



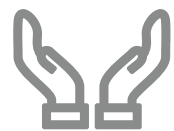
COMMUNITY & INDIGENOUS RELATIONS

We engage in an open, transparent and honest manner and create long-lasting relationships that contribute to sustainable communities and economic development. Along with our Indigenous and community partners, we are continually exploring new ways of partnering in the changing and evolving environment.

COMMUNITY & INDIGENOUS RELATIONS AT A GLANCE



ENGAGEMENT



PARTNERSHIPS



INFRASTRUCTURE



EDUCATION

\$7.58M

community investments made by ATCO through gifts-in-kind, sponsorships, donations and our matching contribution to the employee-led ATCO Employees Participating in Communities (ATCO EPIC) program. Altogether, these investments supported more than 280 communities and 2,000 organizations in 2017.

more than 3,000

public engagement meetings were conducted as part of our Fort McMurray West 500-kV Transmission Project

40+

new and existing joint-venture partnerships, MOUs, and other relationships with Indigenous communities

\$2.6B

revenue generated in conjunction with Indigenous joint ventures and partnerships since 2012



577

additional Canadian employees completed our online Indigenous Awareness Training in 2017, continuing the training program which launched in 2016

6

renewable generation or water management MOUs signed with Indigenous Communities in 2017

50+

scholarships provided to students in more than 25 Indigenous communities

2

Relationship Agreements signed in 2017, with more in development



COMMUNITY & INDIGENOUS RELATIONS

COMMUNITY ENGAGEMENT

With more than two million customers in hundreds of communities around the world, we recognize that no two communities are alike. That's why we work to understand and meet the unique needs and interests of the communities we serve, and to engage with those that may be affected by our operations - from Indigenous Peoples and community groups to landowners, governments and regulators.

Comprehensive Community Engagement

Our comprehensive and transparent approach to engagement is critical in planning and developing energy transmission infrastructure, which may span hundreds of kilometres and traverse dozens of communities. Over the course of 2017, we continued to advance three such projects - our Fort McMurray West 500-kilovolt (kV) Transmission Project, Jasper Interconnection Project and our Urban Pipeline Replacement (UPR) Program.

In February 2017, the Alberta Utilities Commission approved the route for our 500-km Fort McMurray West 500-kV Transmission Project, which will run from west of Edmonton to Fort McMurray. The public engagement process for the project was extensive. In total, more than 3,000 face-to-face meetings were conducted. During route planning, environmental specialists were consulted to ensure that wildlife, soils, vegetation, wetlands, and historical resources were also considered, and the final route incorporated feedback received during the engagement process. Construction of the project began in the summer of 2017 and will conclude when the line goes into service in 2019.

We also continued consultation efforts associated with our Jasper Interconnection Project, which will connect Jasper National Park's isolated electrical distribution network to the Alberta grid. We conducted two open houses, more than 75 individual consultation sessions and engaged with a broad spectrum of interested parties, including members of the Jasper Chamber of Commerce, Jasper Town Council, the Jasper Environmental Association, Parks Canada and the public.



We held open houses for three new projects as part of our UPR Program in 2017.

Finally, we continued community engagement efforts on our UPR Program in Alberta, which involves a series of individual pipeline construction projects. Altogether, the project will see 276 km of older natural gas pipelines removed from high-pressure operation, replaced by 130 km of new high-pressure transmission pipeline.

The public consultation process for the program has been extensive, with individual open houses and stakeholder communications for each new project. In 2017, we held open houses for three new projects, notifying more than 50,000 area residents. Detailed construction planning and environmental protection plans are developed as part of each project to help minimize impacts to roadways, communities and environmentally sensitive areas.

Grassroots Employee Giving

Our people play a central role in our community investment efforts around the world. Our employee-led ATCO EPIC (Employees Participating in Communities) program rallies the spirit of our people all over the world, combining fundraising events, volunteerism and individual donations. We enhance our employees' generosity by matching those donations made to human health and wellness charities.

In 2017, ATCO and its people pledged more than \$3.4 million for hundreds of community charities, taking the program's cumulative fundraising total to more than \$38 million since its inception in 2006. Within our Mexican operations, our people came together to launch the inaugural ATCO EPIC campaign in Mexico. Together, they raised enough money to build two new homes for families impacted by the devastating earthquake in Mexico City.

INDIGENOUS RELATIONS

In 2017, we worked to create an in-depth strategy to consolidate our approach to Indigenous engagement across our company. The strategy is based upon four pillars:

- access to jobs, education and training for Indigenous Peoples;
- internal and external education;
- meaningful engagement; and
- economic participation.

We recognize there are many evolving factors shaping relations between Indigenous communities, businesses and governments across Canada and globally, and we remain steadfast in our commitment to build and sustain long-lasting relationships with Indigenous communities where we operate.

“ Our goal is to develop mutually beneficial solutions that create prosperity for Indigenous Peoples and ATCO. We are focused on promoting reconciliation with Indigenous Peoples for a better Canada by treating all in the manner in which each of us wants to be treated.”

*Nancy Southern
Chair & Chief Executive Officer*

DIFFERENTIATED METHODS OF ENGAGEMENT

Relationship Agreements

In 2017, we committed to strengthening our relationships with Indigenous communities with the introduction of Relationship Agreements. These agreements are built on a shared commitment to long term, community-focused relationships, rather than being specific to an individual project or initiative.

These relationships are fostered by regular meetings between two ATCO representatives and two Indigenous community members, which allow us to learn, understand and work together to develop solutions for community needs.

In 2017, we signed two of these Relationship Agreements which are intended to complement the more than 40 specific joint-venture partnerships, memorandums of understanding (MOUs) and other relationships we share with Indigenous communities.

