



ATCO LTD.
MANAGEMENT PROXY CIRCULAR

NOTICE OF ANNUAL AND SPECIAL MEETING OF SHARE OWNERS
TO BE HELD ON MAY 11, 2022

MARCH 9, 2022



NOTICE OF ANNUAL AND SPECIAL MEETING OF SHARE OWNERS

When	Wednesday, May 11, 2022 10:00 a.m.	Where	Crystal Ballroom Fairmont Palliser 133-9 Avenue SW Calgary, Alberta	And Virtual Meeting via Live Webcast at: https:// web.lumiagm.com/488270145
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Business of the Meeting

The meeting's purpose is to:

1. Receive the consolidated financial statements for the year ended December 31, 2021, including the auditor's report on the statements
2. Elect the directors
3. Appoint the auditor
4. Approve the replenishment of the number of Class I Non-Voting Shares reserved for issuance under the Stock Option Plan
5. Transact other business that may properly come before the meeting.

Holders of Class II Voting Shares registered at the close of business on March 23, 2022 are entitled to vote at the meeting. The management proxy circular dated March 9, 2022 includes important information about what the meeting will cover and how to vote.

Due to evolving concerns associated with COVID-19, our ability to hold the meeting as planned could be compromised. If we are required to alter plans and change the format of the meeting from hybrid to virtual-only, the details of any such change will be communicated promptly by way of press release, a copy of which will be available on SEDAR at www.sedar.com and our website at www.ATCO.com.

By order of the Board of Directors,

[Signed by K.M. Brunner]

K.M. Brunner
Vice President, Corporate Secretary

Calgary, Alberta
March 9, 2022



March 9, 2022

Dear Share Owner:

On behalf of our Board of Directors, executive leadership team and employees, it is my sincere pleasure to invite all holders of Class I Non-Voting Shares and Class II Voting Shares of ATCO Ltd. (ATCO) to attend the 55th annual and special meeting of ATCO share owners. The meeting will be held virtually and in person at the Crystal Ballroom at the Fairmont Palliser, 133 – 9 Avenue S.W., Calgary, Alberta on Wednesday, May 11, 2022 at 10:00 a.m. local time. The health and safety of you and your family is of paramount importance to us. If we are required to alter our plans and change the format of the meeting from hybrid to virtual-only, we will communicate such change promptly with a news release.

Holders of Class II Voting Shares are entitled to vote on the items of business at the meeting. If you are unable to attend the meeting, you may vote by various methods as described starting on Page 4 in the accompanying management proxy circular.

This year marks a significant milestone for your company, as we celebrate ATCO's 75th anniversary. It is truly an historic occasion, and I look forward to welcoming our share owners in person once again to reflect on our financial and operational performance, and to share our vision for an exciting future.

Our Performance

Throughout our 75-year history, ATCO has witnessed, weathered, and grown through periods of extraordinary change. Our steadfast commitment to our five strategic priorities of innovation, growth, financial strength, operational excellence, and community involvement has allowed ATCO to endure periods of immense macroeconomic instability—and the past year was no different.

Over the course of 2021, we continued to navigate the persistent uncertainty of the pandemic while successfully advancing our strategy of delivering the essential services that will underpin the global economic recovery.

Noteworthy achievements from the prior year include:

- a. ATCO Structures completed work on the LNG Canada Cedar Valley Lodge project, a joint venture with Bird Construction and the Haisla Nation. The company was also awarded numerous additional contracts in a variety of market segments, including healthcare, education, mining, and emergency services.
- b. ATCO Frontec secured contracts that cement and grow our presence in Canada's North, and with key customers. In July 2021, through our joint venture with Nunavut Petroleum Corporation, UQSUQ Corporation, ATCO Frontec was awarded a 10-year, \$600 million contract to manage and operate Iqaluit's 79-million-litre bulk fuel storage facility, pipeline distribution system and municipal fuel delivery system. More recently in January 2022, ATCO Frontec was awarded a facility operations and maintenance contract for 15 Department of National Defence sites in Alberta.

- c. Canadian Utilities Limited advanced numerous projects aligned with our strategic focus on the energy transition, including the acquisition of three utility-scale solar projects, the construction of our first commercial renewable natural gas production facility, receiving notification of conditional grant funding of AUS\$29 million from the Australian Renewable Energy Agency for ATCO's proposed Clean Energy Innovation Park, and our partnership with Suncor Energy to collaborate on early stage design and engineering for a potential world-scale clean hydrogen project.

Our performance is due in no small part to the expertise and operational excellence of our executive leadership team. Compensation for our executives is linked to achieving goals that create sustainable share owner value, and that are aligned with our long-term strategic plan.

Consistent with this holistic perspective, in January 2022 we announced a comprehensive set of 2030 environmental, social and governance targets, and a commitment to achieve net zero greenhouse gas emissions by 2050. These ambitious goals will allow us to measure our progress in achieving our strategic goals of accelerating the energy transition, advancing Indigenous reconciliation, and supporting the communities we serve, while also supporting our long-term growth. Our Board of Directors will be actively involved in the oversight of management's performance to achieve these targets.

We invite you to read more about our approach to executive compensation, as well as ATCO's 2021 performance and awards, starting on Page 43 in the accompanying management proxy circular.

Changes within our Executive Leadership Team and Board of Directors

Over the course of the year, we experienced noteworthy changes within our Board of Directors and executive leadership team, including the sudden passing of a dear friend and colleague.

On August 18, 2021, we announced the passing of Dennis DeChamplain, who held the role of Executive Vice President & Chief Financial Officer of both ATCO and Canadian Utilities Limited. Throughout his almost 30 years at ATCO, Dennis was an energetic, principled leader and a steadfast champion for our employees, customers, and share owners. His expertise in finance, accounting, and sustainability has left an indelible mark on our organization and helped position us for success in a rapidly evolving world—he is deeply missed.

Drawing on the considerable depth of expertise possessed by ATCO's executive leadership team, the Board of Directors appointed Brian Shkrobot as Interim Senior Vice President & Chief Financial Officer of ATCO and Canadian Utilities Limited. Brian joined ATCO in 2000 and has held progressively senior financial, regulatory, and business planning positions. On October 1, 2021, the Board of Directors appointed Katie Patrick as Executive Vice President, Chief Financial & Investment Officer of ATCO. Katie joined ATCO in 2015 as Senior Director, Mergers & Acquisitions, responsible for assessing corporate mergers, acquisitions and strategy formulation. Most recently, Katie served as Senior Vice President, Investment Portfolio Management, responsible for investment strategy formation and oversight of ATCO's portfolio of companies. Also, on October 1, 2021, Brian was appointed by the Board of Directors of Canadian Utilities Limited as Executive Vice President & Chief Financial Officer.

We also welcomed Norman M. Steinberg to ATCO's Board of Directors on September 1, 2021. Mr. Steinberg is a Director and Vice Chair of BFL Canada and Chair of the Nominating & Governance Committee. Previously, Mr. Steinberg was Chair of Norton Rose Fulbright Canada and the Global Chair of Norton Rose Fulbright. With an exceptional 40-year legal career focused on corporate finance, mergers and acquisitions, and corporate governance, Norman brings a wealth of knowledge and experience to the Board's deliberations.

Finally, we would like to acknowledge Charles W. Wilson, who is stepping down from the Board this year. Since joining the Board in 2002, his knowledge, advice and integrity have contributed significantly to the Board, and he has shown a true commitment to the ATCO Group of Companies. We are grateful for his wise judgement, dedication and years of distinguished service.

We greatly look forward to the opportunity to see you all once again. A webcast of the meeting will be available at www.ATCO.com shortly after the meeting, and our 2021 Annual Report is available online. Please visit our website during the year for information about your company.

Sincerely,

[Signed by N.C. Southern]

N.C. Southern
Chair & Chief Executive Officer

TABLE OF CONTENTS

NOTICE OF ANNUAL AND SPECIAL MEETING OF SHARE OWNERS		DISCLOSURE PRACTICE	33
LETTER TO SHARE OWNERS		BOARD COMMITTEES	34
FREQUENTLY USED TERMS		COMMITTEE REPORTS	35
ABOUT THE MEETING	1	DIRECTOR COMPENSATION	38
HYBRID MEETING	1	REMUNERATION	38
WHO CAN VOTE	2	REMUNERATION SUMMARY	39
SHARE OWNERSHIP RIGHTS	2	RETIRING ALLOWANCE	40
MAJORITY SHARE OWNER	2	DIRECTOR SHARE OWNERSHIP	40
VOTING PROCESS Q&A	2	OUTSTANDING OPTIONS	41
REGISTERED SHARE OWNER VOTING INSTRUCTIONS	4	COMMUNICATING WITH THE BOARD	42
REGISTERED SHARE OWNER VOTING METHODS AND PROXY DEADLINE DATE	6	COMPENSATION DISCUSSION & ANALYSIS	43
NON-REGISTERED SHARE OWNER VOTING INSTRUCTIONS	8	OVERVIEW	43
DELIVERY OF MEETING MATERIALS	9	GOVERNANCE	44
BUSINESS OF THE MEETING	10	COMPENSATION	45
DIRECTOR NOMINEES	11	DECISION-MAKING PROCESS	48
BIOGRAPHIES	12	COMPONENTS	49
SKILLS MATRIX	21	2021 PERFORMANCE AND AWARDS	54
INDEPENDENCE	23	2021 COMPENSATION SUMMARY	62
IN CAMERA SESSIONS	24	2021 COMPENSATION DETAILS	72
ATTENDANCE	24	OTHER INFORMATION	85
SERVING ON AFFILIATED PUBLIC COMPANY BOARDS	25	SCHEDULE A - BOARD OF DIRECTORS MANDATE	88
CORPORATE CEASE TRADE ORDERS OR BANKRUPTCIES	25	COMPOSITION AND OPERATION	88
GOVERNANCE	26	RESPONSIBILITIES	88
OVERVIEW	26	SPECIFIC DUTIES	89
MAJORITY CONTROLLED COMPANY	26	SCHEDULE B - 2021 COMPARATOR COMPANIES	91
THE BOARD AND ITS COMMITTEES	26	SCHEDULE C - SUMMARY OF THE MATERIAL TERMS OF THE STOCK OPTION PLAN	93
STRATEGIC PLANNING	28		
RISK MANAGEMENT	28		
SUSTAINABILITY, CLIMATE CHANGE AND ENERGY TRANSITION	29		
DIVERSITY, EQUITY AND INCLUSION	30		
DIRECTOR ORIENTATION AND CONTINUING EDUCATION	32		
PERFORMANCE ASSESSMENT	32		
DIRECTOR RETIREMENT	33		
ETHICAL BUSINESS CONDUCT	33		

FREQUENTLY USED TERMS

Board	Board of Directors of ATCO Ltd.
CD&A	Compensation Discussion & Analysis
CEO	Chief Executive Officer
Circular	ATCO's Management Proxy Circular dated March 9, 2022
Class I Shares	Class I Non-Voting Shares of ATCO
Class II Shares	Class II Voting Shares of ATCO
Class A shares	Class A non-voting shares of Canadian Utilities
Class B shares	Class B common shares of Canadian Utilities
Code	Code of Ethics
DAD	Designated Audit Director
GOCOM	Corporate Governance - Nomination, Compensation & Succession Committee
IFRS	International Financial Reporting Standards
MTIP	Mid-term Incentive Plan
Non-Registered Share Owner	Your shares are held in the name of a nominee (usually a bank, broker or trust company)
proxy form	Form of Proxy
PwC	PricewaterhouseCoopers LLP
Registered Share Owner	Your name appears on your share certificate
SAR	Share Appreciation Right
SEDAR	System for Electronic Document Analysis and Retrieval
Sentgraf	Sentgraf Enterprises Ltd.
TSX Trust	TSX Trust Company
VIF	Voting Instruction Form

All information in this management proxy circular is as of March 9, 2022, unless otherwise indicated.

This management proxy circular is provided to enable ATCO's management team to solicit proxies for use at the annual share owners' meeting for items described in the accompanying notice of this meeting. The cost of management's solicitation is borne by ATCO.

Throughout this Circular, *you* and *your* refers to ATCO Ltd. share owners.

We, us, our, Company and *ATCO* refer to ATCO Ltd. and its subsidiaries, where applicable.

Canadian Utilities and *CU* mean Canadian Utilities Limited.

ABOUT THE MEETING

HYBRID MEETING

This year, to mitigate the risks to the health and safety of our share owners, employees, communities, and other stakeholders, we are holding our meeting in a hybrid format whereby share owners may attend and participate in the meeting in person or via live webcast. Share owners will have equal opportunity to participate in the meeting online regardless of their geographic location.

In person attendance restrictions may be imposed based on the changing nature of the public health advisories related to COVID-19 or as the Company may deem necessary in order to mitigate health and safety risks to its share owners, employees, communities and other stakeholders. In the event of any changes to the meeting due to concerns associated with COVID-19, including possibly changing the format of the meeting from hybrid to virtual-only, the details of any such change will be communicated promptly by way of press release, a copy of which will be available on SEDAR at www.sedar.com and on our website at www.ATCO.com.

Holders of Class II Voting Shares

- If you are a Registered Share Owner, please refer to the “Registered Share Owner Voting Instructions” on Page 4.
- If you are a Non-Registered Share Owner, please refer to “Non-Registered Share Owner Voting Instructions” on Page 8.

Holders of Class I Non-Voting Shares

All holders of Class I Shares may join the meeting as guests. Guests will be able to listen to the meeting and ask questions but will not be able to vote. To join the meeting:

- **Attend in person:** We recommend that you arrive at least 30 minutes before the meeting starts; or,
- **Attend online:** Log in at <https://web.lumiagm.com/488270145>. We recommend that you log in at least 30 minutes before the meeting starts. Select "Non Voting Share Owners / Guest" and then complete the online form.

Conference Call Information

If you are unable to listen to the webcast through your computer and would like to listen to the meeting by telephone, please call one of the following numbers at least 15 minutes before the meeting starts:

Within Canada and the US:	1 (888) 254-3590
Outside Canada and the US:	1 (647) 794-4605

When prompted, you will be asked to provide the following information:

- Confirm you are joining the **ATCO Ltd. Annual and Special Meeting**
- Your first and last name
- Whether you are joining the call as a share owner or a guest. You will not be able to vote or ask questions using the conference call line.

WHO CAN VOTE

ATCO has two classes of common shares – Class I Non-Voting Shares (Class I Shares) and Class II Voting Shares (Class II Shares). The Class II Shares are the only shares that can be voted at the meeting. Each Class II Share you own at the close of business on March 23, 2022 entitles you to one vote. The holders of Class I Shares are invited to attend and participate in discussions at share owner meetings but are not entitled to vote.

SHARE OWNERSHIP RIGHTS

Each Class II Share may be converted into one Class I Share at the holder's option. This means that for each Class II Share you own, you can decide to exchange that share for an equal amount of Class I Shares.

If you are a holder of Class I Shares you have no right to participate if a takeover bid is made for the Class II Shares. However, if you are a holder of Class I Shares you will be entitled to the same voting rights as the holders of Class II Shares if three conditions are met:

- An offer to purchase Class II Shares is made to all holders of Class II Shares
- At the same time, an offer to purchase Class I Shares, on the same terms and conditions, is not made to holders of Class I Shares
- Holders of more than 50 per cent of the Class II Shares accept the offer.

Class I Shares and Class II Shares rank equally in dividends and in all other respects except for those situations noted above.

MAJORITY SHARE OWNER

On March 9, 2022, there were 13,196,129 Class II Shares outstanding. To the knowledge of the directors and officers of the Company, the only person who beneficially owns, controls or directs, either directly or indirectly, 10 per cent or more of the Class II Shares is Sentgraf Enterprises Ltd. (Sentgraf). Sentgraf owns 11,483,120 Class II Shares representing 87 per cent of the outstanding Class II Shares. Sentgraf is controlled by the Sentgraf Spousal Trust (the Spousal Trust). Ms. Nancy Southern, Ms. Linda Southern-Heathcott and Mrs. Margaret E. Southern are the trustees of the Spousal Trust. Sentgraf and the Spousal Trust are collectively referred to as the Majority Share Owner.

VOTING PROCESS Q&A

Q. Am I entitled to vote?

A. You are entitled to vote if you were a holder of Class II Shares at the close of business on March 23, 2022. Each Class II Share entitles its holder to one vote.

Q. What will I be voting on?

A. You are voting on the following matters:

- The election of 9 directors to ATCO's Board of Directors
- The appointment of the auditor
- The replenishment of the number of Class I Shares reserved for issuance under the Stock Option Plan.

Q. How will a decision be made at the meeting?




A. A simple majority of the votes cast, during the meeting or by proxy, will constitute approval of each matter to be voted on.

Q. How do I vote my shares?

A. You can vote by proxy or by completing a ballot at the meeting. Voting by proxy means you are giving someone else the authority to attend the meeting and vote on your behalf. Please refer to "Registered Share Owner Voting Instructions" and "Non-Registered Share Owner Voting Instructions" below.

Q. If I submit my proxy form or VIF prior to the meeting, how will my shares be voted?

A. Your shares will be voted as you instruct on the proxy form or Voting Instruction Form (VIF). Follow the instructions provided on your proxy form or VIF in order to ensure it is properly completed. Once completed, submit your proxy form or VIF using one of the methods shown in the next section. If you properly complete and return your proxy form or VIF your proxyholder will vote, or withhold from voting, in accordance with your directions. If you do not specify how you wish the votes to be cast, your shares will be voted as your proxyholder sees fit. If neither you nor your proxyholder gives specific instructions, your shares will be voted as follows:

	FOR the election as directors of those nominees set out in this Circular
	FOR the appointment of PricewaterhouseCoopers LLP as ATCO's auditor
	FOR the approval of the replenishment of the number of Class I Shares reserved for issuance under the Stock Option Plan

Q. What if amendments are made to the matters to be decided at the meeting or if other matters are brought before the meeting?

A. The person or persons named in the proxy form or VIF as your proxyholder will have discretionary authority to vote on amendments or variations to matters identified in the notice of the meeting and on other matters which may properly come before the meeting.

As of the date of this Circular, management is not aware of any amendments or other matters expected to come before the meeting.

REGISTERED SHARE OWNER VOTING INSTRUCTIONS

Q. How do I know if I am a Registered Share Owner?

- A.** You are a Registered Share Owner if your name appears on your share certificate. If your name is on your certificate, **you have the right to appoint a person or company to represent you as proxyholder and vote your shares at the meeting.**

Q. Can I attend and vote during the meeting?

- A.** Registered Share owners may attend and vote at the meeting in person or online via the live webcast.

If you plan to attend the meeting and vote your shares in person, you do not need to complete and return the proxy form. Please register with the transfer agent, TSX Trust, when you arrive at the meeting.

Registered Share Owners who participate in the meeting online will be able to listen to the meeting, ask questions and vote. You may vote at the meeting by completing a ballot online during the meeting. To join the meeting online:

- **Log in at <https://web.lumiagm.com/488270145>. We recommend that you log in at least 30 minutes before the meeting starts.**
- **Select "Voting Share Owner" and then enter your Control Number and Password "ATCO2022" (case sensitive).**

The Control Number is located on your proxy form.

