



# 2023 SUSTAINABILITY REPORT

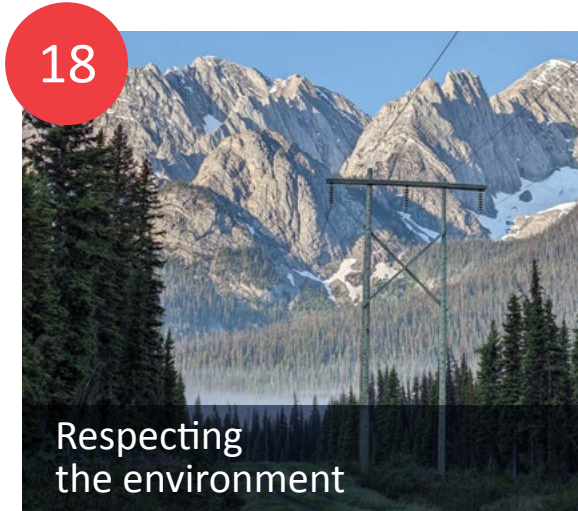




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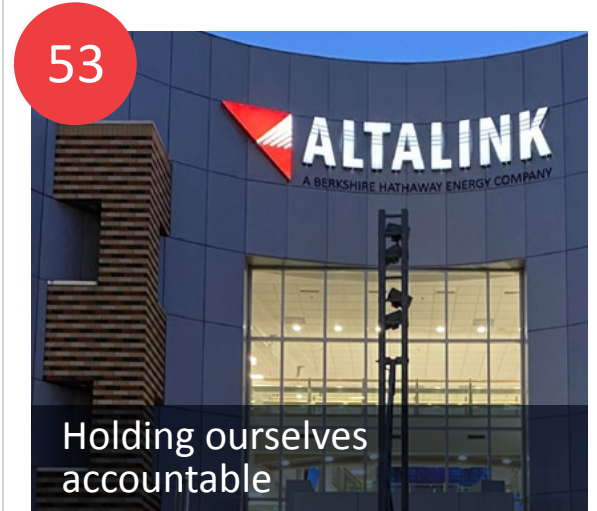
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## A message from our President and CEO

**At AltaLink, 2023 was a year for the history books. Not only because of what we accomplished, but because of how we did it. Last year we demonstrated what I believe to be the best of AltaLink in action.**

We know that Albertans want safe, reliable and affordable electricity. As the province's largest electricity transmission provider, that's our responsibility to deliver. It's what we do, and what we've always done.

What stands out for me as the key to our success is the integrated approach that our team takes to achieve these results. Every decision we make at AltaLink considers the potential impacts and opportunities for our employees, our customers, our business, and the environment.

For us, it's all connected. This shined through in 2023.

### INDUSTRY-LEADING PERFORMANCE

As Albertans continued to see rising costs in energy bills, AltaLink fulfilled a commitment to our customers to keep our rates at or below 2018 rates through 2023 – our *Flat for Five* commitment. We're the only regulated electricity company in Alberta to make and meet a commitment like this.

While keeping our rates flat, we continued to improve our reliability performance for our customers while remaining focused on the safety and wellbeing of our employees. In 2023, we were recognized by Electricity Canada for both our reliability and safety

performance with the *Resiliency and Reliability Award*, and our seventh consecutive *President's Award for Safety Excellence*.

While achieving our best-ever result in customer satisfaction, we moved forward with our plan to reduce our emissions by greening our fleet with five new electric vehicles and identifying opportunities to increase the efficiency of our facilities.

We're incredibly proud of the industry-leading results that we've achieved. They demonstrate our commitment as a team to collaborate with our stakeholders while measuring our progress to identify improvement opportunities moving forward.

### WILDFIRE RESPONSE AND MITIGATION

I can't talk about 2023 without reflecting on the historical wildfire season that we experienced in the province.

Two wildfire events, combined with a spring snowstorm and subsequent flooding, resulted in AltaLink's largest-ever response and restoration effort. Over three months, our team navigated extreme weather and site conditions while working to repair 254 damaged structures across 16 transmission lines.

**"With a future driven by technology, a push to achieve net zero emissions, and the increasing electrification of society, the grid will play a larger role in our lives than ever before."**

Gary Hart, President & Chief Executive Officer







This effort required action from all areas of our business, along with ongoing communication and collaboration with our customers and industry partners in the impacted areas.

Through it all, the entire team remained focused on the safety of our employees and the communities where we operate, while restoring service to our customers safely and as quickly as possible. They delivered exceptional results for our customers, while looking after each other.

I couldn't be prouder of this team. We demonstrated our ability to respond and rally in unprecedented circumstances. We also demonstrated how we reflect and learn from our experiences to forge a sustainable path forward.

With wildfires becoming more frequent and intense, our priority is protecting Albertans from the risk of wildfires. AltaLink was the first utility in Alberta to develop a wildfire mitigation program. Since 2019, this has involved safety measures and system enhancements to reduce the likelihood that our system contributes to the ignition of a fire.

In response to the increase in extreme weather and the severity of wildfire activity in Alberta in 2023, our team recognized that we need to do more to address the risk. As a result, we filed an amendment to our 2024-2025 tariff application to further enhance and accelerate investments in our existing wildfire mitigation program.

## LOOKING TO THE FUTURE

Our province is fortunate to have diverse sources of generation to power the grid, and AltaLink has integrated all of these sources effectively for 22 years. We did this while consistently improving our reliability performance and keeping our rates flat for five years in a row.

With a future driven by technology, a push to achieve net zero emissions, and the increasing electrification of society, the grid will play a larger role in our lives than ever before.

Early in 2024, AltaLink was named by Forbes' as one of Canada's Best Employers. The top 300 companies are selected based on a survey of 40,000 Canadian workers assessing salary, gender pay-equity, work flexibility and much more.

With our team — one of the best in Canada — we've proven we can deliver safe, reliable and affordable electricity to our customers.

As our industry continues to evolve, Albertans can count on us to continue to responsibly deliver the energy they need, when they need it.

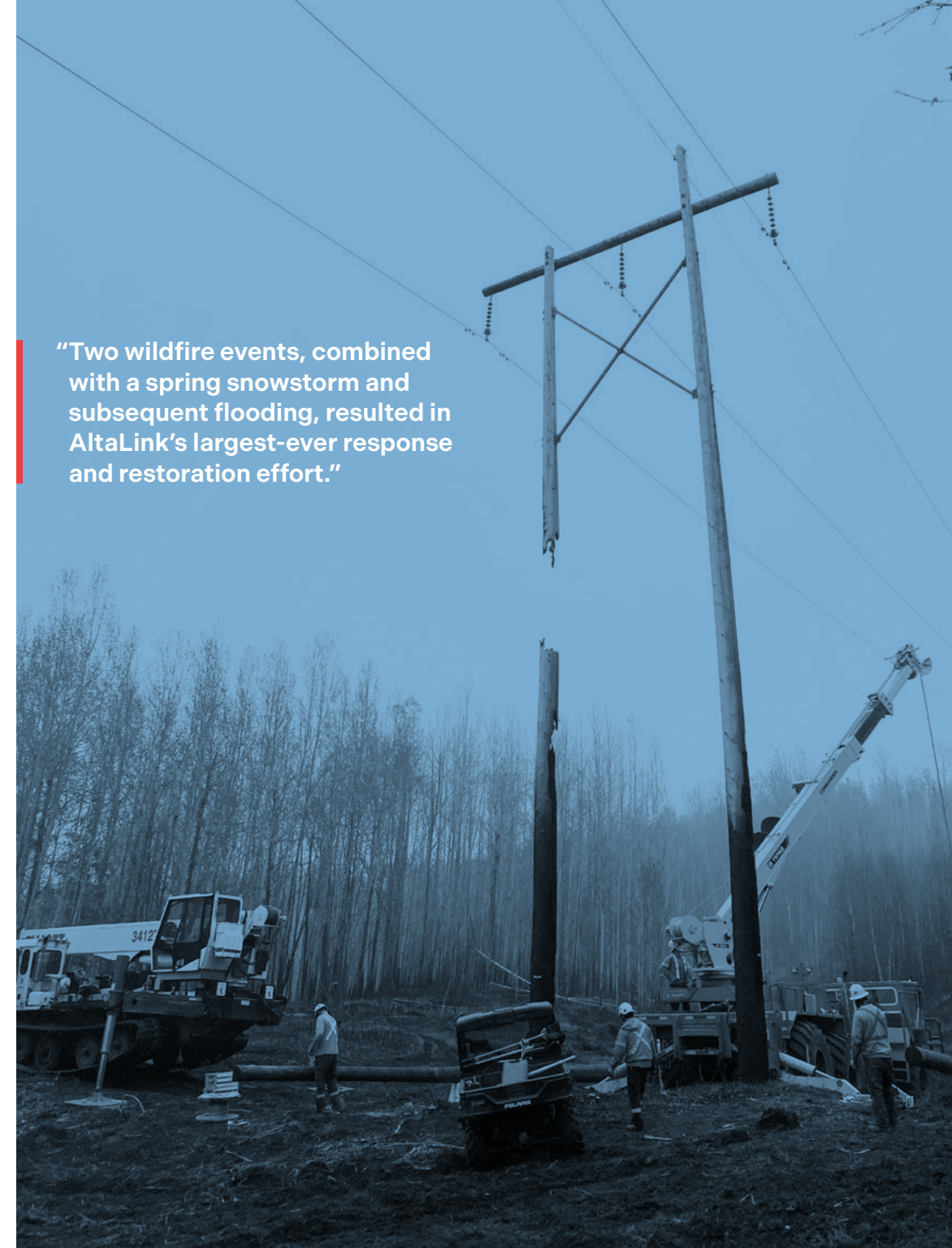
We're not only delivering now, but we're ready for the future.

**Gary Hart**

President & Chief Executive Officer

**"AltaLink was the first utility in Alberta to develop a wildfire mitigation program"**

**"Two wildfire events, combined with a spring snowstorm and subsequent flooding, resulted in AltaLink's largest-ever response and restoration effort."**







# About AltaLink





# About AltaLink

Owned by Berkshire Hathaway Energy, we are part of a global group of companies that delivers sustainable electricity and utility services to customers worldwide. At AltaLink, our exceptional customer service, commitment to the environment, and world-class safety record make us a leader in our industry. More than three million Albertans rely on us to deliver the electricity that they use every day. As Alberta’s largest regulated electricity transmission company, we’re the essential link that connects homes, farms, businesses and industries to the diverse sources of energy generated across the province.



## Indigenous land acknowledgement

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

### Vision

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

Alberta’s largest regulated electricity company

311 SUBSTATIONS

SERVING 85% OF ALBERTANS

226,000 SQUARE KILOMETRES

13,300 KILOMETRES OF TRANSMISSION LINES





# Core principles



## CUSTOMER SERVICE

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



## EMPLOYEE COMMITMENT

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



## ENVIRONMENTAL RESPECT

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



## REGULATORY INTEGRITY

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



## OPERATIONAL EXCELLENCE

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



## FINANCIAL STRENGTH

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





**Our  
approach**





# For us, it's all connected



**SUSTAINABILITY**  
IT'S ALL CONNECTED

We have a responsibility to deliver safe, reliable and affordable electricity to Albertans. For us, it's not just about what we do, it's about how we do it. Being a responsible business means that we are considering the opportunities and potential risks across all areas of our business, from our respect for the environment, our commitment to our people and customers, and the way we hold ourselves accountable. It's all connected.

## RESPECTING THE ENVIRONMENT

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

## COMMITTED TO OUR PEOPLE AND OUR CUSTOMERS

AltaLink's people are the heart of our business and our competitive advantage. We're committed to fostering an inclusive workplace and make no compromises when it comes to providing a healthy and safe work environment. Our commitment to our customers and the communities we serve comes to life through our community investment strategy, our engagement activities, and our drive to enhance the service we deliver.

## HOLDING OURSELVES ACCOUNTABLE

We're fair, ethical, and transparent in everything we do. We have policies in place to ensure we maintain the highest of operating standards in serving our customers and Albertans.



## Sustainable energy leader designation

In 2014, AltaLink was honoured to be Canada's first electricity transmission company, and second electricity company, to receive Electricity Canada's *Sustainable Electricity Leader™* designation. The designation, which recognizes a commitment to environmental and social responsibility standards and requires third-party verification, can be renewed every five years. In 2019, we were the first Canadian utility to be re-designated, reflecting our ongoing commitment to meeting the needs of our customers, communities and employees through sustainable business practices.

**Sustainable  
Electricity  
Leader**



**Chef de file en  
matière d'électricité  
durable**

*Transmission system maintenance  
in the Canmore, Alberta area.*





# 2023 highlights



## Respecting the environment

### OSPREY NEST MITIGATION

An osprey nest was successfully relocated to an artificial platform as part of a safely completed outage plan on our transmission line between the Town of Banff and Lake Louise.

### FLEET UPDATE

AltaLink added five new electric vehicles to its fleet in 2023, along with charging stations at key company locations. Electric and hybrid passenger vehicles and half-tons are part of a 10-year green fleet plan aimed at reducing emissions.

### FACILITIES STUDY

Energy audits of eight AltaLink facilities in 2023 highlighted opportunities to reduce AltaLink’s carbon emissions profile. AltaLink is reviewing recommendations and starting to implement solutions in 2024.

### LARGEST RESTORATION EFFORT FOLLOWING EXTREME WEATHER EVENTS

Two wildfires and a spring snowstorm caused damage to 254 AltaLink structures across 16 different transmission lines, launching what became AltaLink’s largest restoration effort to-date.



## Committed to our people and our customers

### ‘FLAT FOR FIVE’

In 2023, we proudly delivered on a commitment we made to keep customers’ costs, and our annual revenue requirements, at or below 2018 levels. As a result, we stayed ‘flat for five’ years, and did not contribute to an increase in electricity prices for Albertans.

### BEST-EVER CUSTOMER SATISFACTION

A customer satisfaction score of 9.59 out of 10 in 2023 is our best to-date and an increase from 9.57 in 2022.

### EXCELLENCE IN SAFETY

AltaLink received its seventh consecutive President’s Award for Safety Excellence from Electricity Canada, recognizing the company as the best-performing transmission company in its category (300 to 1,500 full-time employees). The recognition, received in 2023, reflects our 2022 safety performance.

### RECOGNIZED FOR RELIABILITY

Electricity Canada recognized AltaLink with a 2023 Reliability and Resiliency Award for dedication in asset management, innovation in reliability, outage communications, and overall reliability and resiliency management.

### CELEBRATING PRIDE

In 2023, AltaLink employees gathered with their friends, family and partners to participate in the Calgary Pride parade.

### EMPOWERING EMPLOYEE DEVELOPMENT

To support the growth and development of all employees, AltaLink launched a new company-wide employee development network called emPower. Employees have access to a variety of resources, training, and support to help them achieve their personal and professional development goals.



## Holding ourselves accountable

### 2024-2025 GENERAL TARIFF APPLICATION FILED

Every two years, AltaLink files a General Tariff Application with the Alberta Utilities Commission (AUC) for a review of the costs involved in operating the transmission system that supplies electricity to millions of Albertans. In 2023, we filed an amendment in response to the increased frequency and severity of wildfire activity in Alberta. A Negotiated Settlement Agreement was reached with customer groups on the majority of our 2024-2025 General Tariff Application.

### PARTICIPATION IN NORTH AMERICA-WIDE EMERGENCY SIMULATION

Hosted every two years by the North American Electric Reliability Corporation’s (NERC) Electricity Information Sharing and Analysis Center (E-ISAC), GridEx is a forum for partner organizations to practice their response to a fictional cyber and physical security threat.



