



POWERING A GRID FOR ALL

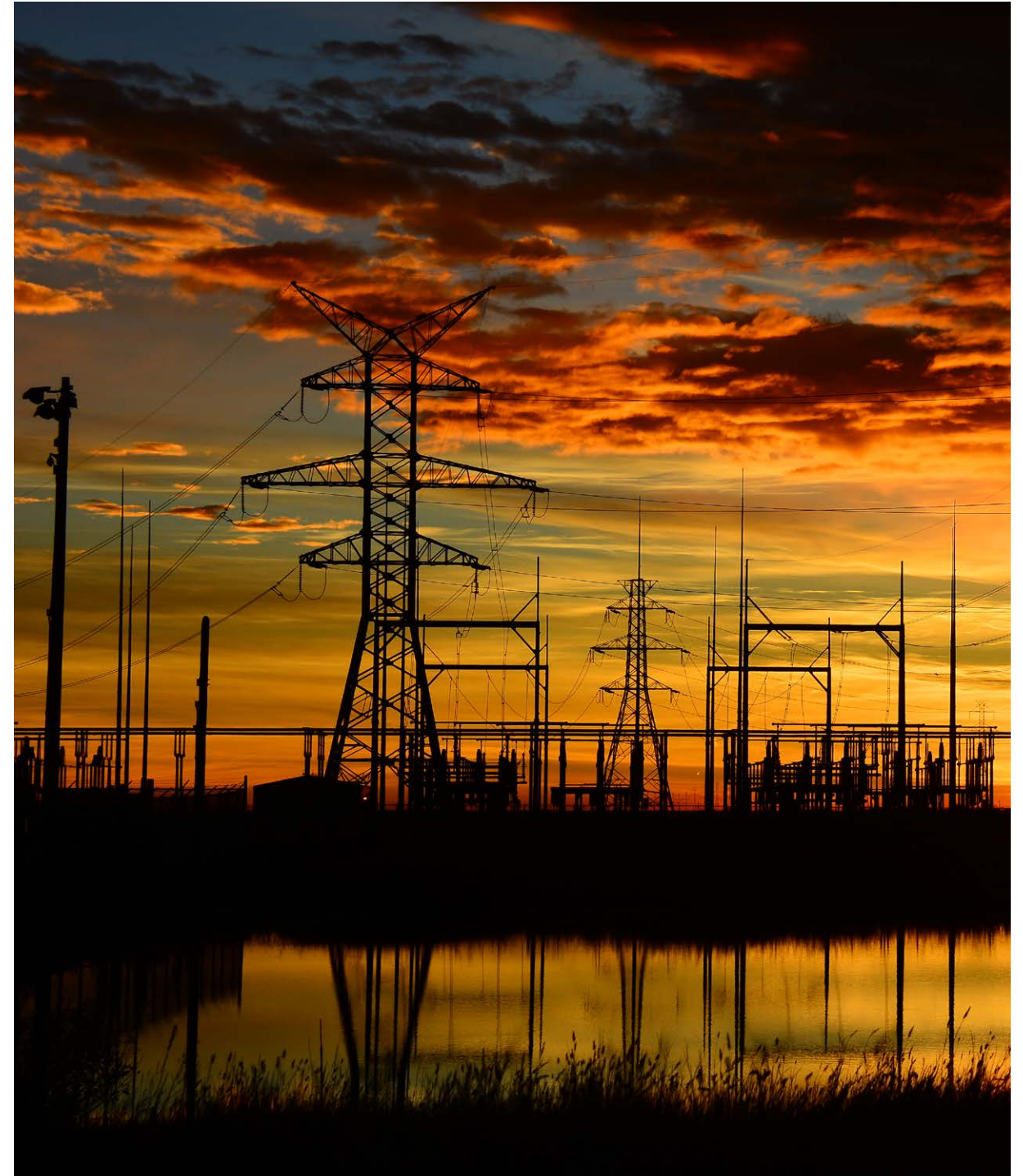
20 | ESG
21 | Report



SUSTAINABILITY
IT'S ALL CONNECTED

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A MESSAGE FROM OUR PRESIDENT & CEO



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We're working to power a grid for all of us, now and in the future.

When I reflect on the last year, I'm incredibly proud of what our team has accomplished. As we continued to navigate the uncertainties of the pandemic, and our world continued to evolve, we responded and adapted in ways that we never imagined we would have to. The result is that we've seen some of our best-ever results in safety, reliability and customer service. Results like that don't happen by accident.

As we work toward a more sustainable future, how we do it is just as important as what we do. Every decision we make considers the potential impacts and opportunities for our people, for our customers and partners, for the environment and for our business. We're working to power a grid for all of us, now and in the future.

In 2021, we completed one full calendar year without an employee injury. That's a remarkable milestone and a testament to the priority that our employees put on keeping each other safe.

We're committed to ensuring that all AltaLink employees have a sense of belonging. We want them to feel empowered to be themselves, and to engage and contribute in ways that are meaningful to them. We launched a new Hybrid Work Program that provides eligible employees with more flexibility in how and where they work. We also launched a new Diversity and Inclusion (D&I) program with a focus on increasing awareness and understanding. Through our first-ever D&I Pulse Survey we gathered feedback from employees to help us measure our progress and make meaningful adjustments as we go.

As Albertans continued to deal with energy prices and the impacts of the pandemic on the economy, we delivered more than \$300 million in cost reductions for our customers in 2021. This is part of the almost \$1.4 billion in savings that we've delivered since 2015 through a number of tariff levelization efforts and refunds. We were also incredibly proud to raise a record-breaking more than \$1 million for the United Way through our annual Powerful Giving campaign in support of local communities.

As we work to support and advance reconciliation, we remain committed to fostering strong relationships with the Indigenous communities where we operate. In 2021, more than 7,300 hours of work on our project was performed by Indigenous personnel with more than \$710K allocated to Indigenous contracting or subcontracting. In support of our two First Nations limited partnerships, KainaiLink and PiikaniLink, we successfully appealed an Alberta Utilities Commission decision to ensure that regulatory costs related to the formation of the limited partnerships could be recovered the same as they have been for any transmission owner in the past.

We always strive to balance the effect of our operations on the environment and its inhabitants. In 2021, we added five new hybrid vehicles to our fleet, and had some of our best-ever results when it comes to fuel efficiency. We also continue to find innovative solutions to reduce bird contacts with our equipment, including the use of robotic technology to safely and efficiently install bird diverters on our lines.

Powering a grid for all means one that supports all of us, now and in the future. We take this responsibility seriously and we're committed to continuing to learn, collaborate and measure our progress as we move forward on our sustainability journey.



Gary Hart
President & Chief Operating Officer,
AltaLink



WHO WE ARE

WHO WE ARE

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 Alberta.

More than three million Albertans rely on us to deliver the electricity that they use every day. From birthdays, anniversaries, to graduations, we’ll keep the lights on for life’s most important moments.

Owned by Berkshire Hathaway Energy, we are part of a global group of companies that deliver sustainable electricity and utility services to customers worldwide. Our exceptional customer service, commitment to the environment, and world-class safety record makes us a leader in our industry.

AltaLink’s Vision

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

226,000

square kilometres of service area, making AltaLink the largest regulated transmission company in Alberta

85%

of Albertans being serviced

13,000

kilometres of transmission line owned and operated

308

substations owned and managed through our control centre and telecommunications network

Indigenous land acknowledgement

We respectfully acknowledge that AltaLink’s service area and our work is located within the traditional lands of diverse Indigenous peoples of Treaty 6, Treaty 7, Treaty 8, and the Metis Nation. 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.



CORE PRINCIPLES

We have six core principles that guide our business:



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 substantial 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



OUR APPROACH

At AltaLink, our commitment to sustainability is at the heart of our business strategy. Every decision and plan considers environmental, social and governance (ESG) impacts now and for the future.

Our framework includes our core business practices and values, and builds on existing programs, policies and procedures, as well as industry best practices in corporate sustainability.

About this report

This report reflects our performance from January 1 to December 31, 2021 and shows how our focus on our ESG priorities are supporting our mission to safely deliver reliable, affordable and clean energy to our customers. To help share our ESG story, this report is guided by the Global Reporting Initiative (GRI) core sustainability reporting standards.

These standards provide common language that improves the quality of information for a balanced and reasonable representation of movement towards the goal of sustainable development.

Environment

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

Social

At the heart of AltaLink is our people, they are our competitive advantage. We take a holistic approach to the health and wellness of our employees and make no compromises when it comes to providing a safe work environment. Our commitment to the communities we serve comes to life through our community investment strategy and our consultation efforts.

Governance

We're fair and transparent in everything we do. We are committed to being ethical, and have policies in place to ensure we operate at the highest standard for our customers.

Sustainable
Electricity
Leader



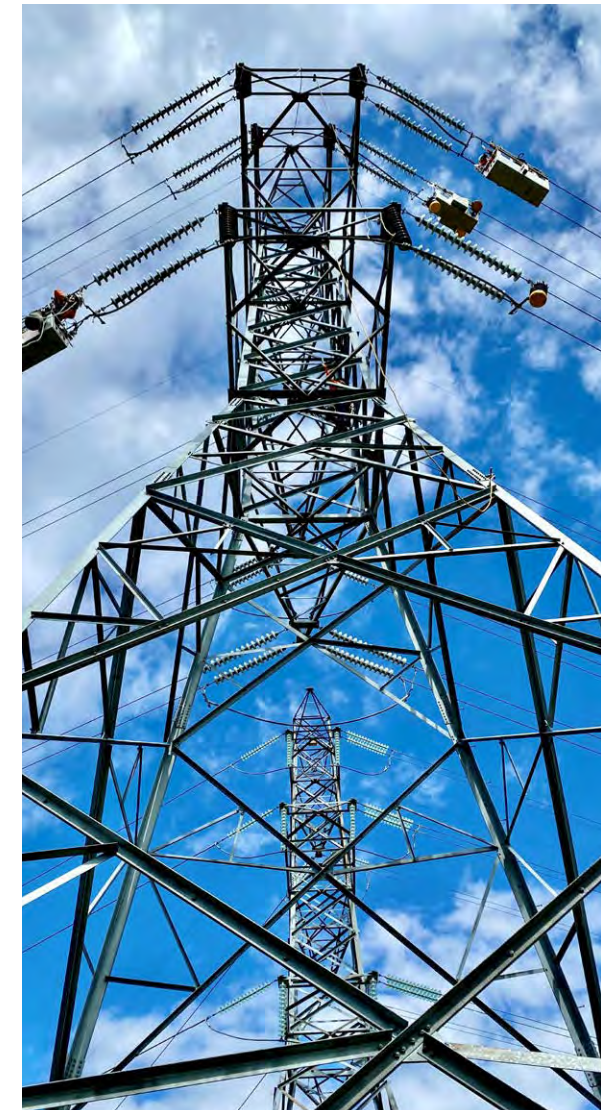
Chef de file en
matière d'électricité
durable

Sustainable Electricity Leader™ designation

In 2014, AltaLink was honoured to be the first electricity transmission company and only the second electricity company in Canada to receive Electricity Canada's Sustainable Electricity Leader™ designation. In 2019, AltaLink became 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.

The designation was developed for utility companies across Canada and requires utilities to commit to standards for environmental and social responsibility. In addition to the standards, companies must also pass a third-party external verification to ensure adherence to the standard.

AltaLink's designation as a Sustainable Electricity Leader™ is a reflection of our commitment to meeting the needs of our stakeholders, communities and employees through sustainable business practices.



2021 ESG HIGHLIGHTS



ENVIRONMENT

REDUCING EMISSIONS AND IMPROVING EFFICIENCY

We formed a Greenhouse Gas (GHG) emissions working group to help identify opportunities to reduce our emissions and improve our efficiency to lead our path to achieving net zero emissions for our operations.