Q. How do I appoint someone else as my proxyholder?

A. Step 1 - Complete the proxy form:

Follow the instructions provided on your proxy form in order to ensure it is properly completed. **If you want to appoint a person or company other than the persons named in the enclosed proxy form, strike out the printed names appearing on the proxy form and insert the name of your chosen proxyholder in the space provided. Your proxyholder need not be an ATCO share owner.**

Complete your voting instructions, date and sign the proxy form and return it to our registrar and transfer agent, TSX Trust, using one of the methods shown on Page 6.

If the shares are registered in more than one name, all persons in whose names the shares are registered must sign the proxy form.

Step 2 - Register the proxy form:

If you appoint a person or company other than the persons named in the enclosed proxy form, in order for your proxyholder to attend the meeting online you must register your proxyholder as an additional step. To register a proxyholder, call TSX Trust or go to their website by May 9, 2022 before 5:00 p.m. Eastern Daylight Time as set out below:

Within Canada and the US:	1 (866) 751-6315
Outside Canada and the US:	1 (212) 235-5754
TSX Trust website:	https://www.tsxtrust.com/control-number-request

Provide TSX Trust with the required contact information for your proxyholder so that TSX Trust may provide the proxyholder with a Control Number via email. **Without a Control Number, proxyholders will not be able to vote at the meeting online.**

Step 3 - Attend the meeting in person or online:

It is important for you to ensure that any person you appoint as your proxyholder will attend the meeting. That person should be aware that his or her appointment has been made to vote your shares. If your appointed proxyholder does not attend the meeting, your shares will not be voted. If attending the meeting in person, upon arrival, proxyholders should register with a representative of TSX Trust.

If your proxyholder is attending the meeting online, your proxyholder should:

- **Log in at <https://web.lumiagm.com/488270145>. We recommend that he/she logs in at least 30 minutes before the meeting starts.**
- **Select "Voting Share Owner" and then enter his/her Control Number and Password "ATCO2022" (case sensitive).**

Q. Who votes my shares if I sign a proxy form?

- A.** If you sign the enclosed proxy form and do not insert the name of a proxyholder in the space provided, you are authorizing Ms. Nancy C. Southern, Chair & Chief Executive Officer, or Mr. Kyle M. Brunner, Vice President, Corporate Secretary to vote, or withhold from voting, your shares at the meeting in accordance with your instructions.

Q. How do I vote shares registered in the name of an entity or in a name other than my own?









- A.** If your shares are registered in the name of an entity or any name other than your own, that entity or other name is the Registered Share Owner. If this is the case, you need to provide documentation proving that you are authorized to sign the proxy form on behalf of that entity or name. If you have any questions on what supporting documentation is required, contact TSX Trust before submitting your proxy form. Shares that are held in a name other than your own may not be voted by telephone or smartphone.

REGISTERED SHARE OWNER VOTING METHODS AND PROXY DEADLINE DATE (May 9, 2022)

Important Note: Regardless of which voting method you use, your vote must be received by TSX Trust before 5:00 p.m. Eastern Daylight Time on the proxy deadline date.

Q. How do I vote?

A. You may select an option from the table below:

	<p>Attend the meeting in person</p> <p>If you plan to attend the meeting and vote your shares in person, you do not need to complete and return the proxy form. Please register with the transfer agent, TSX Trust, when you arrive at the meeting. Your vote will be recorded and counted at the meeting.</p>
	<p>Attend the meeting online</p> <p>If you or your proxyholder plans to attend the meeting online, please follow the instructions starting on Page 4, "Can I attend and vote during the meeting?"</p>
	<p>By telephone in advance 1 (888) 489-5760</p> <p>Canadian and US share owners can vote by telephone. Dial the toll free number and follow the voice prompts. You will need to enter the 13-digit Control Number located on the enclosed proxy form to enter your voting instructions. If you vote by telephone, you cannot appoint anyone other than the persons named on your proxy form as your proxyholder.</p>
	<p>By email proxyvote@tmx.com</p> <p>Sign, scan and email your completed proxy form to TSX Trust. You may appoint anyone as a proxyholder using this voting method.</p>
	<p>By smartphone</p> <p>Scan the QR Code that appears on the reverse side of your proxy form. You will need to enter the 13-digit Control Number located on the enclosed proxy form to enter your voting instructions. You may appoint anyone as a proxyholder using this voting method.</p>
	<p>Online in advance www.tsxtrust.com/vote-proxy</p> <p>Follow the instructions provided on the proxy voting website. You will need to enter the 13-digit Control Number located on the enclosed proxy form to enter your voting instructions. You may appoint anyone as a proxyholder using this voting method.</p>
	<p>By mail</p> <p>Return your completed proxy form in the postage paid envelope provided or mail it to TSX Trust Company, Attention: Proxy Department, P.O. Box 721, Agincourt, Ontario M1S 0A1. You may appoint anyone as a proxyholder using this voting method. Please ensure your proxy form is signed and dated.</p>
	<p>By fax</p> <p>Fax your completed proxy form to TSX Trust:</p> <p>Within Canada and the US: 1 (866) 781-3111</p> <p>Outside Canada and the US: 1 (416) 368-2502</p> <p>You may appoint anyone as a proxyholder using this voting method. Please ensure your proxy form is signed and dated.</p>

Q. Can I change my mind once I have submitted my proxy form?

A. Yes. You can complete another proxy form in the manner and time specified on the proxy form. The later-dated proxy form will replace the one submitted earlier. You can also revoke your proxy form by preparing a written statement to this effect. The statement must be signed by you or your duly authorized attorney as authorized in writing. If the share owner is a corporation, the statement must be signed by a duly authorized officer or attorney of that corporation. This statement should be delivered to either of the following:

1.	ATCO's Vice President, Corporate Secretary at any time up to and including the last business day preceding the day of the meeting or any adjournment of the relevant meeting at: TSX Trust Company Attention: Proxy Department P.O. Box 721 Agincourt, Ontario M1S 0A1 or ATCO Ltd. Attention: Vice President, Corporate Secretary 4th Floor, West Building 5302 Forand Street S.W. Calgary, Alberta T3E 8B4 <i>or</i>
2.	If you have followed the process for attending and voting at the meeting, voting at the meeting will revoke a previously submitted proxy form.

Q. How do I contact the transfer agent if I have general questions?

A. Questions may be directed to TSX Trust at <http://www.tsxtrust.com> or shareholderinquiries@tmx.com or by telephone:

Within Canada and the US:	1 (800) 360-4519
Outside Canada and the US:	1 (416) 682-3860

NON-REGISTERED SHARE OWNER VOTING INSTRUCTIONS

Q. Am I a Non-Registered Share Owner?

- A. You are a Non-Registered Share Owner when your shares are held in the name of a nominee (usually a bank, broker, or trust company). According to the notice-and-access process (see Delivery of Meeting Materials below), you should have received a Voting Instruction Form (VIF) accompanied by a notice that explains how to access and review the Circular. To ensure that you have all the necessary information about the matters to be voted on at the meeting, you should review the Circular before you vote. If you have provided your nominee with a standing instruction (or if you have provided current instructions for 2022) that you prefer to receive a paper copy of the Circular, your VIF will be included in that package.

Q. Can I attend and vote during the meeting?

- A. Non-Registered Share Owners may attend and vote at the meeting in person or online via the live webcast.

Attending the meeting online enables Non-Registered Share Owners and duly appointed proxyholders, to participate at the meeting and ask questions. Duly appointed proxyholders can vote at the appropriate times during the meeting.

Step 1 - Complete the VIF:

If you are a Non-Registered Share Owner and wish to vote at the meeting, you must appoint yourself as proxyholder by inserting your name in the space provided on the VIF sent by your intermediary and follow the applicable instructions.

Step 2 - Register as a proxyholder:

You must call TSX Trust or go to their website by May 9, 2022 before 5:00 p.m. Eastern Daylight Time as set out below:

Within Canada and the US:	1 (866) 751-6315
Outside Canada and the US:	1 (212) 235-5754
TSX Trust website:	https://www.tsxtrust.com/control-number-request

Provide TSX Trust with the required contact information so that TSX Trust may provide you with a Control Number via email. **Without a Control Number, you will not be able to vote online at the meeting.**

Step 3 - Attend the meeting in person or online:

If you wish to vote in person at the meeting, you must return your completed VIF with your own name in the space provided and follow the instructions provided on the VIF. When you arrive at the meeting, please register with the transfer agent, TSX Trust.

If you wish to attend and vote at the meeting online:

- Log in at <https://web.lumiagm.com/488270145>. We recommend that you log in at least 30 minutes before the meeting starts.
- Select "Voting Share Owner" and then enter your Control Number and Password "ATCO2022" (case sensitive).

Q. Can I appoint someone else as my proxyholder?

A. If you wish to appoint someone other than yourself as your proxyholder, please insert your proxyholder's name on the VIF and follow the steps as outlined above.

Q. What if I want to change my voting instructions?

A. If you are a Non-Registered Share Owner, you should contact your nominee for instructions on how to change your voting instructions.

DELIVERY OF MEETING MATERIALS

Meeting materials for Registered Share Owners will be mailed on April 1, 2022.

For Non-Registered Share Owners, the material delivery process is achieved by using the notice-and-access process (Notice-and-Access). Notice-and-Access is an environmentally-friendly and cost-effective way for ATCO to distribute the Circular.

Notice-and-Access requires us to post the Circular online for our Non-Registered Share Owners to access electronically. Non-Registered Share Owners will receive a package in the mail containing a notice that explains how to access and review the Circular, as well as how to request a paper copy at no charge. If you own Class II Shares, you will also receive a VIF. Share owners are reminded to review the Circular prior to voting.

The Circular is available on the System for Electronic Document Analysis and Retrieval (SEDAR) website (www.sedar.com) and on TSX Trust's website (www.meetingdocuments.com/TSXT/atco).

As a Non-Registered Share Owner, you will only receive a paper copy of the Circular if you have already provided instructions to your nominee. If you would like to receive a paper copy of the Circular, please follow the instructions provided in your meeting material package. You may request a copy of the Circular, at no charge, until April 1, 2023.

If you have any questions about Notice-and-Access, you can call TSX Trust:

Within Canada and the US:	1 (888) 433-6443
Outside Canada and the US:	1 (416) 682-3801

BUSINESS OF THE MEETING

If you do not specify on your proxy form or VIF how you want to vote your share(s), the persons named in the proxy form or VIF will vote FOR each matter to be decided upon at the meeting.

Review of the Financial Statements

ATCO's consolidated financial statements for the year ended December 31, 2021, together with the auditor's report, have been filed with the Canadian securities regulatory authorities and sent to Registered Share Owners and to Non-Registered Share Owners who requested them. The statements are also available on our website at www.ATCO.com and on SEDAR at www.sedar.com. The consolidated financial statements will be received at the annual meeting and you will have the opportunity to discuss the results with management.



Election of the Directors

The 9 nominees proposed for election as directors of ATCO are listed on Pages 12-20.

The Board recommends that share owners vote **FOR** the election of these 9 nominees. The term of office for each director will expire at the close of the next annual meeting of share owners.



Appointment of the Auditor

The Board, on the recommendation of the Audit & Risk Committee, proposes that PwC be appointed as auditor to hold office until the next annual meeting of share owners. PwC, including its predecessor firm, Price Waterhouse LLP, has been ATCO's auditor for 59 years.

Representatives of PwC plan to attend the meeting and will be available to answer your questions.

The Board recommends that share owners vote **FOR** the appointment of PwC as auditor.



Stock Option Plan Reserve Replenishment

Since its inception in 1994, the Stock Option Plan has required the maintenance of a reserve of Class I Shares to cover the options granted to participants. This reserve must be replenished from time to time so that the Company has a sufficient number of Class I Shares to cover new option grants. The Stock Option Plan was last approved by share owners in May 2007, when share owners approved general amendment provisions for the Stock Option Plan. Prior to that, the Stock Option Plan was approved by share owners in May 2000, at which time the number of Class I Shares approved for issuance under the Stock Option Plan was 2,550,000. ATCO subsequently completed two stock splits, which resulted in the current fixed maximum of 10,200,000 Class I Shares reserved for issuance under the Stock Option Plan (representing 8.9 per cent of the Company's issued and outstanding Class I Shares and Class II Shares as at the date of this Circular). As at March 9, 2022, 8,664,900 Class I Shares have been issued pursuant to options granted under the Stock Option Plan and options to acquire 1,415,950 Class I Shares are currently outstanding (representing 1.2 per cent of the Company's issued and outstanding Class I Shares and Class II Shares as at the date of this Circular), leaving 119,150 available for future grants (representing 0.1 per cent of the Company's issued and outstanding Class I Shares and Class II Shares as at the date of this Circular).

The Company's use of stock options to acquire Class I Shares is an important component of its incentive compensation arrangements for officers and key employees of ATCO and its subsidiaries. We believe that this practice achieves alignment between executives' and share owners' interests and assists in attracting and retaining qualified and motivated senior executives and employees. The Board has determined that it would be appropriate to maintain a fixed maximum of 10,200,000 Class I Shares reserved for issuance under the Stock Option Plan. We are proposing to replenish the share reserve by 8,664,900 Class I Shares (representing 7.6 per cent of the Company's issued and outstanding Class I Shares and Class II Shares as at the date of this Circular), which will result in the reservation of the maximum number of Class I Shares authorized for issuance, being 10,200,000, and will provide the Company with an effective means to utilize stock option awards for many years to come. The replenishment of the Class I Shares reserved for issuance under the Stock Option Plan was approved by the Board on February 23, 2022 and has been conditionally approved by the TSX, subject to share owner approval.

Accordingly, at the meeting, share owners will be asked to consider and, if thought advisable, to approve the following ordinary resolution, which must be approved by a majority of the votes cast by Class II share owners at the meeting:

BE IT RESOLVED, as an ordinary resolution of the share owners of the Company, that:

1. the number of Class I Shares reserved for issuance under the Stock Option Plan be replenished by 8,664,900 Class I Shares, such that following the replenishment, there will be the fixed maximum of 10,200,000 Class I Shares reserved for issuance under the Stock Option Plan;
2. any director or officer of the Company be and is hereby authorized to do such things and to sign, execute and deliver all documents that such director and officer may, in their discretion, determine to be necessary in order to give full effect to the intent and purpose of this resolution; and
3. notwithstanding that this resolution has been duly passed by the share owners of the Company, the directors of the Company are hereby authorized and empowered to revoke this resolution, without any further approval of the share owners of the Company, at any time, if such revocation is considered necessary or desirable by the directors.

The persons named in the form of proxy which accompanies this Circular intend to vote FOR the approval of the replenishment of Class I Shares reserved for issuance under the Stock Option Plan, unless it has been specified in the form of proxy that the shares represented by such form of proxy are to be voted against such replenishment of shares reserved for issuance under the Stock Option Plan.

A summary of the material terms of the Stock Option Plan is set out in Schedule C.

DIRECTOR NOMINEES

All the nominees are currently directors and have been for the periods indicated.

The Chair, together with the Board, and after review by the Corporate Governance – Nomination, Compensation and Succession Committee (GOCOM), identifies potential candidates for nomination to the Board. The recommendation of potential Board members is undertaken to ensure overall diversity of experience, background, skills and geographic representation of Board members.

GOCOM receives advice from the Board on individuals best suited to serve as directors, and maintains its own standing list of appropriate candidates for directorships. GOCOM has reviewed each of the nominees and determined they have the necessary skills and experience to satisfy the Board's composition requirements.

The nominees' biographies, starting on Page 12, highlight their respective experience and attributes.

Additional information on directors, including skills and experience, independence, attendance, share ownership, as well as compensation, is also provided.

Information on director share ownership guidelines can be found on Page 40.

BIOGRAPHIES



ROBERT T. BOOTH, Q.C.

Primary residence	Calgary, Alberta, Canada
Director since	2008
Age	69
Not Independent	Mr. Booth is not independent because he is a partner in the firm that is ATCO's legal counsel.

Mr. Booth is a partner in the law firm Bennett Jones LLP, based in Calgary, Alberta.

Mr. Booth's legal practice covers many areas of the natural resources, energy, defence and security fields, including client representation in oil and gas exploration, production and marketing, major pipeline transportation and liquefied natural gas projects, uranium mining and production, power generation and transmission, and energy utility businesses.

Mr. Booth serves on the boards of a number of not-for-profit organizations including having served since 2005 as the CEO and Chair of the Board of Milit-Air Inc., a federal not-for-profit company having a role in the training of military pilots in Canada.

Mr. Booth obtained a B.Eng. degree from the Royal Military College of Canada in 1974, and an LL.B. from Dalhousie University in 1977. In 2009, he obtained his ICD.D certification from the Director Education Program at the Institute of Corporate Directors.

Skills and Experience	Functional Experience	
Primary Industry Background		
Energy Utilities Legal	Governance Human Resources/ Compensation Government/Regulatory International Business	Risk Management Safety and Health Climate Change and Environment Corporate Social Responsibility

ATCO Board/ Committee memberships in 2021	Attendance		2021 AGM Voting Results		
	Board	6 of 6	100%	Votes For:	11,507,053
GOCOM	5 of 5	100%			
Other public company boards and committee memberships	Company	Since		Position	
	CU Inc.*	2014		Director and member of the Audit Committee	
Shares held	ATCO		Canadian Utilities		
	Class I Shares	24,564	Class A non-voting	—	
	Class II Shares	—	Class B common	—	
			Series Y 2nd Preferred	2,000	
			Series AA 2nd Preferred	1,500	
		Series EE 2nd Preferred	1,000		
Total compensation in 2021:**		\$253,000			

*CU Inc. is controlled by Canadian Utilities, which is controlled by ATCO.

**Consists of fees earned as a director of ATCO, and fees from ATCO's subsidiaries.



DENIS M. ELLARD

Primary residence	Calgary, Alberta, Canada
Director since	2014
Age	75
Independent	

Prior to his retirement in 2003, Mr. Ellard was Senior Vice President Business Development, ATCO. Over his 35-year career, Mr. Ellard held several senior positions within the organization, including Senior Vice President and General Manager, Northwestern Utilities Limited; Senior Vice President, Canadian Utilities Limited; and President, ATCO Singlepoint Ltd. His responsibilities included oversight of operations, management, and regulatory matters, as well as reviews of risk, general safety, and environmental issues. Mr. Ellard has served in various capacities on several community and industry boards, including the Alberta Economic Development Authority.

Mr. Ellard has a B.Sc. in Mechanical Engineering and an MBA with a major in Finance from the University of Alberta.

Skills and Experience	Functional Experience
Primary Industry Background Energy Utilities	Governance Human Resources/Compensation Government/Regulatory Accounting/Finance/Economics Operations Risk Management Safety and Health Climate Change and Environment

ATCO Board/ Committee memberships in 2021	Attendance	2021 AGM Voting Results
Board	6 of 6 100%	Votes For: 11,507,853 99.9%
Other public company boards and committee memberships	Company	Since
	N/A	N/A
Shares held	ATCO	Canadian Utilities
	Class I Shares 13,167	Class A non-voting 9,694
	Class II Shares 200	Class B common 200
Total compensation in 2021:*	\$233,500	

*Consists of fees earned as a director of ATCO, and fees from one of ATCO's subsidiaries.



MICHAEL R.P. RAYFIELD

Primary residence	Toronto, Ontario, Canada
Director since	2009
Age	79
Independent	

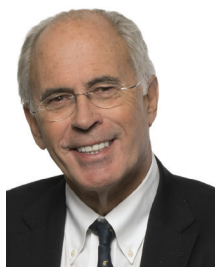
Mr. Rayfield was Vice Chair, Investment and Corporate Banking, BMO Capital Markets until 2013. He was responsible for senior corporate relationships in Canada, the U.S. and the U.K., and management of BMO's investment banking business in China and India. Mr. Rayfield was also on the Canadian Management Committee. He has extensive international banking experience in North America, South America and Australia. Mr. Rayfield is also a director of ATCO Structures & Logistics Ltd.