## Ensuring the **reliability** of the electric system

**AltaLink invested \$279 million in its transmission system in 2023 to ensure continued electric system reliability, to replace assets damaged by wildfires, and to connect clean energy generation.**

### RENEWABLE INTEGRATION DEVELOPMENT

Construction activities began in 2023 on our Central East Transfer-Out project. At an estimated cost of \$230 million, the development includes building a new 50-kilometre, 240-kilovolt transmission line that will enable approximately 700 megawatts of renewable generation in eastern Alberta. The project has an anticipated in-service date of early 2026.

### TRANSMISSION REINFORCEMENT PROJECTS

Approvals to construct two projects that will reinforce the transmission system in Alberta were received in 2023.

The Vauxhall Area Transmission Development will increase the capacity of the existing 138-kilovolt transmission system in southern Alberta. It includes building 14 kilometres of new transmission line, salvaging an existing line, and structure modifications and replacements on an existing line. It is anticipated to be in-service in early 2025 with an estimated cost of \$20 million.

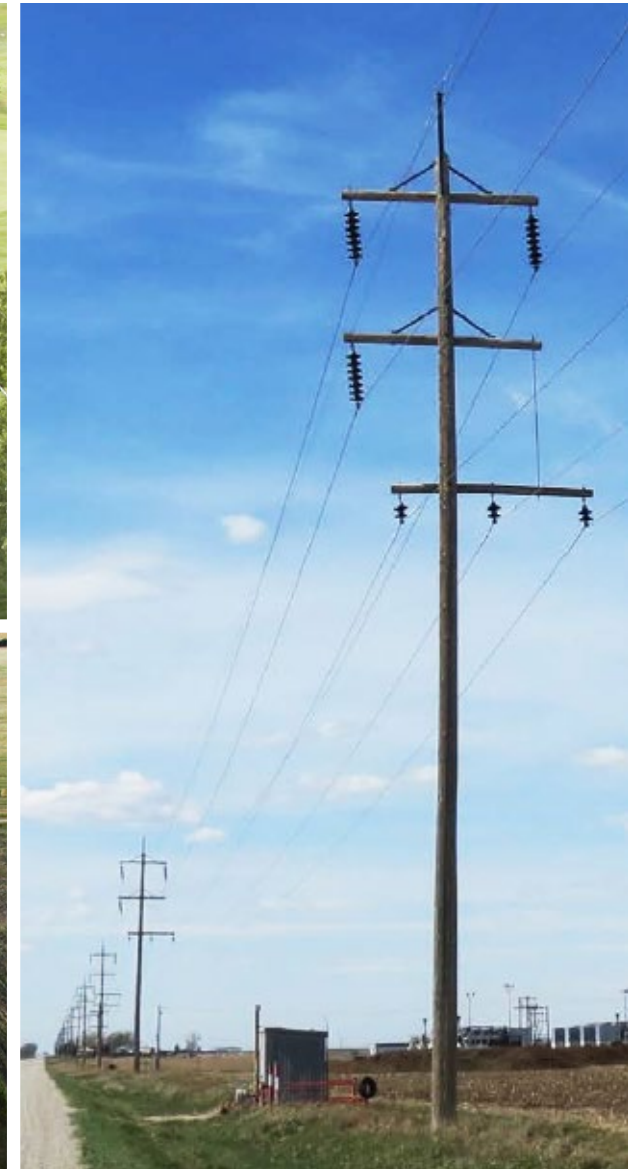
The 150L Transmission Line Rebuild involves rebuilding 30 kilometres of 138-kilovolt transmission line between the City of Calgary and the Stoney Nakoda First Nations Reserve. It is anticipated to be in-service in 2025.



*The 150L Transmission Line Rebuild involves rebuilding 30 kilometres of 138-kilovolt transmission.*



*A new 50-kilometre, 240-kilovolt transmission line will enable approximately 700 megawatts of renewable generation in eastern Alberta.*



*The Vauxhall Area Transmission Development will increase the capacity of the existing 138-kilovolt transmission system in southern Alberta.*









## AltaLink completes **largest-ever** response and restoration effort

Spanning about six weeks in May and June 2023, AltaLink was impacted by three separate extreme weather events in central Alberta – two wildfires and a spring snowstorm – causing damage to 254 structures across 16 different transmission lines.



When fires were first reported, the response from AltaLink was fast, as it is with any situation that has the potential to impact transmission system reliability. However, that initial response quickly changed from a normal day at work to all-hands-on-deck as the fires spread and new challenges emerged.

These events launched what became AltaLink's largest response and restoration effort to date. To support this effort, AltaLink activated two separate emergency teams – a response team and a restoration team.

The response team focused on maintaining situational awareness to monitor and respond to the evolving conditions, including potential power outages from encroaching fires. The restoration team focused on safely executing the large amount of work that needed to be done to repair our assets and restore impacted customers.

Over the course of three months, the teams navigated extreme weather conditions, from dynamic wildfire activity and thick smoke to heavy rains and flooding. Despite all of this, they remained focused on keeping each other safe while minimizing risk and prioritizing work to restore power to customers as safely and efficiently as possible.

What transpired reflects how it really is all connected at AltaLink. The outcomes were testimony to our strong programs and stakeholder relationships, and the ongoing training that builds team readiness.

*A dramatic view greeted crews heading into the field while fires still burned. This image was taken by an employee through the vehicle front window, while safely stopped at the side of the road.*



**In 2023, Alberta experienced a record-breaking wildfire season. More than 2.2 million hectares burned, the most in Alberta's history, compared to the five-year average of 200,000 hectares. There were 48 different communities impacted, forcing the evacuation of more than 38,000 Albertans.**





## Ensuring safety above all else

Throughout the entire three-month effort, the primary objective of both emergency teams remained the same: keep people safe.

### MAINTAINING THE SAFETY OF OUR SYSTEM AND THE SURROUNDING AREAS

Reducing the risk of our system contributing to wildfires is a critical part of our role in delivering safe, reliable and affordable power to Albertans.

During the extreme and dangerous fire conditions, actions included blocking automatic reclosers on our transmission lines in high-risk areas to prevent potential sparks that could ignite a fire.

When our crews were able to safely access our rights-of-way and assess damage from the fires, public safety repairs, such as downed lines on roads, were prioritized.

Following repairs, each transmission line was surveyed end-to-end prior to energization. This included both ground and aerial patrols to identify and remediate potential hazards within the right-of-way, such as fallen vegetation.

### KEEPING OUR EMPLOYEES AND CONTRACTORS SAFE & HEALTHY

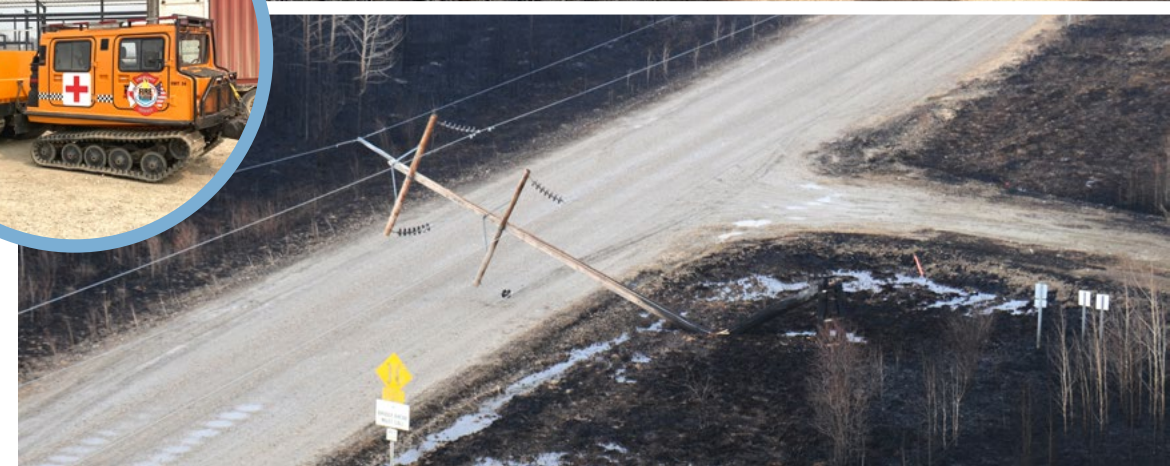
From rapidly evolving weather to wildlife activity and working in remote areas with active evacuation orders in place, everyone was focused on the safety of our crews.

A daily review of fire, weather and air quality conditions determined if and where it was safe to work and the required procedures that needed to be followed. Because of the remote work locations, onsite medics and a mobile command centre were proactively put in place.

With dynamic wildfire conditions, we engaged fire behaviour experts to implement wildfire evacuation protocol to ensure that our crews could effectively and efficiently move to safer locations if needed.

The amount of smoke in the air from the fires created an air quality concern, so we deployed respirators to protect the crews. Although respirators are not typically required for work on the transmission system, as part of our preparedness efforts we recently implemented specific respirator protocols, including how to ensure they fit properly.

Securing food and housing for the crews was not an easy task, especially as many of the surrounding areas remained under an evacuation order. We were able to partner with a local hotel and caterer to create a homebase for crews at the end of their shift. With the anticipated scope and length of the restoration effort, a crew rotation schedule was implemented to ensure that they could get proper rest.



Public safety repairs, such as downed lines on roads, were prioritized.

**Inset:** Mobile onsite medics were in place to support crews in remote areas.





### Navigating difficult site conditions

The wildfires and subsequent snowstorm resulted in an aftermath of difficult site conditions that required some creative solutions.

Falling trees became a hazard as root systems were destroyed by fire activity. Nearly 10,000 high-risk trees were cleared for crews to safely access sites and to ensure safe clearance around powerlines.

While rain and snow offered relief from the wildfires, it left behind packed snow and flooding followed by wet and muddy muskeg conditions in most locations. More than 3,000 access mats were required to complete the repairs. Special equipment, like tracked vehicles, helicopters, rail cars and an amphibious excavator – a first for AltaLink – were all required to restore service.



*AltaLink’s crews are accustomed to responding quickly and efficiently to address risks to system reliability. The 2023 wildfires extended what they might consider a normal day’s work, turning the response into an all-hands effort.*

### Coordinating with key partners to stay connected and share information

As the situation unfolded and evolved, these events required a strong, coordinated approach to keep important information flowing.

#### ENGAGING WITH IMPACTED CUSTOMERS AND GOVERNMENT OFFICIALS

Damage to our transmission lines impacted service to some of our customers in the Brazeau and Cadomin areas. While safety remained the number one priority, restoring service to our customers was a key driver in our restoration efforts.

We proactively engaged with these customers to provide them with regular updates on our progress and to understand their specific needs as we coordinated the restart of their facilities.

Our emergency response efforts required close collaboration with the provincial government, emergency leaders and local municipalities. This included sharing real-time information about fire activity and potential risks to the power supply in their area, communicating up-to-date information in the community, planning aerial patrols around firefighting efforts to assess damage and coordinating site access for our crews during active evacuation orders.

During restoration efforts, we provided daily status reports on customer impacts, our restoration progress and planned activities in the area.



**The wildfires and subsequent snowstorm resulted in an aftermath of difficult site conditions that required some creative solutions.**



**Top:** Wet and muddy conditions created difficult site conditions.

**Bottom:** Access mats helped crews complete repairs in difficult site conditions.





## COLLABORATING WITH INDUSTRY PARTNERS

As a transmission-only company, collaboration with our utility partners in Alberta is always important, but especially so in an emergency scenario. Through these events we proactively engaged our utility and industry partners related to potential system and customer impacts to ensure alignment and coordination.

High demand for replacement wood poles and other materials tested a supply chain still recovering from pandemic shortages. Unprecedented cross-industry collaboration and new supplier sourcing was required to meet our restoration needs while maintaining a supply of materials to support other planned work on the system. We quickly acquired more than 1,100 wood poles, almost three times our average annual requirement.

**As a transmission-only company, collaboration with our utility partners in Alberta is always important, but especially so in an emergency scenario.**

*Left: Wood poles being prepped for delivery to site.*

*Right: Crews working to replace wood poles damaged by the fires.*

## KEEPING THE PUBLIC INFORMED

As the wildfire conditions rapidly evolved, people were looking for information from all sources about what was happening and how they might be impacted. It was important for us to share timely, relevant and transparent updates to keep people informed.

Regular social media updates included:

- information about encroaching fires threatening power supply
- photos of damaged structures to provide visuals of the impact
- tips for evacuees, from mental health resources to safely returning home
- restoration progress updates from the field

Our messages were shared by impacted municipalities and included in 367 media stories, making us a trusted source of information during an unsettling and stressful time for many Albertans.



**Unprecedented cross-industry collaboration and new supplier sourcing, vetting and relationship-building resulted in the fast acquisition of more than 1,100 wood poles, almost three times our usual annual requirement.**





### Rallying employees around the restoration effort

Any time an emergency response team is activated at AltaLink, employees are informed so that there is awareness of a larger effort that may pull on resources. As AltaLink’s largest restoration effort to date, this truly was a companywide initiative. As a result, employee engagement was an important part of our response.

Progress updates and photos were shared regularly as an opportunity to give office employees a glimpse into what was happening in the field. A visual progress tracker was created to recognize significant milestones along the way.

In any emergency, AltaLink employees look for ways to help. That was no different during these events, so we launched a fundraising campaign to support the Alberta Wildfire relief fund. A total of \$7,000 was donated to the fund after employee donations and a corporate match.



A physical progress tracker was on display for crews to see and update at the end of each day.

### Working to mitigate wildfire risk

AltaLink remains committed to managing increased risk to public safety and the environment from identified wildfire ignition risks.

In response to the increased frequency and severity of wildfire activity in Alberta, in August 2023 we filed an amendment to our 2024-2025 general tariff application to expand and accelerate our existing wildfire mitigation plan.

Learn more about our wildfire mitigation plan on [page 22](#) and the amendment that we filed on [page 58](#).

The 2023 response and restoration effort tested the team and our resources, and we saw the best of AltaLink in action. The value of preparation was emphasized across all response efforts and outcomes. We learned the importance of employees and contractors collaborating in new ways and working as one team. And most important, we saw our people show up and shine as they came together in support of each other and our customers.

The 2023 response and restoration effort tested the team and our resources, and we saw the best of AltaLink in action.



### By the numbers

- 2 WILDFIRE EVENTS
- 1 SPRING SNOWSTORM
- 254 STRUCTURES DAMAGED
- 16 TRANSMISSION LINES
- 10 DIFFERENT FIELD CREWS
- 100+ PEOPLE WORKING ON SITE DURING PEAK ACTIVITIES
- 3,000+ ACCESS MATS USED TO SUPPORT ACCESS IN WET AND MUDDY CONDITIONS
- 9,700 HIGH-RISK TREES CLEARED FOR SITE ACCESS AND SAFE CLEARANCE
- 14 NEW SUPPLIERS SOURCED, WITH EXPEDITED ONBOARDING
- 200+ SHIPMENTS OF MATERIALS
- 164 TONS SHIPPED
- 367 MEDIA MENTIONS
- 63 SOCIAL MEDIA POSTS





# Respecting the environment





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

## Programs, plans, policies that support our environmental priorities

We are committed to using natural resources wisely and protecting our environment as a responsible member of the community today, and for the benefit of future generations. Responsible environmental management is good business; it benefits our customers and improves the quality of the environment in which we all live.