INTEGRATED ENVIRONMENT, HEALTH AND SAFETY MANAGEMENT SYSTEM (EHSMS)

We successfully implemented an integrated Environmental, Health and Safety Management System (EHSMS) that complies with both the ISO 14001:2015 Environmental Management System requirements, and the ISO 45001:2018 Occupational Health and Safety Management System requirements. The EHSMS provides a framework to strategically identify, assess and evaluate risks and opportunities.

FIRST IN THE WORLD TO USE ROBOTIC TECHNOLOGY AIMED AT IMPROVING BIRD SAFETY

Working with Fulcrum Air, AltaLink helped develop a prototype for a robot that could mark an entire span of power line with bird diverters as efficiently as possible, saving time, improving employee safety, and reducing the cost normally associated with traditional installation techniques.



SOCIAL

ONE-YEAR INCIDENT FREE

We achieved a significant safety milestone, going one full year without an employee safety incident. Our employee safety performance was recognized by our industry peers in 2021, and for the fifth consecutive year, AltaLink was awarded the Canadian Electricity Association (CEA) President’s Award of Excellence for Employee Safety—Transmission.

FIRST-EVER D&I SURVEY

We completed our first-ever Diversity & Inclusion (D&I) Pulse Survey with a 79 per cent participation rate and received more than 80 per cent favorable responses in terms of AltaLink actively supporting D&I in the workplace.

\$1 MILLION+ DONATED

Through our annual Powerful Giving campaign, we donated over \$1 million in support of the United Way and received the United Way of Calgary and Area’s President’s Award for Community Impact.

BEST-EVER RESULTS

We achieved our best-ever results when it came to customer satisfaction with an average survey score of 9.43 (out of 10), compared to 9.13 in 2020. We also achieved new best-ever records when it came to reliability with an average customer outage duration of 13 minutes compared to 20 minutes in 2020.

LAUNCHED HYBRID WORK PROGRAM

Our Hybrid Work Program allows eligible employees to work up to two days a week from home, providing flexibility in how and where they work.



GOVERNANCE

ONE OF 10 COMPANIES IN THE WORLD WITH ISO 27019 CERTIFICATION

As part of our ongoing efforts to enhance our cyber security preparedness, we underwent an external audit conducted by the British Standards Institute (BSI) and became the first company in North America, and one of only 10 companies in the world, to receive ISO 27019 certification.

ETHICAL BUSINESS CONDUCT

Every year, all AltaLink employees are required to acknowledge and sign-off on their commitment to our Code of Ethics and Business Conduct, and its associated corporate policies.



ENVIRONMENT

FROM MITIGATION TO RECLAMATION, WE'RE FOCUSED ON THE ENVIRONMENT

Powering a grid for all means that we're minimizing our impact on the world around us, now and for future generations.

Programs that support our environmental priorities

Environmental RESPECT Policy

This policy establishes the Environmental RESPECT principles that guide AltaLink's commitment to the environment. All AltaLink employees and contractors working on AltaLink's behalf are expected to comply with this policy.

Avian Protection Plan

AltaLink was the first Canadian utility to develop an Avian Protection Plan designed to reduce the impact transmission facilities can have on birds. The plan includes set standards and processes for preventing collisions by installing bird markers.

Right-of-Way Stewardship Council accreditation

AltaLink has been accredited as a Right-of-Way Stewardship Utility for Sustainable Integrated Vegetation Management since 2015. AltaLink is the first and only Canadian utility to receive this accreditation.

Environment, Health and Safety Management System (EHSMS)

AltaLink's integrated EHSMS complies with both the ISO 14001:2015 Environmental Management System requirements, and the ISO 45001:2018 Occupational Health and Safety Management System requirements.

Wildfire mitigation and management program

Our approach to wildfire safety involves working hand-in-hand with community leaders and local emergency services to expand, enhance and align emergency response plans.

Recycling and waste management strategy

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



2021 performance

Staying safe in wildfire season

With wildfires becoming more frequent and intense throughout Alberta, protecting Albertans while providing safe, reliable power is a top priority. To reduce risks, we are strengthening our system and working hand-in-hand with Albertans to deliver safe and reliable power. We work with local emergency services and community leaders to expand and enhance our existing response plans. Our wildfire mitigation program involves safety measures and system enhancements, including:

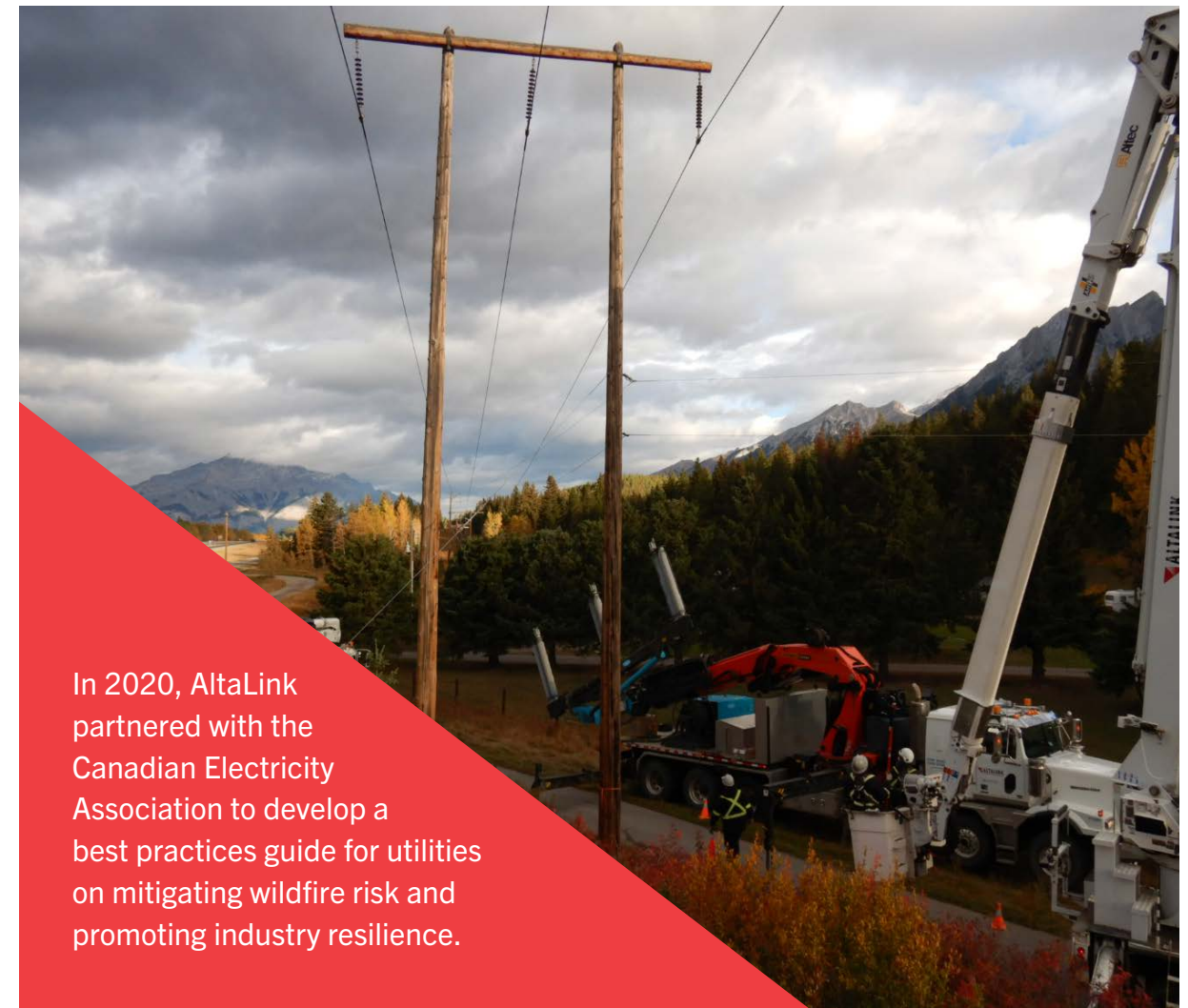
- Enhancing vegetation clearing practices to maintain safe clearance distances around power lines
- Proactively increasing inspections in high fire risk areas to identify potential threats that need mitigating
- Investing in our system to upgrade our assets to improve resilience of grid service
- Increased monitoring in higher risk areas for wildfire risk and potential threats to all utility infrastructure
- Utilizing a Public Safety Power Shutoff measure that involves proactively shutting off power during extreme and dangerous weather conditions that can result in catastrophic wildfires

With the support of third-party experts, AltaLink created fire threat maps which identified high-risk fire areas in its service area. Now we're focused on implementing a series of measures to strengthen our electric system and minimize the risk of wildfires.

This includes enhanced analysis of weather conditions in real time, additional inspections of our transmission lines in high-risk fire areas, rebuilding older lines that are not as resilient to high winds, and vegetation management to reduce potential contacts with transmission lines that could result in a wildfire.

AltaLink has several projects under way in the province to reinforce its system in high-risk fire areas. This includes two proposed transmission line rebuilds in the Canmore area. The 113L Transmission Line was originally built in 1952 and our application to rebuild the line was approved by the Alberta Utilities Commission (AUC) in 2021. The 54L Transmission Line was built in 1943 and public consultation to rebuild the line began in 2021.

Staying safe in wildfire season is a major undertaking. While no one measure can remove all of the risks, we are committed to taking every possible step to ensure that the power we deliver is safe and reliable.



In 2020, AltaLink partnered with the Canadian Electricity Association to develop a best practices guide for utilities on mitigating wildfire risk and promoting industry resilience.

Looking forward with a new Greenhouse Gas emissions working group

Alberta’s electric system will be critical to the province achieving net-zero emissions by 2050, and we’re ready for the challenge. To help take us into a net-zero world, we’ve established a new Greenhouse Gas (GHG) working group. This cross-functional group of experts is working to find solutions to reduce GHG emissions—sulfur hexafluoride (SF6) and carbon tetrafluoride (CF4)—across our operations. In a net-zero world, electricity will be the core of the energy system, and we’ll be doing our part to reduce our direct and indirect footprint.

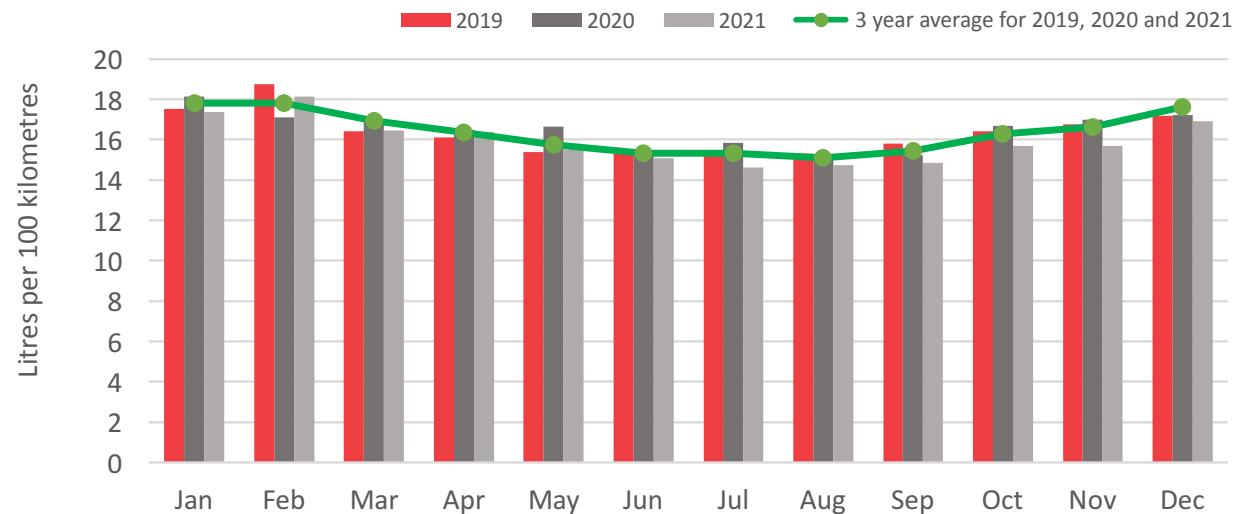
Building a fleet for our future

As Alberta’s largest regulated electricity transmission company, we cover a lot of ground when it comes to driving. In fact, in 2021 we drove more than 3.9 million kilometres. With our commitment to a cleaner future, we’re evaluating and, where possible, incorporating hybrid vehicles into our fleet to reduce our greenhouse gas emissions. In 2021, we added five new hybrid vehicles to our fleet, which will assist with lowering emissions and improving fuel consumption. We are making improvements also when it comes to idling and fuel efficiency. In 2021 we had some of our best-ever results when it comes to fuel efficiency, with an average of 15.95 litres per 100 kilometres, which is below our 2020 average of 16.49 litres per 100 kilometres.