Mr. Rayfield is a graduate of The Chartered Institute of Bankers in the U.K.; the Senior Manager's Program at Harvard Business School; and the Advanced Executive Program at J.L. Kellogg Graduate School, Northwestern University. He studied at Cambridge University and is a graduate of the Director Education Program at the Institute of Corporate Directors where he obtained extensive enterprise risk and financial strategy knowledge.

Skills and Experience	Functional Experience
Primary Industry Background Energy Utilities Industrials Financial Services	Governance International Business Accounting/Finance/Economics Marketing/Sales Risk Management

ATCO Board/ Committee memberships in 2021	Attendance		2021 AGM Voting Results	
	Board	6 of 6	100%	Votes For:
Audit & Risk	4 of 4	100%		
Other public company boards and committee memberships	Company	Since	Position	
	N/A	N/A	N/A	
Shares held	ATCO		Canadian Utilities	
	Class I Shares	33,426	Class A non-voting	20,523
	Class II Shares	—	Class B common	—
Total compensation in 2021:*		\$245,000		

*Consists of fees earned as a director of ATCO, and fees from one of ATCO's subsidiaries.



ROBERT J. ROUTS, PhD

Primary residence	Brunnen, Switzerland
Director since	2012
Age	75
Independent	

Dr. Routs is the Lead Director of ATCO and is a director of ATCO Structures & Logistics Ltd., ATCO Australia Pty Ltd. and Neltume Ports S.A. Until his retirement in 2008, Dr. Routs was an Executive Board Member at Royal Dutch Shell plc. He was responsible for the global refining, chemical, marketing, trading and renewable businesses. During his career, he held various senior management positions in the U.S., Canada and The Netherlands, including Chairman of Shell Canada prior to the buyout of the public shareholding by Royal Dutch Shell plc. Dr. Routs has substantial experience in the refining and chemical industry with a strong focus on operational safety and sustainable operations to reduce the industry's impact on the environment.

Dr. Routs is an emeritus member of the International Advisory Council to the Economic Development Board of Singapore and received the Distinguished Friend of Singapore medal. Dr. Routs was Chairman of the Board of Aegon NV from 2009 until 2019 and Chairman of the Board of Royal DSM NV from 2011 until May of 2021. From 2010 to February 2021, Dr. Routs was a director of AECOM Technology Corporation.

Dr. Routs graduated in Chemical Engineering from the Technical University of Eindhoven in The Netherlands, where he also obtained a PhD in Technical Sciences. He completed the Program for Management Development at Harvard Business School in 1991.

Skills and Experience	Functional Experience	
Primary Industry Background		
Energy	CEO Experience	Marketing/Sales
Utilities	Governance	Operations
Industrials	Human Resources/Compensation	Risk Management
Financial Services	Government/Regulatory	Safety and Health
Telecommunications	International Business	Climate Change and Environment
Transportation	Accounting/Finance/Economics	Corporate Social Responsibility

ATCO Board/ Committee memberships in 2021	Attendance			2021 AGM Voting Results		
	Board	6 of 6	100%	Votes For:	11,507,853	99.9%
	Audit & Risk (Chair)	4 of 4	100%			
	GOCOM	5 of 5	100%			
Other public company boards and committee memberships	Company	Since		Position		
	N/A	N/A		N/A		
Shares held	ATCO			Canadian Utilities		
	Class I Shares	20,651		Class A non-voting	9,603	
	Class II Shares	—		Class B common	—	
Total compensation in 2021:*		\$413,575				

*Consists of fees earned as a director of ATCO, and fees from ATCO's subsidiaries.



NANCY C. SOUTHERN

Primary residence	Calgary, Alberta, Canada
Director since	1989
Age	65
Not Independent	As Chair & Chief Executive Officer, Ms. Southern is not independent because she has a material relationship with ATCO.

Nancy Southern is Chair & Chief Executive Officer of ATCO Ltd., as well as Chair & Chief Executive Officer of Canadian Utilities Limited, an ATCO company. Reporting to the Boards of Directors, she is accountable for the strategic direction, vision and governance for both companies, and has full responsibility for their ongoing operations.

After joining the ATCO Board of Directors in 1989, Ms. Southern served as Co-Chair of ATCO for 16 years prior to being elected Chair in December 2012. Ms. Southern was named President & Chief Executive Officer of ATCO in 2003. Ms. Southern also serves as Executive Vice President of Spruce Meadows Ltd. and is a founding director of AKITA Drilling Ltd., a director of Sentgraf Enterprises Ltd., an Honorary Director of the BMO Financial Group and serves on the Rideau Hall Foundation Board of Directors. In addition to her business leadership, Ms. Southern has long played a leading role in advocating on social issues of global importance - most notably, the rights of Indigenous peoples and the role of women in business.

Ms. Southern is a member of The U.S. Business Council, a member of the American Society of Corporate Executives, and a Canadian Member of the Trilateral Commission. She is a member of the Business Council of Canada and the University of Calgary School of Public Policy Advisory Council. In 2020, Ms. Southern joined the Premier's Economic Recovery Council with other policy and industry experts providing insight and strategies to accelerate diversification of Alberta's economy. That same year, Ms. Southern was awarded a British Empire Medal by Her Majesty Queen Elizabeth II for services to British equestrian, military and commercial interests in Alberta, Canada.

Skills and Experience	
Primary Industry Background	Functional Experience
Energy Utilities Industrials	CEO Experience Governance Human Resources/Compensation Government/Regulatory International Business Accounting/Finance/Economics Marketing/Sales Operations Risk Management Safety and Health Climate Change and Environment Corporate Social Responsibility

ATCO Board/ Committee memberships in 2021		Attendance		2021 AGM Voting Results		
	Board (Chair)	6 of 6	100%	Votes For:	11,507,348	99.9%
Other public company boards and committee memberships	Company	Since		Position		
	AKITA Drilling Ltd.	1992		Deputy Chair and Director		
	Canadian Utilities Limited*	1990		Chair, Director and Chief Executive Officer		
	CU Inc.*	1999		Chair, Director and Chief Executive Officer		
Shares held	ATCO**			Canadian Utilities**		
	Class I Shares	399,480		Class A non-voting	234,237	
	Class II Shares	50,600		Class B common	—	

Total compensation in 2021: Ms. Southern does not receive any compensation as a director of ATCO because she is an employee. See Page 65 for information on Ms. Southern's compensation.

*CU Inc. is controlled by Canadian Utilities, which is controlled by ATCO.

**Shares held by the Majority Share Owner are excluded. Ms. Southern is one of three trustees of the Spousal Trust. See Majority Share Owner on Page 2.



LINDA A. SOUTHERN-HEATHCOTT

Primary residence Calgary, Alberta, Canada

Director since 2012

Age 59

Not Independent

Ms. Southern-Heathcott is not independent because she has a material relationship with ATCO. She is an immediate family member of the Chair & Chief Executive Officer.

Ms. Southern-Heathcott is President & Chief Executive Officer of Spruce Meadows Ltd., an internationally recognized equestrian facility in Calgary, Alberta. She is also a founding director and currently serves as Chair and Chief Executive Officer of AKITA Drilling Ltd., an oil and gas drilling contractor with drilling operations throughout North America. Ms. Southern-Heathcott brings significant management and business experience to the Board and was appointed Vice Chair of the Board of Directors of ATCO in 2016 and of Canadian Utilities and CU Inc. in 2017.

Ms. Southern-Heathcott is also Chair of Travel Alberta and serves on the Boards of ATCO Structures & Logistics Ltd., Sentgraf Enterprises Ltd. and TELUS Calgary Community Board.

In 2010, Ms. Southern-Heathcott received her ICD.D certification from the Director Education Program of the Institute of Corporate Directors. In 2018, Ms. Southern-Heathcott was named an Honorary Lieutenant Colonel of the King's Own Calgary Regiment. In 2020, Ms. Southern-Heathcott was awarded a British Empire Medal by Her Majesty Queen Elizabeth II for services to British equestrian, military and commercial interests in Alberta, Canada.

Skills and Experience	
Primary Industry Background	Functional Experience
Energy Utilities Industrials	CEO Experience Governance Human Resources/Compensation International Business Marketing/Sales Operations Risk Management Corporate Social Responsibility

ATCO Board/ Committee memberships in 2021		Attendance		2021 AGM Voting Results		
	Board (Vice Chair)	6 of 6	100%	Votes For:	11,506,848	99.9%
Other public company boards and committee memberships	Company	Since		Position		
	AKITA Drilling Ltd.	1992		Chair, Director, and Chief Executive Officer		
	Canadian Utilities Limited*	2000		Vice Chair, Director, and member of the Pension Fund Committee		
	CU Inc.*	2017		Vice Chair and Director		
Shares held	ATCO**		Canadian Utilities**			
	Class I Shares	29,379	Class A non-voting		19,003	
	Class II Shares	10,350	Class B common		4,159	
Total compensation in 2021:[†]		\$449,500				

*CU Inc. is controlled by Canadian Utilities, which is controlled by ATCO.

**Shares held by the Majority Share Owner are excluded. Ms. Southern-Heathcott is one of three trustees of the Spousal Trust. See Majority Share Owner on Page 2.

[†]Consists of fees earned as a director of ATCO, and fees from ATCO's subsidiaries.



NORMAN M. STEINBERG

Primary residence	Côte Saint-Luc, Quebec, Canada
Director since	2021
Age	72
Independent	

Mr. Steinberg is a Director and Vice Chair of BFL Canada and Chair of the Nominating & Governance Committee. From 2017 to 2019, he was Chair Emeritus of the law firm Norton Rose Fulbright Canada previously holding the positions of Co-Chair, Chair and Global Chair of Norton Rose Fulbright. During his legal career, Mr. Steinberg focused on corporate finance, mergers and acquisitions, and corporate governance.

Mr. Steinberg currently serves as Co-Chair of Dorel Industries Inc. and is Chair of its Corporate Governance and Nominating Committee, Director of Fiera Capital Corporation and Chair of its Nominating and Governance Committee, Co-Chair of Women in Governance, and member of the Board of Directors and Organizing Committee of the Australia-Canada Economic Leadership Forum. He is also Senior Advisor to Persistence Capital Partners, Strategic Advisor of Voyager Metals Inc., member of the Board of Advisors of Alexa Translations, and Chair of the Board of Governors of the Montreal Symphony Orchestra.

Mr. Steinberg has a Bachelor of Science and a Bachelor of Civil Law from McGill University in Montreal, Canada.

Skills and Experience	Functional Experience	
Primary Industry Background		
Legal	Governance Human Resources/Compensation Government/Regulatory International Business	Marketing/Sales Risk Management Climate Change and Environment Corporate Social Responsibility

ATCO Board/ Committee memberships in 2021	Attendance			2021 AGM Voting Results		
	Board*	2 of 2	100%	Votes For:	N/A	N/A
Other public company boards and committee memberships	Company	Since		Position		
	Dorel Industries Inc.	2018		Co-Chair of the Board, Director, and Chair of the Corporate Governance and Nominating Committee		
	Fiera Capital	2019		Director, and Chair of the Nominating and Governance Committee		
Shares held	ATCO			Canadian Utilities		
	Class I Shares	3,269		Class A non-voting	—	
	Class II Shares	—		Class B common	—	
Total compensation in 2021:		\$73,333				

*Mr. Steinberg joined the Board on September 1, 2021 and his attendance has been pro-rated from this date.



ROGER J. URWIN, PhD, C.B.E.

Primary residence	London, England
Director since	2014
Age	76
Independent	

Dr. Urwin is the Lead Director of Canadian Utilities, Chair of the Board of Directors of ATCO Australia Pty Ltd. and Vice Chair of LUMA Energy, LLC. He has worked in gas, electric and telecom utilities throughout his career. He retired at the end of 2006 as Group Chief Executive of National Grid plc. He played a key role in establishing National Grid's international strategy and its successful expansion into the U.S., creating one of the largest investor-owned utility companies in the world. Dr. Urwin was the Managing Director and Chief Executive of London Electricity from 1990 to 1995. He was non-executive Chairman of Utilico Investments Limited until October 2015 and has been a special advisor to Global Infrastructure Partners, an international infrastructure investment fund. He was Chair of Alfred McAlpine plc from 2006 to 2008.

Dr. Urwin is a Commander of the Order of the British Empire.

Dr. Urwin has a Physics degree and a PhD from the University of Southampton, U.K.

Skills and Experience	Functional Experience	
Primary Industry Background		
Energy Utilities Telecommunications	CEO Experience Governance Human Resources/Compensation Government/Regulatory	International Business Operations Risk Management Safety and Health

ATCO Board/ Committee memberships in 2021	Attendance			2021 AGM Voting Results		
	Board	6 of 6	100%	Votes For:	11,507,053	99.9%
Audit & Risk	4 of 4	100%				
Other public company boards and committee memberships	Company	Since		Position		
	Canadian Utilities Limited*	2020		Lead Director and member of the Corporate Governance, Nomination, Compensation and Succession Committee and the Audit & Risk Committee		
Shares held	ATCO			Canadian Utilities		
	Class I Shares	10,937		Class A non-voting	20,661	
	Class II Shares	—		Class B common	—	
Total compensation in 2021:**		\$844,679				

*Canadian Utilities is controlled by ATCO.

**Consists of fees earned as a director of ATCO, and fees from ATCO's subsidiaries.



SUSAN R. WERTH

Primary residence Calgary, Alberta, Canada

Director since 2014

Age 65

Independent

Ms. Werth retired as Senior Vice President & Chief Administration Officer, ATCO Ltd. and Canadian Utilities Limited in May 2014. In this role Ms. Werth was responsible for Human Resources, Corporate Secretarial, Marketing and Communications, Security, Real Estate, Aviation and Administration. She was Chair of ATCO's Disclosure, Management Pension, Crisis Management, and Donations & Sponsorship Committees. She was Vice President, Administration, ATCO Group from 1995 to 2000. During her career, Ms. Werth has gained a wealth of experience and brings significant insight into all aspects of ATCO's business. Ms. Werth is also on the Board of ATCO Structures & Logistics Ltd. and Sentgraf Enterprises Ltd.

Skills and Experience	
Primary Industry Background	Functional Experience
Energy Utilities Industrials	Governance Human Resources/ Compensation Marketing/Sales Risk Management Corporate Social Responsibility

ATCO Board/ Committee memberships in 2021	Attendance			2021 AGM Voting Results		
	Board	6 of 6	100%	Votes For:	11,506,948	99.9%
	Audit & Risk	4 of 4	100%			
	GOCOM	5 of 5	100%			
Other public company boards and committee memberships	Company	Since		Position		
	N/A	N/A		N/A		
Shares held	ATCO			Canadian Utilities		
	Class I Shares	19,347		Class A non-voting	9,762	
	Class II Shares	—		Class B common	—	
Total compensation in 2021:*		\$260,500				

*Consists of fees earned as a director of ATCO, and fees from one of ATCO's subsidiaries.

SKILLS MATRIX

GOCOM ensures that the Board includes members with a broad range of experience and expertise so that it is able to effectively carry out its mandate. The matrix below shows the experience and expertise that each director nominee brings to the Board.

	Robert T. Booth	Denis M. Ellard	Michael R.P. Rayfield	Robert J. Routs	Nancy C. Southern	Linda A. Southern-Heathcott	Norman M. Steinberg	Roger J. Urwin	Susan R. Werth
Primary Industry Background									
Energy	✓	✓	✓	✓	✓	✓		✓	✓
Financial Services			✓	✓					
Industrials			✓	✓	✓	✓			✓
Legal	✓						✓		
Telecommunications				✓				✓	
Transportation				✓					
Utilities	✓	✓	✓	✓	✓	✓		✓	✓
Functional Experience									
CEO Experience Experience as a CEO for a publicly listed company or for a major organization with international operations or similar complexity. Possesses leadership qualities and the ability to identify and develop those qualities in others. Demonstrates a practical understanding of strategy and risk management and know how to drive change and growth.				✓	✓	✓		✓	
Governance Significant experience overseeing governance practices, may have been gained through significant work on a corporate governance committee or through experience serving as a senior executive of a public company.	✓	✓	✓	✓	✓	✓	✓	✓	✓
Human Resources/Compensation Significant experience overseeing human resources and compensation design for a large organization. Understands the various components of executive compensation structure and how they inter-relate when attracting, motivating and retaining top candidates.	✓	✓		✓	✓	✓	✓	✓	✓
Government/Regulatory Significant experience working with local, provincial, national or international governments or gained public relations or government experience as a senior executive. Strong understanding of regulatory and non-governmental organizations that affect the Company's business.	✓	✓		✓	✓		✓	✓	

	Robert T. Booth	Denis M. Ellard	Michael R.P. Rayfield	Robert J. Routs	Nancy C. Southern	Linda A. Southern-Heathcott	Norman M. Steinberg	Roger J. Urwin	Susan R. Werth
Functional Experience									
International Business Significant experience managing a global enterprise across multiple jurisdictions with exposure to a range of political, cultural and business environments.	✓		✓	✓	✓	✓	✓	✓	
Accounting/Finance/Economics Significant financial experience as a senior officer responsible for an organization or experience working as a senior officer in financial accounting, reporting and corporate finance with knowledge of internal controls.		✓	✓	✓	✓				
Marketing/Sales Significant experience overseeing marketing and sales as a senior executive.			✓	✓	✓	✓	✓		✓
Operations Significant experience overseeing operations as a senior executive with a practical understanding of operating plans and business strategy.		✓		✓	✓	✓		✓	
Risk Management Significant experience as a senior executive overseeing the various risks facing an organization with oversight of appropriate policies and procedures to effectively manage risk.	✓	✓	✓	✓	✓	✓	✓	✓	✓
Safety and Health Significant experience in the areas of health and safety, including knowledge of industry regulations and a commitment to best practices for workplace safety.	✓	✓		✓	✓			✓	
Climate Change and Environment Significant experience with regulations, best practices and strategic business initiatives related to environmental issues.	✓	✓		✓	✓		✓		
Corporate Social Responsibility Significant experience in the areas of corporate social responsibility and community relations. Experience building partnerships and positive relationships with Indigenous groups to enhance economic and social development.	✓			✓	✓	✓	✓		✓

INDEPENDENCE

GOCOM and the Board annually review the status of each director to determine whether he or she is independent based on the criteria of the Canadian Securities Administrators as set out in National Instrument 52-110 – *Audit Committees*. A majority of ATCO directors are independent.

Under ATCO's current leadership structure, the office of Chair is held by Ms. Southern. The Board continues to ensure that it can function independently and objectively from management with the appointment of Dr. Routs as the independent Lead Director.

The following table summarizes the independence status of each director and, where applicable, the reasons for the Board's determination that a particular individual is not independent.