### AVIAN PROTECTION PLAN

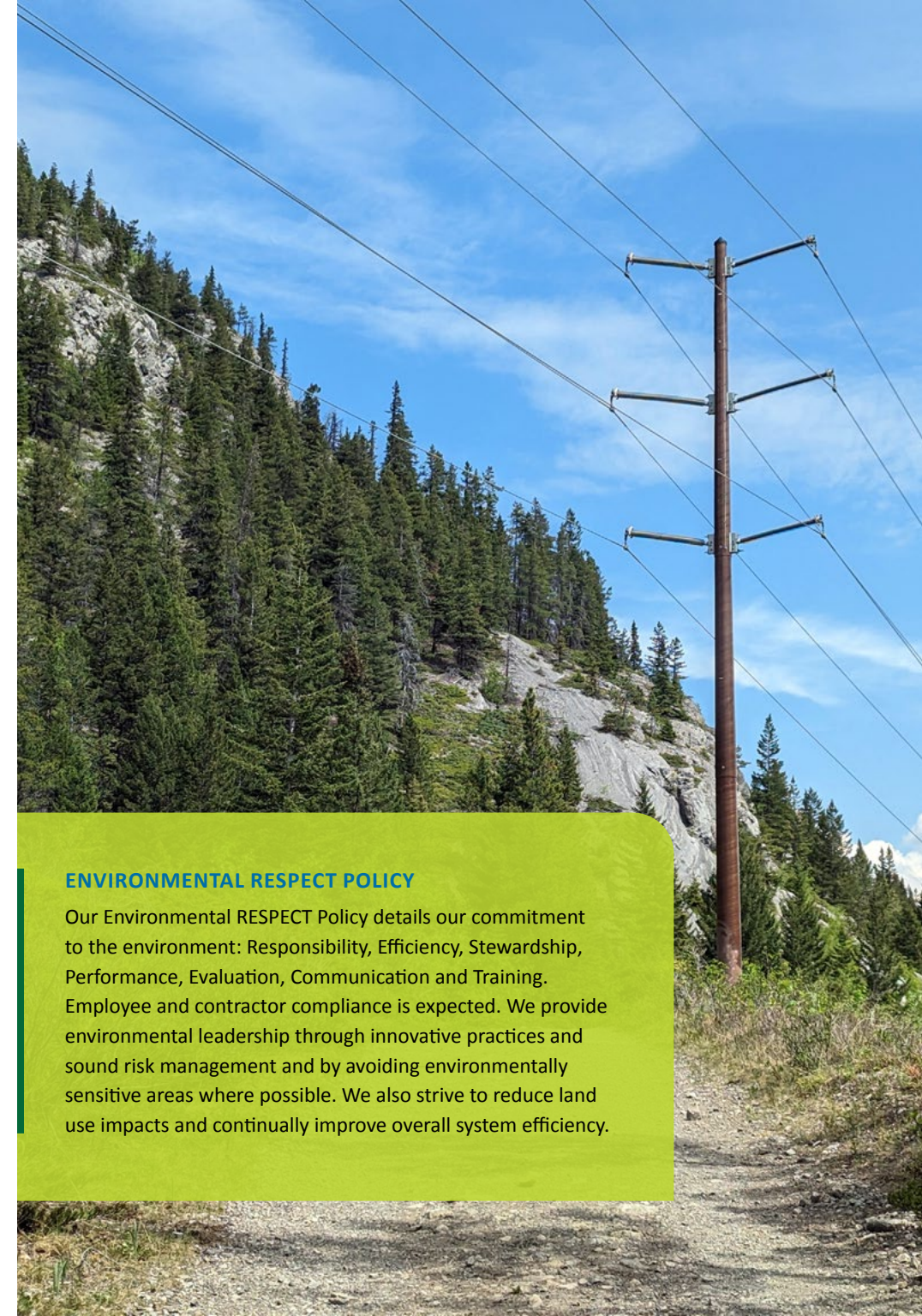
Operating and maintaining a transmission system has the potential to impact wildlife, particularly birds, through collisions, electrocutions, and changes to nesting patterns. To reduce negative impacts, AltaLink was the first Canadian utility to develop a targeted management system, our Avian Protection Plan (APP).

### RIGHT-OF-WAY STEWARDSHIP COUNCIL ACCREDITATION

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

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

AltaLink's integrated EHSMS conforms with both the ISO 14001:2015 Environmental Management System and the ISO 45001:2018 Occupational Health and Safety Management System requirements. The integration of these two systems has provided a proactive, efficient, and consistent means to identify, mitigate, and document the risks and associated responses for environmental, health and safety related issues in our continuous improvement efforts.



### ENVIRONMENTAL RESPECT POLICY

Our Environmental RESPECT Policy details our commitment to the environment: Responsibility, Efficiency, Stewardship, Performance, Evaluation, Communication and Training. Employee and contractor compliance is expected. We provide environmental leadership through innovative practices and sound risk management and by avoiding environmentally sensitive areas where possible. We also strive to reduce land use impacts and continually improve overall system efficiency.





## ENVIRONMENT FAIR

Hosted every June during Environment Week, the fair engages employees in environmental topics and offers them tools and information to help them minimize their personal environmental impacts.

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

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

## SPILL MANAGEMENT SYSTEM

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

## RECYCLING AND WASTE MANAGEMENT STRATEGY

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

AltaLink's head office in Calgary houses an environment fair during Environment Week for employees each June.







## Reducing emissions

We are committed to continuous environmental improvement while we deliver affordable, reliable power to Albertans. Even though the nature of the transmission business means AltaLink's greenhouse gas (GHG) emissions are relatively low compared to other electrical utilities that include generation, we focus on where we can make positive changes across our own system.

### ELECTRIC VEHICLES INTRODUCED

A 10-year green fleet plan to replace the AltaLink fleet with electric and hybrid vehicles is part of our GHG strategy. Fleet vehicles include the cars and half-ton trucks that are used for day-to-day environment, land, safety, and project engineering purposes. The first five electric passenger vehicles and initial charging stations were introduced in 2023; 11 hybrids are already part of the fleet. An additional five vehicles will be added each year until the entire 50-vehicle passenger fleet is electric and hybrid.

Plans are also in place to replace the company's 13 substation bucket trucks with hybrids. The first four bucket trucks, which are used for a variety of tasks, including power restoration, will be introduced in 2024.

### FACILITY FINDINGS

AltaLink has offices, telecommunication sites, and substations. Whether rented, owned, or leased, we want to operate the buildings we occupy as optimally as possible to effectively manage GHG emissions.

A 2022/23 building energy audit showed some 'quick fix' opportunities in some of our facilities, including new, automated thermostats and lighting at some sites, and a realignment of HVAC schedules in others. These quick fixes help to ensure power needs decrease when the facilities, or portions of them, are not occupied. Longer term options, such as solar power, will be evaluated for the future.

### THE FOCUS FOR 2024

AltaLink's commitment to environmental responsibility means that we continue to improve and evolve. Our key environmental focus areas for 2024 include:

- The completion of the polychlorinated biphenyls (PCB) plan
- An oil leak management plan to minimize the volume of spills

**Top:** Electric passenger vehicles and charging stations are a component of a 10-year green fleet plan.

**Bottom:** AltaLink's 13 substation bucket trucks are being replaced with hybrids.

We are committed to continuous environmental improvement while we deliver affordable, reliable power to Albertans.







## Mitigating wildfire risk

As Alberta's largest electricity transmission provider, AltaLink provides power to millions of homes, farms, and businesses. We are a critical component of the province's electricity system, and we are diligent in reducing the likelihood that our system will contribute to wildfires by keeping our operational practices updated, strengthening our existing system, and working closely with communities. It's part of keeping the system reliable and affordable, and Albertans safe.

In 2019, AltaLink was the first Canadian utility to institute a wildfire mitigation program. With wildfires increasing in frequency and intensity, mitigation is increasingly important.

### PREVENTATIVE APPROACH

AltaLink takes a science-based, preventative approach to wildfire mitigation. Higher risk areas, typically defined as more populated, having parks, or with a history of fires, are prioritized for risk mitigation work. Our approach includes ongoing engagement with and outreach to industry partners, government agencies, emergency response leaders, and communities.

Proactive, preventative measures in high-risk areas include frequent inspections, targeting the line upgrades and component replacements that are most needed, and removing trees along rights-of-way that have the potential of contacting a transmission line, which can cause fires.

Technological advancements augment AltaLink's preventative work. Examples include weather stations and cameras installed on the system, and a new, dynamic wildfire risk decision-making tool that was introduced to provide real-time fire risk data and help plan mitigation activities.

### WILDFIRE MITIGATION BEST PRACTICES

In addition to ongoing preventative measures on the system, AltaLink works with its affiliates across Berkshire Hathaway Energy, industry partners across Alberta and Canada, government, and governing bodies to share learnings and practices.

This includes collaborating with industry partners across Alberta to establish best practice wildfire guidance for the province and contributing to Electricity Canada's wildfire guidelines that were originally published in 2021.

*Restoration efforts following the 2023 wildfires.*



**In 2019, AltaLink was the first Canadian utility to institute a wildfire mitigation program**





## Targeted interventions

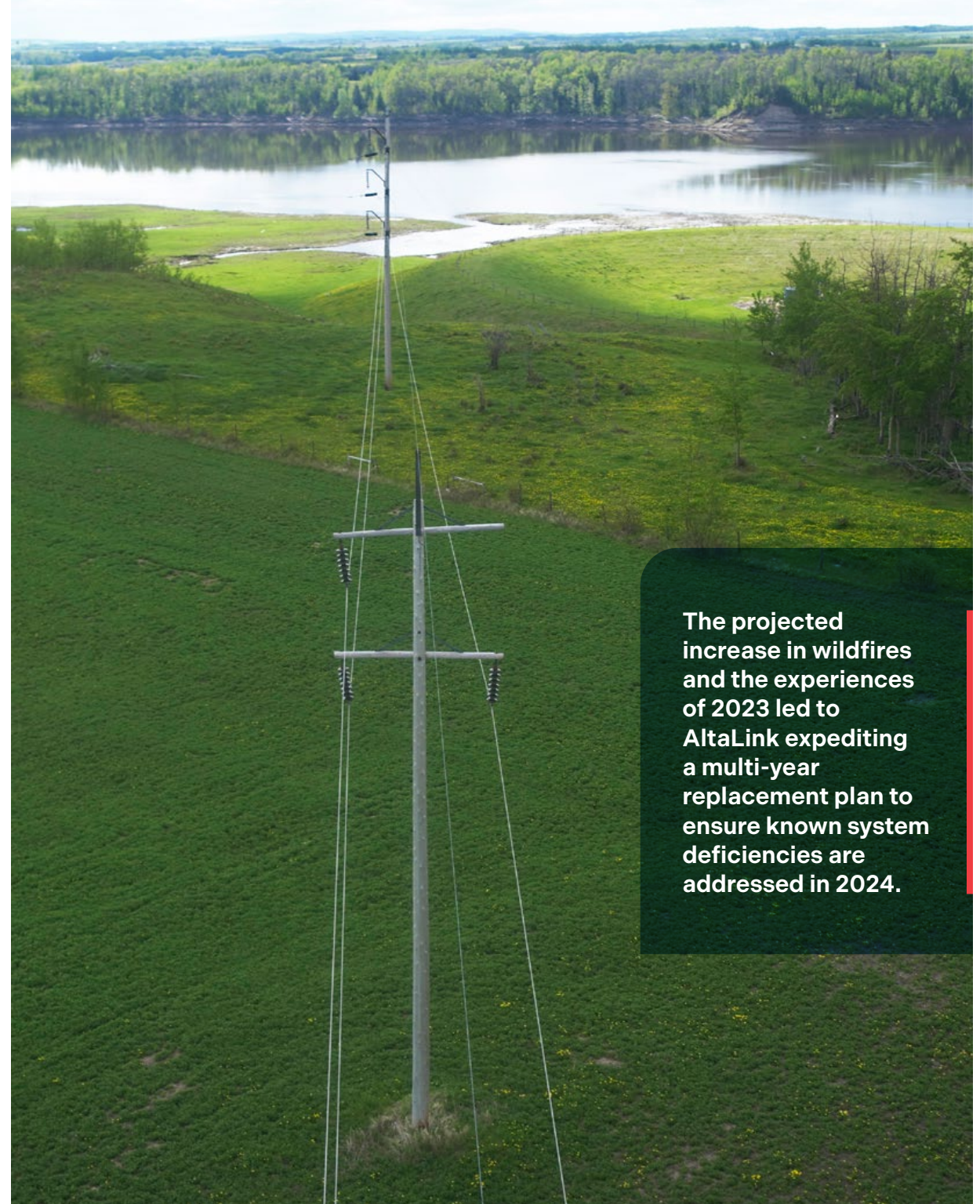
One of the ways AltaLink is addressing the risk of wildfires is by rebuilding or upgrading aging transmission lines, such as 799L, to strengthen our system and make proactive reliability and safety improvements to reduce the likelihood the system will contribute to a wildfire.

Constructed in 1964, 799L is a single circuit 138 kilovolt (kV) line located between the Sagitawah Substation (approximately six kilometres southeast of Whitecourt) and Entwistle. This proposed project involves rebuilding approximately 62 kilometres of the 77-kilometre transmission line.

Entwistle was one of the communities directly impacted by the 2023 wildfires, and the entire region faced additional challenges from smoke or lack of electricity from other wildfires in nearby Edson and Drayton Valley.

Consultation for the project began in October 2023 and includes more than 100 stakeholders.

*An upgrade of 52 kilometres of the 77-kilometre 799L transmission line, by Entwistle, has been expedited as one means to mitigate wildfire risks.*

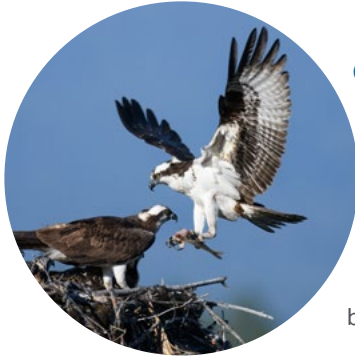


**The projected increase in wildfires and the experiences of 2023 led to AltaLink expediting a multi-year replacement plan to ensure known system deficiencies are addressed in 2024.**





## Soaring into action



### OSPREY PROVIDED A SAFE PLACE TO NEST

Osprey returning to Alberta's Banff National Park each spring now have a safer place to nest after mitigation work performed by AltaLink in 2023.

Osprey often build nests on transmission structures. Depending on the location of the nest and type of structure, there may be an increased risk of a fire or power outage. When osprey nests were discovered along AltaLink's transmission line between the Town of Banff and Lake Louise, deterrents were installed where needed, and artificial nesting platforms added in safer positions on the structures.

### A COMMITMENT TO THE ENVIRONMENT

AltaLink installs artificial nesting platforms throughout its service territory as part of our Avian Protection Plan and commitment to environmental protection. The plan, the first of its kind in Canada, allows environment and field teams to quickly mitigate concerns on or near transmission facilities.

While installing nesting platforms to accommodate ospreys is not new, the type installed in Banff National Park was unique in design and is expected to have long-term, positive outcomes. Osprey return to the same nest every year and the solution works with their instinctive patterns while keeping the nests a safe distance from energized equipment on our structures.

A temporary power outage was required to safely complete the work on the transmission line. Impacts, which were limited to areas west of Banff, were minimized by scheduling the work at night.

### PROTECTING BIRDS AND RELIABILITY

We are proactive when it comes to birds and the transmission system. Our Avian Protection Plan includes a wide scope of preventative measures and mitigation processes, including the installation of bird diverters to make power lines more visible to birds in flight.