FUEL EFFICIENCY - WITH 3 YEAR AVERAGE

Passenger Vehicles



AltaLink’s fleet breakdown

47 Heavy duty production vehicles
 Bucket trucks, diggers, cranes
 One hybrid

140 Light and medium duty trucks and passenger vehicles
 13 hybrids

46 Off-road vehicles
 Quads, side-by-sides, snow mobiles, forklifts, large track equipment

233 TOTAL

14 TOTAL HYBRID

Avian Protection

AltaLink strives to be a leader in bird protection and is committed to improving performance in this area.

AltaLink was the first Canadian utility to develop an Avian Protection Plan designed to reduce the impact transmission facilities can have on birds.

One of the primary tools we have been successfully using to protect our substations and feathered friends is Greenjacket™, a custom-fitted cover for equipment energized at 34.5 kV and below that is designed to protect wildlife. The program began in 2003 and we have seen a reduction in bird contacts by as much as 90 per cent in certain substations where bird contacts were common.

Waste reduction

In 2021, we continued to look for ways to reduce the waste generated by our office footprint and our work in the field. In the office we continued to minimize our use of paper and single use plastic products, and segregate waste (including compost, paper, plastic, glass and refundable beverage containers) to divert more waste from landfills. In the field, we are focused on minimizing waste from hydro excavation (hydrovac), securing used pole vendors to reuse our old poles, and identifying landfills that repurpose waste soils. As part of our strategy, project teams are required to develop a waste and recyclables management plan to identify waste streams, estimated quantities, and disposal locations prior to the start of field activities. Thanks to our waste reduction strategy, we were able to avoid sending 58 per cent of waste to landfills in 2021.

Minimizing the release of SF6

Sulfur Hexafluoride (SF6) is a necessary insulating gas that is used to protect some electrical equipment. It is one of the most potent greenhouse gases and small amounts of SF6 may be released into the atmosphere through normal operations. We closely monitor and track every release and follow very specific handling and top-up procedures that align with a Memorandum of Understanding between Environment and Climate Change Canada and all member utilities within Electricity Canada. Through our SF6 handling program, we are able to identify problematic equipment, make repairs, and add required SF6 in a timely manner to ensure the reliability of the system and minimize SF6 releases.

Enabling renewable integration

AltaLink's transmission system is the backbone of Alberta's economy. Investments that we've made to our system over the last decade allow us to add new renewable energy sources without significant development of new transmission lines. In 2021, AltaLink received approval from the AUC to build two new transmission projects that will support the integration of renewable electricity generation in eastern Alberta.

The Central East Transfer-Out Transmission Development (CETO) involves building approximately 50 kilometres of 240 kV transmission line. The Provost to Edgerton portion of the Provost to Edgerton and Nilrem to Vermilion Transmission Development (PENV) involves building 48 kilometres of 240 kV transmission line.

Construction on both projects is based on generation development in the region and is not anticipated to begin before 2023.



ALTALINK EMPLOYEES SOAR INTO ACTION

to protect some of our local feathered friends

Osprey in the Innisfail area had a safe space to nest in 2021 thanks to a few AltaLink employees.

After a routine patrol of transmission lines in the area, AltaLink employees identified an osprey nest on one of its structures. The nest posed a potential risk for power outages on the line, but it was also built with enough bailing twine to be a hazard to the osprey that would soon be returning.

The team got to work cleaning out the nest and planning for a safe solution.



Ryan Lavallee, AltaLink transmission lineman, with the twine that was removed from the nest.

“It’s very common for osprey to nest on transmission structures,” said Nikki Copeland, senior environmental advisor, AltaLink. “While we try to accommodate nests where possible, once a nest becomes unsafe, we either trim and clean it up or work to relocate it to a safer location. This particular nest was large, and had massive amounts of twine in it, which can interfere with the reliability of the power line and also pose an entanglement hazard for osprey.”

Thanks to AltaLink’s Avian Protection Plan, employees know what to do if and when they see birds and a nest on one of AltaLink’s structures while in the field. The plan includes set standards and processes that allow its environment and field teams to work quickly when they encounter bird nests on or near its transmission lines.

Ryan Lavallee is one of the AltaLink transmission linemen that was on site to help with the nest.

“I’ve gone through avian protection training, so I know exactly what to do when I encounter a nest such as this one. It feels good to be able to put my training into practice by helping to clean and move the nest to a safer location.”

Once the team finished cleaning up the nest, they got to work the following day installing an osprey platform and a new type of nest deterrent aimed at preventing further nesting.

The new deterrents still allow for perching, but the osprey will no longer be able to construct a nest in unsafe locations on the transmission structures.

“It’s a nice feeling, and also very rewarding to know that these osprey will have a place to nest and perch once they return in the spring,” said Jacob Bouchard, another AltaLink transmission lineman that was on site to help.

“

It’s a nice feeling, and also very rewarding to know that these osprey will have a place to nest and perch once they return in the spring.

JACOB BOUCHARD,
Transmission lineman, AltaLink

BY THE NUMBERS

Element	2018	2019	2020	2021
Number of high-risk substations mitigated with Greenjacket™ to reduce bird contacts	9	7	5	6
High-risk bird electrocution structures/facilities retrofitted (includes km of bird diverters installed)	~20 km	17.56 km	17.2 km	10 km
Number of priority spill events (Electricity Canada definition – any spill to water or spill of >500L)	0	0	0	0
Amount of material destroyed containing PCBs (kg)*	3,492 kg	1,709 kg	1,380 kg	3,845 kg
Units of electronic waste removed for repurposing or recycling (Third party vendor)	1,585 units	896 units	1,228 units	319
Amount of paper sent for recycling	51,959 kg	14,163 kg +	76,316 kg**	9,079 kg
SF6 consumed as part of normal operations	44.05kg	61.83kg (22.68 kg or 37% for one piece of equipment)	66.4kg	21.7 kg
Electricity consumed***	3,171,718 kWh	6,984,815 kWh	6,724,408 kWh	4,754,359 kWh

* product going to 3rd party for destruction as per invoices/weigh bills (1.16L = 1 kg) – 2017 adjusted

+ included only AltaLink Plaza and AltaLink East buildings for 2019

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

*** only includes offices and not substations - consumption increases in 2019 and 2020 are related to office construction activities





SOCIAL



Employee commitment

POWERING OUR EMPLOYEES

Powering a grid for all means empowering the people that make it possible. Our employees are the heart of what we do and the key to our success.

We're focused on creating and maintaining an environment where everyone feels safe, valued, and comfortable engaging and contributing in ways that are meaningful to them.

2021 performance

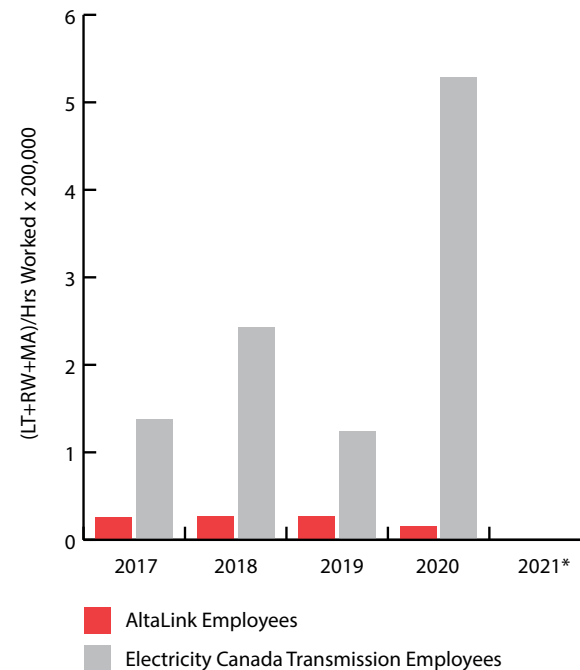
Safety above all else

The safety and security of our employees, customers, and the general public is our top priority. On March 31, 2021, we achieved a significant safety milestone, going one full year without an employee safety incident and we continued to be incident free in the second, third and fourth quarters of 2021. Our employee safety performance, as measured by total recordable injury frequency rate, was zero. This means zero injuries, which is our best result ever, compared to one injury in 2020. This milestone is thanks to our employees' commitment to keeping themselves, and each other, safe each and every day.

In November 2021, for the fifth consecutive year, we received Electricity Canada's President's Award of Excellence for employee safety as the best performing transmission company with 300 to 1,500 employees.

Our safety statistics include all lost time (LT), restricted work (RW) and medical aid (MA) incidents per 200,000 exposure hours worked by employees.

ALL INJURY FREQUENCY RATE



* Electricity Canada Transmission Employees rate is not available at this time.

A total life view on wellness

AltaLink encourages and provides support to maintain and improve our employees' physical, mental and personal wellbeing. Our wellness philosophy takes a total life view: plans, programs and initiatives are in place to support our employees' work life, community life, and personal and family life.

Whether our employees are looking for ways to support their mental health, improve their physical fitness, have fun with their coworkers, or contribute to our community, we encourage them to take advantage of the wellness programs and resources that are available to manage personal wellness. This includes flexible health and dental benefits, wellness spending accounts and savings plans that allow employees to select the coverage and plans that meets their needs.

Supporting a sustainable approach to work with increased flexibility

In 2021, we launched our Hybrid Work Program that allows eligible employees to work up to two days a week from home, providing flexibility in how and where they work. More than 90 per cent of employees signed up to participate, with the program officially starting in 2022 with our return to the office.

With the launch of this program, we are continuing to check in with leaders and gather feedback from employees to ensure the program is successful and effective for everyone.

Training and development

We provide training and development opportunities for our people to grow and support continuous improvement at AltaLink. Internal development opportunities range from informal job shadowing, cross-training, and mentorship to formal technical and leadership training, and specific learning events throughout the year.

In 2021, we hosted Learn at Work Week, an event we hold every two years to support employees' personal and professional development. The 2021 theme was Time to Recharge with a focus on resiliency, adaptability and connection as we all worked to overcome the challenges brought on by the COVID-19 pandemic.

AltaLink's Performance Review and Development (PRD) process includes ongoing coaching, feedback, collaboration and development that reflects our commitment to continuous improvement and high performance as well as the growth and development of all employees.

We recognize learning needs are unique to the individual, and we work to support employees in developing and achieving their specific career goals.



Employee commitment

Programs that support our commitment to our employees

Environment, Health and Safety Management System (EHSMS)

AltaLink's integrated EHSMS complies with both the ISO 14001:2015 Environmental Management System requirements, and the ISO 45001:2018 Occupational Health and Safety Management System requirements.

Joint Worksite Health and Safety Committee

The Joint Worksite Health and Safety Committee brings together leaders and employees to identify further ways to collaboratively improve our safety performance.