Director	Independent	Not independent	Reason for non-independent status
Robert T. Booth		✓	As a partner in the law firm that is ATCO's legal counsel, has a material relationship with ATCO.
Denis M. Ellard	✓		
Michael R.P. Rayfield	✓		
Robert J. Routs	✓		
Nancy C. Southern		✓	As Chair & Chief Executive Officer, has a material relationship with ATCO.
Linda A. Southern-Heathcott		✓	As an immediate family member of the Chair & Chief Executive Officer, has a material relationship with ATCO.
Norman M. Steinberg	✓		
Roger J. Urwin	✓		
Susan R. Werth	✓		
Charles W. Wilson*	✓		

* Mr. Wilson is not standing for re-election

In determining the independence of the directors, the following criteria are assessed:

- Employment by, or other relationship with, ATCO or its internal or external auditor within the preceding three year period
- Immediate family member relationships with ATCO or its internal or external auditor
- Any payment of fees by ATCO, other than directors' fees disclosed in this Circular, of more than \$75,000 to the director or to a member of his or her immediate family during any 12-month period within the last three years
- Other direct or indirect material relationships with ATCO or other factors which could interfere with the exercise of independent judgment

IN CAMERA SESSIONS

The Board further ensures its independence by providing the opportunity for in camera sessions of only the independent directors, without management present, at regularly-scheduled meetings of the Board, Audit & Risk Committee and GOCOM. In camera sessions are chaired by the Lead Director or the committee chair. Additional in camera meetings may be requested through the Lead Director at any time. These sessions encourage the candid analysis of issues among independent directors on the Board and its committees.

ATTENDANCE

The following table sets out the attendance of the directors at Board meetings and at meetings of the committees of which they were members during 2021. As an employee, the Chair & Chief Executive Officer is not a member of any committee but attends committee meetings as required. At the discretion of the committee chair, directors may attend meetings of committees of which they are not members.

All directors are expected to attend and participate in meetings of the Board and the committees on which they serve. Attendance of directors at meetings of the Board and committees is not necessarily indicative of the contribution made by each director, and absence from a meeting may have resulted from a variety of extenuating circumstances, including family bereavement or health issues. When a director's contribution is deemed to be unsatisfactory, interviews with such director are conducted by both the Chair and the Lead Director. A clear understanding of the Company's expectations is formally communicated to ensure improvement is achieved in subsequent periods.

Director	Board of Directors		Audit & Risk Committee		GOCOM		Total
Robert T. Booth	6 of 6	100%			5 of 5	100%	100%
Denis M. Ellard	6 of 6	100%					100%
Michael R.P. Rayfield	6 of 6	100%	4 of 4	100%			100%
Robert J. Routs	6 of 6	100%	4 of 4	100%	5 of 5	100%	100%
Nancy C. Southern	6 of 6	100%					100%
Linda A. Southern-Heathcott	6 of 6	100%					100%
Norman M. Steinberg ¹	2 of 2	100%					100%
Roger J. Urwin	6 of 6	100%	4 of 4	100%			100%
Susan R. Werth	6 of 6	100%	4 of 4	100%	5 of 5	100%	100%
Charles W. Wilson ²	6 of 6	100%	4 of 4	100%	5 of 5	100%	100%

¹ Mr. Steinberg joined the Board on September 1, 2021.

² Mr. Wilson is not standing for re-election.

SERVING ON AFFILIATED PUBLIC COMPANY BOARDS

The following lists the directors who serve on boards of publicly-traded companies that are affiliated with ATCO. Canadian Utilities is a public company that is controlled by ATCO. CU Inc. is a public company controlled by Canadian Utilities. Sentgraf is the parent company of ATCO and AKITA Drilling Ltd., both of which are public companies. None of the directors serve together on the boards of any other public companies, except as disclosed below.

Director	Canadian Utilities Limited	CU Inc.	AKITA Drilling Ltd.
Robert T. Booth		Director	
Nancy C. Southern	Chair	Chair	Deputy Chair
Linda A. Southern-Heathcott	Vice Chair	Vice Chair	Chair
Roger J. Urwin	Director		
Charles W. Wilson *	Director		Director

* Mr. Wilson is not standing for re-election

Mr. Steinberg serves on the boards and committees of other public companies as referenced in his biography. The Chair and GOCOM recognize the time and diligence that he devotes to his duties and responsibilities as well as his extensive qualifications and related experience. Both the Chair and GOCOM have determined that his other board memberships do not negatively affect Mr. Steinberg's commitment or contribution to ATCO's Board.

CORPORATE CEASE TRADE ORDERS OR BANKRUPTCIES

Except as otherwise disclosed below, no proposed nominee for election as a director of the Company is, as at the date of this Circular, or has been, within the past 10 years before the date hereof, a director or executive officer of any other issuer that, while that person was acting in that capacity:

- i. was the subject of a cease trade or similar order or an order that denied the relevant company access to any exemption under securities legislation for a period of more than 30 consecutive days; or
- ii. was subject to an event that resulted, after the person ceased to be a director or executive officer, in the company being the subject of a cease trade or similar order or an order that denied the relevant company access to an exemption under securities legislation for a period of more than 30 consecutive days; or
- iii. within a year of that person ceasing to act in that capacity, became bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency or was subject to or instituted any proceedings, arrangement or compromise with creditors or had a receiver, receiver manager or trustee appointed to hold its assets.

Nancy C. Southern was until her resignation on August 24, 2020, a director and President of Swizzlesticks Enterprises Ltd., a private Alberta corporation operating a salon and spa in Calgary, Alberta, which on August 24, 2020, commenced proposal proceedings pursuant to the *Bankruptcy and Insolvency Act* (Canada) by filing a notice of intention to make a proposal. The corporation was declared bankrupt and a trustee was appointed on August 25, 2020. An application for the discharge of the trustee was approved on December 14, 2021.

GOVERNANCE

OVERVIEW

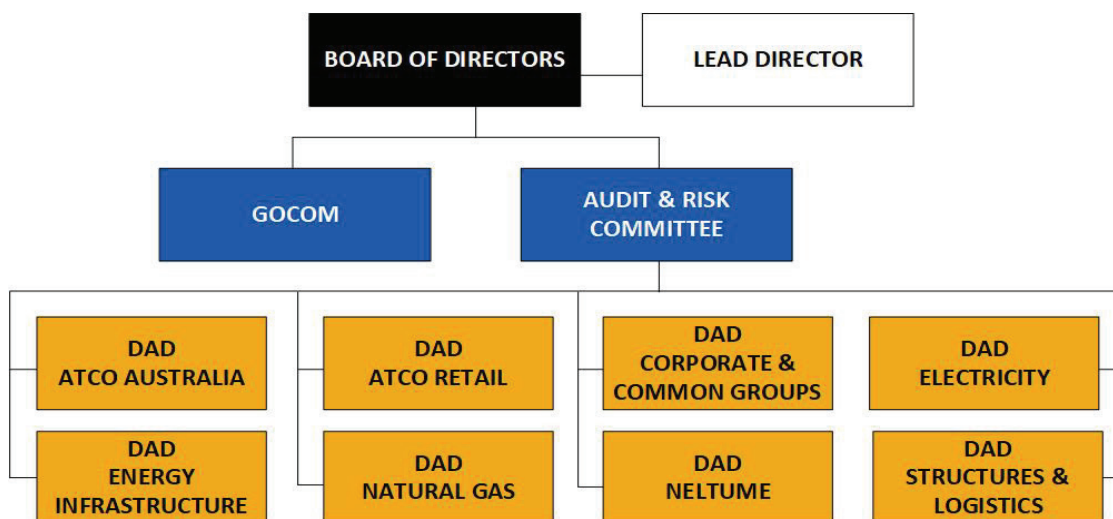
Effective corporate governance provides the foundation for ATCO's continued success. The Board is committed to good governance, always striving to ensure our corporate governance practices serve the interests of our share owners and other stakeholders, including our employees, Indigenous and community partners, and customers. We regularly evaluate our governance practices to ensure they are in keeping with the highest standards. Although ATCO does not believe in a "one size fits all" approach to governance, we comply with applicable securities laws. We have implemented a unique and effective system of corporate governance recognizing the need to provide autonomy and flexibility to our different businesses while accommodating the needs of both our regulated and non-regulated businesses. Members of the Southern family have continually maintained a controlling interest in ATCO since its formation. We are of the firm belief that the existence of a long-standing majority share owner is of fundamental importance to our governance and operations, and ensures that there is a high degree of alignment among share owners. The Company has had a consistently high-performing Board and senior management team that creates long-term value for our share owners.

MAJORITY CONTROLLED COMPANY

ATCO is a majority controlled company as defined in the TSX Company Manual. As such, there is no requirement for, and we do not have, a majority voting policy. The Majority Share Owner (see Page 2) has control over 11,483,120 Class II Shares which represents 87 per cent of the voting rights. Due to the level of control exercised by the Majority Share Owner, we are of the view that the introduction of a majority voting policy would introduce unnecessary complexity into the director selection process while having no impact on the outcome.

THE BOARD AND ITS COMMITTEES

The role of the Board has evolved to provide oversight to an organization with diverse and distinct Business Units. Effective oversight and diligence is provided by the Board, the Lead Director, the Audit & Risk Committee and GOCOM. Although not required by securities laws, some of ATCO's governance tools, such as the use of Designated Audit Directors (DADs) and the risk review program, have been implemented, in part, as a result of the influence of the Majority Share Owner as a means of ensuring long term value.



Roles and Responsibilities of the Board

Board of Directors

The Board is responsible for ensuring effective leadership and providing oversight for strategy, risk management, sustainability, diversity, succession planning, and corporate governance. In 2021, the Board held five regularly-scheduled meetings and one additional meeting. The frequency and length of meetings and the agenda items depended on the circumstances. Meetings were highly detailed and well attended. They were conducted in an atmosphere that encouraged participation and independence. The independent directors had the opportunity to hold in camera sessions, without management present, at all regularly-scheduled meetings of the Board, Audit & Risk Committee and GOCOM. Additional in camera meetings may be requested through the Lead Director at any time.

Lead Director

In 1995, ATCO was among the first public companies in Canada to introduce the concept of a lead director. Dr. Routs is the current Lead Director for the Company and was appointed to this position on July 22, 2021. The Lead Director provides the Board with the leadership necessary to ensure independent oversight of management. The Lead Director is an independent director and must be a member of GOCOM.

Corporate Governance - Nomination, Compensation & Succession Committee (GOCOM)

The GOCOM Committee oversees our corporate governance practices. It is comprised of some of our most senior and experienced directors. In addition to assessing individual and combined directors' performance, GOCOM oversees succession planning and evaluates senior executive officers' compensation and performance. GOCOM also reviews the size and composition of the Board and considers candidates as director nominees for approval by the Board and election by the share owners.

Audit & Risk Committee

The Audit & Risk Committee oversees accounting and financial reporting as well as risk management and control practices. The committee is chaired by an experienced independent director. Each committee member is an independent director and financially literate as defined in National Instrument 52-110 – *Audit Committees*. More information on the financial literacy of Audit & Risk Committee members and the mandate of the Audit & Risk Committee can be found in ATCO's annual information form which is available on our website (www.ATCO.com) and SEDAR (www.sedar.com).

The committee also reviews risks and opportunities that could materially affect the Company's ability to achieve strategic and operational objectives and is responsible for ensuring that management addresses risks by implementing appropriate mitigation measures. The committee satisfies itself that each Business Unit has adequate systems to monitor and comply with applicable human capital and environmental legislation. The committee receives information regarding risks and significant trends and reviews the summary of our safety, environmental and Code of Ethics compliance, through Stewardship Reports which are presented on a bi-annual basis. The committee receives regular reports from ATCO's senior management who provide expertise and support for their specific areas of responsibility. ATCO's Chief Executive Officer provides regular reports to the Audit & Risk Committee.

Designated Audit Directors

Designated Audit Directors (DADs) are directors of either ATCO or Canadian Utilities. Each DAD is assigned to one of our Business Units to provide oversight based on their strengths and experience in various industry sectors. DADs perform both audit and risk functions. DADs meet quarterly with senior management of their respective Business Unit, and annually with internal and external auditors. DADs review the financial statements and operating results quarterly, review risks twice yearly, and report on both operating results and risks to the Audit & Risk Committee. The Audit & Risk Committee annually reviews the mandate of the DADs.

STRATEGIC PLANNING

The Board is responsible for ensuring there are long-term goals and a strategic planning process in place, as well as approving a strategic plan for the Company on an annual basis. At the heart of our strategy is the desire to be a unified provider of essential services for our customers, allowing them to avoid the challenges of utilizing a fragmented network of providers. Our strategic plan is focused on diversifying our mix of portfolio investments into new markets and business lines and prudently deploying capital to deliver value to share owners through earnings and dividend growth. Through the strategic planning process, senior management and our directors ensure our long-term strategy aligns to our five core strategic pillars of innovation, growth, financial strength, operational excellence, and community involvement. A comprehensive three to four-day strategy session is held each year for this purpose where directors discuss the Company's long-term plans with senior management.

The health and safety of people is the first consideration in everything we do. Additionally, our Company has been a champion of diversity and inclusion for many years. Energy innovation is central to ATCO's strategy and includes the deployment and use of cleaner fuels, renewable energy growth, energy infrastructure and storage expansion, energy efficiency and the capture of carbon. This strategy, paired with our existing footprint, assets and expertise, uniquely positions our Company to enable our customers to affordably achieve their own emissions and energy goals.

Throughout the year, the Board monitors management's progress toward achieving the strategic priorities. Updates are provided to the Board regarding the capital resources required to implement our strategy including relevant regulatory, and environmental, social and governance (ESG) issues that may impact our strategy. As a principally controlled organization focused on long-term prosperity, sustainability continues to be a strategic imperative for our Company.

RISK MANAGEMENT

The Board is responsible for understanding the principal risks of the business and achieving an appropriate balance between the risks incurred and the potential return to share owners. We have an established enterprise risk management process that allows us to identify and evaluate risks by both severity of impact and probability of occurrence. The Board's responsibilities include confirming there are systems in place that effectively monitor and manage these different risks with a view to the long-term viability of the Company. The high level of engagement of Board members, as well as their extensive experience, contributes to the effectiveness of the Board's risk oversight program. The Audit & Risk Committee and Designated Audit Directors (as described above) support the Board in meeting these objectives.

Environmental, Social and Governance

As a provider of energy, structures and logistics services, ATCO has always had a long-term approach to managing and minimizing our environmental impacts. We also recognize that our success depends upon people and respectful and meaningful relationships. ESG and related issues are integrated within our enterprise risk management process. Good governance underpins our ability to effectively manage risks and create long-term value for our share owners and long-term benefits for other stakeholders including our employees, Indigenous and community partners, business partners, and customers. We regularly evaluate our practices to ensure they are aligned with international standards for assessing sustainability and climate-related issues.

Our risk management evaluation includes human capital related risks and climate-related risks relating to transitional (policy/regulatory, market, technology and reputational) and physical factors. We also consider climate-related opportunities such as resource efficiency, cleaner energy sources, innovative products and services, access to markets, and climate change resilience and adaptation. The Board's responsibilities for ESG oversight include verifying that the Company sets appropriate sustainability standards in its operations and is in compliance with laws and regulations. The Audit & Risk Committee, comprised of independent directors, has the greatest oversight of our sustainability reporting. Our business groups prepare Stewardship Reports, which are presented to the Audit & Risk Committee on a bi-annual basis, and include topics such as safety, environment and Code of Ethics compliance.

At ATCO, the sustainability team reports through the Senior Vice President, Finance, Treasury, Risk & Sustainability to the Chief Financial Officer. Members of senior management also oversee and contribute

their expertise due to the cross-functional nature of many sustainability initiatives. Sustainability is managed collaboratively across numerous groups, including Human Resources, Government Relations, Indigenous Relations, Health and Safety, Environment, Marketing and Communications, Business Development, Corporate Governance and Secretarial, Internal Audit, and Risk Management, among others. These groups monitor best practices, develop and implement policies and standards and support our various divisions. In 2021, a Sustainability and ESG Reporting Council was formed to increase collaboration and coordination for enterprise-wide sustainability initiatives and ESG reporting. Our executive leadership team is kept informed through quarterly internal dashboards that report key performance indicators, including data regarding environmental, safety and Indigenous relations metrics.

Cybersecurity

As our Company's reliance on technology to support business objectives and drive efficiencies grows, we have continued to increase our focus on cybersecurity. Our cybersecurity policies and strategies apply to our information technology and operational technology assets. Our risk management process includes a comprehensive cybersecurity strategy which is based upon the National Institute of Standards and Technology (NIST) Cybersecurity Framework. We maintain a cybersecurity insurance policy and our technology service providers submit Service Organization Control 2 Type 2 reports for the infrastructure and procedures they operate on our behalf. All new employees are required to complete our cybersecurity training program with follow-up training required on an annual basis thereafter. We engage external consultants on an annual basis to measure the effectiveness and maturity of the cybersecurity program against the NIST Cybersecurity Framework. A cybersecurity update is presented at least annually to the Audit & Risk Committee and cybersecurity metrics and issues are reviewed quarterly with the DADs.

Our Management's Discussion and Analysis includes more information about the risks applicable to ATCO. The 2021 Management's Discussion and Analysis is available on SEDAR at www.sedar.com and our website at www.ATCO.com.

SUSTAINABILITY, CLIMATE CHANGE AND ENERGY TRANSITION

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

Our 2021 Sustainability Report, which will be published in May 2022, will focus on the following material topics:

- Energy Transition - energy transition and innovation, and energy access and affordability;
- Climate Change and Environmental Stewardship - climate change and greenhouse gas emissions, and environmental stewardship;
- Operational Reliability and Resilience - system reliability and availability, emergency preparedness and response, and supply chain resilience and responsibility;
- People - diversity, equity and inclusion, occupational health and safety, public health and safety; and
- Community and Indigenous Relations - Indigenous engagement, economic opportunity and reconciliation, and community engagement and investment.

In January 2022, ATCO released a commitment to achieve net zero greenhouse gas emissions by 2050 and released an initial set of 2030 ESG targets. ATCO's Board recognizes and fully supports the achievement of these targets which align with ATCO's strategic direction. More detailed information and progress towards these targets can be found in the 2021 Sustainability Report which will be published in May 2022.

The Sustainability Report is based upon the internationally recognized Global Reporting Initiative (GRI) Standards. Our reporting is also guided by the Sustainability Accounting Standards Board (SASB) and the Financial Stability Board's Task Force on Climate-related Financial Disclosures' (TCFD) recommendations. The 2020 Sustainability Report, Sustainability Framework Reference Document, additional governance details, our materiality assessment, and other disclosures are available on our website at www.ATCO.com.

Climate Change and Energy Transition

To contribute to a net zero future, we continue to pursue initiatives to integrate cleaner fuels, renewable energy and energy storage. This includes looking at ways to modernize our energy infrastructure to accommodate new and innovative sources of energy as well as ways to further use energy more efficiently. We are decarbonizing our operations and enabling our customers to transition to lower emitting sources of energy, while maintaining safety, reliability and affordability. More information about our recent projects can be found in ATCO's Management's Discussion & Analysis available on SEDAR at www.sedar.com and our website at www.ATCO.com.

DIVERSITY, EQUITY AND INCLUSION

ATCO supports a diverse and inclusive working environment that values and encourages a variety of perspectives. Our Code of Ethics (the Code) sets out our values which guide the conduct of all employees, officers and directors, and is supported by our Inclusive and Respectful Workplace policy. This policy encourages diversity and ensures our people have the opportunity to participate in work-related activities in an environment that is inclusive, respectful and safe. We value our individual differences, our unique perspectives and backgrounds, and the variety of contributions each of us brings to work. Aligning with these values, it is our policy to select people from the most qualified pool of talent and consider candidates based on merit. Our approach enables us to make important decisions regarding the composition of our Board and senior management team based on the best interests of the Company and its share owners. In 2021, we formed a Diversity, Equity & Inclusion Council to bring together people across our business groups to amplify the existing diversity, equity and inclusion work happening across ATCO. Canada's top 100 Employers selected ATCO as one of *Canada's Top Employers for Young People* in 2022. This designation recognizes employers that offer the best workspaces and programs for anyone under the age of 25 starting out in their careers. In January of this year, ATCO announced targets which include achieving and maintaining a minimum of 30 per cent female representation on the Board and senior leadership levels, and a minimum of 25 per cent minority representation within the ATCO Group workforce.