*New osprey nesting platforms on transmission structures protect the birds and the transmission system. The platforms relocate existing nests, for example the one shown to the right, to an elevated platform that's farther removed from risks.*







# By the numbers

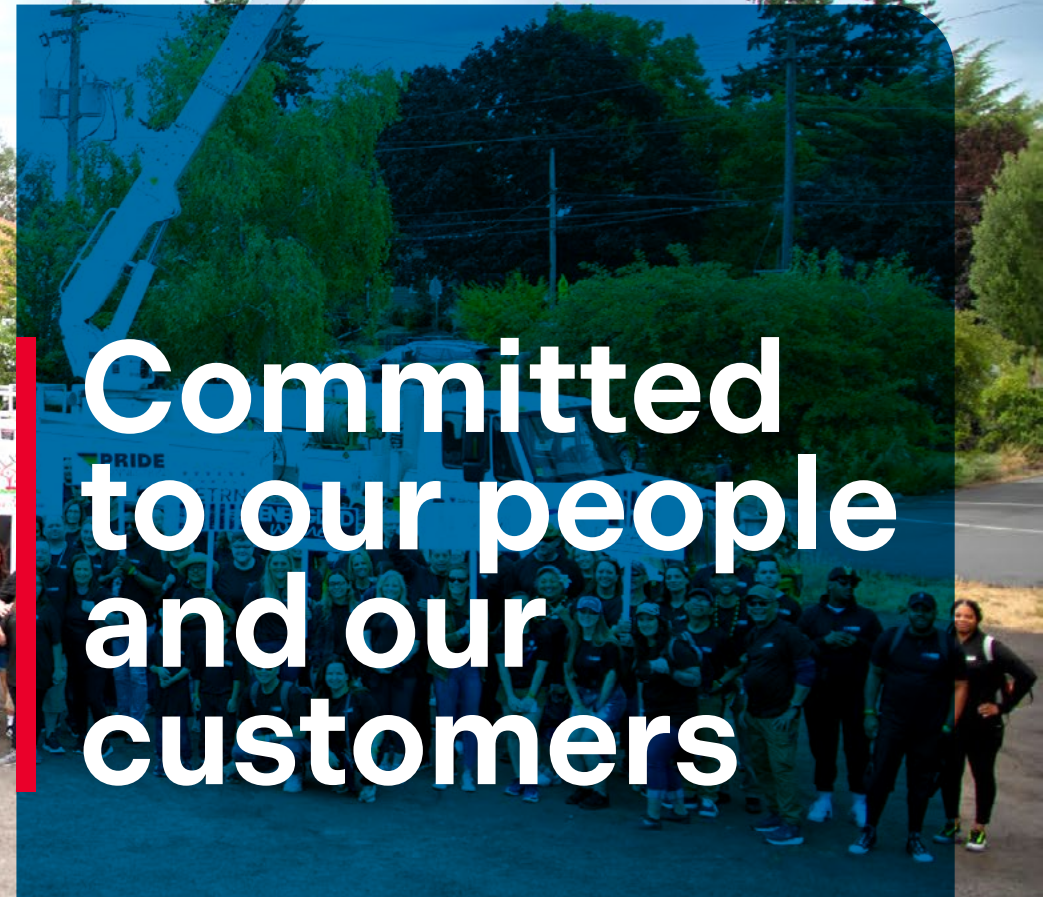
Element	2018	2019	2020	2021	2022	2023
Number of high-risk substations mitigated to reduce bird contacts	9	7	5	6	6	4
High-risk bird electrocution structures/facilities retrofitted (includes km of bird diverters installed)	~20 km	17.6 km	17.2 km	10 km	18.7 km	18 km
Number of priority spill events (Electricity Canada definition – any spill to water or spill of >500L)	0	0	0	0	0	1
Amount of material sent for destruction containing PCBs (kg)	3,492 kg	1,709 kg	1,380 kg	3,845 kg	2,932 kg	6,901 kg
Units of electronic waste removed for repurposing or recycling (Third party vendor)	1,585 units	896 units	1,228 units	319 units	1,092 units	804 units
Amount of paper sent for recycling	51,959 kg	14,163 kg*	76,316 kg**	9,079 kg	***	51,814 kg
SF6 consumed as part of normal operations	44.05 kg	61.83 kg	66.4 kg	21.7 kg	14.1 kg	21.27 kg

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

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

\*\*\* stats unavailable for 2022





Committed  
to our people  
and our  
customers





We equip employees with the resources and support they need to be successful. We're incredibly proud of our industry-leading safety record, and in 2023 we saw an eight per cent increase in our employee engagement rate compared to 2022.

## Programs that support our commitment to employees

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

### KEEPING OUR PEOPLE SAFE

AltaLink employees are immersed in a safety-first culture that's delivered through three key initiatives:

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

- Our LiveSafe program provides tools and resources for employees to share a safety moment applicable to work or home at the start of each meeting. The topics shared include vehicle safety, weather safety, situational awareness, and even tips for the home office.
- AltaLink employees and contractors participate in training sessions to understand our integrated Environment, Health and Safety Management System (EHSMS), which complies with both the ISO 14001:2015 Environmental Management System requirements, and the ISO 45001:2018 Occupational Health and Safety Management System requirements.

### 2023 people changes

82

New hires

20

Summer/co-op students

70

People who changed positions

AltaLink's people are the heart of our business and our competitive advantage. We're committed to fostering an inclusive workplace and make no compromises when it comes to providing a healthy and safe work environment.







**BUDDY UP**

Employee well-being is part of a great workplace and supports our business. AltaLink introduced Buddy Up, a program offered by the Centre for Suicide Prevention, that promotes authentic conversations among men and teaches participants to watch for behavioural changes in their ‘buddies.’ Research shows that men between the ages of 45 and 64 die by suicide more often than any other demographic group. Members of AltaLink’s field teams participate in quarterly Buddy Up meetings to share experiences, offer support, and learn about peer-to-peer intervention techniques.

**CODE OF ETHICS AND BUSINESS CONDUCT**

Within AltaLink’s Code of Ethics and Business Conduct is guidance that ensures human rights are maintained at the highest levels across AltaLink. One portion, titled Mutual Respect and Integrity in the Workplace, ensures that all of all our human resource policies are designed and implemented on the understanding that basic and fundamental human rights are neither negotiable nor open for compromise.

**EMPLOYEE AND FAMILY ASSISTANCE PROGRAM**

AltaLink’s Employee and Family Assistance Program supports employees and their families by providing access to confidential, professional counselling and coaching services, and to personalized, online health and wellness programs and resources.

**EMPLOYEE DEVELOPMENT NETWORK**

To support the growth and development of all employees, AltaLink launched a new companywide employee development network called emPower. Employees have access to a variety of resources, training, and support to help them achieve their personal and professional development goals. The network offers a mix of technical and non-technical course offerings and events to empower employees to choose what suits them and their career goals.

**EMPLOYEE RESOURCE GROUPS**

Employee resource groups are communities of employees who share a common experience or background, and their allies, that offer employees the opportunity to share best practices, learn, grow, and provide or gain support. More information can be found on [page 32](#).

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

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

**FREEDOM OF ASSOCIATION AND COLLECTIVE BARGAINING**

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

**HARASSMENT AND VIOLENCE-FREE WORKPLACE POLICY**

AltaLink is committed to providing its employees with a workplace that is safe, comfortable and free from bullying and harassment. Systems exist to confidentially report any incidents without fear of reprisal.

**HAZARD AND NEAR-MISS REPORTING**

AltaLink uses a web-based tool with mobile capabilities to manage incident, near-miss, and hazard reporting. The tracking allows for better learning and results in stronger preventative measures.

**HYBRID WORK MODEL**

Eligible AltaLink employees can be approved to work from home Mondays and Fridays, with Tuesday through Thursday maintained as core office days. This approach balances employee wellbeing, teamwork and collaboration.

**MOVESAFE**

MoveSafe is a comprehensive injury prevention program aimed at helping employees learn to move safely and prevent soft tissue damage. The program encompasses proper movement while undertaking physical tasks and while executing seated or less physical work. The result is fewer repetitive strain injuries and improved overall health.

**PERFORMANCE REVIEW AND DEVELOPMENT**

All employees participate in regular performance and career discussions. This ensures ongoing coaching, feedback and development. We are committed to continuous improvement in business and employee performance and supporting the growth and development of all employees.

**LEARNING AND IMPROVING**

AltaLink conducts annual reviews of all serious injuries and fatalities, training programs, and safety systems. A peer review, considered a world-class practice, is also undertaken to ensure continuous improvement through benchmarking.

**EMPLOYEE LISTENING AND ENGAGEMENT**

We regularly survey our employees to gather valuable feedback and identify opportunities for improvement. In 2023, 82 per cent of employees participated in our engagement survey and we saw an eight per cent increase on our engagement score compared to the previous year. Survey results are shared and discussed with employees while items for ongoing improvement are identified and actioned each year.

Employees have additional opportunities to ask questions and share feedback through the year with executive listening sessions (small group dialogues with employees and members of the executive team) and regular CEO town halls with open Q&A.





# 2023 safety performance

**AltaLink's robust safety management and contractor safety systems, and the time and energy put into training and awareness, set the stage for a year of strong safety performance. Any injury, even if minor, is one too many. Those that did occur – three minor employee and four minor contractor injuries – along with two significant near-misses, highlight where efforts will be focused in 2024.**

## PREVENTABLE VEHICLE ACCIDENTS

Last year was AltaLink's best performance ever for preventable vehicle accidents, with only one accident in the 3.2 million kilometres driven in 2023. Our vehicle safety program includes ensuring employees have the right equipment, regular vehicle updates, and programs such as back up spotters, and distracted driving training.

## ACTIVE THREAT SAFETY TRAINING

AltaLink introduced a Workplace Violence and Active Threat Program to support employee safety, increase situational awareness, and to help employees prevent and respond to instances of workplace violence. The program includes training to give employees the tools required to stay safe in an active threat situation.

## NEW EMPLOYEE ONBOARDING

AltaLink is strengthening new-hire safety programs such as onboarding and mentorship, buddy systems for early days on the job, and 'drive-alongs' to ensure vehicle safety. We want to set people up to be safe from day one.

The 2023 wildfires were a testimony to the value of our preparedness and programs. AltaLink staff can sometimes perform high-risk work and we ensure that plans, processes, great equipment, and support exist.

## HUMAN PERFORMANCE IMPROVEMENT

AltaLink's strong 2023 safety performance is a positive indicator that our systems and processes are functioning as intended. Moving forward, ongoing continuous improvement opportunities are going to be found in day-to-day behaviours.

AltaLink's Human Performance Improvement (HPI) builds awareness of the environmental and behavioural factors that can lead to human error, so we can improve our performance and business results. It is based on the premise that everyone comes to work wanting to do well, that error-likely situations are preventable, and that even the best of us can make mistakes.

We are incorporating HPI elements into our existing tools and processes rather than creating a suite of new materials. Our current focus is:

- Communication and education
- Flagging (visual indicators)
- Switching, grounding and isolations
- Review of human error causes affecting reliability
- Field Level Hazard Assessment (FLHA) forms
- Tools, forms and work practices

## CONTRACTOR SAFETY

In 2023, the Environment, Health and Safety team continued to provide information and safety expectations to AltaLink contractors through a virtual health and safety summit and frequent check-ins.

We also have a contractor safety website that provides more information on the governing documents, as well as safety bulletins and alerts to increase situational awareness on job sites. Prior to any work beginning, contractors must complete a hazard assessment and safe work plan that must be reviewed by the individual initiating the work, usually the project manager or field operations manager to:

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

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





# 2023 safety performance

## Seventh consecutive safety excellence award

AltaLink received the President's Award for Safety Excellence in Transmission from Electricity Canada in 2023, the seventh consecutive year the company has been honoured. The award recognizes utilities of comparable size in generation, transmission, or distribution that achieve the top ranking in Total Recordable Injury Frequency (TRIF). AltaLink was once again the top performer in the transmission category for companies with 300 to 1,500 full-time employees.

*Pictured here, from left to right: Brian Gibson, MWG Apparel (Sponsor of the Award); Francis Bradley, President and CEO of Electricity Canada; Céline Arsenault, Executive Vice President and Chief Financial Officer at Toronto Hydro; Jason Hennig, AltaLink P & C Technologist, North Field Ops; Rod Kause, AltaLink VP, Environment, Health and Safety.*



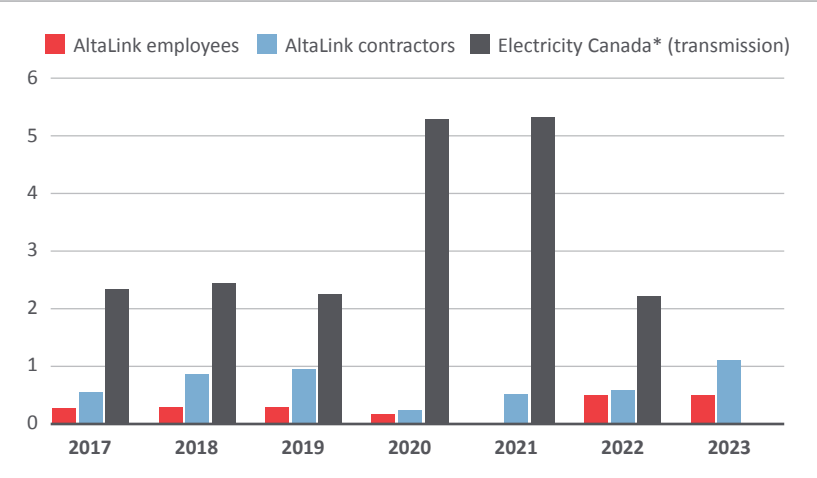
**AltaLink received a seventh consecutive President's Award for Safety Excellence in Transmission from Electricity Canada in 2023.**





# 2023 safety performance

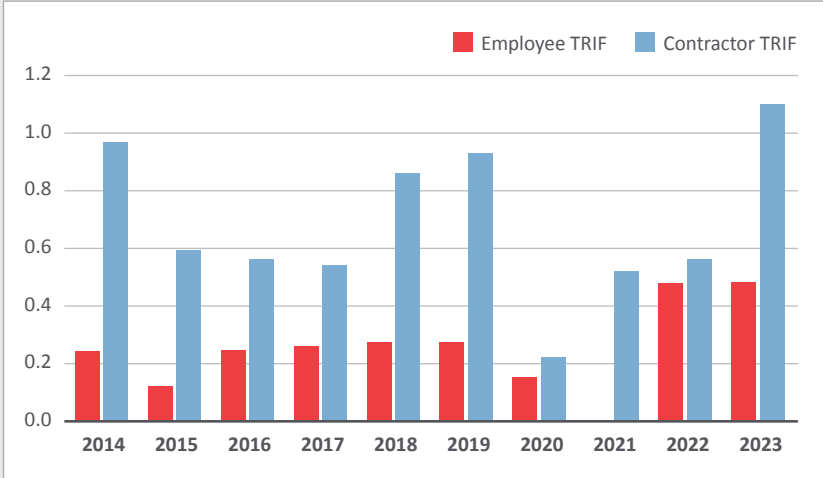
ELECTRICITY CANADA BENCHMARK  
TOTAL RECORDABLE INJURY FREQUENCY RATE



AltaLink’s Total Recordable Injury Frequency Rate is significantly lower than industry benchmarks.