Mobile employee reporting app

To support the EHS Management System, AltaLink began using a web-based tool with mobile capabilities. The reporting app can manage incident, near miss and hazard reporting.

MoveSafe

MoveSafe is a comprehensive injury prevention program aimed at helping employees learn to move safely. It covers body preparation and maintenance, ergonomics and safe movement.

Systematic Approach to Training (SAT)

This approach helps AltaLink better understand role-based training requirements, identify existing training, and allow our training team to capture and catalog what needs development.

Employee and Family Assistance Program

The Employee and Family Assistance Program (EFAP) supports employees and their families through life's challenges by providing access to confidential, professional counselling and coaching services, as well as access to personalized, online health and wellness programs and resources.

Hybrid Work Program

Our Hybrid Work Program allows eligible employees to work up to two days a week from home, providing flexibility in how and where they work.

Engagement surveys

We regularly gather feedback through surveys conducted by a third party. The feedback we get helps us to assess where we're strong as an organization and where we can make improvements.

Flexible health and wellness 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 and dental benefits, spending accounts and savings plans, and wellness programs.

Learn at Work Week

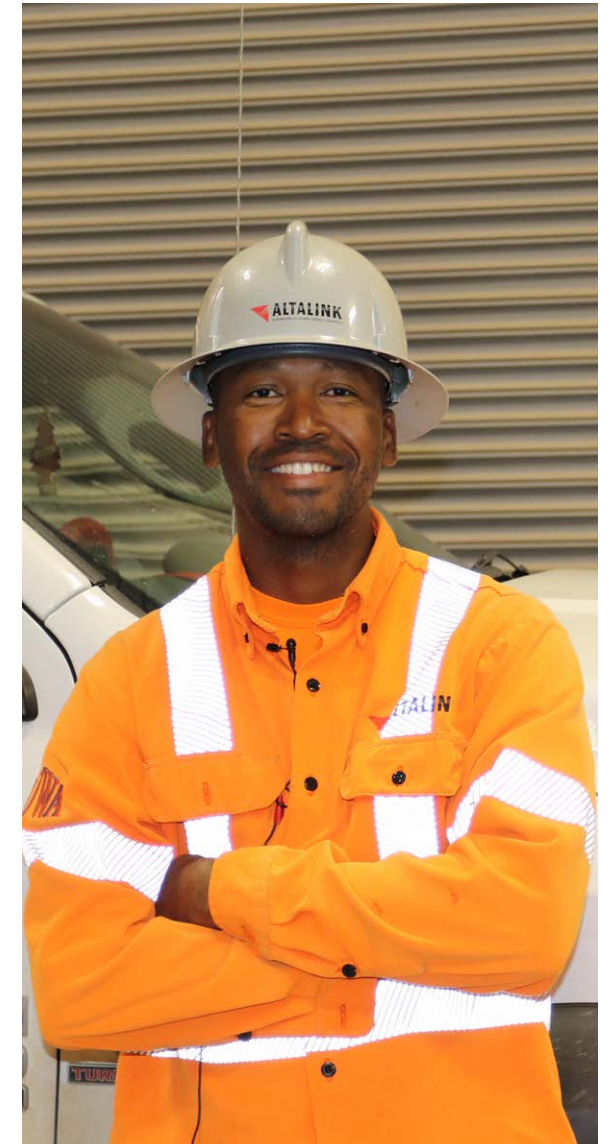
Hosted once every two years, Learn at Work Week supports the personal and professional development of AltaLink employees.

Performance Review and Development

Our Performance Review and Development process includes ongoing coaching, feedback, collaboration and development that reflects our commitment to continuous improvement and high performance as well as the growth and development of all employees.

Freedom of Association and Collective Bargaining

A majority of AltaLink employees outside of management level 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 every two to three years.



 **Employee commitment**

CELEBRATING A SIGNIFICANT EMPLOYEE SAFETY MILESTONE

Last year, AltaLink celebrated a significant achievement when it comes to employee safety: one full year without an employee injury.

In a year that had our employees adapting to additional safety protocols and working arrangements due to COVID-19, this accomplishment meant more than ever.

“This milestone is thanks to the commitment of our employees to keep themselves, and each other, safe each and every day,” said Gary Hart, President and Chief Executive Officer. “This past year, our employees have had to navigate a new world brought on by the COVID-19 pandemic, and I am very proud of the way the AltaLink team has remained focused on keeping themselves and their fellow employees safe.”

A culture of safety

At AltaLink, the pursuit of safety has always been what drives employees in the field and in the office. Our employees know that there is nothing more important than the safety of themselves, and each other. To support our culture of safety we have a number of programs and procedures in place to reduce risks and hazards in the workplace.

Removing hazards and taking action on near misses

We don’t wait until an incident happens to review safety protocols. Instead, we have set company-wide goals to report hazards and near misses so that we can learn where incidents might happen and why. Last year, AltaLink launched a new mobile reporting app for reporting hazards and near misses. In 2021, we surpassed our target of 3,250 with 3,733 hazards and near misses reported, making sure they didn’t become safety incidents.

Focusing on overall health and wellness

AltaLink also rolled out a new health and safety initiative, called MoveSafe. MoveSafe is a program aimed at improving the overall health and wellness of all employees. Since starting the program, 506 employees have gone through the full MoveSafe training and have started implementing the principles into their daily routines.

MOVESAFE[®]
MOVE SAFE ▶ LIVE SAFE

Keeping safety top of mind at work and at home

Through our LiveSafe program, AltaLink employees bring the culture of safety into each meeting by sharing a safety moment that can apply at work or at home. These can be as simple as safe lifting techniques, walking like a penguin on slippery surfaces, or tips on how to create a home emergency exit plan.

These are just a few of the programs in place that help employees stay safe.

“

This milestone is thanks to the commitment of our employees to keep themselves, and each other, safe each and every day.

GARY HART,
President and
Chief Executive Officer





DIVERSITY & INCLUSION MAKES US STRONGER, TOGETHER

Powering a grid for all means that we’re creating an environment that is inclusive, respectful and safe for everyone.

Last year, we focused our efforts on developing and implementing a long-term plan for Diversity & Inclusion, and have a roadmap to guide the development of AltaLink’s three-year plan. We know that having a diverse workforce and an inclusive culture produces better outcomes for our people and for our business. For us, Diversity & Inclusion is foundational. Just like safety, employees should all have physical and psychological safety, and a sense of belonging.

2021 performance

Employee Resource Groups

As part of Berkshire Hathaway Energy’s commitment to Diversity & Inclusion, AltaLink was proud to be involved in launching two employee resource groups (ERGs) in 2021: BEAUTIE (Black Employees and Allies United To Inspire Equity), and Pride Connection. ERGs allow employees from all Berkshire Hathaway Energy companies to share best practices, learn, grow, and provide or gain support, both as members of an affinity group and as allies.

Membership is open to all employees and joining as an ally is a way our employee show support for marginalized and diverse groups. Allies play an important role in the creation of an inclusive workplace by standing up for equal and fair treatment, interrupting bias, sharing important information, and letting people know they aren’t alone.

Unconscious Bias Training

At AltaLink, our vision for diversity and inclusion is to create and maintain an inclusive work environment that celebrates the differences of our employees and ensures everyone feels valued and respected. Unconscious bias can negatively impact us as individuals and as a business by undermining our engagement, our ability to innovate and our ability to connect with our customers and colleagues.

Last year, all employees participated in Unconscious Bias training, as a foundation for understanding what bias is and how to self-manage.

Moving into 2022, we are reviewing related policies for any potential updates and will be completing Equipping Bystander training. This leader-led training is designed to help us know what to do if we see or experience behaviour that make us uncomfortable and provide support to address difficult situations in a respectful and positive way.

First-ever D&I Pulse survey

In early 2021, all leaders at AltaLink were invited to Diversity & Inclusion sessions, which outlined the role that leaders have in creating and maintaining an inclusive environment, helped to build awareness and understanding, and encouraged idea-sharing for how to integrate Diversity & Inclusion meaningfully into employee discussions. Later in the year, we completed our first D&I Pulse Survey. We had a 79 per cent participation rate and received over 80 per cent favorable responses in terms of AltaLink actively supporting D&I in the workplace; a workplace climate that was welcoming of all employees regardless of

their religion, race, ethnicity, gender, age or sexual orientation; and leadership who foster an inclusive work environment.

Programs that support our commitment to Diversity & Inclusion

Employee Resource Groups (ERGs)

ERGs allow employees the opportunity to share best practices, learn, grow, and provide or gain support, both as members and as allies.

Diversity & Inclusion Pulse Surveys

We completed our first-ever D&I Pulse Survey in 2021.

Unconscious Bias training

All employees took part in unconscious bias training to help build awareness and understanding around bias.

Code of Ethics and Business Conduct

Within AltaLink’s Code of Ethics and Business Conduct, Section 1.3 (Mutual Respect and Integrity in the Workplace) ensures human rights are both met and maintained at the highest levels across AltaLink.

All human resource policies are designed and implemented on the understanding that basic and fundamental human rights are neither negotiable nor open for compromise.

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.



Pride month at AltaLink

As part of our ongoing strategic plan that brings awareness to different topics and highlights our commitment to diversity, equity, and inclusion, we celebrated our first ever Pride Month. We hosted two virtual sessions facilitated by Calgary Outlink and OutNebraska.

The first session focused on Two Spirit experiences, and was in recognition of both Pride Month and National Indigenous Peoples Day. Panelists shared their lived experiences, and attendees had an opportunity to ask questions to further engage those participating. Participants gained a better understanding of Indigenous culture and what it means to be two spirit.

The second session was Beyond Pride: Building Skills for LGBTQIA2+ Inclusion. During this interactive, skill-building workshop, employees learned how to be more inclusive of LGBTQIA2S+ team members. Attendees gained a basic understanding of terminology, myths and facts, and learned more about bias and microaggressions, and how to create safer spaces.



Community

LINKED TO OUR COMMUNITIES

Powering a grid for all means helping to make our world a better place by giving back to the communities where we live and operate.



Our vision is to be Alberta’s leader in supporting community programs that empower youth. Our program is divided into three categories:

- Powerful Giving
- Powerful Employees
- Powerful Education

As part of the Berkshire Hathaway Energy family, our program incorporates five giving pillars that make up the Berkshire Hathaway Energy Cares program. These five pillars encompass a wide range of areas that are important for strengthening our communities:

- Community Enhancement
- Environment
- Art/Culture
- Education/STEM
- Safety/Wellness



 Community

POWERFUL
giving 



Powerful Giving

Our employees support the communities in which we live and work through employee volunteerism and community investment. Our Powerful Giving campaign is held annually in the fall with the goal of helping employees make an informed decision about donating to the United Way or a registered charity of their choice. In 2021, our employees, contractors, and retirees raised funds that, when combined with AltaLink’s corporate match, results in a total donation of more than \$1 million.

Our involvement in supporting community programs includes our involvement of Alberta 4-H as a Legacy Builder sponsor. Partnering with Alberta 4-H gives AltaLink the opportunity to support rural Alberta, the area in which a large part of our operations take place.

We are also the presenting sponsor of the Shaw Birdies for Kids program at the Shaw Charity Classic PGA Champions golf tournament. In 2021, more than \$14 million was raised for more than 200 youth-based charities in Alberta.

POWERFUL
employees 



Powerful Employees

AltaLink and its employees also donate their time through our Global Days of Service program and Days of Caring.

Global Days of Service is a program that encourages employees to invest in their communities through volunteer activities. It provides funds annually for employee hours volunteered at non-profit organizations in the communities where they live and work.

Days of Caring events allow employee an opportunity to take time during the work day and join their colleagues in volunteering for a local organization.

Almost 1,700 employee volunteer hours were contributed across the province in 2021.