Economic Participation

Partnerships have long been part of our history. Those that stand the test of time involve respect, trust, understanding and transparency. We conduct all our business in this spirit, striving to maintain positive

relationships that contribute to sustainable economic and social development in the communities where we do business.

In 2017, one of our partnerships celebrated 30 years of mutual respect and sharing value through enterprise. This partnership between Denendeh Investments Incorporated (DII), which represents 27 Dene First Nations across the region, and Northland Utilities, provides electricity generation, transmission and distribution services to customers throughout the Northwest Territories.

NEW INFRASTRUCTURE SOLUTIONS

Indigenous Engagement in Infrastructure Development

We recognize and respect the deep connections that Indigenous Peoples have with the environment. Throughout the year, we focused on building upon our relationships with Indigenous communities through thoughtful and transparent engagement on a range of projects.

For example, throughout our Jasper Interconnection Project, we have worked closely with 23 Indigenous organizations through Parks Canada's Indigenous Forum. We also held 88 engagement meetings, six Elders mapping sessions, 24 site visits, one fly-over and committed to participation in three traditional ceremonies.

\$85M

Indigenous contracts awarded with the Fort McMurray West 500-kV Transmission Project

This comprehensive approach to Indigenous engagement is consistent with our efforts related to the development of the Fort

McMurray West 500-kV Transmission Project, through which we engaged 27 Indigenous communities. Our firm commitment to Indigenous involvement continues through the implementation of our Indigenous contracting strategy. We have awarded \$85 million worth of contracts to Indigenous communities and their contractors engaged on the project. These contracts are helping to create jobs, opportunities for skills training and local economic development in Indigenous communities.

Partnerships for Clean Energy, Clean Water

Our engagement with Indigenous communities goes beyond consultation. Across our operations, we are also working to jointly develop solutions that address pressing community needs - specifically clean energy and clean water.

Throughout Alberta and Canada's North, communities are exploring ways to reduce the use of diesel-generated power and cut GHG emissions and air pollutants. To support these important efforts, in 2017 we entered into three MOUs with First Nations that will enable Indigenous communities to own and operate renewable energy technologies, while we own and operate the energy storage and control systems.

Elsewhere within our operations, we have engaged Indigenous communities to apply our expertise in water management to help ensure safe and clean water is available to those who need it. We are working with three communities on feasibility studies to jointly build, operate and maintain the water infrastructure necessary to meet their immediate water needs, while also supporting the growth of their communities in the long term.

Modular Solutions

In 2017, we partnered with the Ermineskin Cree Nation to build a modular school to support the growing number of students at the Ehpewapahk Alternative School

in Maskwacis, Alberta. The state-of-the-art facility includes four classrooms, study rooms, a library, a fitness centre, a commercial kitchen, a staff lounge, offices and open areas for students to socialize. The school was also fitted with the latest technology, including smart boards and a solar-ready building.

We also partnered with the Fisher River Cree Nation to build a new motel and gaming centre, an important part of the nation's long-term plan to stimulate economic activity and employment. We used prefabricated modular technology in design and construction, which helped cut construction time in half and delivered a product built specifically for northern Manitoba's harsh winter climate. More than 90 per cent of the workforce for the project were local tradespeople from the Fisher River Cree Nation Community.

We helped the Kasohkewew Child Wellness Society (KCWS) celebrate their 20th Anniversary with the completion and grand opening of a new facility in the Samson Cree Nation. We designed and built the 17,500 sq. ft. facility to include a cultural room and a visiting room with a separate entrance so families can visit their children outside of regular business hours. The front entrance displays a colourful medicine wheel artistically laid into the floor as a tribute to the Samson Cree Nation's traditions and culture.

INDIGENOUS EDUCATION AND AWARENESS

Indigenous Scholarships

We strive to break down employment barriers and create a lasting legacy through programs that encourage mentorship, education and employment in Indigenous communities.

In 2017, we grew our Indigenous Education Awards Program, which offers students from First Nations and Métis communities the opportunity to apply for scholarships, bursaries and awards for demonstrating leadership capabilities and pursuing higher education. Formerly only available to students near our operations, we expanded the awards to Indigenous students across Alberta, with plans to expand across Canada in 2018. Altogether, 29 Indigenous students from a variety of fields were chosen to receive awards in 2017, including engineering, education and economics.

Other programs include our Structures & Logistics Scholarship Program, which awarded \$1,000 scholarships to eight Indigenous students in British Columbia for demonstrating a commitment to education, leadership and community involvement. Our operations in Australia contributed to Leadership Western Australia's Aboriginal Women's Leadership Initiative, Yorga Djenna Bidi, a leadership program especially for

Aboriginal women. And, as part of our long-standing academic partnerships, 15 Indigenous scholarships and bursaries were awarded to students enrolled with Aurora College, NAIT, the University of Alberta, Grande Prairie Regional College, the University of Lethbridge and the Aboriginal Veterans Society of Alberta.

Supporting Indigenous Awareness

Building partnerships that stand the test of time requires understanding from both parties, which is why we work to ensure our people recognize and understand the unique culture and history of Indigenous Peoples.

In 2017, in addition to online Indigenous awareness training for all Canadian employees, we launched targeted Executive Corporate Indigenous Training and employee lunch and learns to continue the dialogue.

We also continue to support the University of Calgary with a four-day Indigenous Relations Training Program, which provides participants with a better understanding of the issues facing Canada's Indigenous population and how to effectively build relationships with communities. The program includes eight interactive learning modules and is available to students, alumni, charities, and professionals. In 2017, 21 of our people participated in this external program.



Indigenous youth tour through our facilities in Alberta.