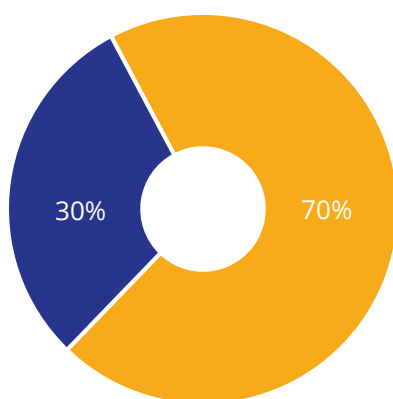
Board of Directors

We believe that an effectively functioning board is critical to the success of the Company, and that the Board must have the flexibility to adopt director election and composition practices that suit its unique needs and circumstances. We are focused on finding the most qualified individuals available with the skills, experience, and expertise that will complement the Board. Diversity, including gender diversity, is among the many factors taken into consideration when evaluating candidates as potential directors.

GOCOM reviews the size and composition of the Board from time to time and evaluates the need for change to Board and committee composition based on an analysis of the skills, expertise and industry experience that align with the Company's strategic objectives.

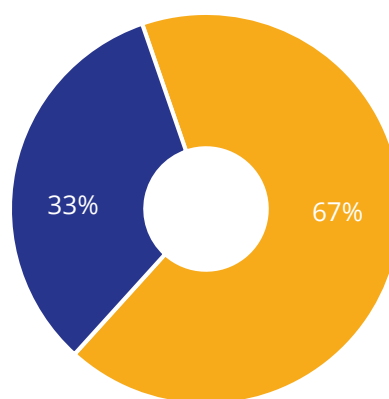
We have been a leader in the representation of women on our Board and have outperformed the Financial Post 500 (FP500) for many years. ATCO currently has three women on the Board, representing 30 per cent of the directors. Three of the nine director nominees are women, representing 33 per cent of the director nominees.

**Women on our Board
Current**



■ Men ■ Women

**Women on our Board
2022 Director Nominees**



■ Men ■ Women

Along with our Chair, GOCOM considers potential candidates who have competencies believed to complement the Board or senior management. Several mechanisms have been adopted by GOCOM and the Board in order to promote an appropriate level of Board renewal, while attributing high value to relevant industry experience, continuity and a solid track record of service in potential Board members. GOCOM spends a significant amount of time reviewing Board succession and recruitment (see Performance Assessment and Director Retirement).

We have no set term limits for directors and have found that the effectiveness of our Board is not negatively impacted by having long-standing directors. Our approach contributes to strong boardroom dynamics that give rise to a consistently high-performing Board and high corporate performance.

Senior Management

Appointments to the executive level are determined on the merit, performance, expertise and experience of the individual. Diversity, including gender diversity, is among many factors taken into consideration when determining senior management appointments. The Company targets maintaining a minimum of 30 per cent female representation at the senior leadership levels. We voluntarily make public disclosure of information on gender diversity within the organization in ATCO's Sustainability Report, which is available on our website (www.ATCO.com). As of December 31, 2021, the Company's senior management team comprised 22 women representing 30.6 per cent.

Indigenous Initiatives

Our Code of Ethics confirms our commitment to build and maintain positive and mutually beneficial relationships and partnerships with all the communities we serve. We recognize the importance of working cooperatively and collaboratively with all Indigenous groups including First Nations, Inuit and Métis communities. In 2021, ATCO formed an Indigenous Advisory Board comprised of senior management and members of Indigenous groups from across Canada. The mandate of the Indigenous Advisory Board includes providing advice on issues that have an impact on Indigenous communities as well as ATCO's Indigenous relations strategy. We voluntarily disclose information about our work with Indigenous communities in ATCO's Sustainability Report, which is available on our website (www.ATCO.com).

DIRECTOR ORIENTATION AND CONTINUING EDUCATION

All our new directors attend a briefing with the Chair, as well as several comprehensive meetings at which they receive briefings by senior management on all aspects of our business. Our new directors are also provided information about each of the business segments, the organizational structure, the by-laws, and the Board and committee mandates. Information is also provided to directors on corporate policies, including our Code of Ethics, Disclosure Practice, and Anti-Corruption Practice.

Directors, together with members of our senior management team, attend an annual strategy conference which has been held every year since 1968. This conference kicks off our annual business planning process. Strategies for operating and financial growth are discussed over three to four days consisting of presentations, plenary sessions and directors' recommendations.

Throughout each year, management makes presentations to our Board and its committees on key business decisions and topical issues, including reviews of annual business plans, significant contracts, strategic transactions, financing, and major capital expenditures. Presentations are also made by management in response to directors' requests. An online resource centre, which is updated with timely relevant information, is available to all directors. Our directors also attend and participate in seminars and other continuing education programs. Visits to various operating sites are also arranged for our directors from time to time. Key information and education sessions hosted by the Company that were attended by our directors in 2021 are listed below:

Date	Event
March 29 - April 1	Strategy Conference
July 20	Sustainability Seminar
November 9 - 11	Business Planning

Prior to the implementation of restrictions due to the COVID-19 pandemic, the Board also held evening dinner sessions with most regularly scheduled Board meetings. These dinners provide an opportunity for directors to meet in a less formal atmosphere and get to know high-potential employees.

PERFORMANCE ASSESSMENT

The performance of our Board, Board committees and individual directors is assessed at least annually. These assessments are facilitated by our Lead Director on behalf of our Chair. Performance evaluation questionnaires are distributed annually to each of our directors and Board committee members.

The performance evaluation questionnaires provide our directors with the opportunity to examine their collective effectiveness and identify areas for improvement. The questions address director skills and experience; preparation, attendance and availability for meetings; communication and interaction; as well as business, company, and industry knowledge. The questionnaires include an overall assessment and are reviewed by GOCOM. Each director receives a report on the Board questionnaire, with committee members receiving reports on the committee questionnaires.

Our directors are encouraged to expand their responses beyond the specific questions in the questionnaires and provide open-ended comments.

DIRECTOR RETIREMENT

After directors turn 70 years of age, they may be asked to tender a letter of resignation to our Chair. Our Chair, together with GOCOM, evaluates whether and when to request and/or accept a resignation letter depending on the Company's needs. If a director's resignation is accepted, such resignation will generally be effective at the next annual meeting of share owners.

ETHICAL BUSINESS CONDUCT

Our Board encourages a culture of ethical business conduct by expecting each director, officer and member of management to exemplify ethical business conduct. This expectation sets the tone for all employees of ATCO. Our Board has adopted a written Code of Ethics, which is subject to periodic review and revision to ensure it is in line with best practices.

A copy of the Code is provided to each new director, officer and employee of the Company, and everyone must acknowledge in writing that they have reviewed and will abide by the Code as a precondition of their engagement. Furthermore, on an annual basis, each of our directors, officers and employees must confirm that they have reviewed the Code.

Directors who have, or may be reasonably perceived to have, a personal interest in a potential or current transaction or agreement involving ATCO are required to declare this interest at the Board meeting at which such matter is considered. These directors are asked to leave the meeting during the discussion on the matter containing a personal interest and must abstain from voting on such matter.

We did not file any material change reports in 2021 relating to a director's or executive officer's departure from the Code. No waivers of the Code have ever been granted to any ATCO director, officer or employee.

We maintain a hotline that employees are free to use in order to express any concerns about inappropriate business conduct. Concerns may be reported confidentially and anonymously either online or by phone. Non-employees may also submit complaints or concerns online or by phone as set out in the Integrity & Compliance section of our website (www.ATCO.com) or to an Audit & Risk Committee member via our Vice President, Corporate Secretary at 4th Floor, West Building, 5302 Forand Street S.W., Calgary, Alberta T3E 8B4.

A copy of our Code can be accessed on our website (www.ATCO.com), on SEDAR (www.sedar.com) or by written request to our Vice President, Corporate Secretary.

DISCLOSURE PRACTICE

We are committed to providing the public with accurate, timely and fair disclosure of corporate information. We comply with all laws and regulations and ensure that our public communications are disseminated according to applicable legal and regulatory requirements. Our Disclosure Practice applies to all our directors, officers and employees. It covers written and oral communications provided to the public, including the following:

- Financial and non-financial documents
- Annual reports
- Interim reports
- News releases
- Letters to share owners
- Presentations and speeches by senior management
- Corporate websites and other communications
- Documents filed with securities regulators and the Toronto Stock Exchange
- Oral statements made to financial analysts and the public
- Interviews with the media
- News conferences

BOARD COMMITTEES

Our Board and its committees have each adopted a mandate outlining their principal responsibilities. Our Board and Board committees review the mandates each year to ensure they reflect current developments in corporate governance. Any changes that are made to the mandates are approved by the Board. Our Board has also approved written position descriptions for the Chair, the Lead Director, each Board committee chair, and the Chief Executive Officer. GOCOM reviews all of these position descriptions annually.

Our Board has two standing committees that meet statutory and policy requirements:

- Audit & Risk
- GOCOM

Each committee updates the Board regularly on its respective activities and a report is provided to our Board after each committee meeting. Our Board reviews the composition of its committees each year and makes adjustments as needed.

Our Board's mandate outlines its roles and responsibilities and is attached to this Circular as Schedule A. The Board and Board committee mandates are available on our website (www.ATCO.com).

COMMITTEE REPORTS

This section includes reports from each of our Board's standing committees as of December 31, 2021.

Audit & Risk Committee

Members



**R.J. Routs,
Chair**
Independent

**2021 Meeting
Attendance**
4 of 4 (100%)



M.R.P. Rayfield
Independent

**2021 Meeting
Attendance**
4 of 4 (100%)



R.J. Urwin
Independent

**2021 Meeting
Attendance**
4 of 4 (100%)



S.R. Werth
Independent

**2021 Meeting
Attendance**
4 of 4 (100%)



C.W. Wilson
Independent

**2021 Meeting
Attendance**
4 of 4 (100%)

The Audit & Risk Committee consists of five independent directors of the Board, each of whom is financially literate and annually elected by the Board. The Committee is responsible for contributing to the effective stewardship of the Company by assisting the Board in fulfilling its oversight of:

- The integrity of our financial statements
- Compliance with applicable legal and regulatory requirements
- Independence, qualifications and appointment of our external auditor
- Performance of our internal auditor and external auditor
- Our accounting and financial reporting processes
- Audits of our financial statements
- Our risk management processes

The Committee has authority delegated by the Board to:

- Recommend the external auditor for appointment and oversee their work and compensation
- Pre-approve all audit and permitted non-audit services of the external auditor
- Conduct or authorize investigations regarding matters related to the Committee's responsibilities, including engaging independent counsel or other advisors as necessary
- Inspect the books and records of the Company and its subsidiaries and discuss such records relating to the financial position or risk related issues of the Company and its subsidiaries
- Meet with the Company's officers, external auditors or outside counsel, as necessary
- Delegate authority to one or more members of the Committee, as permitted by applicable law

The following highlights the actions taken by the Audit & Risk Committee in fulfilling its mandate in 2021:

Financial Reports

- Reviewed significant accounting and reporting issues to gain an understanding of how they impacted the financial statements
- Reviewed the analysis of the effects of new or revised International Financial Reporting Standards (IFRS) guidance on the financial statements and reviewed the Company's impact assessments and implementation project plans for the IFRS guidance that has been issued but is not yet in effect
- Reviewed and approved quarterly consolidated financial statements, management's discussion and analysis, and earnings press releases

- Reviewed and recommended for Board approval the annual consolidated financial statements, management's discussion and analysis, annual information form and earnings press release
- Received quarterly reports from the DADs and directors appointed to corporate entities including joint ventures and partnerships (which do not have an appointed DAD)

Internal Controls

- Reviewed reports on the design and effectiveness of our disclosure controls and procedures as well as internal control over financial reporting
- Reviewed procedures for our financial information review and disclosure
- Reviewed and approved governance documents and committee mandates

External Auditor

- Reviewed our external auditor's appointment and compensation and recommended to our Board for approval
- Reviewed and approved our external auditor's non-audit services
- Reviewed our external auditor's report on its internal quality control procedures
- Reviewed and assessed our external auditor's independence
- Received reports from our external auditor on quarterly and annual consolidated financial statements and management's discussion and analysis

The following table shows the fees billed for services provided to us by PwC for the past two years:

For the year ended December 31, 2021	2021 \$MM	2020 \$MM
Audit ¹	4.4	4.1
Audit related ²	0.1	—
Tax ³	1.3	0.7
All other fees ⁴	0.2	—
Total	6.0	4.8

1 Audit fees are the aggregate professional fees paid to the external auditor for the audit of the annual consolidated financial statements and other regulatory audits and filings.

2 Audit related fees are the aggregate fees paid to the external auditor for services related to special purpose audits and audit services including consultations regarding IFRS.

3 Tax fees are the aggregate fees paid to the external auditor for tax compliance, tax advice, tax planning and advisory services relating to the preparation of corporate tax, capital tax and sales tax returns.

4 All other fees include aggregate fees paid to the external auditor for consulting services related to the Company's finance and accounting function.

Internal Audit

- Reviewed and approved our annual Audit Plan and the Internal Audit annual budget and resource plan
- Ensured that our internal audit function has been effectively carried out and the internal auditor has adequate resources
- Reviewed internal audit reports, including management's responses, as well as quarterly reports on management's action plans to implement audit recommendations
- Ensured we have appropriate procedures for the confidential and anonymous receipt, retention and treatment of complaints received, and reviewed any reports received on the investigations of complaints

Risk Management

- Reviewed and considered our risk-taking philosophy
- Reviewed our risk inventory and related mitigation plans
- Received presentations, reports and other information regarding risks and significant trends
- Reviewed reports from the DADs and directors appointed to corporate entities including joint ventures and partnerships (which do not have an appointed DAD) regarding any significant risks identified by management

- Reviewed and discussed the summary of our safety and environmental performance
- Satisfied itself that management has appropriate processes in place to identify, assess, manage and monitor risk
- Reviewed our insurance programs for adequacy

The Audit & Risk Committee is satisfied that it has appropriately fulfilled its mandate for the year ended December 31, 2021.

Corporate Governance – Nomination, Compensation and Succession Committee

Members



**C.W. Wilson,
Chair**
Independent

**2021 Meeting
Attendance**
5 of 5 (100%)



R.T. Booth
Not Independent

**2021 Meeting
Attendance**
5 of 5 (100%)



R.J. Routs
Independent

**2021 Meeting
Attendance**
5 of 5 (100%)



S.R. Werth
Independent

**2021 Meeting
Attendance**
5 of 5 (100%)

GOCOM is responsible for contributing to the effective stewardship of the Company. The committee assists the Board in fulfilling its oversight of corporate governance, nomination, compensation and succession.

The following highlights the actions taken by GOCOM in fulfilling its mandate in 2021:

- Assessed our Chief Executive Officer's performance, base salary, annual incentive award and awards under the long-term incentive plan
- Reviewed and approved our Chief Executive Officer's report on senior executive officers' performances and recommendations for base salary, annual incentive awards and awards under the long-term incentive plan
- Reviewed and approved our Chief Executive Officer's goals, objectives and corporate targets
- Reviewed succession plans for our Chief Executive Officer and senior executive officers
- Reviewed and made recommendations to our Board on potential senior executive officer appointments
- Reviewed and approved our senior executive officers' supplemental pension plan and perquisites
- Reviewed our corporate governance disclosure
- Reviewed and approved governance documents and Board and Board committee mandates
- Reviewed the evaluation process of Board committees, the Board and each individual director
- Reviewed and approved directors' compensation
- Reviewed the size and composition of our Board and considered candidates as potential nominees as directors; recommending potential director nominees for approval by the Board and for election by our share owners
- Together with our Board, reviewed the status of each director to determine whether he or she is independent based on the Canadian Securities Administrators' criteria as set out in National Instrument 52-110 - *Audit Committees*
- Continued to spend a significant amount of time on recent developments in corporate governance and disclosure
- Considered risk implications and managed risks as they relate to our compensation policies and practices

GOCOM is satisfied that it has appropriately fulfilled its mandate for the year ended December 31, 2021.

DIRECTOR COMPENSATION

GOCOM assesses the compensation of the directors and makes recommendations to our Board. GOCOM annually reviews director compensation using information from other corporations and published data. From time to time, GOCOM retains independent compensation consultants to make market comparisons and provide advice on developing appropriate compensation programs. Director compensation is reviewed to determine whether it is appropriate for the responsibilities, time commitment, and risks assumed by our directors.

REMUNERATION

The table below shows the retainers paid to our directors in 2021.

Retainers	(\$)
Board ¹	195,000
Board Meetings	25,000
Lead Director	75,000
Audit & Risk Committee Chair	33,000
Audit & Risk Committee Member	15,500
GOCOM Chair	29,500
GOCOM Committee Member	4,500

¹ The Company has an agreement with Dr. Urwin that his retainer will be paid in the Canadian dollar equivalent of \$195,000 U.S.

Directors are reimbursed for travel and other expenses they incur for attendance at Board and committee meetings. Directors who are full-time salaried employees of ATCO receive no remuneration for serving as a director.

From time to time, our Board forms ad hoc committees to undertake special initiatives. The chairs and members of ad hoc committees may receive fees that are determined when the committees are formed.

REMUNERATION SUMMARY

The table below provides a breakdown of the fees paid, on a quarterly basis, in the form of annual retainers to our non-employee directors for the year ended December 31, 2021. Other fees include retainers paid to those directors who also serve on the boards and committees of ATCO's subsidiaries, as well as retainers related to serving as DADs for the Business Units. No other forms of compensation were provided to the directors for the year ended December 31, 2021.

Ms. Southern is an employee of ATCO and did not receive compensation as a director. Ms. Southern's compensation is shown on Page 65 of this Circular.

Name	Director retainer ¹ (\$)	Board Meeting retainer ² (\$)	Committee Chair retainer ² (\$)	Committee Member retainer ² (\$)	Other fees ^{3,4,5,6} (\$)	Total fees earned (\$)
Robert T. Booth	195,000	25,000	—	4,500	28,500	253,000
Denis M. Ellard	195,000	25,000	2,500	—	11,000	233,500
Michael R.P. Rayfield	195,000	25,000	—	15,500	9,500	245,000
Robert J. Routs	228,462	25,000	33,000	4,500	122,613	413,575
Linda A. Southern-Heathcott	195,000	22,000	—	—	232,500	449,500
Norman M. Steinberg	65,000	8,333	—	—	—	73,333
Roger J. Urwin	242,079	22,000	—	12,500	568,100	844,679
Susan R. Werth	195,000	25,000	—	20,000	20,500	260,500
Charles W. Wilson	236,827	22,000	27,250	15,500	346,576	648,153
Total	1,747,368	199,333	62,750	72,500	1,339,289	3,421,240

1 **Director retainer:** Mr. Wilson was Lead Director until July 2021 and Dr. Routs has been Lead Director since July 2021; accordingly, these retainers have been pro-rated. The Company has an agreement with Dr. Urwin that his retainer will be paid in the Canadian dollar equivalent of \$195,000 U.S. Mr. Steinberg was appointed to the Board on September 1, 2021 and his retainers have been pro-rated.