POWERFUL
education 



Powerful Education

We are committed to investing in the next leaders of Alberta and we are proud to support them in reaching their goals through our scholarship programs.

Our Centennial Scholarship program is directed to students from rural Alberta attending postsecondary institutions. Two students from each of the schools listed below are awarded \$1,000 scholarships:

- Southern Alberta Institute of Technology (SAIT)
- Bow Valley College
- Lethbridge College
- Red Deer College
- Olds College
- Northern Alberta Institute of Technology (NAIT)

We also recognize leaders in the Indigenous community by offering scholarships to Indigenous students attending post-secondary institutions. Each year, two eligible students from each of Treaties 6, 7, 8 and the Métis communities in Alberta are awarded a \$1,000 scholarship. Since 2007, \$132,000 in scholarships has been provided to 105 Indigenous students as a result of AltaLink’s investment.



ALTALINK RECEIVES HIGHEST HONOUR

from United Way of Calgary and Area for community impact



In 2021, the United Way of Calgary and Area selected AltaLink as the recipient of the President’s Award as part of its annual Community Impact Awards, in recognition of AltaLink’s 2020 campaign.

The President’s Award honours exceptional contribution to the United Way and the local community.

Due to the COVID-19 pandemic, AltaLink adapted quickly to move its annual employee giving campaign, Powerful Giving, to a virtual format. The 2020 campaign ran from October 26 to November 2, and the theme was ‘Essential to our Community.’

AltaLink employees, contractors and retirees rallied to make it AltaLink’s most impactful campaign to date, participating in online events in record numbers, collecting more than 5,100 items as part of a collection drive and volunteering in the community as part of AltaLink’s Days of Caring initiative.

With all donations matched dollar for dollar by AltaLink’s shareholders, AltaLink was proud to announce a donation of more than \$1 million to charities across the province – a record breaking amount for our company.

“Since the start of the pandemic, our employees have continued to work safely as an essential service to keep the lights on for Albertans, and I’m incredibly proud of how they brought that same energy to our 2020 giving campaign,” said Gary Hart, AltaLink’s President and Chief Executive Officer. “This award is a reflection of the innovation, commitment and giving spirit that our team demonstrated in support of our communities, so it is an honour to receive this special recognition from the United Way of Calgary and Area.”

AltaLink has been holding its Powerful Giving annual campaign since 2002, and is proud to have raised more than \$9.5 million to support the communities where we live and work.



Since the start of the pandemic, our employees have continued to work safely as an essential service to keep the lights on for Albertans, and I’m incredibly proud of how they brought that same energy to our 2020 giving campaign.

GARY HART,
President and
Chief Executive
Officer



Customer Service

KEEPING OUR CUSTOMERS CONNECTED

Powering a grid for all means that we're driven to find innovative and cost-effective solutions to meet the needs of our customers.

We know our customers want reliable and affordable electricity, and we're focused on making it happen.

2021 performance

Delivering on our five-year commitment to keep rates flat

In 2018, as our customers navigated a challenging economy we announced our commitment to keep our rates at or below 2018 levels through to the end of 2023. AltaLink is the only regulated electricity company in Alberta that has made the commitment to keep costs flat.

Not only did we meet that commitment, but we are proud to share that, working closely with our largest customers, we have delivered close to \$1.4 billion in savings since 2015 through a number of tariff levelizations and refunds.

Following two approvals from the Alberta Utilities Commission, we delivered \$305.1 million in cost reductions:

- In November 2020 we received approval on a proposal that was included in our 2019-2021 General Tariff Application to change the way we collect salvage costs, resulting in savings of \$81.6 million for Albertans. Instead of collecting the future cost to salvage an electricity transmission line or substation, the new salvage methodology defers collection of salvage costs to the actual time an asset is removed.
- In March 2021, we received approval on our proposal to refund \$223.5 million that has been pre-collected from customers for potential future expenses, such as income tax and over-accumulated depreciation. The refund reduced our rates by more than 26 per cent for the remainder of 2021.

Listening to our customers to better meet their needs

Throughout the year we survey our customers to measure customer satisfaction. It's an important way for us to gather valuable feedback from our customers and identify opportunities for improvement. Our ultimate goal is to get a 10 out of 10 every time. Our employees understand that every interaction, no matter how big or small, can make a difference.

Our Customer Service Satisfaction Scores have continued to improve since 2016, and in 2021 we achieved an average satisfaction score of 9.43 out of 10. Our 2021 results were our best annual results achieved to date.

We're advancing our commitment to our customers

We're always striving to do better when it comes to customer service. Here's where we are making the biggest improvements moving forward:

- Outage planning and communication
- Project cost competitiveness (system projects and connecting customers)
- Focus on power quality

ESG programs that support our commitment to customers

Customer Satisfaction Surveys

Throughout the year we survey our customers to measure customer satisfaction. Both existing customers and those about to be connected to the grid are included in the surveys.

Flat for Five initiative

In 2018, we committed to find ways to freeze our transmission rates for our customers for five years.

Annual Let's Connect event

This annual customer event is an opportunity for AltaLink to share how we are working to deliver on our commitment to customers, how we are responding to an increasingly competitive market, and how we are enhancing our customer-centric view of transmission reliability.

Every Interaction Counts

Every Interaction Counts is a program, including helpful tools and resources, designed to help employees improve the overall customer experience.



Stakeholder Engagement

LISTENING TO OUR STAKEHOLDERS, GROWING THE GRID TOGETHER

Powering a grid for all means that not only are we all benefiting from it, but that we all contribute to its growth.

The importance of our stakeholder groups cannot be overstated and is of paramount importance to AltaLink. We know that landowners have many questions regarding our transmission facilities; that's why stakeholder feedback is important to us. After all, stakeholders know the local area and land best. AltaLink takes the time to meet with stakeholders to learn more about how, together, we can find the lowest overall impact solutions for our facilities.

Stakeholder identification

Working collaboratively with all of our stakeholders in a timely and transparent manner is key to finding long-term, sustainable solutions. AltaLink's stakeholder engagement team actively engages with, obtains feedback from, and collaborates with the various stakeholder groups interested in the operation of AltaLink's business.

AltaLink believes that all persons whose rights may be directly and potentially adversely affected by a proposed transmission development are stakeholders.

All stakeholders receive relevant project information that is largely dependent on their location relative to the project.

Who we work with

- Landowners
- Renters or lessors
- 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
- First Nations communities
- Métis communities





Stakeholder Engagement

Stakeholder project engagement process

The stakeholder engagement process begins once a project direction has been provided by the Alberta Electric System Operator (AESO) to AltaLink, or a need has been identified to complete work from an operations and maintenance perspective. The direction or need includes a project scope and technical requirements. This allows AltaLink to begin siting the transmission facilities as well as begin the stakeholder identification and selection process.

Stakeholders are specific to each project based on the notification criteria. We provide project specific information to all project stakeholders. The information is provided after material changes or progress in the project such as, but not limited to, the following:

- Preliminary siting and routing of transmission facilities
- Site and route updates
- Project scope changes
- Route determinations
- Timing of construction activities

We also notify all stakeholders after:

- The facility application has been filed with the AUC
- Approval of the facility application and receipt of permits and licenses

We also notify stakeholders if:

- A hearing is called by the AUC for the project
- AltaLink files an amendment with the AUC

AltaLink uses the following methods to communicate with stakeholders:

- Mailing, 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 address
- Online and telephone surveys

A compilation of common issues identified by AltaLink's stakeholders as issues of potential concern across our various projects typically includes, but is not exclusive to the following:

- Annual structure payments
- Audible noise
- Property value
- Electric and magnetic fields (EMF)
- Environment
- Farm/machinery access
- Radio/TV interference

- Right-of-way acquisition
- Tree trimming
- Visual
- Weed control
- Other – future developments, other developments in the area, access roads, vegetation management, construction activities, fire safety

AltaLink records the concerns and questions of stakeholders and either a stakeholder engagement team member or subject matter expert within AltaLink will follow up with the stakeholder to address, inform, and attempt to resolve the concern.



2021 consultation highlights

424

Number of consults

5,904

Number of mail-outs

24

Number of active projects consulted on

373

Number of phone calls to stakeholders



SUPPORTING OUR PARTNERSHIPS, AND HONOURING THE LAND

Powering a grid for all means one that is based on meaningful collaboration.

Our service area includes 19 First Nations, two Métis Settlements, and four Regions of the Métis Nation of Alberta. We recognize the deep connections Indigenous peoples have to the land and traditions. It's because of this that we are committed to fostering the important relationships we have with the communities we operate in. We recognize the deep connections Indigenous peoples have to the land and traditional territories, and 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 businesses to bid for contracts, or our investment in Alberta's Indigenous communities we build relationships from the inside out.

2021 performance

Four projects in 2021 totaled more than \$710K in Indigenous contracting or subcontracting, and over 7,300 hours of work performed by Indigenous personnel in areas such as environmental surveys, and vegetation management.

In 2021, we came together virtually to celebrate National Indigenous History month with two events for employees.

The first event featured members from Making Treaty 7 Cultural Society. They joined us to share their theatre performances inspired by the founding event of Treaty 7 set in modern southern Alberta.

For our second event, we were joined by Elder Dr. Reg Crowshoe, and members from the United Way of Calgary and Area, to learn more about the Elders Knowledge Circle. Funded in part by the Berkshire Hathaway Energy Foundation, the Elders Knowledge Circle was born out of a long-held desire amongst Indigenous Elders in Calgary and the surrounding areas to address the need for a centralized place of knowledge focused on perseverance, resiliency, victories, and successes of the Indigenous people.



ESG programs that support our commitment to Indigenous Relations

Indigenous Relations Policy

AltaLink's Indigenous Relations Policy is based on Guiding Principles to support meaningful and respectful engagements 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, called 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 Piikani Nation and Kainai Tribe with 51 per cent of the equity portions of AltaLink's Southwest 240 kV transmission line located across their respective lands.

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 assessments help reduce project impacts to the landscape through agreed mitigations. This may include adjusting the location of new transmission towers, modifying work space areas or developing site-specific solutions with Indigenous communities to reduce disturbance.

Cultural awareness sessions

Cultural awareness training has been made available to employees who interact with Indigenous communities through their work.





Indigenous Relations

Na-mi-quai-ni-mak (I remember them) Community Support Fund

In 2021 we announced AltaLink’s support of Indigenous communities with a donation matching program through the National Centre for Truth and Reconciliation. The Na-mi-quai-ni-mak (I remember them) Community Support Fund is an Alberta-focused fund that 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 to engage in include establishing plaques, healing gardens, carvings, reflection ponds, or Indigenous markers. Alternatively, the fund can also support community-led gatherings and ceremonial activities.

Through both employee and corporate donations, a combined \$35,600 was donated to the fund.

Aboriginal Role Models of Alberta

AltaLink has sponsored the annual awards since 2015 to celebrate excellence and leadership within Indigenous communities.

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 tradeshows hosted by First Nations, Treaty organizations, the Métis Nation, universities and Indigenous organizations. New connections are created by participating in economic development forums, powwows and other cultural events.

Meaningful consultation

Meaningful consultation practices are essential to AltaLink’s core values and to growing Indigenous participation in our business. AltaLink went 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.

Indigenous consultation in 2021

15 Projects requiring regulatory approval with Indigenous engagement

25 Indigenous communities/ organizations engaged on projects

14 Project mail-outs

27 Number of field-work days

2 Applications filed with Indigenous engagement





Reliability

KEEPING THE LIGHTS ON FOR ALBERTANS

Powering a grid for all means that everyone has access to the energy they rely on, every day.

Our transmission system ensures reliable, affordable, renewable energy moves from Alberta's generators to the homes, farms and businesses across our province. Through rain, wind, snow, and heat, AltaLink's transmission system serves more than 85 per cent of Alberta's population.