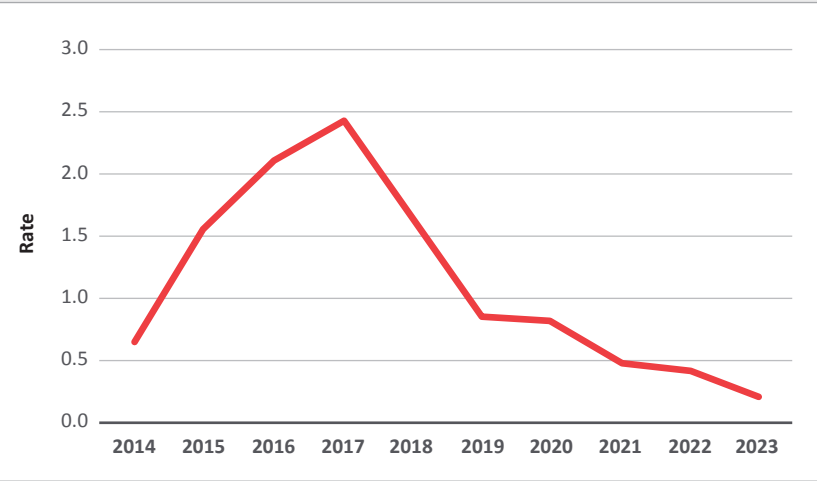
*\*Electricity Canada data for 2023 is not yet available.*

EMPLOYEE AND CONTRACTOR  
TOTAL RECORDABLE INJURY FREQUENCY RATE



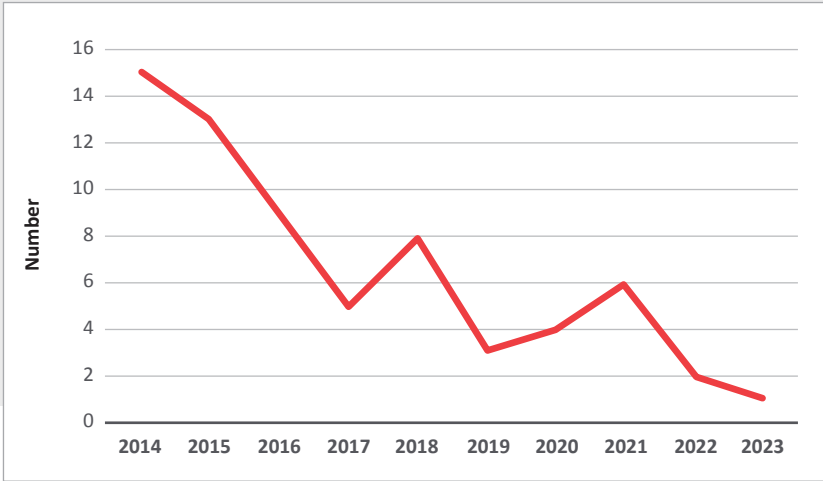
An increase in AltaLink’s 2023 contractor Total Recordable Injury rate has led to a sharpened focus on contractor safety in 2024.

SIGNIFICANT NEAR MISS RATE TREND



In 2023, AltaLink achieved a best-ever near miss rate.

PVA INCIDENT TREND



Our 2023 preventable vehicle accident rate was a best-ever achievement.





# Celebrating our differences

At AltaLink, we are one team. We want to make sure everyone feels that way, and that we are serving the diverse needs of our people and the communities where we operate. We are all accountable for recognizing and interrupting bias, and ensuring everyone has a voice and is heard, feels valued, and has a sense of belonging.

## Programs supporting diversity and inclusion

### INCLUSIVE LANGUAGE TRAINING

In 2023, AltaLink introduced training that helps increase understanding of why inclusive language matters, how to use it, and how to talk comfortably about topics like race, ethnicity, gender identity, sexual orientation, and disability.

### EMPLOYEE RESOURCE GROUPS

Employee resource groups are voluntary and employee-led, and exist to provide support to employees across all Berkshire Hathaway Energy companies who share a common characteristic or life experience, and their allies. They aim to foster a more inclusive workplace, and provide participants with opportunities for personal and professional development.

Four employee resource groups explore workplace opportunities to support specific groups of employees and allies.



### ANNUAL DEI PULSE SURVEY

A 2023 Diversity, Equity & Inclusion (DEI) pulse survey assessed our progress against a baseline survey that was first administered in 2021. Feedback was received from 74 per cent of employees, helping identify opportunities for improvement and measure the value of AltaLink's DEI strategy.

The survey findings resulted in a 2024 plan that includes:

- Providing tools and resources to AltaLink leaders to support diversity and inclusivity
- Focusing on educational opportunities and encouraging employees to engage in DEI activities
- Continuing to enhance self-reporting, to help understanding of the diversity of our employees, and further embed DEI into recruitment approaches

# 86%

Employees who agreed DEI is actively supported in our workplace  
(2023 DEI pulse survey)

*Members of our employee resource groups participate in the annual BHE Professional Development Summit in Portland.*



**AltaLink's employee resource groups foster a more inclusive workplace, and provide participants with opportunities for personal and professional development.**





# Fostering an inclusive work environment

In 2021, a long-term plan was developed with specific goals based on five key objectives. Progress against these objectives is measured and shared with employees in an annual report. Examples of our progress in 2023 are included below.



## INCLUSIVE CULTURE

Focused efforts throughout 2023 included ongoing quarterly demographic reporting and analysis, delivery of inclusive language training, and an increase in DEI conversations at team and department levels. We have advanced understanding of what DEI means, and why it's important.



## WORKFORCE

Recruitment plans incorporate tactics to attract a more diverse pool of candidates. In addition, recruiters completed DEI training, leaders were provided with additional information regarding immigration and work permits, and our current manual approach to pay equity analysis was automated. Our employees participate in training and have the opportunity to volunteer for the BHE mentorship program.



## STRATEGIC PARTNERSHIPS

Analysis of the DEI impacts of our charitable giving practices continued in 2023. DEI was embedded in our community engagement and volunteer plans, and local DEI charitable giving increased. We also continued to identify and review opportunities to increase the diversity of our suppliers and contractors.



## COMMUNICATIONS

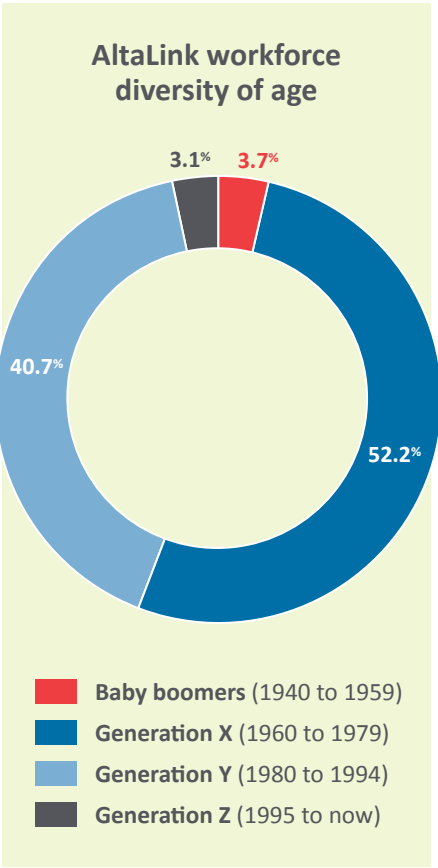
In 2023, our DEI internal communications program advanced from creating awareness to focusing more on education. Throughout the year there were also ongoing updates to our external website and our company intranet to highlight our commitment, and DEI achievements and events.



## ACCOUNTABILITY

An annual DEI pulse survey was undertaken in 2023, and DEI messages are incorporated regularly into manager and employee meetings and events. AltaLink employee resource groups had executive sponsors appointed and group leads were provided coaching. Additionally, funds were provided for local events.

We believe that it's important for all employees to feel safe, valued, and have a sense of belonging. It's the right thing to do and it's good for our business.







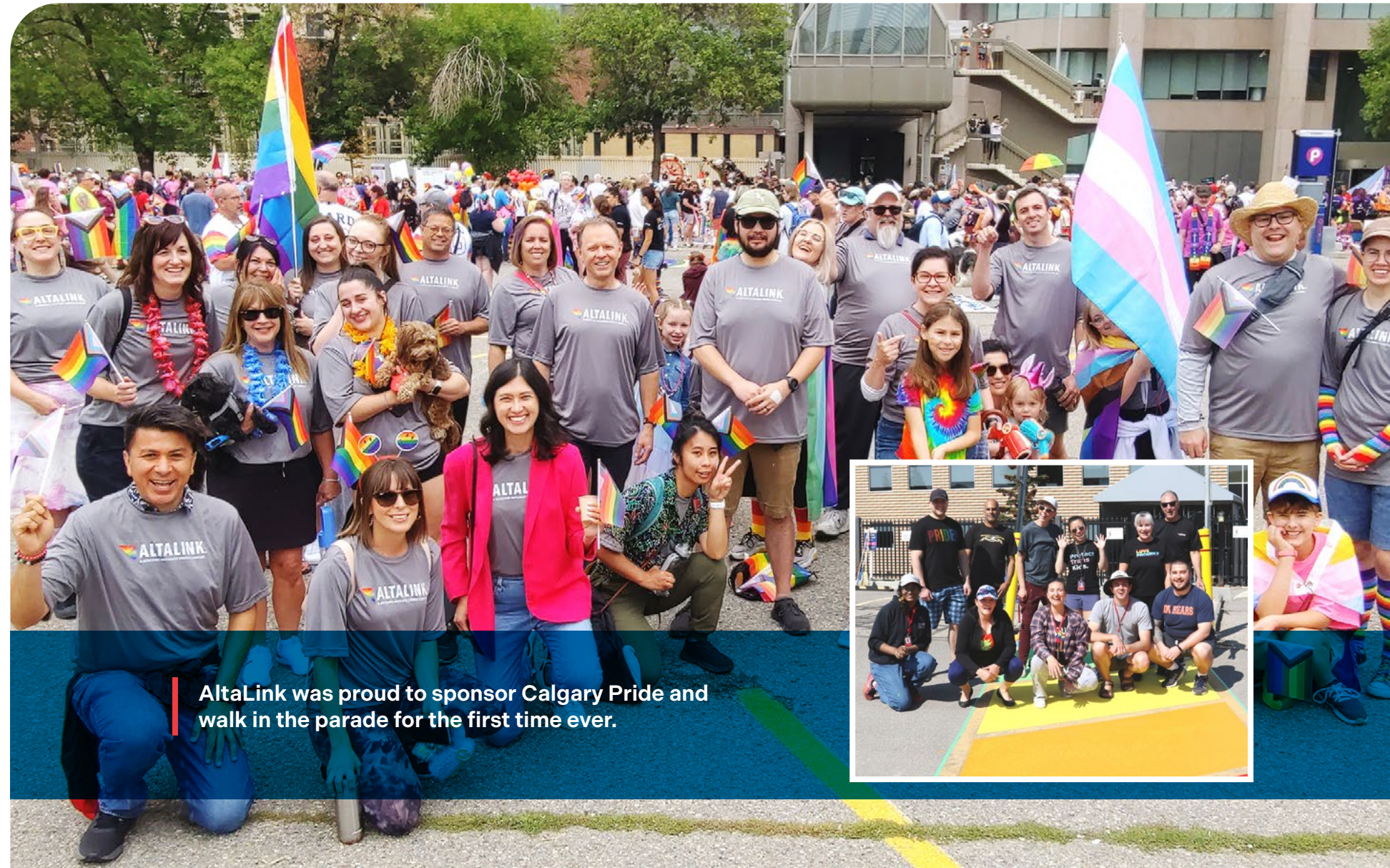
## Recognizing, celebrating, growing

AltaLink was proud to sponsor Calgary Pride and walk in the parade. A group of 37 AltaLink employees, friends, family members and partners joined together to celebrate Pride and support the LGBTQ2+ community. Calgary Pride is a not-for-profit organization that promotes equality and celebrates Calgary's diversity.

In June, recognizing Pride Month, we refreshed the rainbow crosswalk at our head office to show support for members of the LGBTQ2S+ community. Additionally, a Gender 101 session was held to help deepen employees' understanding of gender identity, gender expression, and pronoun use.

*Left: In 2023, AltaLink employees, friends, family members, and partners joined together to celebrate Pride and represent AltaLink in the parade.*

*Inset: As part of Pride Month recognition in June 2023, our rainbow crosswalk was refreshed – shown here with employees celebrating the new coat of paint.*



**AltaLink was proud to sponsor Calgary Pride and walk in the parade for the first time ever.**







# Linked to our communities



As part of the Berkshire Hathaway Energy family, AltaLink's giving program incorporates the five pillars of our parent company's BHE CARES program.

These pillars encompass a wide range of opportunities for us to help strengthen our communities:

- **COMMUNITY ENHANCEMENT**
- **ENVIRONMENT**
- **ART/CULTURE**
- **EDUCATION/STEM**
- **SAFETY/WELLNESS**

## 2023 community investment

AltaLink aims to be an Alberta leader in support for community programs that empower youth.



Our program is divided into three categories.







AltaLink is committed to long-term community partnerships, to making a sustainable difference, and to the communities in which we operate.

### GIVING 'FROM THE HEART'

Our Powerful Giving campaign is an opportunity to come together as an organization to support the communities in which we live, work and play, and support the United Way of Calgary and Area.

AltaLink's annual employee giving campaign is driven by employees, organized by a committee of representatives from across the company and guided by sponsors from the executive team. Committee chairs complete a four-month secondment with the United Way of Calgary and Area, providing them with a unique perspective of the needs of the organization that they can incorporate into their campaign planning.

With all donations matched dollar for dollar by AltaLink's shareholders, AltaLink raised more than \$800,000 for charities across the province in 2023. We have raised approximately \$11 million over 21 years in support of United Way.

### BIRDIES FOR KIDS BREAKS RECORDS

The annual Shaw Birdies for Kids program, presented by AltaLink at the Shaw Charity Classic, raised \$18,784,424, breaking the event's previous fundraising records and enabling support for thousands of children across Alberta.

AltaLink partnered with the Shaw Charity Classic in 2015 to launch Birdies for Kids. Since then, the program has been instrumental in driving the community impact of the Shaw Charity Classic golf tournament and making a meaningful impact to more than 260 charities.

Over its 11 years, Shaw Birdies for Kids presented by AltaLink has raised more than \$100 million and helped Alberta children by enabling health programs, food support, family support, development and counselling, sports, arts, and youth programming. In 2024, the program will continue as Rogers Birdies for Kids presented by AltaLink.

**Top:** AltaLink's 2023 Powerful Giving campaign followed a 'from the heart' theme. The program is a partnership with United Way of Calgary and Area.

**Bottom:** Everyone does their part. An executive challenge, called 'cardio party-o' was extended during the annual Powerful Giving campaign that resulted in the leadership team showing their stuff in the head office lobby to raise additional funds for the United Way.







## SUPPORTING STARS

Service from STARS is crucial to the health and safety of Albertans who live and work in remote areas, including those who make up our crews. In 2022, AltaLink gifted STARS with a \$1.2 million donation over a five-year commitment to its capital campaign aimed at renewing their air ambulance helicopter fleet.

## 4-H LEGACY

AltaLink's operations cover significant rural areas across Alberta and, as a community member, we support what matters. AltaLink is a Legacy Builder, and has been an Alberta 4-H sponsor since 2005.



AltaLink supports 4-H regional, district, and provincial communications and public speaking programs.

## WOMEN LEADING 'THE CHARGE'

In November 2023, approximately 100 industry members gathered virtually and in-person at an AltaLink-hosted Women+Power professional development and networking event. A powerful panel of AltaLink leaders discussed their backgrounds and their career paths and leadership experiences in unconventional or typically male-dominated roles.

Women+Power is a community that was developed for women of all levels of experience who work in or with Alberta's power industry, to help create opportunities for women that are supported by initiatives, programs and resources. All genders are welcome to join and work towards transformational change. We are proud to be a gigawatt-level sponsor of Women+Power.

## PARTNER FOR LIFE

AltaLink is proud to partner with Canadian Blood Services as a Partner for Life. Group blood donations are organized for employees throughout the year through this program.

At an AltaLink-sponsored Women+Power event, a panel of AltaLink leaders talked about their career paths in traditionally male-dominated roles.



# 164

AltaLink employee blood donations in 2023







AltaLink employees donate their time through our Global Days of Service program and Days of Caring events, contributing hundreds of hours to organizations across Alberta.

BEING OF SERVICE

We are committed to developing new approaches to giving back to our communities and establishing strategic alliances with non-profit partners where we live and operate. Sponsored by Berkshire Hathaway Energy, Global Days of Service are opportunities for employees to invest in their communities through their personal volunteer activities at non-profit organizations in their communities.