2 **Reduced retainers:** Directors may have their retainers reduced if they act as a director, committee chair, or committee member for more than one ATCO company.

3 **Other fees:** Includes retainers for acting as a DAD.

4 **Other fees:** Ms. Southern-Heathcott, Dr. Urwin and Mr. Wilson received retainers as directors of Canadian Utilities. Mr. Booth and Ms. Southern-Heathcott received retainers as directors of CU Inc.

5 **Other fees:** Mr. Rayfield received an annual retainer as chair of the Pension Fund Committee of ATCO Structures & Logistics Ltd. Ms. Southern-Heathcott and Ms. Werth received meeting retainers as members of the Pension Fund Committee of ATCO Structures & Logistics Ltd. Mr. Wilson received meeting attendance fees as a director of ATCO Structures & Logistics (USA) Inc.

6 **Other fees:** Dr. Routs, Dr. Urwin and Mr. Wilson received fees and superannuation contributions as directors of ATCO Australia Pty Ltd. Dr. Urwin received fees for acting as a director of LUMA Energy, LLC; this also includes fees for a pro-rated period in 2020.

RETIRING ALLOWANCE

ATCO's program to provide certain non-employee directors with a one-time allowance when they retire was discontinued in November 2003. Mr. Wilson is the only current director entitled to the retirement allowance which was grandfathered when the program was discontinued.

Years of service	\$
0 to 5	\$110,000
6 to 10	\$220,000
11 to 15	\$330,000
16 to 20	\$440,000
21 to 25	\$550,000
26 to 30	\$660,000
31 to 35	\$770,000
36 to 40	\$880,000
41 to 45	\$990,000

DIRECTOR SHARE OWNERSHIP

All non-employee directors are required to directly or indirectly own Class I Shares and/or Class II Shares together having an aggregate market value of at least 3.0 times the value of the annual board retainer within five years of being appointed to the Board, or within five years of any change to the required market value holdings. A minimum of \$30,000 of the annual board retainer is paid in Class I Shares. Until the minimum share ownership requirement is met, directors are required to receive a minimum of \$50,000 of their annual board retainer in Class I Shares. A director may, with the approval of the chair of GOCOM, have this minimum contribution amount reduced if he or she makes alternative arrangements to meet the minimum share ownership requirement within the five year timeframe.

All of our directors are in compliance with the share ownership requirement. Directors have the option of receiving up to 60 per cent of their annual board retainer in Class I Shares and/or in Class A non-voting shares of Canadian Utilities.

The following table sets out each director's ownership of Class II Shares and Class I Shares in ATCO as at March 9, 2022, and any change in the ownership interest since the previous proxy circular dated March 8, 2021.

Name	Equity Ownership as at March 8, 2021		Equity Ownership as at March 9, 2022		Net Change in Ownership		Equity at risk ¹	
	Class II Shares	Class I Shares	Class II Shares	Class I Shares	Class II Shares	Class I Shares	Value (\$)	Multiple of 2021 annual director retainer
Robert T. Booth	—	22,928	—	24,564	—	1,636	1,030,951	5.3
Denis M. Ellard	200	11,136	200	13,167	—	2,031	561,319	2.9
Michael R.P. Rayfield	—	29,467	—	33,426	—	3,959	1,402,889	7.2
Robert J. Routs	—	17,683	—	20,651	—	2,968	866,722	4.4
Nancy C. Southern ^{2,3}	50,600	341,423	50,600	399,480	—	58,057	18,967,276	n/a
Linda A. Southern-Heathcott ³	10,350	27,108	10,350	29,379	—	2,271	1,683,262	8.6
Norman M. Steinberg	n/a	n/a	—	3,269	—	3,269	137,200	0.7
Roger J. Urwin	—	9,316	—	10,937	—	1,621	459,026	2.4
Susan R. Werth	—	18,622	—	19,347	—	725	811,994	4.2
Charles W. Wilson	—	62,505	—	64,042	—	1,537	2,687,843	13.8
Total	61,150	540,188	61,150	618,262	—	78,074	28,608,482	

¹ Equity at risk is shown as at March 9, 2022, and is the market value determined by reference to the closing price of Class I Shares (\$41.97) and Class II Shares (\$43.50) on the Toronto Stock Exchange.

² The requirement to own shares having a value exceeding a multiple of the annual board retainer applies only to non-employee directors. Ms. Southern is an employee does not receive a retainer as a director. Her shareholdings and values are provided for information purposes only.





³ The shares owned and controlled by the Majority Share Owner are not included in this table. Please refer to the Majority Share Owner on Page 2.

OUTSTANDING OPTIONS

Effective August 1, 2008, our non-employee directors are no longer eligible to receive options. There were no outstanding options held by any of our non-employee directors as at December 31, 2021.

COMMUNICATING WITH THE BOARD

We understand the importance of meaningful engagement and maintaining communication with share owners. Share owners can attend the annual meeting which provides a valuable opportunity to hear from management about the results of our business and our strategic plans. Investor days, attendance at industry conferences, and executive presentations and meetings are held periodically to provide updates on the Company's strategy, outlook and operations. Webcasts and investor presentations are made available at www.ATCO.com in the investors section under Events & Presentations.

You may communicate directly with the Board through the Chair & Chief Executive Officer by writing to:	
	Chair & Chief Executive Officer c/o Vice President, Corporate Secretary ATCO Ltd. 4th Floor, West Building 5302 Forand Street S.W. Calgary, Alberta, Canada T3E 8B4
For more general investor inquiries and information, please contact Investor Relations:	
	Email: investorrelations@ATCO.com
	Telephone: (403) 292-7500
	Mailing address: Investor Relations, c/o ATCO 3rd Floor, West Building 5302 Forand Street S.W. Calgary, Alberta, Canada T3E 8B4

COMPENSATION DISCUSSION & ANALYSIS

OVERVIEW

This CD&A discusses ATCO's executive compensation program, and how it is structured, governed and designed to support the corporate business objectives.

It discloses compensation of the Chief Executive Officer, Chief Financial Officers and the next three executives that received the highest pay as of December 31, 2021 (our named executives):

- Nancy C. Southern, Chair & Chief Executive Officer, ATCO and Canadian Utilities
- Siegfried W. Kiefer, Honorary Director, Office of the Chair, ATCO
- Katherine (Katie) J. Patrick, Executive Vice President, Chief Financial & Investment Officer, ATCO
- Adam M. Beattie, President, Structures of ATCO Structures & Logistics Ltd.
- Robert (Bob) J. Myles, Executive Vice President, Corporate Development, ATCO and Canadian Utilities
- Dennis A. DeChamplain, Executive Vice President & Chief Financial Officer, ATCO and Canadian Utilities
- Brian P. Shkrobot, Executive Vice President & Chief Financial Officer, Canadian Utilities

Siegfried W. Kiefer held the position of Member, Office of the Chair, ATCO and President & Chief Executive Officer, Canadian Utilities until June 30, 2021. He transitioned into the role of Honorary Director, Office of the Chair, ATCO until his retirement on February 28, 2022.

Dennis A. DeChamplain held the position of Executive Vice President & Chief Financial Officer, ATCO and Canadian Utilities until his passing on August 15, 2021. Brian P. Shkrobot held the position of Interim Chief Financial Officer for ATCO and Canadian Utilities between August 16, 2021 and September 30, 2021. Mr. Shkrobot was appointed the Executive Vice President & Chief Financial Officer, Canadian Utilities on October 1, 2021. Katie J. Patrick was appointed as the Executive Vice President, Chief Financial & Investment Officer, ATCO effective October 1, 2021. Ms. Patrick's previous role was Senior Vice President, Investment Portfolio Management, ATCO.

In 2021, the named executives, excluding Adam M. Beattie, had a dual role for ATCO and for Canadian Utilities, our subsidiary company. Adam M. Beattie's compensation expenses are 100 per cent allocated to ATCO. The compensation we report here is the compensation the named executives receive from both companies.

Every year, we apportion compensation for executives with multiple roles based on each Company's contribution to total consolidated revenues, labour and assets. This allocation method, which has been approved by the Alberta Utilities Commission, represents an estimate of the amount of time we expect the executives will devote to each entity.

Throughout this CD&A, when we refer to *senior executives*, we mean the CEO and her direct reports (only some of whom are named executives).

The table below shows how ATCO and Canadian Utilities have shared the compensation expense of executives with dual roles over the past three years:

	Amount paid by ATCO	Amount paid by Canadian Utilities	Combined total reported in ATCO proxy circular
2021	11.0 %	89.0 %	100%
2020	10.0 %	90.0 %	100%
2019	10.1 %	89.9 %	100%

GOVERNANCE

Executive compensation at ATCO and our subsidiaries is the overall responsibility of GOCOM.

GOCOM has four members, all of whom have experience in compensation and business:

Charles W. Wilson (Chair) Independent	<ul style="list-style-type: none">• Held senior executive positions with a large international energy corporation including being CEO for seven years• Substantial experience recommending total executive compensation and dealing with other compensation issues• Considerable experience on public boards and compensation committees
Robert T. Booth Not Independent	<ul style="list-style-type: none">• Partner at Bennett Jones LLP, ATCO's legal counsel• Extensive background in energy and natural resources law, and legal and regulatory aspects of compensation and corporate governance• Several years of service on public boards and compensation committees
Robert J. Routs Independent	<ul style="list-style-type: none">• Over 30 years' experience as a senior executive of a large international energy corporation• Experience dealing with compensation matters• Several years of service on public boards including being Chair of a Canadian energy corporation and member of governance and compensation committees
Susan R. Werth Independent	<ul style="list-style-type: none">• Former Chief Administration Officer for ATCO and Canadian Utilities• Extensive experience dealing with corporate governance and compensation matters

GOCOM has the following mandate related to executive compensation and succession planning:

COMPENSATION

- Annually review and determine executive compensation packages for senior executives (salary, short and long-term incentives, pension and benefits, perquisites and other compensation)
- Determine the administration, interpretation, operation and risk of the incentive plans, subject to the provisions of such plans and the rules of any applicable stock exchange
- Prepare and review, as required, public or regulatory disclosure about compensation and how performance is measured

Succession Planning for Executives

- Review and approve potential successors to the CEO and other senior executive positions
- Review and assist with succession and professional development plans

See Page 37 for more information about the committee and a summary of its activities in 2021.

GOCOM is also responsible for compensation of the directors on ATCO's Board. You can read about its approach starting on Page 38.

Compensation Approach

Our compensation philosophy is to provide "competitive pay for competitive performance." This approach ensures the interests of executives are closely aligned with those of our share owners and supports the Company's continued success.

The approach includes three principles:

- Pay competitively
- Pay for performance
- Manage risk

Pay Competitively

GOCOM believes that competitive compensation is essential to attract and retain talented executives in a highly competitive business environment.

Compensation is targeted at the median of our comparator peer group of companies. The peer group, developed in consultation with Mercer, consisted of Canadian companies in the utilities, midstream/pipeline, E&P/fully integrated, materials and industrials sectors given that these are the most comparable. The companies fell within 1/3 to 3x of ATCO on key size metrics such as revenue, assets, market capitalization and enterprise value. The number of matches for Adam M. Beattie's role was insufficient using the comparator group below and, as such, the additional comparator companies set out in Schedule B were employed for Mr. Beattie. The companies listed in Schedule B are drawn from Mercer's manufacturing & logistics peer group.

2021 comparator companies	Algonquin Power & Utilities Corp. AltaGas Ltd. Canadian Natural Resources Limited Canadian Pacific Railway Limited Capital Power Corporation Cenovus Energy Inc. Crescent Point Energy Corp. Emera Incorporated Enbridge Inc. ENMAX Corporation EPCOR Utilities Inc. Fortis Inc. Gibson Energy Inc.	Hydro One Limited Imperial Oil Limited Inter Pipeline Ltd. Keyera Corp. MEG Energy Corp. Northland Power Inc. Nutrien Ltd. Ovintiv Inc. Pembina Pipeline Corporation Stantec Inc. Suncor Energy Inc. TC Energy Corporation TransAlta Corporation
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Pay for Performance

Executive compensation is linked to achieving goals that create sustainable share owner value:

- Each senior executive's individual goals and objectives are aligned with our strategic plan
- A portion of every senior executive's compensation is variable, based on his or her ability to influence business outcomes and financial performance
- Variable pay is linked to corporate, individual and Business Unit performance and paid when performance criteria and objectives are met or exceeded, at the discretion of GOCOM
- Long-term incentives are linked to sustainable profitable growth

Manage Risk

GOCOM considers the implications of the risks associated with the Company's compensation policies and practices, and oversees risk management in the context of the Company's compensation programs. GOCOM manages risk in the following ways:

The incentive pool for the short-term incentive ties total compensation to corporate financial performance. This policy ensures that any bonuses paid reflect overall company financial performance during the year, as well as individual and Business Unit performance.

Total potential payout is tested to ensure it is not a significant part of the Company's earnings.

GOCOM has the discretion to adjust the size of the incentive pool, or the amount of a senior executive's compensation to ensure total compensation is appropriate and balanced between fixed and variable compensation.

Long-term incentives focus senior executives on achieving sustainable, profitable growth over the medium and long-term, so they are not encouraged to take excessive risks for short-term gain.

GOCOM has the discretion to not award incentive compensation.

Executives have a significant stake in the Company's share price performance:

- The CEO holds more than 18 times her salary in ATCO shares
- While senior executives are not required to hold ATCO shares, a portion of their total compensation is in equity-based compensation

Senior executives and directors are not allowed to use personal hedges to offset the value of their equity compensation and other ATCO securities held directly or indirectly.

GOCOM is satisfied that:

- ATCO's compensation policies and practices do not encourage any executive to take inappropriate or excessive risks that could have a materially adverse effect on the Company
- ATCO has the proper practices in place to effectively identify and mitigate potential risk

Operate Independently

When making executive compensation decisions and director nominations, GOCOM operates independently from management. All of the members of the committee are independent except Mr. Booth. Mr. Booth is a partner at Bennett Jones LLP, ATCO's legal counsel.

GOCOM ensures independence from management by holding in camera sessions (without management present) at each committee meeting. This strategy allows GOCOM to have candid discussions about executive compensation and director nomination.

Independent Advice

GOCOM hires independent consultants for advice on:

- The structure of our executive compensation program
- Legal matters related to executive compensation

Each year, GOCOM pre-approves fees and services the consultants will provide during the year.

Executive Compensation Advisory Services in 2021

GOCOM approved the use of two independent consultants in 2021 for information and advice on compensation.

Willis Towers Watson provided compensation and benefits consulting services, as well as published surveys and studies. The Company has worked with Willis Towers Watson for more than 15 years.

Mercer was first engaged in 1984 and provided the following services in 2021:

- Reviewing total compensation of executive positions to comparable roles in the marketplace
- Gathering information and recommending a competitive approach on executive compensation practices
- Providing actuarial consulting services for pension and benefits
- Performing consulting services for regulatory hearings
- Providing surveys and studies

	Fees in 2021 (\$)	Fees in 2020 (\$)
Willis Towers Watson		
Executive compensation-related fees	-	198,145
All other fees	78,336	162,449
Mercer		
Executive compensation-related fees	179,998	-
All other fees	636,126	801,929

The total fees which are reported here are incurred by both ATCO and Canadian Utilities.

DECISION-MAKING PROCESS

Compensation decisions are made using a five-step process that ensures executive compensation is appropriate, effective and does not encourage excessive risk taking.

1	Review Compensation Plan	<p>At the beginning of every year, GOCOM analyzes the previous year's compensation plan against management proxy circular data from other companies and compensation data provided by outside advisors.</p> <p>It also reviews a tally sheet, prepared by management for the CEO and her direct reports, that includes a three-year history of salary, incentive plan payments, discretionary payments, perquisites, share plan ownership and grants, pension and benefits, and the expected value of long-term incentives.</p> <p>GOCOM makes any changes it believes are necessary to ensure the compensation plan:</p> <ul style="list-style-type: none">• Rewards these executives based on corporate, individual and Business Unit performance• Includes the appropriate variable components to align the interests of these executives with those of share owners• Focuses these executives on sustainable, profitable growth without encouraging excessive risk-taking
2	Set incentive plan targets and performance criteria	<p>GOCOM reviews and approves the performance measures for the short-term incentive pool based on corporate and Business Unit financial targets.</p>
3	Set individual and operational goals and objectives	<p>GOCOM sets goals and objectives for the CEO based on ATCO's business strategy. The CEO establishes individual and operational goals and objectives for her direct reports, which support ATCO's business strategy and the CEO's goals, and presents them to GOCOM.</p>
4	Assess corporate and Business Unit performance	<p>GOCOM assesses ATCO and individual Business Unit performance against specified targets and, taking into consideration peer performance, market conditions and other factors, approves overall short-term incentive pool funding.</p>
5	Determine individual awards	<p>GOCOM assesses the CEO's performance. The CEO completes performance assessments for her direct reports, which include:</p> <ul style="list-style-type: none">• An analysis of performance against his or her goals and objectives, commenting on demonstrated delivery of results, alignment to ATCO's values and business objectives, and the executive's ability to develop and mentor high-potential employees• Recommendations for each senior executive's salary• Recommendations for short and long-term incentives for each senior executive <p>GOCOM reviews this information, along with market data provided by independent advisors, and approves each senior executive's compensation.</p>

COMPONENTS

Our executive compensation program includes direct and indirect compensation. Direct compensation consists of two components:

- Fixed (base salary)
- Variable (short and long-term incentives)

Indirect compensation includes a pension plan and other benefits, which are described starting on Page 52.

Direct Compensation

	Component	How it works	How it is paid	Performance period
Fixed	Salary	Fixed level of income based on the market value of the position	Cash	One-year
Variable	Short-term incentive	Annual bonus based on the achievement of specific goals	Cash	One-year
	Long-term incentive	Rewards sustainable, profitable growth	Equity Options to buy ATCO Class I Shares and/or Canadian Utilities Class A shares	Eight-year term, with one-quarter vesting each year starting on the first anniversary of the grant

GOCOM and the CEO also have the discretion to award bonuses to senior executives for their contribution to particularly notable accomplishments or to not award annual bonuses.

Total direct compensation is targeted at the median (50th percentile) of the comparator group. Pay mix varies from year to year. The target ranges in the table below depend on the executive's responsibilities and ability to influence business results. The actual pay mix depends on corporate, Business Unit and individual performance, as well as GOCOM's discretion. This mix allows GOCOM to provide a competitive total direct compensation package while ensuring that a significant portion of each executive's compensation is performance-based, and therefore, pay at risk.

			CEO	Other senior executives
Fixed	Cash	Salary	20% to 35%	30% to 50%
Variable	Cash	Short-term incentive plan	35% to 60%	40% to 55%
	Equity	Long-term incentive plan	0% to 40%	0% to 15%
Total pay at risk			80% to 65%	70% to 50%
Total			100%	100%

Fixed Compensation

Base salaries are targeted at the median (50th percentile) of the comparator group. GOCOM can decide to pay up to the 75th percentile to executives who consistently perform above the expectations of the role. It also has the discretion to adjust an executive's salary during the year if his or her responsibilities change.

