i. Introduction of an X factor premium of 0.3%
 - ii. Modifications to capital funding provisions
 - iii. Introduction of an earnings sharing mechanism (ESM)
 - iv. Removal of the efficiency carry-over mechanism (ECM)
- PBR 3 will be implemented for the 2024 to 2028 period for our Alberta electric and gas distribution utilities

2024 Generic Cost of Capital (GCOC)

- GCOC decision was received in October 2023
- The Commission approved a base 9.0% as the starting point for the formulaic approach to determining ROE, which will be adjusted for utility spreads and bond yields
 - Actual 2024 approved ROE will be determined in November 2023 based on October 2023 formula inputs
 - Periodic reviews contemplated to account for market dynamics which warrant reevaluating formula
- Approved Formula: $ROE_t = 9.0\% + 0.5 \times (YLD_t - 3.10\%) + 0.5 \times (SPRD_t - SPRD_{base})$
- Equity thickness remains at 37.0%

Sixth Access Arrangement (AA6)

- Completed our initial AA6 submission to the Economic Regulation Authority, or "ERA" in September 2023
- Public consultation has commenced and is scheduled to conclude in November 2023, with a draft decision from the ERA expected in April 2024
- AA6 will be implemented for the 2025 to 2029 period for our Australian gas distribution utility



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