In 2021, AltaLink invested \$256.7 million in its transmission system to ensure continued reliability of the electricity grid.

2021 performance

As Alberta's largest transmission provider, we have a responsibility to provide safe and reliable electricity for Albertans.

Despite the tough start to 2021 with several wind and snow storms, we managed to recover with strong performance through the remainder of the year. We set new best-ever records in customer outage duration (SAIDI) and outage frequency (SAIFI). We achieved a SAIDI of 13 minutes per delivery point, a 28 per cent improvement on the previous best-ever record. To put it into perspective, Electricity Canada reported that the average interruption duration of a Canadian transmission connected load was more than four times that number in 2020.

The frequency of outages, which represents the average number of interruptions per delivery point, improved for 2021 and was 0.37 compared to 0.39 in 2020. Restoration performance in 2021 also improved and was 62 minutes compared to 80 minutes in 2020.

Programs that support our commitment to reliability

Storm Response Team

This dedicated team is closely tracking weather patterns that have the potential to cause storms that may damage infrastructure and interrupt service. In the event of a damaging storm, AltaLink will be on alert to quickly mobilize field crews to complete repairs and restore service.

Reliability Steering Team

This team of AltaLink employees is taking proactive steps to ensure the reliability of our transmission system for our customers and Albertans.

Laser bird defense system pilot program

This system uses an industrial-grade laser that emits frequencies and colours that birds may perceive as a threat to avoid the area.

Transmission Lines Weak Spot Assessment Initiative

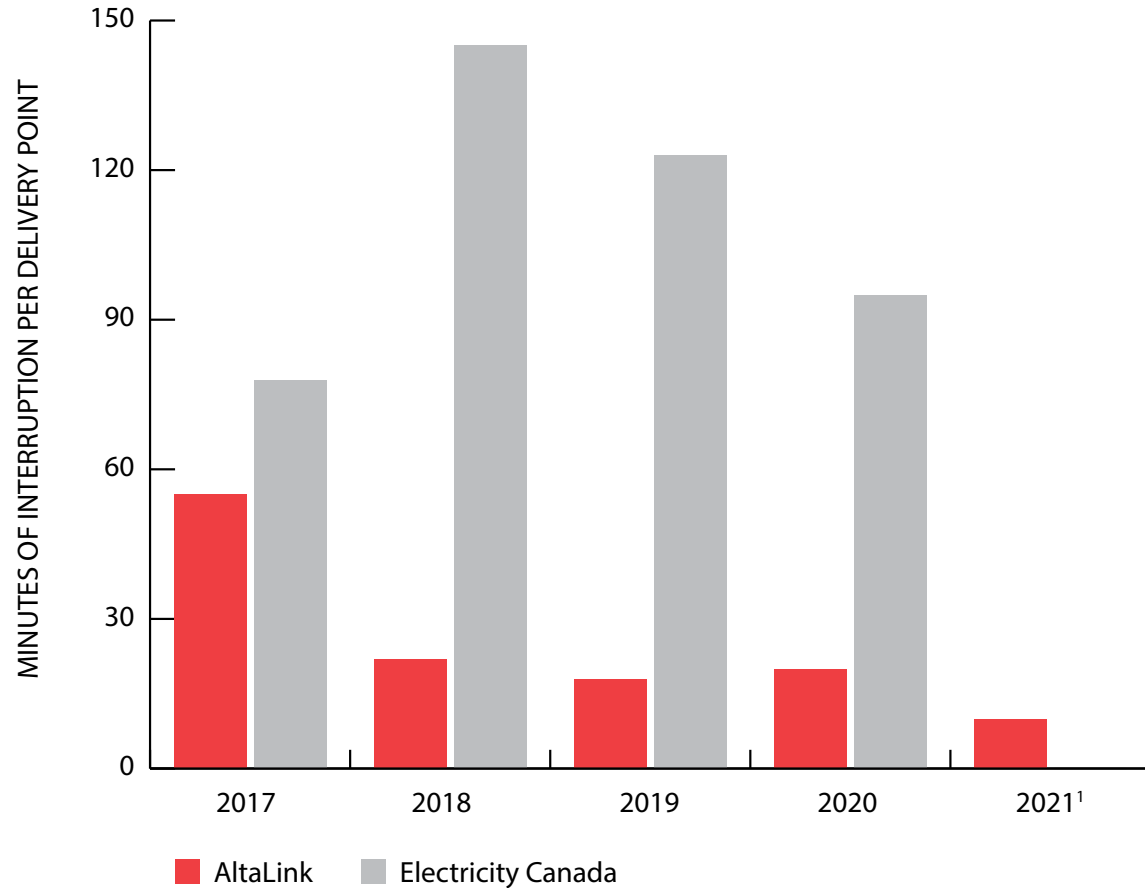
A maintenance and upgrade plan that allows AltaLink to look for transmission lines that are considered high-risk or that may create reliability concerns.





CUSTOMER OUTAGE TIME (SAIDI)

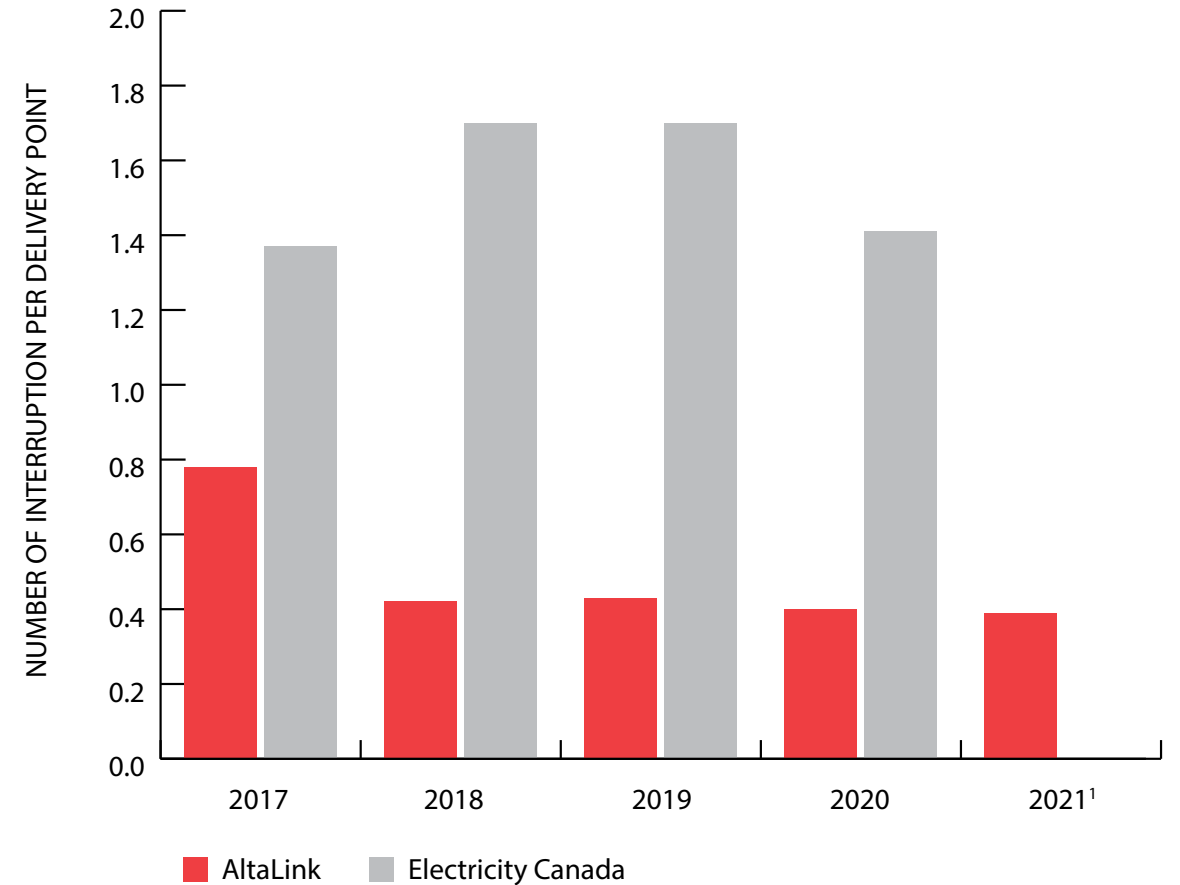
Our customer outage time was 13 minutes in 2021 and 20 minutes in 2020 compared to the 97 minute average reported by Electricity Canada for 2020.



System Availability Interruption Duration Index (SAIDI) is the average number of interruption minutes per delivery point.
1. Electricity Canada customer outage time number is not available at this time.

CUSTOMER OUTAGE FREQUENCY (SAIFI)

Our customer outage frequency was 0.37 in 2021 and 0.39 in 2020 compared to the 1.41 average reported by Electricity Canada for 2020.



System Availability Interruption Frequency Index (SAIFI) is the average number of interruptions per delivery point.
1. Electricity Canada customer outage time number is not available at this time.



WEAK SPOT LINE PATROLS

We take our responsibility to provide reliable electricity for our customers and fellow Albertans seriously. To help us in our quest in keeping our grid reliable, our Reliability Steering Team has been taking proactive steps to keep the lights on. In 2019, we launched the Transmission Lines Weak Spot Assessment Initiative.

The project started by going through data from previous years and recognizing that there were several transmission lines where performance could be improved that have been impacting our SAIDI Index (duration of outages) the most.

Once the lines were identified, the focus narrowed to identifying the specific structures and assets on these lines that could cause an outage. In total about 7,000 structures were identified as weak spots.

How do you approach 7,000 structures with weak spots?

With the help of the geographical information system team, a map of all the transmission line weak spots was created in our mapping system and a maintenance and upgrade plan was developed within

our asset management team for spots considered high-risk or that may create reliability concerns.

One example is our existing 54L transmission line located in Canmore. Thanks to our weak spot assessment, we identified that this line had reached the end of its lifecycle and we are now proposing to rebuild the line to ensure that we can deliver safe and reliable electricity for years to come.

Given the potential negative impact that weak spots could have on service for our customers, aerial patrols of transmission lines with potential weak spots and lines in high fire risk zones have increased from once to twice a year. They are now patrolled prior to storm season in the spring and once more in the fall so that we can intervene as needed to avoid unplanned failures impacting customers.

What has been the impact so far?

When comparing our recent SAIDI performance to past years, you can see a focused improvement since the initiative started. Last year, we achieved our best-ever results when it came to reliability.

This initiative has been a collaborative effort between maintenance, asset management, engineering, the geographical information system team, and system operations.





Enhancing reliability with bird deterrents

We're always looking for new ways to keep our assets protected and minimize the frequency of outages.

A significant number of outages have historically been due to bird contacts in substations, as they often find places to nest and roost near energized equipment. While we want to ensure that we can provide reliable electricity, we also want to keep our feathered friends as safe as possible.

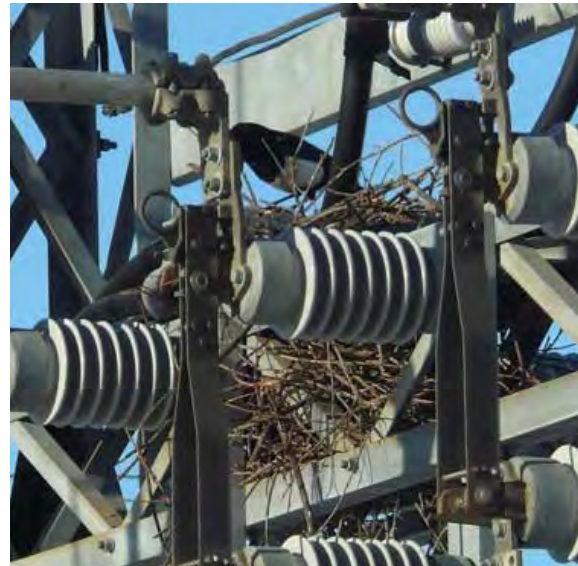
Bird Buffer is a tool that we have been piloting since 2019 under a research permit from Health Canada.