Variable Compensation

Variable compensation makes up a significant portion of each senior executive's total compensation. Awards and payouts are tied to corporate, Business Unit and individual performance, and in the case of equity awards, to the long-term sustainable growth of the Company.

Corporate Performance

Corporate performance has a direct impact on short-term incentive pool funding.

Business Unit Performance

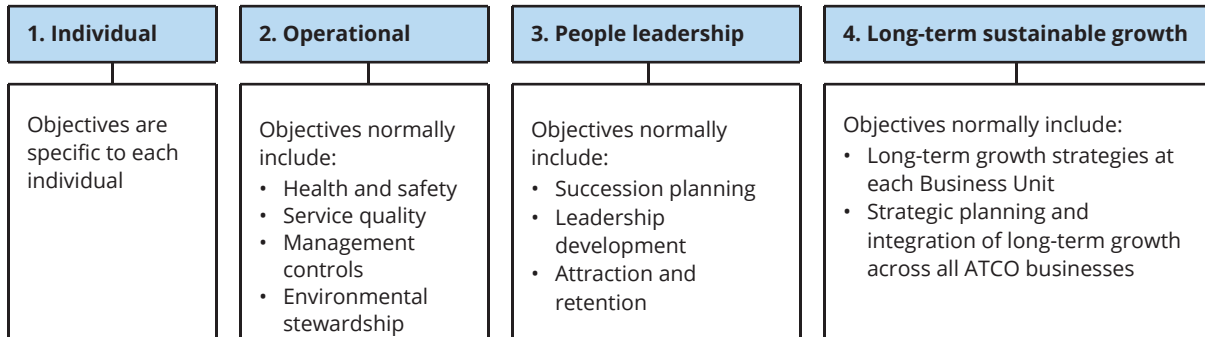
Business Unit performance has a direct impact on the amount allocated from the short-term incentive pool to the Business Unit's incentive pool.

Individual Performance

GOCOM reviews an individual performance rating for each senior executive that is:

- Used to determine his or her short-term incentive payout
- Considered by GOCOM when deciding whether to grant long-term incentives

Each senior executive's performance is measured against both individual and Business Unit objectives in four categories, as outlined below. Specific objectives are set for each category based on the senior executive's areas of responsibility.



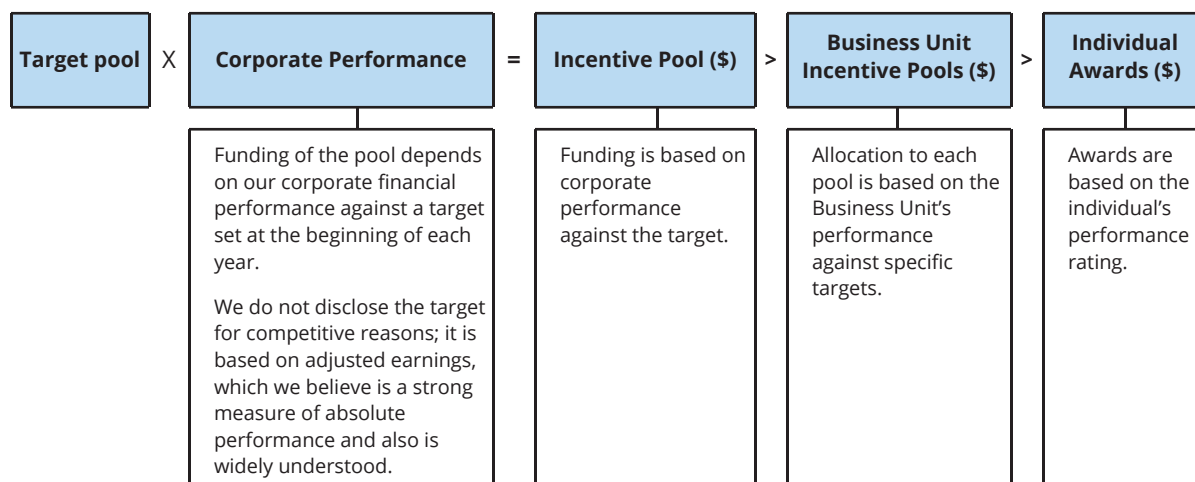
Performance against these objectives results in a performance rating ranging from Did Not Meet to Significantly Exceeding. A rating of Significantly Exceeding receives the maximum payout from the short-term incentive plan. A rating below Meets Expectations does not receive a payout (assuming it is not a new role).

GOCOM also has broad discretion to not make incentive payments.

Short-Term Incentive

Funding of the short-term incentive pool depends on our performance against the corporate financial target set at the beginning of each year. Performance below the target reduces the size of the incentive pool, and performance above the target increases the size of the incentive pool.

The size of the individual award is determined by four factors: 1) the size of the overall incentive pool, 2) the amount allocated to the Business Unit from the incentive pool, 3) the executive's individual performance rating and 4) comparing the individual's total direct compensation relative to his or her peer group.



Long-Term Incentive

GOCOM awards long-term incentives at its discretion, based on a senior executive's total direct compensation and individual performance. In previous years, long-term incentives had been granted in the form of stock options and/or share appreciation rights (SARs). In 2020, GOCOM approved the decision to grant long-term incentives only in the form of stock options.

While the Company no longer grants SARs under its share appreciation rights plans, SARs granted prior to 2020 remain outstanding. SARs have a ten year term, with one fifth vesting each year starting on the first anniversary of the grant. Vested SARs, when exercised, provide for a cash payment equal to any increase from the grant price to the market price at time of exercise.

Equity Compensation Plan – Stock Option Plan

ATCO's use of stock options to acquire Class I Shares is an important component of its incentive compensation arrangements for officers and key employees of ATCO and its subsidiaries. We believe that this practice achieves alignment between executives and share owner interests and assists in attracting and retaining qualified and motivated senior executives and employees.

Since its inception in 1994, the Stock Option Plan has required the maintenance of a reserve of Class I Shares to cover the options granted to participants. This reserve must be replenished from time to time so that the Company has a sufficient number of Class I Shares to cover new option grants. The Board has determined that it would be appropriate to maintain 10,200,000 Class I Shares reserved for issuance under the Stock Option Plan.

As set out on Page 11 of the Circular, share owners are being asked to approve an ordinary resolution to replenish the share reserve by 8,664,900 Class I Shares, which maintains the fixed maximum number of Class I Shares authorized for issuance at 10,200,000 and will provide the Company with an effective means to utilize stock option awards for many years to come. The replenishment of the Class I Shares reserved for issuance under the Stock Option Plan was approved by the Board on February 23, 2022 and has been conditionally approved by the TSX, subject to share owner approval.

A summary of the material terms of the Stock Option Plan is set out in Schedule C.

Indirect Compensation

Perquisites

Senior executives receive standard perquisites, including a company vehicle, parking, a club membership, financial advice and a medical health assessment.

Employee Share Purchase Plan

Senior executives and employees can contribute up to 10 per cent of their base salary to the employee share purchase plan. The Company matches 25 per cent or 35 per cent of their contribution.

Pension Plan

The named executives participate in the Retirement Plan for Employees of Canadian Utilities Limited and Participating Companies (Canadian Utilities plan), which has both a defined benefit (DB) and defined contribution (DC) component. Nancy C. Southern and Siegfried W. Kiefer participate in the DB component.

How the DB component works:

- Executives do not contribute to the plan
- Participants can retire with full pension benefits when they turn 62, or if their age plus their years of service equals 90 or more. They can retire as early as age 55. However, if they have not achieved 90 points, their pension benefit is reduced by 3 per cent for every year of retirement before age 62, and by another 3 per cent for every year before age 60
- Pension benefits are paid until the participant dies; then, 60 per cent is paid to the surviving spouse
- Retiree pension benefit payments have historically been increased annually with inflation, to a maximum of 3 per cent

How we calculate the pension benefit:

$$\left[\begin{array}{l} 1.4\% \times \text{average year's maximum} \\ \text{pensionable earnings} \\ (\$57,780 \text{ in } 2021) \end{array} \right] + \left[\begin{array}{l} 2\% \times \text{average salary (highest five consecutive} \\ \text{years of base salary, not including} \\ \text{short-term incentive) minus } \$57,780 \end{array} \right] \times \begin{array}{l} \text{Years of} \\ \text{service} \end{array}$$

Katie J. Patrick, Adam M. Beattie, Bob J. Myles and Brian P. Shkrobot participate in, and Dennis A. DeChamplain participated in, the DC component.

How the DC component works:

- Executives do not contribute to the plan
- The Company contributes 10 per cent of base salary up to the maximum permitted by the *Income Tax Act* (Canada) which was \$29,210 in 2021
- Participants are responsible for the investment decisions in the DC plan and may invest contributions in a broad selection of funds

Supplemental Pension Benefits

Pension benefits under our pension plans are subject to limits imposed by the *Income Tax Act* (Canada). Benefits that are higher than these limits are paid to Nancy C. Southern and Siegfried W. Kiefer as a supplemental pension. This supplemental pension is provided by Canadian Utilities and benefits are not pre-funded; it is also inclusive of the benefit under the Canadian Utilities plan. Benefits are paid on the same terms as the plan, with the same survivor benefits and top-up for inflation.

How it works:

- Supplemental pension benefits are provided as a defined benefit plan
- Executives do not contribute to the supplemental plan
- Service is limited to 35 years

Nancy C. Southern's supplemental pension benefit is part of her employment agreement with ATCO (see Page 65). Her benefits are calculated as 80 per cent of the average of the highest five years of cash compensation (salary and short-term incentives) throughout her career.

Siegfried W. Kiefer's supplemental pension benefit is part of his employment agreement with ATCO (see Page 66). His benefits are calculated as the average of the highest consecutive five years of salary compensation. Mr. Kiefer's maximum service limit for the supplemental pension benefit is 40 years.

2021 PERFORMANCE AND AWARDS

STRATEGIC PRIORITIES	2021 TARGET	2021 PERFORMANCE
INNOVATION		
New and existing products and services	Continue to expand ATCO Structures' permanent modular construction into hotels, schools, healthcare facilities, affordable housing, and senior's living centres.	<p>ATCO Structures secured its sixth affordable housing project with the Government of British Columbia supportive housing program. The four-story, 61-unit apartment complex was awarded during the second quarter of 2021.</p> <p>ATCO Structures completed a contract to provide two healthcare complexes in Guatemala with 7,400 m² of clinical space for the treatment of patients with COVID-19.</p> <p>ATCO Structures was awarded a contract to supply 15 double classrooms and 7 two-story classrooms to the Victoria Department of Education in Australia.</p>
	Complete master planning and land use work on the Edmonton "North Yard" redevelopment site in ATCO Land and Development Ltd.	ATCO Land and Development completed the master planning work on the "North Yard" redevelopment site. A land use redesignation application process has been initiated with the City of Edmonton and is awaiting approval.
	Continue to build and enhance Ashcor's business model for the processing and marketing of ash within the North American market.	<p>On May 28, 2021, the CSA released a notable amendment to the CSA A3001 specification, "Cementitious Materials for Use in Concrete." The revised standard allows for the inclusion of harvested and processed bottom ash with fly ash for use in concrete, provided the physical and chemical requirements of the standard are met.</p> <p>Following the successful amendment, Ashcor has experienced improved production rates, and strong customer adoption of its reclaimed ash product.</p>
	<p>Explore and test new products and methods of energy delivery to meet customers' future needs.</p> <ul style="list-style-type: none"> Continue to support communities and customers through the deployment of cleaner energy solutions. 	The Vuntut Gwitchin First Nation and Canadian Utilities announced the completion of Canada's most northerly off-grid solar project, reducing diesel use by 189,000 litres annually in Old Crow, Yukon and providing a clean energy source for decades to come.

STRATEGIC PRIORITIES	2021 TARGET	2021 PERFORMANCE
New and existing products and services	<p>Explore and test new products and methods of energy delivery to meet customers' future needs.</p> <ul style="list-style-type: none"> Explore further opportunities to invest in clean fuel initiatives such as hydrogen and renewable natural gas within the Utilities and Energy Infrastructure businesses. 	<p>Utilities and Energy Infrastructure 2021 strategies focused on energy transition with a specific emphasis on renewable generation, hydrogen blending, clean fuels and energy storage. Through the calendar year we announced the following projects:</p> <ul style="list-style-type: none"> Alberta Hub Natural Gas Storage Acquisition Two Hills RNG Facility Empress Solar Development Project Calgary Solar Development Projects Suncor Clean Hydrogen Project Clean Energy Innovation Park, Australia Central West Pumped Storage Hydro Project, Australia Fort Saskatchewan Hydrogen Blending

GROWTH		
Regulated and long-term contracted capital investment	<p>Continue to strategically invest in Canadian Utilities' technology and the modernization of both the natural gas and electricity networks to enhance sustainability and flexibility while reducing the long-term need for additional utility infrastructure, resulting in lower costs and an improved experience for customers.</p>	<p>Continued progression on the digitization of the grid:</p> <ul style="list-style-type: none"> Continued deployment of Advanced Metering Infrastructure (AMI) across our service territory. The communities of Grande Prairie and Chipewyan Lake are now complete. Progressing on the Automated Distribution Management System (ADMS) that will orchestrate the delivery of electricity across a multi-directional flowing grid. <p>Canadian Utilities announced the acquisition of the Pioneer Pipeline in 2020 and closed this transaction on June 30, 2021. The 131-km natural gas pipeline has been incorporated into the NOVA Gas Transmission Ltd. (NGTL) and ATCO Alberta regulated natural gas transmission systems to provide reliable natural gas supply to TransAlta's power generating units at Sundance and Keephills, facilitating the conversion of these coal plants to cleaner-burning natural gas. Consistent with the geographic areas defined in the Integration Agreement, Canadian Utilities' Natural Gas Transmission will transfer to NGTL the 30-km segment of pipeline in 2022 that is located in the NGTL footprint. The pipeline transfer was approved by the Canada Energy Regulator on December 22, 2021.</p> <p>LUMA Energy began implementation of the System Remediation Plan and engaged with the Federal Emergency Management Agency (FEMA) and US Department of Housing and Urban Development (HUD) on capital rebuilding programs designed to lift electricity transmission and distribution operations to the standards of a world-class utility.</p>

STRATEGIC PRIORITIES	2021 TARGET	2021 PERFORMANCE
Regulated and long-term contracted capital investment	Continue to advance replacement and improvement projects in Canadian Utilities to ensure that the safety and reliability of our gas and electricity systems are properly maintained and managed.	<p>The ongoing Urban Pipeline Replacement (UPR) Program in Alberta consists of the removal of the remaining high-pressure service pipe, installation of remaining stations, and clean-up efforts.</p> <p>The project is expected to be completed in 2022 and will have removed a total of 310-km upon completion.</p>
Global expansion	Continue expansion into select global markets including: North America, Australia, and Chile.	<p>Canadian Utilities, along with its partner, Quanta Services, Inc., announced their joint ownership interest in LUMA Energy in 2020 and commenced a one-year transition period. In June 2021, one month in advance of its anticipated timeline, LUMA Energy commenced operations under a Supplemental Agreement to its 15-year contract to modernize and operate Puerto Rico's electricity transmission and distribution system.</p> <p>Canadian Utilities and its joint venture partner, Australian Gas Infrastructure Group, received notification of conditional grant funding from Australian Renewable Energy Agency (ARENA) of \$29 million AUD to contribute financing for the production of hydrogen through a large scale project at Canadian Utilities' proposed Clean Energy Innovation Park (CEIP) in Western Australia.</p> <p>ATCO acquired the rights to develop the 325-MW Central West Pumped Storage Hydro project, located approximately 175-km west of Sydney, Australia. The acquisition marks ATCO's first renewable energy investment on Australia's east coast. A final investment decision on project construction is expected in 2023.</p>
	Reposition ATCO Structures' rental fleet into growing regions and further expand the space rental business in the US and other select regions.	<p>ATCO Structures' space rental fleet increased by 1,403 units in 2021 as part of strategic expansion in North America, Chile and Australia.</p> <p>ATCO Structures completed the sale of its 42-unit Alaskan space rentals fleet in the US which enables the business to continue its focus on mainland US space rentals fleet expansion.</p>
	Continue to build sustainable growth in permanent modular construction and space rentals at ATCO Structures.	<p>ATCO Structures continued to secure affordable housing projects with the Government of British Columbia's supportive housing program. A four-story, 61-unit apartment complex was awarded in the second quarter of 2021.</p> <p>The Victoria Department of Education awarded ATCO Structures a contract to supply 15 double classrooms and 7 two-story classrooms in the third quarter of 2021.</p> <p>Throughout 2021, space rental demand increased across all geographies due to an increase in activity in the construction and mining sectors. This growth in demand produced an increase in utilization and average rental rates across all geographies.</p>

STRATEGIC PRIORITIES	2021 TARGET	2021 PERFORMANCE
Global expansion	Continue retrofitting idle workforce housing fleet in Canada and the US and capitalize on opportunities as they arise.	ATCO Structures decreased the size of its idle workforce housing fleet and increased the average utilization rate year-over-year by selling used and under-utilized fleet assets in Canada, Australia, and the US. Through optimization of the US workforce housing fleet, Structures has capitalized on used fleet sale opportunities resulting in the sale of 240 idle workforce housing units.
	Invest in Australia's workforce housing fleet.	ATCO Structures was awarded a contract for the supply of a 120-unit camp at the Angelo River mine site in Western Australia.
	Continue to expand upon ATCO Frontec's North American camp business.	ATCO Frontec was awarded a contract from the State of California Department of General Services to operate a 100-bed facility near Quincy, California.
	Continue to pursue ATCO Frontec facilities and maintenance contracts with commercial and government clients, including large scale defence contracts.	Defence Construction Canada awarded Frontec North America two Facility Maintenance and Site Services contracts with a combined revenue of \$25 million to maintain 15 different sites of Department of National Defence buildings and associated infrastructure across Alberta.
		UQSUQ was awarded a 10-year contract in 2021 to manage and operate Iqaluit's bulk fuel storage facility, pipeline distribution system and municipal fuel delivery system. This contract continues a successful 14-year relationship.
	Seek opportunities with Neltume Ports' available cash in brownfield, greenfield and acquisition opportunities.	Neltume Ports acquired a 70 per cent interest in Tidal Transport & Trading USA (Tidal). Tidal provides full-scale marine operation services, focused primarily on stevedoring, hold cleaning, and port captaincy on the US West Coast, with operations in California, Oregon, and Washington.
		AutoMobile International Terminal (AIT), a 50/50 joint venture partnership with Terminal Zarate in Mobile, Alabama had their grand opening and is now in service. The port will primarily serve the import and export requirements of the automotive market in the US.
	Neltume Ports increased ownership ranging from 4 per cent to 8 per cent in three existing operations; Terminal Ontur, Sagres, and Puerto Coronel.	
Continue to build upon Canadian Utilities' existing renewables generation platform in the Energy Infrastructure business.	Acquired the rights to the Empress Solar project, a 39-MW solar facility under development near Empress, Alberta with commercial operations expected in 2022. The project will provide enough renewable electricity to power more than 11,000 homes.	
	Acquired the development rights to build two solar projects with a combined capacity of 64-MW in Calgary, Alberta with commercial operations expected in 2022. The Deerfoot and Barlow projects will provide enough renewable electricity to power more than 18,000 homes.	