The program, introduced in 2015, increases the impact of volunteers by turning their volunteer hours into dollars. Employees who volunteer a minimum of 25 hours to an organization outside of work hours are celebrated with a company donation of between \$250 and \$1,000 to the organization where they volunteer.

DAYS OF CARING

Throughout the year, AltaLink sponsors a day of volunteering to give employees an opportunity to help a selected charity.

2,825

Employee volunteer hours

\$16,750

Donated in recognition

17

Charities benefiting from time and funds through 2023's Global Days of Service

Employees joined the City of Calgary's annual pathway and river cleanup as part of AltaLink's Days of Caring program.



2023 Day of Caring activities

17 HOURS

Preparing meals and sanitizing toys for the Children's Cottage Society

27 HOURS

Supporting the City of Calgary's annual pathway and river cleanup

31 HOURS

Building specialized bicycles for the Calgary Cerebral Palsy Association





## INDIGENOUS SCHOLARSHIPS

Each year, eight eligible students from each of Treaties 6, 7, 8 and the Métis communities of Alberta are awarded \$1,000 scholarships. Our Indigenous scholarship program recognizes and supports emerging leaders from each community by offering scholarships to Indigenous students attending post-secondary institutions.

## ALTALINK CENTENNIAL SCHOLARSHIP

Since 2005, AltaLink's Centennial Scholarship program has provided scholarships to students from rural Alberta who are planning to attend or are attending post-secondary institutions, including Bow Valley College, Lethbridge College, NAIT, Olds College, Red Deer Polytechnic and SAIT.

### Bhuvan Dubey: AltaLink's 2023 Employee Scholarship winner

Each year, AltaLink recognizes one ambitious and hardworking child or grandchild of an employee with a cheque for \$2,000 to help them pursue their educational goals.

The 2023 Employee Scholarship recipient, Bhuvan Dubey, is the son of one of AltaLink's master data analysts and wants to be a pediatrician. He says his career was inspired by growing up surrounded by younger cousins, and that he hopes to make a positive impact on the world and promote children's health through compassion and care.

**"I am very grateful to be receiving the AltaLink scholarship. At its core, this scholarship is a symbol of trust. I plan to do work that will help the people around me, so this symbol of trust further gives me the confidence to continue setting more goals and striving for them."**

*Recipient of AltaLink's 2023 Employee Scholarship,  
Bhuvan Dubey, future pediatrician.*







# Delivering reliable service

Transmission system reliability is at the core of our commitment to our customers. As the province's largest electricity transmission provider, millions of Albertans depend on us to deliver their energy when they need it.

We ensure we plan work to minimize outage impacts for customers, and respond quickly, efficiently, and with a customer-first mindset when an outage is unavoidable.

We are also proactive with our asset management practices and take a targeted approach to investment and maintenance. We aim for the most effective opportunities to decrease risk and improve reliability while responsibly managing costs. As a result, AltaLink has consistently improved reliability performance year-over-year since 2017, with capital replacement and upgrade costs staying flat during the same period.

**AltaLink's five-year System Average Interruption Duration Index (SAIDI) has improved from 54 minutes in 2017 to nine minutes in 2022, a level that was sustained in 2023.**

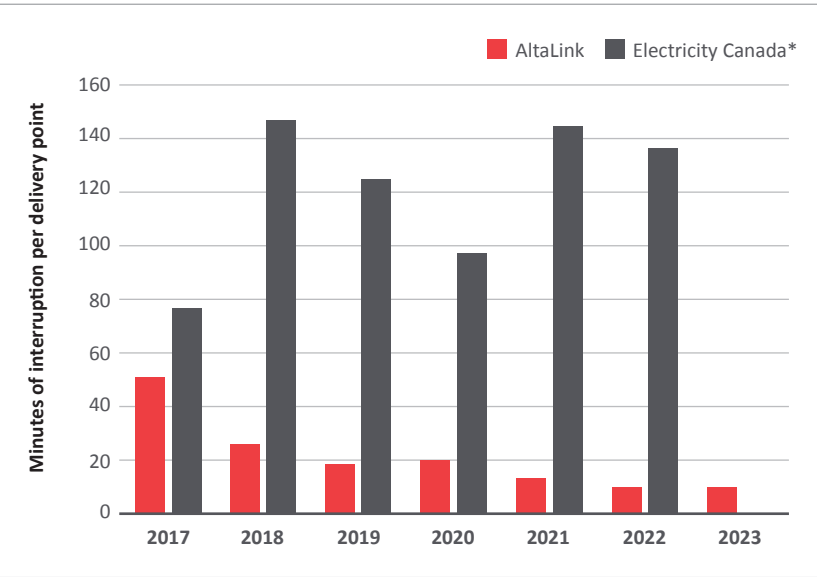






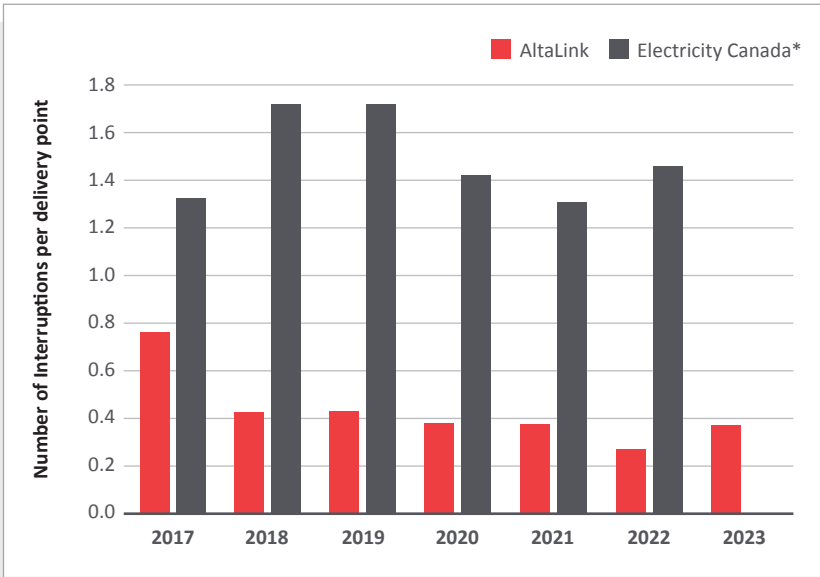
CUSTOMER OUTAGE TIME (SAIDI)

AltaLink’s five-year System Average Interruption Duration Index (SAIDI) has improved from 54 minutes in 2017 to nine minutes in 2022, a level that was sustained in 2023.



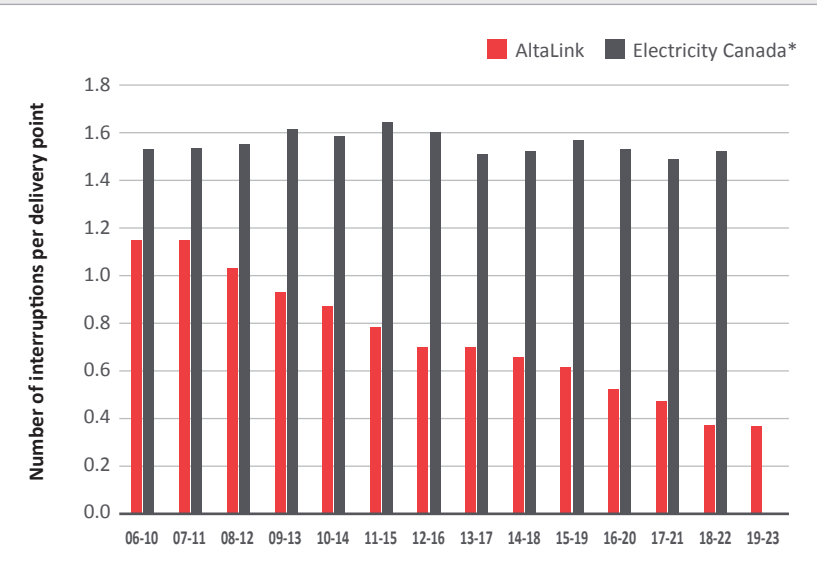
CUSTOMER OUTAGE FREQUENCY (SAIFI)

Our System Average Interruption Frequency Index (SAIFI) has improved from 0.76 interruptions per distribution point in 2017 to 0.27 in 2022, representing a 67 per cent improvement in customer interruption frequency in six years. While SAIFI increased in 2023 due to extreme weather and environmental events, long-term improvement trends are expected to continue.



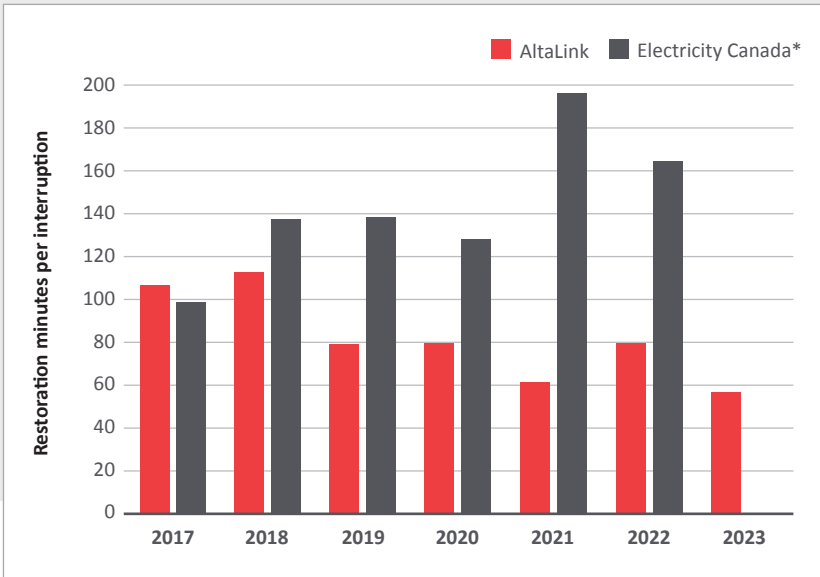
CUSTOMER OUTAGE FREQUENCY (SAIFI)

System Average Interruption Frequency Index (SAIFI) has continually improved since 2006 while Electricity Canada Interruption Frequency remained at similar levels.



CUSTOMER RESTORATION TIME (SARI)

Customer restoration time (SARI) has decreased from 107 minutes in 2017 to 57 minutes in 2023, a significant improvement that is positively impacting our customers and Albertans.



\*Electricity Canada data for 2023 is not yet available.





## Programs that support reliability

### OUTAGE COMMUNICATIONS

Thorough communication is one of the hallmarks of our customer-focused approach to system reliability. It includes three stages: preparing for a threat, during an outage, and post-outage communication and engagement.

AltaLink's Graduated System Threat Response (GSTR) is activated once threats to the system, such as adverse weather, high system load, or wildfires are detected. All field and control centre employees and senior leadership are kept informed, in case of outages. Depending on the severity of the threat, planned outages may be cancelled or resources mobilized.

During an outage, communication expands to include impacted customers to keep them updated on progress, timelines, and when power is expected to be restored. Once the system is restored after an outage, customers are again engaged to share impacts, and to provide them with a full disturbance report and other lessons learned.

### OUTAGE ALIGNMENT

AltaLink considers customer needs and potential impacts when planning outages. We continue to use a program that was initiated in 2022 to align outages wherever possible. As a result, planned maintenance outages that affect electricity being provided to industrial customers are scheduled to overlap with customers' planned maintenance shutdowns,

wherever possible. Our goal is to mitigate any disruption of customer production caused by planned or unplanned outages.

### PROTECTING THE SYSTEM AND WILDLIFE

Wildlife coverups, installed at many substations beginning in 2008, have resulted in a decrease in total wildlife-caused outages from 34 in 2007 to eight in 2023.

We have pioneered the installation of bird coverups over the years to reduce contact with energized equipment. As a result of the program, reliability and bird protection have improved and bird mortality, including that of endangered species, has been reduced.

AltaLink has further advanced this program by piloting two new bird deterrent technologies, a buffer that deters birds from entering a substation through the release of a vapor-based solution, and a laser system that deters birds with a high-intensity laser beam. The latter shows promising results, and will be installed at high-risk substations.

*A member of AltaLink's south transmission lines crew gets a helicopter assist while working on 1201L line in southern Alberta.*







## TECHNOLOGY SOLUTIONS

AltaLink continually tests new and emerging technologies to increase data accuracy and improve proactive interventions. Examples include the recent pilot of a new travelling wave relay technology that promises to more accurately pinpoint system faults and developing faults, such as the accumulation of contaminants or trees brushing a conductor, which can prevent outages and reduce restoration times.

An AltaLink-developed tool, the AltaLink Situational Awareness Program (ASAP), was launched in early 2024. Used in the control centre, ASAP consolidates and overlays essential data and is used by operators during an outage. It enables faster and more efficient decisions regarding which personnel to dispatch and to better pinpoint their destinations, thereby reducing the duration of outages. The tool also helps operators find opportunities to restore customer power more quickly by providing better visibility of load transfer options, and a greater understanding of any temporary problems that could be restored without field assessments.

## SYSTEM VULNERABILITY ASSESSMENTS

In 2018, AltaLink initiated vulnerability assessments of the system assets that may pose a higher risk of causing customer outages. As a result of the project, 20 substations and several transmission lines were identified as a priority for enhanced, regular inspections and future capital replacements and upgrades to further ensure the ongoing reliability of the grid.

## RESILIENCY AND RELIABILITY RECOGNITION

In November 2023, AltaLink was recognized with two awards from Electricity Canada. One was for achievements in reliability management and the second was the company's seventh consecutive safety performance acknowledgement.

The Resiliency and Reliability Award recognizes member utilities that demonstrate excellence in asset management, innovation in reliability, outage communications, and overall reliability and resiliency management.

AltaLink is in the top quartile of Canadian electric utilities for outage duration and outage frequency. In 2022, we achieved our best-ever annual customer outage duration (SAIDI), an accomplishment that was repeated in 2023.



**Above:** AltaLink's 879L transmission line, in southeast Alberta.

**Right top:** AltaLink's control room is a hub of activity, and key to our system reliability efforts.

**Right bottom:** Pictured here, from left to right: Francis Bradley, President and CEO of Electricity Canada; Ehsan Abbasi, AltaLink Senior Lifecycle Engineer; Mike Bartel, AltaLink VP, Operations; Lakshmi Venugopal, Business Analyst, Reliability with Electricity Canada.







# Meeting the needs of our customers

AltaLink's customer satisfaction performance hit an all-time high in 2023, with a customer survey score of 9.59 out of a possible 10. The top marks are the result of a consistent focus on embedding a customer mindset across all areas and at every level of the company.

Through a combination of yearly and monthly customer surveys, we gather valuable feedback about our customer service and how we can improve. We also specifically survey new customers – those we recently connected to the grid.

We act on any emerging work or concerns through the year, conduct project surveys at milestones, and conduct annual customer service and operations meetings and monthly project meetings to ensure continued, open communications.

In 2024, the plan is to improve upon the 9.59 score from 2023. Every year, using the feedback we receive from our customers, we aim to continue to improve AltaLink's customer service to achieve a 10/10.

## Let's Connect 2023

**In June 2023, AltaLink hosted more than 120 customers and industry partners at its annual Let's Connect event to explore the future of sustainable energy and technology solutions.**



*Fireside chat between AltaLink President and CEO Gary Hart (right), and AESO President and CEO Mike Law (left).*







## Keeping our costs to customers flat for five years in a row

Our customers expect us to deliver the reliable electricity they need while keeping it affordable. That's why we made a commitment to our customers to keep our rates at or below 2018 levels for five consecutive years. In 2023, our commitment was fulfilled. AltaLink is the only regulated utility in Alberta to not raise rates above 2018 levels.