It's a type of deterrent to keep birds from entering select substations and the high voltage transformer bays at our Crossings High Voltage Direct Current converter station. It is an automated system that is programmed to vaporize and disperse a chemical called methyl anthranilate. The chemical, which is extracted from grapes and smells like grape candy, causes a safe yet irritating response in a bird's beak. This process acts as a natural, eco-friendly, non-toxic repellent, encouraging birds to fly away and relocate. Over time, birds are conditioned to stay away from the area.

Bird Buffer has achieved success by deterring pigeons from roosting and nesting inside the transformer bays, significantly reducing bird dropping cleanup requirements. Pending Health Canada approval, this will be a valuable tool that can be used at other substation sites to deter birds from occupying confined areas.

In 2021, we started piloting another type of deterrent called the laser bird defense system. The system uses an industrial-grade laser that emits frequencies and colours that birds may perceive as a threat and avoid the area. This system consists of multiple programable laser units that are set up to cover equipment and buildings in a random pattern of laser movement.

The main purpose of this tool is to deter the birds from entering or nesting in a focused area that is problematic for bird contacts. Our two test locations, the Crossings Substation and the Cardiff Substation, are intended to evaluate the laser's use on segregated equipment, use in an operational substation yard, and its effectiveness on specific species of birds known to be in the area.



GOVERNANCE



Governance structure

AltaLink’s governance structure supports 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 social and environmental impacts of AltaLink operations.

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



ZORA LAZIC
Senior Vice President, Law & Regulatory, General Counsel



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

Natalie Hocken, Director
Douglas Mitchell, Director
Patricia Nelson, Director

Susan Riddell Rose, Director
Gary Hart, Director

Scott Thon, Director
Brad Wall, Director

THE POWER TO ALWAYS DO THE RIGHT THING

Powering a grid for all means that we are ethical, fair and transparent in all we do.

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, which all affect 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.

2021 performance

Code of Ethics & Business Conduct

At AltaLink, we have the energy to always do the right thing. 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. Employees are required to understand and to comply with the policies and procedures of the Code of Ethics and Business Conduct, and in 2021 100 per cent of AltaLink employees signed off that they do.

AltaLink’s Code of Ethics and Business Conduct seeks to promote integrity and transparency in all aspects of how we conduct our business and in our relations with our colleagues, directors, shareholders and business partners. 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

Keeping our system secure for Albertans

At AltaLink, we are focused on keeping our system secure from the increasing threat of cyber-attacks.

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

A successful cyber-attack on the electrical grid could affect critical infrastructure like hospitals and grocery stores. It could also have a significant impact on businesses and the economy.

As part of our dedication to keeping the grid secure, we have implemented an Information Security Management System based on ISO standards. ISO stands for the International Organization for Standardization, and the standards they provide, help us identify and use best practices to keep the grid secure. In 2021 we underwent an external audit conducted by the British Standards Institute (BSI) and became the first company in North America and one of only ten companies in the world to receive ISO 27019 certification. This is an extension of our ISO 27001 certification first achieved in 2017.

What exactly does that mean? It means that we aim to keep our network, cyber assets, control systems, information, and privacy of our customers and employees as secure as possible. The first standard (ISO 27001) includes controls to protect the confidentiality, integrity, and availability of information. We ensure this by identifying potential risks and defining what needs to be done to prevent or reduce any operational risk at AltaLink.

The second standard (ISO 27019) is an extension of the first. It includes guidelines to protect industrial control systems in the energy utility industry. The goal is to protect and control information related to the generation, transmission, storage, and distribution of electricity.

In addition to our ISO standards, we have a number of other security measures in place to keep our customers and employees safe and secure. These controls include:

- Working closely with others in the 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.

Programs that support our commitment to Governance

ISO 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.

Employee Code of Ethics and Business Conduct

AltaLink has an Employee Code of Ethics, which every employee receives training and must sign off on every year.

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 third-party hotline by phone or online.

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 anti-corruption and anti-competitive behaviours are adhered to.

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 established standards and conditions for interactions between AltaLink and its affiliates.

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.

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.

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.



Successful appeal of Alberta Utilities Commission disallowance of regulatory costs for First Nations partnerships

AltaLink successfully appealed a decision from the AUC to disallow additional annual audit and hearing costs related to limited partnerships between AltaLink and two First Nations.

When the PiikaniLink and KainaiLink limited partnerships were established, the agreements put in place provided the Piikani First Nation and Blood (Kainai) Tribe with 51 per cent of the equity portions of the transmission line that is located on their respective lands. The AUC approved the asset transfers to the Piikani and Kainai First Nations on the condition that their audit fees and hearing costs could not be claimed on their tariff applications, costs that had never been disallowed for any transmission facility owner in the past.

In support of its First Nations partnerships, AltaLink appealed these conditions. The Alberta Court of Appeal granted AltaLink's appeal and ordered the AUC to allow recovery of the incremental costs from ratepayers. The Alberta Court of Appeal directed that, in exercising its authority, the AUC is required to consider the social and legal impact of its decisions on Indigenous peoples, including doing what is necessary to uphold the honour of the Crown and achieve reconciliation between the Crown and Indigenous peoples.

AN INTEGRATED RESPONSE TO COVID-19

It was only two years ago when life turned upside down with the news of the first positive COVID-19 case in Alberta.

Our Integrated Emergency Response Plan (iERP) team jumped into action, and in the blink of an eye, our working arrangements completely changed.

Our iERP team is made up of employees from every department including system operations, corporate security, health, safety & environment, communications, facilities, field operations, projects, human resources, and finance.

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.

Since the start of the pandemic, our priority has been maintaining the health and safety of our employees, contractors, and the general public. Employees had to





learn new tools to stay connected and implement new protocols to keep each other safe, while continuing to keep the lights on in the province.

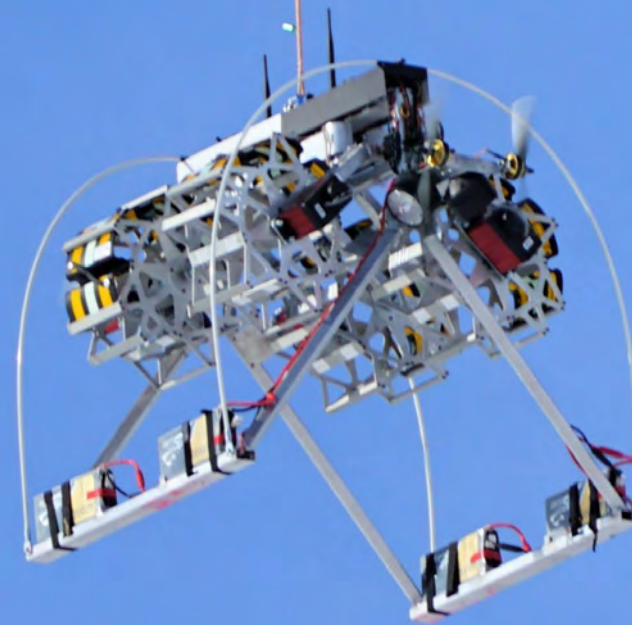
As we moved beyond the first full year of the COVID-19 pandemic, we continued to adapt the delivery, frequency, and volume of communication to employees. Experts such as medical doctors and mental health experts were frequently on hand to provide the latest updates, share valuable resources, and answer questions from employees.

In 2021 we conducted a third Pulse Survey on our COVID-19 response. We had an 87 per cent response rate and received favourable scores on senior leadership communication through the COVID-19 pandemic, team effectiveness and manager support.

AltaLink's COVID-19 objectives

-  Maintaining the health of our workforce both physically and mentally
-  Ensuring the reliability of our operations

IT'S ALL CONNECTED: ESG IN ACTION





AltaLink and FulcrumAir collaborate to become first in the world to use robotic technology aimed at improving bird safety

We've always been a leader when it comes to bird protection. We were the first Canadian utility to develop an Avian Protection Plan (APP) and now we can add another first to the list when it comes to improving environmental performance.

A new robot deployed by AltaLink and FulcrumAir used to install bird markers took its flight in 2021 at our Bardo Substation near Leduc.

It was the first time a utility has used this type of technology to install bird markers.

The new installation tool, called the LineFly, employs autonomous robotic technology to precisely install bird markers at any desired spacing.

Over the last three years, we have been working with FulcrumAir, to help develop a prototype for a robot that could mark an entire span of power line with bird diverters as efficiently as possible, saving time and reducing the cost normally associated with traditional installation techniques.

"AltaLink is proud to be a leader in bird protection," said Rod Kause, Vice President, Environment, Health, and Safety for AltaLink. "And now we are proud to be a leader in deploying robotic technology to install bird markers. It was our commitment to improving performance in bird protection, as well as safety that drove us to collaborate with FulcrumAir to develop this innovative robotic technology."

Traditionally, bird markers are installed manually using a helicopter, bucket truck, or conductor cart.

Now, using FulcrumAir's E7500 Unmanned Aerial Vehicle (UAV), the LineFly is placed onto the power line wires. In areas where the UAV is unable to safely fly, a bucket truck will be used to place the LineFly onto the wires. Once placed, the LineFly travels down the line quickly and efficiently, placing markers at predetermined intervals. The LineFly can install 300 to 600 markers a day.

Deploying this new robotic technology, means that bird diverters can be installed in almost any type of weather condition and work can be performed in areas that might otherwise be difficult to reach, such as wetlands or environmentally sensitive rights-of-way.

"FulcrumAir is extremely proud of our relationship with AltaLink," said Patrick Arnell, President & CEO, FulcrumAir. "AltaLink is a leader when it comes to bird protection and other methods of improving efficiency and safety, and together, we are proud to be pioneering this new robotic tool for reducing the impact transmission facilities can have on birds."

In 2021, the LineFly completed the installation of approximately 4,500 bird markers.