As part of its ongoing commitment to managing costs for its customers, AltaLink is also proud to have reached a negotiated settlement with its largest customers for the majority of its 2024-2025 tariff. The settlement includes \$38.8 million and \$7 million in reductions to applied-for capital expenditures and operating expenses, respectively. The Alberta Utilities Commission (AUC) approved the negotiated settlement on February 12, 2024.

AltaLink files a General Tariff Application (GTA) with the AUC every two years to review the transmission system's operating costs. Through a public process, the AUC tests AltaLink's forecast to ensure Albertans are receiving the value expected of us.

**AltaLink is the only regulated utility in Alberta to not raise rates above 2018 levels for five consecutive years.**

**Left:** AltaLink's 113L transmission line in Canmore, Alberta.

**Right:** A rail crossing at AltaLink's 1326L transmission line, near Kathryn, Alberta.







# Engaging with our stakeholders

AltaLink works collaboratively with our stakeholders and strives to ensure timely and transparent information is provided to those who might be impacted by or interested in our work. These relationships are key to our ongoing success.

## STAKEHOLDER IDENTIFICATION

We follow the Alberta Utilities Commission's (AUC) definition of stakeholders: all persons whose rights may be directly and potentially adversely affected by a proposed development, for example one of our transmission facilities. This includes the following:

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

## STAKEHOLDER ENGAGEMENT PROCESS

The stakeholder engagement process begins when AltaLink receives project direction from the Alberta Electric System Operator (AESO), or when operations or maintenance work is identified. The direction or requirement includes the project scope and technical requirements, allowing AltaLink to begin siting transmission facilities and identifying stakeholders.

Stakeholders specific to each project are identified based on defined notification criteria. Project-specific information is provided to all project stakeholders after material changes or progress in the project, such as:

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



**At AltaLink, we believe consultation is essential for ensuring stakeholder input is considered in decision-making.**





2023 highlights

200

CONSULTATIONS

5,479

MAILOUTS

25

ACTIVE PROJECTS CONSULTED ON

328

PHONE CALLS



AltaLink records stakeholder concerns and questions, and an AltaLink representative follows up to address the issue, provide information, and resolve any concerns.

We notify all stakeholders when a facility application has been filed with or is approved by the AUC, after receipt of permits and licenses, and if we file an amendment with the AUC.

Our stakeholder communications may include:

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

AltaLink records stakeholder concerns and questions, and an AltaLink representative follows up to address the issue, provide information, and resolve any concerns. Examples of concerns that have been identified by AltaLink’s stakeholders include:

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

Above: A prairie falcon rests atop a structure near AltaLink’s 54S substation by Fort Saskatchewan.





# Indigenous relations

AltaLink’s service area includes 19 First Nations, two Métis Settlements, four territories of the Métis Nation of Alberta, and the Lac Ste. Anne Métis Community Association.

We recognize the deep connections Indigenous peoples have to the land and traditions, and we build relationships with the communities in which we operate. We believe that true collaboration and partnership requires mutual respect, open dialogue, and a willingness to listen.

Through Traditional Land Use assessments, opportunities for Indigenous-owned businesses to bid for contracts, and our investment in Alberta’s Indigenous communities, we are focused on building relationships.

**We recognize the deep connections Indigenous peoples have to the land and traditions, and we build relationships with the communities in which we operate.**

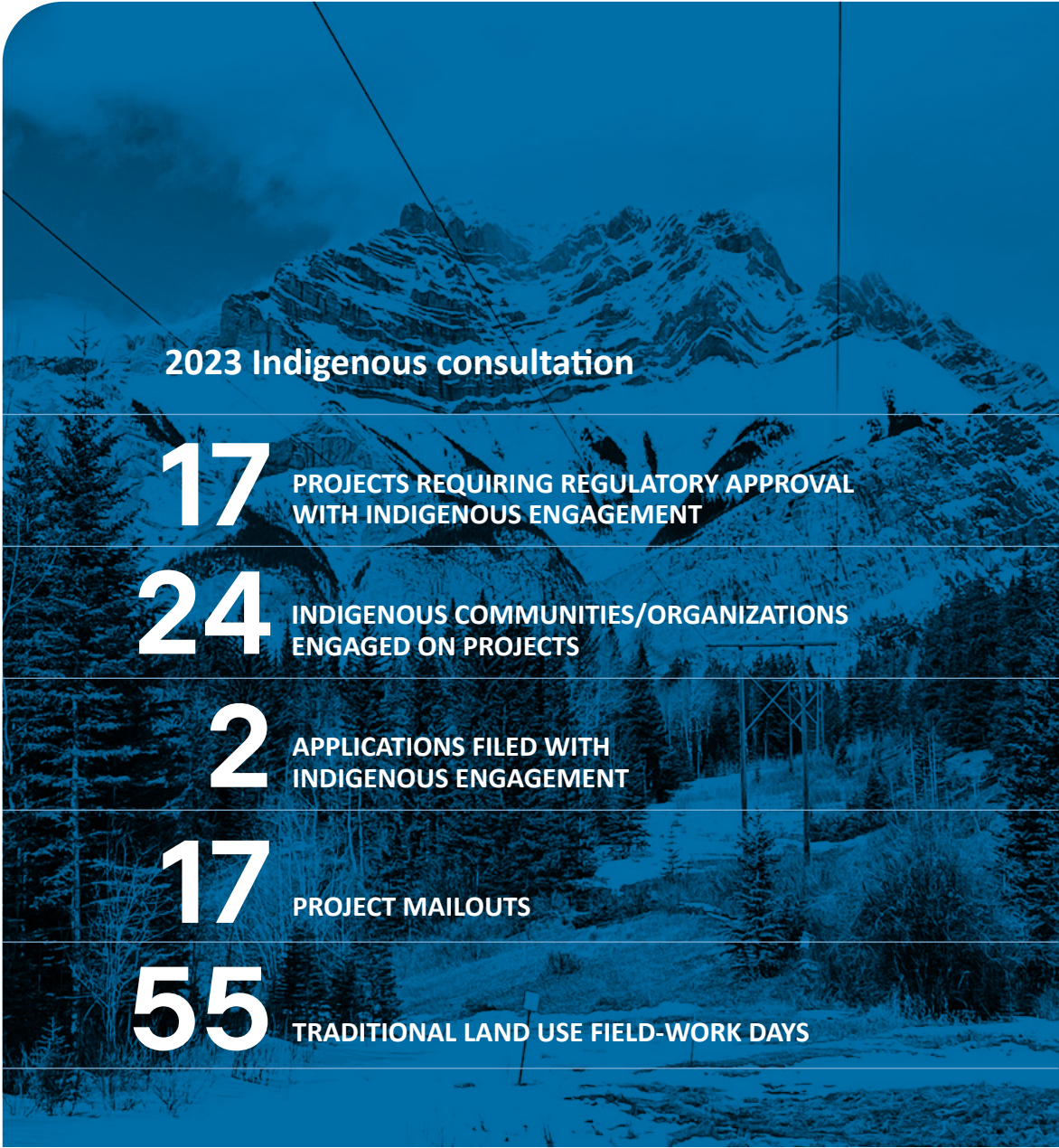
## RELATIONSHIP BUILDING

AltaLink strives to raise awareness about its role in the electric system and related business opportunities through a number of Indigenous job fairs and tradeshow hosted by First Nations, Treaty organizations, the Métis Nation, universities and Indigenous organizations.

New connections are created by participating in economic development forums, pow-wows, and other cultural events.

## MEANINGFUL CONSULTATION

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







# Programs that support our Indigenous relations

## CULTURAL AWARENESS SESSIONS

Cultural awareness training is available to employees who interact with Indigenous communities through their work.

## INDIGENOUS RELATIONS POLICY

AltaLink's Indigenous Relations Policy is based on guiding principles that support meaningful and respectful engagement with Indigenous communities:

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

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

In June 2019, a limited partnership, PiikaniLink L.P., was formed between AltaLink and the Piikani First Nation. In January 2020, a limited partnership, called KainaiLink L.P., was formed between AltaLink and the Blood (Kainai) Tribe. The agreements provide the

## INDIGENOUS SCHOLARSHIP PROGRAM

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

## TRADITIONAL LAND USE FIELD ASSESSMENTS

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

**Top:** Cultural awareness and understanding are enhanced by activities such as Indigenous language sessions.

**Bottom:** Events were held across our locations in recognition of Indigenous history month. At our Janet Service Centre, an Indigenous hand games workshop was fun as well as educational.







## 2023 events, activities and initiatives

### INDIGENOUS HISTORY MONTH

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

Indigenous History Month is also recognized with educational events at various field locations. In 2023 this included:

- An Indigenous hand games workshop at our Janet Service Centre location
- A discussion from members of Making Treaty 7 Cultural Society about their artists' experiences as Indigenous people and how the medium of theatre and art has allowed them to explore their past, present, and future

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

In 2023, AltaLink continued its support of Indigenous communities with a donation to the National Centre for Truth and Reconciliation. The Na-mi-quai-ni-mak (I remember them) Community Support Fund supports initiatives across Canada and invites communities to determine what type of recognition is most appropriate and meaningful for them.

Examples of the types of activities that communities may choose include plaques, healing gardens, carvings, reflection ponds, or Indigenous markers. Alternatively, the fund can also support community-led gatherings and ceremonial activities.

Since 2021, contributions from AltaLink through employee and corporate donations to Alberta-based initiatives supported by the fund now total over \$46,000.

### ABORIGINAL ROLE MODELS OF ALBERTA

AltaLink has sponsored the annual Aboriginal Role Models of Alberta awards since 2015 to help celebrate excellence and leadership within Alberta's Indigenous communities.



Members of Making Treaty 7 Cultural Society discuss the Indigenous artist's experience, an event held at our Calgary Head Office during Indigenous history month.





## Berland River Transmission Connection: Indigenous engagement

To connect TC Energy's Berland River Project to the grid, we are proposing transmission system changes in the Fox Creek area. Proposed changes include building a new substation, 55 to 60 kilometres of new 138 kilovolt transmission line and a new switching station.

The proposed transmission line will be located on Crown lands, with portions proposed within the traditional territories of 13 Indigenous communities.

Consultation with the communities began in September 2023 and will continue to June 2024. This includes Traditional Land Use field assessments with all impacted nations. The assessments vary, and range from five to 30 days in the field. The approach is aligned with the preferred approach of each community.

AltaLink is working through a competitive bidding process to award brushing and clearing work to Indigenous-owned or -partnered companies that fall within the traditional territories.

AltaLink's application for its Berland River project is expected to be filed with the Alberta Utilities Commission (AUC) in early 2025.

**AltaLink is working through a competitive bidding process to award brushing and clearing work to Indigenous-owned or -partnered companies that fall within the traditional territories.**



*The Berland River Transmission Connection involves building a new substation and approximately 55 to 60 kilometres of new transmission line.*







## AltaLink raises **Survivors’** flag in honour of those affected by residential school system

In September 2023 AltaLink employees participated in a flag-raising ceremony to acknowledge Indigenous peoples and all those affected by the residential school system in Canada.

The annual raising of the Survivors’ flag takes place at the beginning of September and remains on display at AltaLink’s head office for the entire month in honour of the National Day for Truth and Reconciliation on September 30.

The National Day for Truth and Reconciliation honours Survivors of residential schools, their families, and their communities. Public commemoration of residential schools’ tragic and painful history and ongoing impacts is vital to the reconciliation process.



The Survivors’ flag was raised for the month of September in recognition of residential school survivors.





**Holding  
ourselves  
accountable**





## Holding ourselves accountable



**AltaLink's governance structure provides appropriate oversight, and ensures clarity around leadership accountabilities. This includes fulfilling environmental and social expectations as well as traditional fiduciary duties. The Board of Directors is responsible for governance oversight and includes a number of working committees focused on the impacts of AltaLink operations.**

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

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

Through various regulatory decisions, these statutes and their respective regulations impact our tariffs, construction, operations and financing. We receive all our regulated transmission tariffs, including settlements of deferral and reserve accounts, from

the AESO. We and other transmission facility owners are permitted to charge tariffs for the use of our transmission facilities. Such tariffs are regulated by the AUC under the provisions of the Electric Utilities Act (Alberta) in respect of rates and terms and conditions of service.

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

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

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







# Programs that support our governance priorities

## ANTI-CORRUPTION AND ANTI-COMPETITIVE BEHAVIOUR

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

## EMPLOYEE CODE OF ETHICS AND BUSINESS CONDUCT

AltaLink’s Code of Ethics and Business Conduct is important to our business and is taken seriously. It’s a critical part of our corporate culture, promoting integrity and transparency in all aspects of how we conduct our business and in our relations with colleagues, directors, shareholders and business partners. Employees are required to demonstrate that they understand the policies and procedures of the Code of Ethics and Business Conduct by taking annual training. Every employee must also sign the document to acknowledge they have read the code each year.

The Code of Ethics and Business Conduct highlights key principles:

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

## ENTERPRISE RISK MANAGEMENT POLICY

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

## ETHICS HOTLINE

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

## EXTERNAL COMMUNICATIONS POLICY

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

## INTEGRATED EMERGENCY RESPONSE PLAN (IERP)

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

## INTER-AFFILIATE CODE OF CONDUCT

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

## ISO 27001 AND 27019 CERTIFICATIONS

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

## PROHIBITED BUSINESS PRACTICES POLICY

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





## Keeping our system secure



Cyber-attacks represent an increasing business risk. As an essential service provider that customers depend on for reliable power, we have a responsibility to ensure that our systems, assets, data, customers, and employees are all secure and protected. A successful electrical grid cyber-attack has the potential to affect critical infrastructure like hospitals and grocery stores or significantly impact businesses and the economy.

Our cyber and physical security management system, which is based on the International Organization for Standardization (ISO) requirements and standards, helps us identify and use best practices to keep the grid secure. As part of our ongoing efforts to enhance our cyber security preparedness, we underwent an external audit conducted by the British Standards Institute (BSI) in 2023 to retain our information security management system certification.

We continue to upgrade our cyber security preparedness by adding controls to meet compliance requirements and to keep pace with best practices. AltaLink works closely with federal and provincial government security agencies and industry partners to implement additional security controls. We closely monitor developments and emerging information.

Other security measures that help keep our customers and employees safe and secure include:

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

**As an essential service provider that customers depend on for reliable power, we have a responsibility to ensure that our systems, assets, data, customers, and employees are all secure and protected.**





## Helping employees stay secure & protected

### PHISHING SIMULATIONS

As a critical infrastructure provider, phishing represents one of AltaLink's greatest threats.

To help keep the grid secure and protected, AltaLink conducts regular phishing tests to help employees recognize the signs of a suspicious email. In 2023, AltaLink employees achieved a non-click rate of 99.953 per cent on phishing simulations.

### TESTING EMERGENCY PREPAREDNESS: GRIDEX VII

AltaLink was part of the 550 electricity industry and government stakeholders who participated in the coordinated emergency simulation across North America.

GridEx is hosted every two years by the North American Electric Reliability Corporation's (NERC) Electricity Information Sharing and Analysis Center (E-ISAC). GridEx gives E-ISAC members and partner organizations a forum to practice how they would respond to and recover from coordinated cyber and physical security threats and incidents.



**In 2023, AltaLink employees achieved a non-click rate of 99.953 per cent on phishing simulations.**

*GridEx VII successfully tested AltaLink's incident response processes and helped improve processes, documentation, and tools.*





# 2024-2025 general tariff application

**AltaLink files a General Tariff Application (GTA) with the Alberta Utilities Commission (AUC) every two years to review the costs it requires to operate the transmission system that supplies millions of Albertans with their electricity.**

Through a public process, the AUC tests AltaLink’s forecast to ensure Albertans receive value from the company’s transmission system.