How the LineFly brings it all together



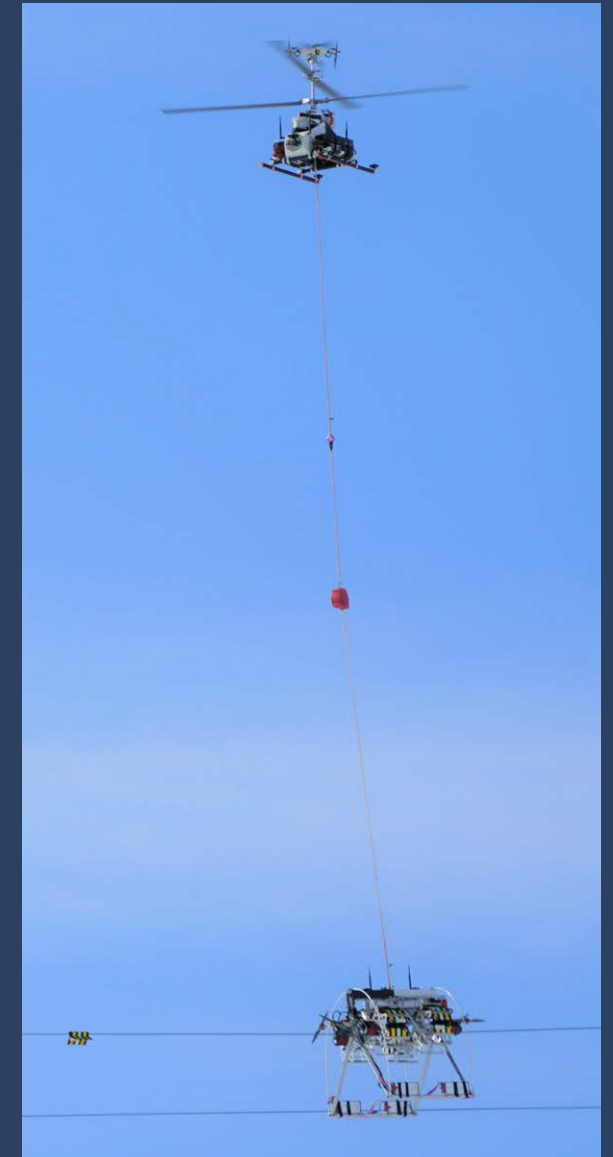
Improves avian protection



Improves employee safety



Cost-effective when compared to traditional installation techniques



Photos provided by FulcrumAir



APPENDICES



APPENDIX A

Applicable GRI Standards 2021

GRI Std	Topic	Comment
General Disclosures		
102-1	Name of organization	AltaLink Management Ltd. (ALM)
102-2	Primary services/brands	Alberta’s largest regulated electricity transmission company (www.altalink.ca)
102-3	Location of HQ	Calgary, AB
102-4	# of countries operational in	One, Canada
102-5	Nature of ownership and legal form	https://www.altalink.ca/files/Q4_2021_ALP_MDA.pdf p.4
102-6	Markets served	https://www.altalink.ca/files/Q4_2021_ALP_MDA.pdf p.5
102-7	Scale of Operation	<ul style="list-style-type: none"> • Total number of employees – 706 • Total number of operational employees – 256
102-8	Information on employees	<ul style="list-style-type: none"> • 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 updated procurement policy to include sustainability related criteria for 2022.
102-10	Report significant changes to size, structure, ownership	None
102-11	Precautionary principle and approach	AltaLink’s enterprise risk management process is located at the following website under the heading of Risk Management and provides insight into assessing risk and appropriate levels of response: https://www.altalink.ca/files/Q4_2021_ALP_MDA.pdf p.47
102-12	External initiatives	<ul style="list-style-type: none"> • Electricity Canada; Sustainable Electricity Program – (brand re-designation obtained in 2019); Transmission Council; and, various working groups and committees. • International Standards Organization – integrated health, safety and environmental management system, cyber security system • Right of Way Stewardship designation

GRI Std	Topic	Comment
102-13	Membership and associations	<ul style="list-style-type: none"> Electricity Canada (formerly CEA) – various working groups IPPSA – Independent Power Producers Society of Alberta CIGRE Canada - International Council on Large Electric Systems EI – Edison Electric Institute BCC – Business Council of Canada Calgary Chamber of Commerce Edmonton Chamber of Commerce NATF – North American Transmission Forum Business Council of Alberta PEPS – Provincial Electricity Physical Security group COAA – Construction Owners of Alberta Assoc. AEUSA – Alberta Electric Utility Safety Assoc. Avian Powerline Interaction Committee
102-14	Statement from senior decision-maker	p. 3
102-15	Key impacts, risks and opportunities	Formal materiality assessment undertaken in 2019 continues to inform sustainability strategy
102-16	Values, principles, standards and norms of behaviour	www.altalink.ca/about/governance/code-of-ethics-business-conduct.cfm
102-17	Mechanisms for advice and concerns about ethics	www.altalink.ca/files/doc/AltaLink_Inter-Affiliate_Code_of_Conduct_Compliance_Plan.pdf
102-18	Governance structure	p.36
102-19	Delegating authority	p.36
102-20	Executive-level ESG responsibility	p.36
102-21	Consulting stakeholders on ESG issues	p.28
102-22	Composition of highest governance body and committees	Annual Information Form, May 2, 2022 available on sedar.com website: p.27
102-23	Chair of highest governance body	Annual Information Form, May 2, 2022 available on sedar.com website: p.27
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, specifically the Environment, Health and Safety Committee of the Board.
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.

GRI Std	Topic	Comment
102-40	Provide a list of stakeholders groups engaged by the organization	p.28
102-41	% covered by collective agreements	57% of all employees within two unions
102-42	Report process to identify stakeholders	p.28
102-43	Approach to stakeholder engagement	p.28
102-44	Key topics and concerns raised	p.28
102-45	Entities included in consolidated financial statements	https://www.altalink.ca/files/Q4_2021_ALP_FS.pdf
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 through a comprehensive corporate sustainability strategy. One operational unit (ALM) 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) References to both Task Force on Climate-related Financial Disclosures (TCFD) and the Sustainability Accounting Standards Board (SASB) added as appendices to GRI annual report
102-50	Reporting period	2021
102-51	Date of most recent report	June 2021 for 2020 activities
102-52	Reporting cycle	Annual
102-53	Contact for questions regarding this report	Scott Schreiner, VP, External Engagement, Customer & Corporate Services

GRI Std	Topic	Comment																														
Management Approach																																
103-1	Boundary of report	AltaLink Management Limited																														
201-1	Economic Standards	<p>Direct economic value generated and distributed:</p> <table border="1"> <thead> <tr> <th></th> <th>2018</th> <th>2019</th> <th>2020</th> <th>2021</th> </tr> </thead> <tbody> <tr> <td>• Operating costs</td> <td>98M</td> <td>109M</td> <td>107M</td> <td>103M</td> </tr> <tr> <td>• Employee wages/benefits</td> <td>101M</td> <td>106M</td> <td>109M</td> <td>110M</td> </tr> <tr> <td>• Provincial taxes</td> <td>46M</td> <td>48M</td> <td>47M</td> <td>49M</td> </tr> <tr> <td>• Federal taxes</td> <td>16M</td> <td>33M</td> <td>29M</td> <td>21M</td> </tr> <tr> <td>• Gross spent in Alberta (cap and operating costs as %) Property, plant and equipment</td> <td>72</td> <td>70</td> <td>71</td> <td>76</td> </tr> </tbody> </table>		2018	2019	2020	2021	• Operating costs	98M	109M	107M	103M	• Employee wages/benefits	101M	106M	109M	110M	• Provincial taxes	46M	48M	47M	49M	• Federal taxes	16M	33M	29M	21M	• Gross spent in Alberta (cap and operating costs as %) Property, plant and equipment	72	70	71	76
	2018	2019	2020	2021																												
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• Gross spent in Alberta (cap and operating costs as %) Property, plant and equipment	72	70	71	76																												
201-2	Financial implications and other risks and opportunities due to climate change	Proposed Canadian Securities Administrators instrument 51-107 will require issuers of financial statements to include risks/opp posed by climate change that have the potential to generate changes in ops, revenue or expenditures. AltaLink will be undertaking this analysis in subsequent sustainability reporting cycles for possible inclusion.																														
201-3	Coverage of the organization's defined benefit plan obligations	https://www.altalink.ca/files/Q4_2021_ALP_FS.pdf p. 5																														
201-4	Financial assistance received from government	None																														
203-1 203-2	Infrastructure investments and services supported	AltaLink builds, owns and operates regulated electricity transmission facilities that comprise approximately half of the total kilometres in the Alberta Interconnected Electric System (AIES), including interconnections with British Columbia's transmission system that link Alberta with the North American western interconnected system. The Alberta Electric System Operator (AESO) directs AltaLink to expand and reinforce the AIES within the area in which we operate.																														
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.																														
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 Std	Topic	Comment
Environmental Standards		
302-1	Energy consumption within the organization	GHG inventory and potential energy conservation programs analysis underway in 2021.
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: https://www.altalink.ca/environment/altalinks-policy.cfm
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: https://www.altalink.ca/environment/vegetation-management.cfm
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: https://www.altalink.ca/environment/avian-protection-plan/avian-protection-plan.cfm
305-1 Direct (Scope 1) emissions	Emissions	Scope 1-2 emissions inventory work underway in 2021. Data will be reported in 2022 sustainability report. Potential to include SF6 emissions.
305-2 Energy indirect (Scope 2) emissions		
402-1	Labour/Mgmt. Relations – minimum notice periods	New collective agreement with the International Brotherhood of Electrical Workers ratified to the end of 2024. Negotiations ongoing with the United Utility Electrical Workers union.
403-1	Occupational Health and Safety Mgmt. 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 recently established Joint Health and Safety committee would also be included in subsequent union negotiations.

GRI Std	Topic	Comment
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	p.22
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.	New collective agreement with the International Brotherhood of Electrical Workers ratified to the end of 2024. Negotiations ongoing with the United Utility Electrical Workers union.
411-1	Rights of Indigenous Peoples - Incidents of violations involving rights of indigenous peoples	Overview of AltaLink's extensive Indigenous Relations partnerships, policies and procedures available at: https://www.altalink.ca/sustainability/overview-1.cfm
412-1	Human Rights Assessment	p.22
413-1	Local Communities – Operations with local community engagement, impact assessments, and development programs	p.23
413-2	Operations with significant actual or potential negative impacts on local communities	See p.28 regarding consultation with stakeholders including communities
415-1	Total value of political contributions and recipients/beneficiary	\$0

FUTURE OF SUSTAINABILITY REPORTING

Currently there are multiple sustainability reporting frameworks and standards* being used to report on ESG related topics, including climate-related risks and opportunities. Sustainability reporting requirements remain voluntary across most jurisdictions and the competition by differing entities to have their frameworks and standards used is causing unintended confusion and frustration for both issuers of these reports and those reviewing the reports for standardized and accurate information, especially on ESG topics. Of the competing framework and standards setting organizations, the primary ones include:

- Sustainability Accounting Standards Board (SASB)
- International Integrated Reporting Council (IIRC)
- The Global Reporting Initiative (GRI)
- Task Force on Climate-related Financial Disclosures (TCFD)
- Science Based Targets initiative (SBTi)
- Climate Disclosure Standards Board (CDSB)

The global investment community continues to push for a comprehensive, accurate and comparable sustainability reporting platform. In response, the IIRC and SASB recently announced an initiative to merge their platforms to create the Value Reporting Foundation. This initiative to amalgamate two frameworks and reporting standards appears to be the most significant step with a credible opportunity for

success and should result in a comprehensive corporate reporting framework across the full range of standards. The ability to report accurately, comparably, and in a timely manner on issues such as climate change, global inequality, and pandemic response propels the need for sustainability driven data and its importance. The Value Reporting Foundation remains the primary driver in evolving sustainability analytics although timing remains the principal concern.

Financial sector push

There is corresponding pressure to have ESG data incorporated into existing financial reporting mechanisms, allowing investors and their representatives the opportunity to review all pertinent information prior to making investment decisions. The US Securities and Exchange Commission (SEC) and the Canadian Securities Administrators (CSA) have solicited input on two unique proposals that would influence jurisdictional reporting for issuers on climate-related risks and opportunities. It is anticipated that issuers of financial reports will soon have to incorporate how climate change may impact their respective businesses and make that information public through the initiatives being advanced by both the SEC and the CSA.

The complexity and variances in the different reporting frameworks, the initiatives currently underway by the regulators in both the US and Canada, and the fact that reporting currently remains a voluntary exercise, all suggest that sustainability reporting will be evolving

in the coming months and years. AltaLink voluntarily reports based on issues that have been identified as material to its business and anticipates continuing that reporting until such time as mandatory reporting is effective. The persuasiveness of financial institutions and the sustainability sector, and their strong support for a standardized reporting mechanism suggest such amalgamation is close to becoming a reality. Remaining consistent in our reporting methodology is prudent, avoiding a multitude of iterations, and only adjusting once a decision on amalgamation has been made.

** Frameworks are designed to provide direction on the topics to be reported on, how to structure that information and how to prepare the topics using principles-based guidance. Standards, meanwhile, provide specific, detailed, and replicable requirements for what should be reported for each topic, including metrics. Standards make frameworks actionable, ensuring comparable, consistent, and reliable information is available within a sustainability report. Frameworks and standards are complementary and are designed to be used together.*