In April 2023, AltaLink filed its application for the 2024 and 2025 calendar years.

## **NEGOTIATED SETTLEMENT REACHED WITH CUSTOMERS FOR THE MAJORITY OF ITS 2024-2025 TARIFF**

In December 2023, AltaLink reached a negotiated settlement with its largest customer groups on the majority of its 2024-2025 GTA. The AUC approved the agreement on February 12, 2024.

The settlement includes \$38.8 million and \$7 million in reductions to applied-for capital expenditures and operating expenses, respectively.

Five matters were excluded from the negotiated settlement and addressed through an oral hearing with the AUC, including some components of AltaLink’s wildfire mitigation plan.

## **APPLICATION AMENDED IN RESPONSE TO GROWING WILDFIRE RISK**

In response to the increase in extreme weather and the enormous impact of wildfire activity in Alberta in 2023, AltaLink filed an amendment to its wildfire program that was included in its 2024-2025 tariff application.

The amendment included an incremental \$47 million of investment over two years to expand and accelerate AltaLink’s existing wildfire mitigation plan to reduce the potential of the system contributing to a fire.

**In response to the increase in extreme weather and the enormous impact of wildfire activity in Alberta in 2023, AltaLink filed an amendment to its wildfire program that was included in its 2024-2025 tariff application.**

*AltaLink responded to weather events in 2023 that included unprecedented wildfires, snow storms, and flooding.*







## Generic cost of capital

On October 9, 2023, the AUC issued its decision on the Generic Cost of Capital (GCOC) for 2024 and beyond for Alberta's regulated electric and gas utilities, approving a set equity ratio and a formula to determine return on equity. The AUC set the deemed equity ratio of 37 per cent and set a notional return on equity of 9.00 per cent, which is subject to formulaic adjustments utilizing 30-year Government of Canada bond yields and Canadian utility spreads. On November 20, 2023, under the approved formula, the AUC issued an order approving 9.28 per cent as the final return on equity for 2024 for Alberta utilities.

We will adjust our 2024 revenue requirement and the 8.50 per cent return on equity included in our application filed December 2023 to the 9.28 per cent return on equity approved by the AUC in the 2024 GCOC proceeding.







## Executive team



**GARY HART**

President &  
Chief Executive Officer



**DAVID KOCH**

Executive Vice President  
& Chief Financial Officer



**JOHANNE  
PICARD-THOMPSON**

Executive Vice President,  
Customer & Corporate  
Services



**SHERI ALLEN**

Senior Vice President,  
Human Resources



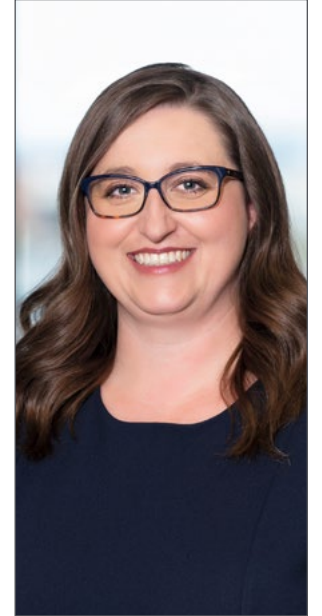
**MIKE BARTEL**

Vice President,  
Operations



**PAUL LEE**

Vice President, Projects



**CAYLA SABY**

Vice President,  
Government Relations  
& Commercial





# Board of directors

- DAVID TUER, Chair
- DAVID R. COLLYER, Director
- CALVIN D. HAACK, Director
- GARY HART, Director
- NATALIE HOCKEN, Director
- STEVE MACDONALD, Director
- PATRICIA NELSON, Director
- SUSAN RIDDELL ROSE, Director
- SCOTT THON, Director
- BRAD WALL, Director

# Board accountabilities

The Board of Directors sets strategy and reviews management’s response to Environment Health and Safety issues and climate related risks, including compliance with applicable legislation, regulatory requirements, and industry standards. They also participate on the following Board committees:

## AUDIT COMMITTEE

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

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

## HUMAN RESOURCES AND GOVERNANCE COMMITTEE

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







# Appendices





APPENDIX A

Applicable GRI Standards – 2023

GRI STANDARD	TOPIC	COMMENT
General Disclosures		
102-1	Name of organization	AltaLink, L.P. (ALP)
102-2	Primary services/brands	Alberta’s largest regulated electricity transmission company ( <a href="http://www.altalink.ca">www.altalink.ca</a> )
102-3	Location of HQ	Calgary, AB
102-4	# of countries operational in	One, Canada
102-5	Nature of ownership and legal form	<a href="https://www.altalink.ca/wp-content/uploads/Q4-2023-ALP-MDA.pdf">https://www.altalink.ca/wp-content/uploads/Q4-2023-ALP-MDA.pdf</a> (p. 3)
102-6	Markets served	Alberta
102-7	Scale of operation	Total number of employees – 706 Total number of operational employees – 256
102-8	Information on employees	678 full time permanent employees 21 full time term positions 7 part time permanent positions
102-9	Describe the organization’s supply chain	AltaLink, like many entities, has been impacted by global events but has continued to be able to fulfil its mandate. Ensuring reliability and cost effectiveness, AltaLink is also increasing its scrutiny of its suppliers through an ongoing procurement policy review.
102-10	Report significant changes to size, structure, ownership	None
102-11	Precautionary principle and approach	AltaLink’s enterprise risk management (ERM) process allows for an appropriate precautionary approach in identifying and managing risk. An outline of the ERM process is located within AltaLink’s Management Discussion and Analysis (MD&A) at the following website: <a href="https://www.altalink.ca/wp-content/uploads/Q4-2023-ALP-MDA.pdf">https://www.altalink.ca/wp-content/uploads/Q4-2023-ALP-MDA.pdf</a> (p. 47)





GRI STANDARD	TOPIC	COMMENT
102-12	External initiatives	<ul style="list-style-type: none"><li>Electricity Canada; Sustainable Electricity Program – (brand re-designation obtained in 2019); Transmission Council; and, various working groups and committees.</li><li>International Standards Organization – integrated health, safety and environmental management system, cyber security system</li><li>Right of Way Stewardship designation</li></ul>
102-13	Membership and associations	<ul style="list-style-type: none"><li>Electricity Canada – various working groups</li><li>IPPSA – Independent Power Producers Society of Alberta</li><li>CIGRE Canada - International Council on Large Electric Systems</li><li>EEL – Edison Electric Institute</li><li>BCC – Business Council of Canada</li><li>Calgary Chamber of Commerce</li><li>Edmonton Chamber of Commerce</li><li>NATF – North American Transmission Forum</li><li>Business Council of Alberta</li><li>JUST – Joint Utility Safety Team</li><li>PEPS – Provincial Electricity Physical Security group</li><li>COAA – Construction Owners of Alberta Assoc.</li><li>AEUSA – Alberta Electric Utility Safety Assoc.</li><li>Avian Powerline Interaction Committee</li></ul>
102-14	Statement from senior decision-maker	<a href="#">p. 3</a> this report
102-15	Key impacts, risks and opportunities	Formal materiality assessment undertaken in 2019 and internally updated in 2021 continues to inform overall sustainability strategy.
102-16	Values, principles, standards and norms of behaviour	<a href="https://www.altalink.ca/wp-content/uploads/Q4-2023-ALP-MDA.pdf">https://www.altalink.ca/wp-content/uploads/Q4-2023-ALP-MDA.pdf</a> (p. 5)
102-17	Mechanisms for advice and concerns about ethics	<a href="https://www.altalink.ca/governance/code-of-ethics/">https://www.altalink.ca/governance/code-of-ethics/</a>
102-18	Governance structure	<a href="#">p. 54</a> this document
102-19	Delegating authority	<a href="#">p. 54</a> this document
102-20	Executive-level ESG responsibility	<a href="#">p. 54</a> this document and <a href="https://www.altalink.ca/wp-content/uploads/Q4-2023-ALP-MDA.pdf">https://www.altalink.ca/wp-content/uploads Q4 2023-ALP-MDA.pdf</a> (p. 15)





GRI STANDARD	TOPIC	COMMENT
102-21	Consulting stakeholders on ESG issues	See CEO message, <a href="#">p. 3</a>
102-22	Composition of highest governance body and committees	Annual Information Form, published May 6, 2024 available on SEDAR (p. 31)
102-23	Chair of highest governance body	Annual Information Form, published May 6, 2024 available on SEDAR (p.35)
102-29	Identifying and managing economic, social, environmental impacts	Highest governance body’s role in this process resides with both the Executive team and the Board of Directors.
102-31	Review of economic, environmental, and social topics	Frequency of these reviews occurs throughout annual business cycles (Board of Directors meetings, etc.) as well as every three to five years as part of materiality assessment review.
102-40	Provide a list of stakeholders groups engaged by the organization	<a href="#">p. 46</a> this document
102-41	% Covered by collective agreements	56% of all employees within two unions
102-42	Report process to identify stakeholders	<a href="#">p. 46</a> this document
102-43	Approach to stakeholder engagement	<a href="#">p. 46</a> this document
102-44	Key topics and concerns raised	<a href="#">p. 47</a> this document
102-45	Entities included in consolidated financial statements	<a href="https://www.altalink.ca/wp-content/uploads/Q4-2023-ALP-FS.pdf">https://www.altalink.ca/wp-content/uploads/Q4-2023-ALP-FS.pdf</a>
102-46	Defining report content and topic boundaries	AltaLink’s Corporate Sustainability Specialist with direction from Executive Vice President, Customer and Corporate Services and Vice President, Environment, Health and Safety. One operational unit (ALP) operating in one geographic territory (province of Alberta, Canada) allowed direct aspect boundary determination.
102-47	List of material topics	This list of GRI Standards
102-49	Changes in reporting	Moved from G4 to 2016 GRI Standards to inform annual report (2019)
102-50	Reporting period	2023
102-51	Date of most recent report	June 2024 for 2023 activities
102-52	Reporting cycle	Annual
102-53	Contact for questions regarding this report	Corporate Sustainability Specialist; Vice President, EH&S





GRI STANDARD	TOPIC	COMMENT
Management Approach		
103-1	Boundary of report	AltaLink, L.P.
201-1	Economic standards	Direct economic value generated and distributed:
		Operating costs
		Employee wages/benefits
		Provincial taxes
		Federal taxes
		Gross spent in Alberta (cap and operating costs as %)
		Property, plant and equipment
201-2	Financial implications and other risks and opportunities due to climate change	<a href="https://www.altalink.ca/wp-content/uploads/Q4-2023-ALP-MDA.pdf">https://www.altalink.ca/wp-content/uploads/Q4-2023-ALP-MDA.pdf</a> (p. 15 and 49-56)
201-3	Coverage of the organization’s defined benefit plan obligations	<a href="https://www.altalink.ca/wp-content/uploads/Q4-2023-ALP-FS.pdf">https://www.altalink.ca/wp-content/uploads/Q4-2023-ALP-FS.pdf</a> - note 17 (p. 17)
201-4	Financial assistance received from government	None
203-1 203-2	Infrastructure investments and services supported	<a href="#">p. 11</a> , <a href="#">40</a> , <a href="#">45</a> this document
205-1	Total # or % of ops assessed for risks related to corruption and associated significant risks	100% — Enterprise Risk Mgmt processes are used to review all aspects of AltaLink projects and operations for risks including corruption and bribery.
205-2	Communication and training for anti-corruption policies	Annual employee training on code of conduct and business ethics; 100% compliance is a condition of working at AltaLink for all employees at every level. <a href="https://www.altalink.ca/governance/">https://www.altalink.ca/governance/</a>
205-3	Confirmed incidents of corruption and actions taken	0
206-1	Total number of legal actions for anti-competitive behavior, anti-trust and monopoly practices	0





GRI STANDARD	TOPIC	COMMENT
Environmental Standards		
302-1	Energy consumption within the organization	GHG inventory and energy conservation programs analysis are part of the GHG Working group deliverables and reported on <a href="#">p. 21</a> this report
304-1 Operational sites owned, leased, managed in, or adjacent to protected areas and areas of high biodiversity value outside of protected areas	Biodiversity	Environmental standards, policies and procedures associated with minimizing impacts to natural landscapes and its inhabitants can be found here: <a href="https://www.altalink.ca/our-commitment/environmental-social-governance/environmental/">https://www.altalink.ca/our-commitment/environmental-social-governance/environmental/</a>
304-2 Significant impacts of activities, products, and services on biodiversity	Biodiversity	Operational sites in or adjacent to protected areas of high biodiversity value are managed to industry leading standards. Details can be found here: <a href="https://www.altalink.ca/safety-and-preparedness/vegetation-management/">https://www.altalink.ca/safety-and-preparedness/vegetation-management/</a>
304-3 Habitats protected or restored	Biodiversity	AltaLink’s Avian Protection Plan is a management system designed to reduce the impact our transmission facilities have on birds. Details are available here: <a href="https://www.altalink.ca/our-commitment/environmental-social-governance/environmental/avian-protection-plan/">https://www.altalink.ca/our-commitment/environmental-social-governance/environmental/avian-protection-plan/</a>
305-1 Direct (Scope 1) emissions	Emissions	Full overview of the GHG Working Group tasked with accurate inventory and reporting of GHG emissions, including Scope 1 & 2 emissions can be found on <a href="#">p. 21</a> this report.
305-2 Energy indirect (Scope 2) emissions	Emissions	Full overview of the GHG Working Group tasked with accurate inventory and reporting of GHG emissions, including Scope 1 & 2 emissions can be found on <a href="#">p. 21</a> this report.





GRI STANDARD	TOPIC	COMMENT
402-1	Labour/Mgmt. Relations – minimum notice periods	Collective agreements are in place with IBEW until the end of 2024, and with UUWA until the end of 2027.
403-1	Occupational Health and Safety Management System	Joint Health and Safety Committee represents all employees
403-4	Worker participation, consultation, and communication on occupational health and safety	Any relevant topic identified through the Joint Health and Safety committee would also be included in subsequent union negotiations.
404-1	Average hours of training per year per employee	While no specific metric or quantifiable amount of time is identified per employee, all employees receive training appropriate to their level and position within the company. High-risk activities or individuals in positions of authority and responsibility will receive appropriate levels of training to ensure they have appropriate certification to perform work activities as required.
404-2	Programs for upgrading employee skills and transition assistance programs	Prior to terms being completed outgoing employees are given access to various transitional services by a qualified third party vendor (counselling, resume writing, etc.)
404-3	% of employees receiving regular performance and career development reviews	100% - employees undergo annual performance reviews (PRD) and develop forward focused annual work plans and career development plans.
405-1	Diversity and Equal Opportunity	DEI is a significant area of focus for AltaLink with annual highlights reported on <a href="#">p.32</a> this report.
406-1	Total number of incidents of discrimination and corrective actions taken	0
407-1	Operations and suppliers in which the right to freedom of association and collective bargaining may be at risk	Collective agreements are in place with IBEW until the end of 2024, and with UUWA until the end of 2027.
411-1	Rights of Indigenous Peoples — Incidents of violations involving rights of indigenous peoples	There are no incidents of violations involving rights of Indigenous peoples. An overview of AltaLink’s extensive Indigenous Relations partnerships, policies and procedures available at: <a href="https://www.altalink.ca/our-commitment/indigenous-relations/">https://www.altalink.ca/our-commitment/indigenous-relations/</a>
412-1	Human Rights Assessment	<a href="#">p. 32</a>
413-1	Local Communities — operations with local community engagement, impact assessments, and development programs	<a href="#">p. 46</a>
413-2	Operations with significant actual or potential negative impacts on local communities	<a href="#">p. 46</a> Regarding consultation with stakeholders including communities
415-1	Total value of political contributions and recipients/beneficiary	\$0