STRATEGIC PRIORITIES	2021 TARGET	2021 PERFORMANCE
FINANCIAL STRENGTH		
Credit rating	Maintain investment grade credit rating.	Maintained 'A (low)' long-term credit rating with a stable trend with DBRS Limited. Maintained 'A-' long-term issuer credit rating with a negative outlook on ATCO and Canadian Utilities with Standard & Poors.
Access to capital markets	Access capital at attractive rates.	In 2021, CU Inc. raised \$460 million in 30-year debentures at a rate of 3.174 per cent. The issue was oversold and completed at an attractive spread of 138 basis points above Government of Canada 30-year bond rates. Canadian Utilities issued \$201 million of 4.75 per cent Cumulative Redeemable Second Preferred Shares Series HH by means of a short-form prospectus. The proceeds of the issuance were used for capital expenditures, to repay indebtedness and for other general corporate purposes.
Adjusted earnings	Achieve adjusted earnings* as set by the Board of Directors.	Adjusted earnings of \$382 million for the year ended December 31, 2021 which was above the performance target set by the Board of Directors at the beginning of the year. <small>*Adjusted earnings as reported in the consolidated financial statements for the year ended December 31, 2021, are the earnings attributable to Class I and Class II Shares after adjusting for the timing of revenues and expenses associated with rate-regulated activities and unrealized gains or losses on mark-to-market forward and swap commodity contracts. Adjusted earnings also exclude one-time gains and losses, impairments, and items that are not in the normal course of business or a result of day-to-day operations. For additional information, please see the Non-GAAP and Other Financial Measures Advisory on Page 87.</small>
Internal controls	Maintain and enhance management and financial processes and controls to ensure that no reportable weaknesses in control over financial reporting exist.	Testing conducted in 2021 revealed no reportable weaknesses in internal control over financial reporting.
PEOPLE LEADERSHIP		
Labour relations	Continue to improve labour relations by fostering a productive and collaborative environment with our employee associations and unions.	In 2021, we successfully negotiated five balanced collective agreements. The unions involved were the Natural Gas Employees' Association, Canadian Energy Workers Association, Alberta Regional Council of Carpenters and Allied Workers, and Public Service Alliance of Canada. In addition three ATCO companies were engaged in collective bargaining with Canadian Energy Workers Association and one ATCO company with the United Utility Workers' Association. Those proceedings continue to progress toward resolution.
Employee well-being	Move from designing a program to embed well-being into the DNA of ATCO to improve productivity, engagement, attraction, and retention.	ATCO offered well-being peer global support to all employees through 250 wellness ambassadors. ATCO initiated Health & Physical well-being challenges to all ATCO employees with over 50 per cent participation rate. ATCO offered Coaching & Education sessions throughout the year for psychological safety and financial literacy. ATCO Group was awarded Canadian Finalist for best psychological and wellness programs.

STRATEGIC PRIORITIES	2021 TARGET	2021 PERFORMANCE
Succession Planning & Leadership Development	Develop key metrics to gauge the effectiveness of succession planning, evolve talent development and mitigate risk.	<p>HR created a succession and talent development briefing report for the Audit & Risk Committee.</p> <p>HR built a succession management dashboard & platform which captured key metrics in the areas of critical roles, successors, top talent (mobility, internal movement, and development).</p> <p>HR and key stakeholders from each business designed a leadership development academy for all leaders at ATCO.</p>
Human Capital Management (HCM)	Continue expanding the HCM system to better enable our people to perform tasks effectively and efficiently across all parts of the business.	<p>HR continues to build out learning content in our newly launched learning management system. HR is continuing to define a skills taxonomy for ATCO future skills 2030.</p> <p>HR launched new engagement survey platform. ATCO overall results include an 82 per cent global response rate, 81 per cent manager effectiveness score and 79 per cent engagement score.</p>

OPERATIONAL EXCELLENCE

Lost-time and total recordable incident frequency: employees	Compare favourably to safety benchmarks.	<p>Our lost-time incident frequency compares favourably to benchmarks such as Alberta Occupational Health and Safety, US private industry, and industry best practice rates. Our lost-time incident frequency in 2021 was 0.14/200,000 hours worked.</p> <p>Our total recordable incident frequency in 2021 compares favourably to benchmarks such as US private industry and industry best practice rates. Our total recordable incident frequency in 2021 was 1.44 incidents/200,000 hours worked.</p>
Customer satisfaction	Achieve high service for the customers and communities we serve. Results from customer satisfaction surveys should be consistent with or better than prior years.	<p>Within Electricity and Natural Gas Distribution, more than 97 per cent of customers agreed that Canadian Utilities provides good service. Within our energy retail operations, 75 per cent of customers who interact with call centres are "very satisfied". These results compare favourably to industry averages and are consistent with previous years.</p> <p>ATCO Gas Australia's Customer Satisfaction (CSAT) was 8.9 out of a possible 10, above a national industry benchmark of 8.5. ATCO Gas Australia consistently outperforms the broader energy industry in terms of both customer satisfaction and also a second measurement, the 'ease of implementation' of its services. ATCO Gas Australia has improved its CSAT score from 8.7 in 2020 to 8.9 in 2021.</p> <p>LUMA Energy had a six per cent increase in overall customer satisfaction, and a 13 per cent increase in both in-person customer service and power quality and reliability as measured by J.D. Power CSAT score.</p>

STRATEGIC PRIORITIES	2021 TARGET	2021 PERFORMANCE
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Organizational transformation	<p>Streamline and gain operational efficiencies.</p> <ul style="list-style-type: none"> Continue to develop a strategy for ATCO Structures' manufacturing facilities and capabilities in Canada and the US, to provide better competitive value for the business. Reduce costs in production and provide scalable capacity and improved performance while maintaining a low fixed cost structure through peak cycles of activity. 	<p>A permanent modular construction project and a workforce housing trade sale project were awarded to ATCO Structures US and were manufactured in the ATCO Structures Canadian manufacturing facility. This strategic utilization of global manufacturing capacity filled excess manufacturing capacity in the Canadian facility while enabling the US facility to direct local manufacturing capacity on securing additional trade sale opportunities. ATCO Structures was able to balance capacity with production of fleet units in line with the space rentals strategic expansion targets.</p>
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	<p>Streamline and gain operational efficiencies.</p> <ul style="list-style-type: none"> Continue to optimize enterprise resource planning, workforce and asset management, customer information systems and computerized maintenance management systems within Canadian Utilities. 	<p>Canadian Utilities continued implementation of a Workforce and Asset Management program for its electricity and natural gas businesses to advance digitalization and data analytics. This technology will help to optimize resources, and digitize information and processes thereby providing a means to track, manage, and dispatch work to field-based employees more efficiently. The natural gas business is expected to complete implementation by 2022, followed by the electricity business in 2023.</p> <p>ATCO Gas Australia commenced an upgrade of its billing and metering system to comply with Australian Energy Market Operator (AEMO) regulations. This project will provide stakeholders with added functionality and upgrade the software to the latest version. The upgrade is being run in two phases, with Phase 1 complete and Phase 2 due for completion in 2022.</p> <p>The Alberta Utilities implemented a Customer Information System (CIS) replacement program. CIS holds our metering asset information, collects meter reads, calculates billing, and applies rates and production tariff bills for retailers. The replacement for both Natural Gas and Electricity is well underway, and the projects are on-track to go-live in 2022.</p>
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COMMUNITY INVOLVEMENT

Indigenous relations	<p>Continue to work together with Indigenous communities to contribute to economic and social development in their communities.</p>	<p>Across our operations, we awarded contracts totaling more than \$100 million for Indigenous and Indigenous-affiliated contractors in 2021.</p> <p>\$64,500 was awarded to 52 students across Canada, including the territories, through the ATCO Indigenous Education Awards Program.</p>
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STRATEGIC PRIORITIES	2021 TARGET	2021 PERFORMANCE
Indigenous relations	Continue to work together with Indigenous communities to contribute to economic and social development in their communities.	<p>A total of 5,280 employees participated in one of the many Indigenous training courses offered in 2021 through virtual classroom and training platforms.</p> <p>ATCO Australia implemented its 'Innovate Reconciliation Action Plan (RAP)'. This plan strengthens our approach to driving reconciliation through business activities and community programs, and develops mutually beneficial relationships with Aboriginal and Torres Strait Islander stakeholders and organizations. Recognizing the continuing connection to land, sea and culture, ATCO Australia have invited Elders to welcome our employees to their country through Cultural Smoking Ceremonies for events and projects.</p> <p>Canadian Utilities announced the completion of Canada's most northerly off-grid solar project in Old Crow, Yukon. The facility provides the Vuntut Gwitchin First Nations with a clean energy source for decades to come and fosters community ownership and self-sustaining economic development through job creation, investment in infrastructure, and revenue from the sale of renewable energy.</p>
ATCO EPIC (Employees Participating in Communities)	Continue to administer the employee-led campaign to give employees the opportunity to contribute to charitable organizations in the communities in which they work.	<p>With the combined efforts of our employees around the world, ATCO pledged more than \$2.97 million to support hundreds of community charities through our annual ATCO EPIC campaign, taking the program's cumulative fundraising total to nearly \$50 million since its inception in 2006.</p> <p>The ATCO Giving Gardens at Spruce Meadows was created in spring 2021 as a way to weave sustainability, volunteerism and generosity into one great initiative by providing fresh produce to Calgary's vulnerable seniors and veterans.</p> <p>ATCO provided 4,720 meals to seniors and veterans through our partnerships with the Calgary Seniors' Resource Society and the Homes For Heroes Foundation in Calgary. ATCO's Giving Gardens supplied the beets, potatoes, and squash towards these meals.</p>
Community Investment	Invest in the health and safety of LUMA Energy's people and communities by opening a state-of-the-art electricity and lineworkers college in Puerto Rico.	<p>In 2021, LUMA Energy obtained all permits and began construction on the LUMA College for Technical Training – a state-of-the-art lineworkers college within Puerto Rico aimed at training LUMA Energy's current and future employees. The College's 24-acre site in Canóvanas will include an outdoor skills training field, indoor learning laboratory, administrative and classroom operations building, and covered equipment and personnel parking structures. Collectively, this will create approximately 22,000 square feet of usable building space for the purpose of training, education and administration.</p> <p>During construction activities in 2021, the College innovated by using off-site locations in Puerto Rico to commence its training programs and graduated the first pre-apprentice class of 14 students in October.</p>

2021 COMPENSATION SUMMARY

Compensation in 2021

The table below is a summary of total direct compensation awarded to the named executives in 2021.

This is the total compensation they received from both ATCO and Canadian Utilities.

Please see Page 72 for the summary compensation table, which shows total compensation for the past three years, and the assumptions used for the mid and long-term incentive values.

	Total cash compensation received from both companies (\$)			Equity (\$)	Total direct compensation (\$)
	Salary	Short-term incentive	Mid-term incentive ¹	Long-term incentive	
Nancy C. Southern ²	1,000,000	0	13,056	2,358,500	3,371,556
Siegfried W. Kiefer ²	900,000	0	17,408	764,000	1,681,408
Katie J. Patrick	385,000	450,000	1,523	73,620	910,143
Adam M. Beattie	473,750	350,000	4,352	455,650	1,283,752
Bob J. Myles	462,500	550,000	0	150,900	1,163,400
Dennis A. DeChamplain ³	413,218	0	13,056	723,600	1,149,874
Brian P. Shkrobot	377,500	350,000	870	49,620	777,990

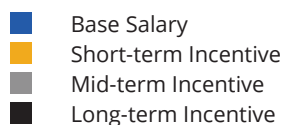
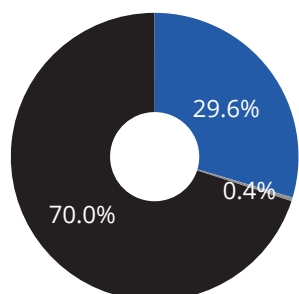
¹ Represents the final dividend paid in 2021 from the 2018 and 2019 MTIP awards that were cancelled in 2020. As of 2020, ATCO no longer grants awards under its MTIP and no MTIP awards are currently outstanding for our named executives. The restricted shares awarded under the MTIP had a three-year term, with the award vesting at the end of the three-year term based on certain performance criteria.

² Ms. Southern recommended and GOCOM approved withholding bonuses for Ms. Southern and Mr. Kiefer for 2021, despite strong corporate and individual performance. Process failings were identified in 2021 that resulted in enforcement proceedings being initiated with the Alberta Utilities Commission. Ms. Southern and Mr. Kiefer had no direct involvement, but Ms. Southern and GOCOM felt it appropriate that CEO compensation should be impacted. The Company issued a news release on November 30, 2021 to describe the situation and the corrective actions being taken.

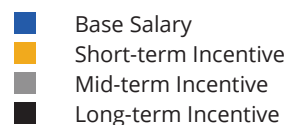
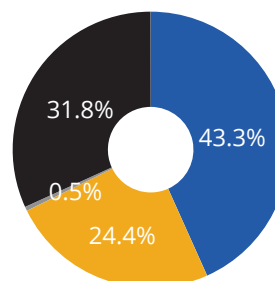
³ GOCOM applied discretion and determined that no annual bonus would be paid to Mr. DeChamplain for 2021 because the situation that is described in footnote (2) arose while he was CFO.

2021 Pay Mix

CEO

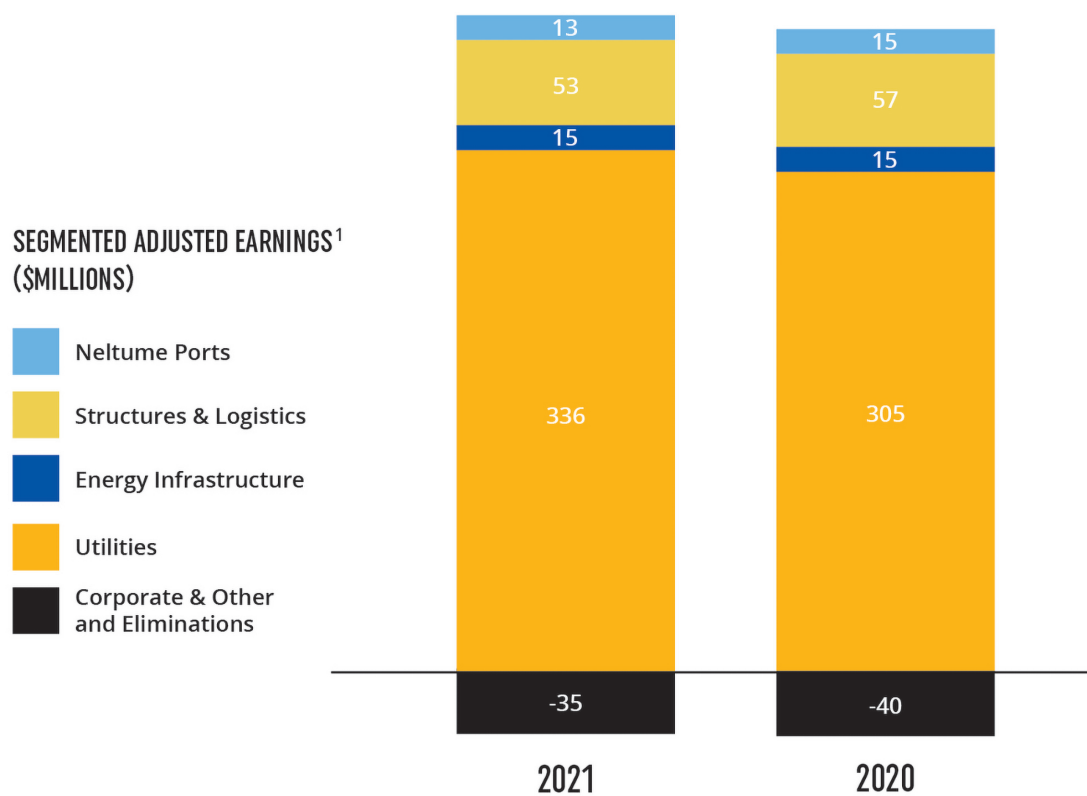


Other Named Executives



Compensation Linked to Financial Performance

The graph below shows adjusted earnings for each of the past two years (total and by Business Unit), compared with total direct compensation paid to the named executives in each year.



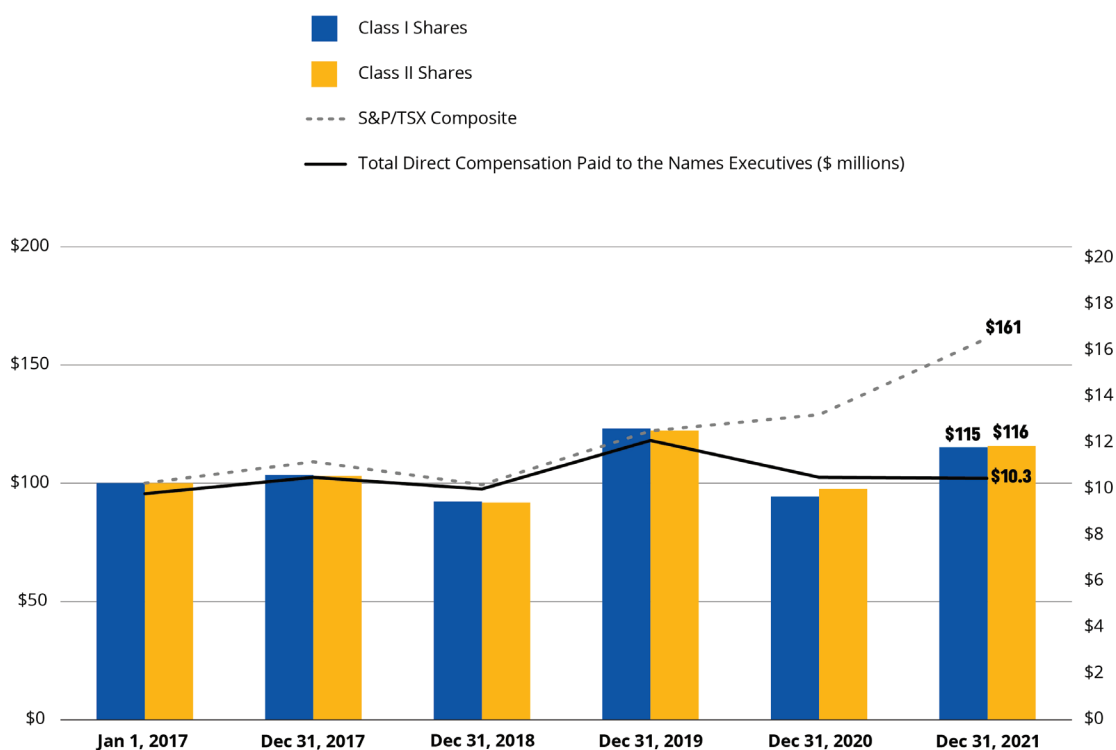
(\$millions)	2021	2020
Adjusted earnings ¹	382	352
Total direct compensation paid to the named executives	10.3	10.3
As a % of adjusted earnings	2.7%	2.9%

¹ For additional information, please see the Non-GAAP and Other Financial Measures Advisory on Page 87.

Compensation Linked to Share Owner Return

The graph below compares the cumulative value of \$100 invested in Class I Shares or Class II Shares (assuming reinvestment of dividends) on January 1, 2017, with the cumulative value of \$100 invested in the S&P/TSX Composite Index over the same period. The chart also shows the total direct compensation paid to the named executives in each of the past five years.

**Total Shareholder Return (TSR) (\$) and
Total Direct Compensation Paid to the Named Executives (\$ millions)**



Total direct compensation includes:

- Base salary
- Short-term incentive
- Grant date value of mid-term incentives plus dividends earned during calendar year
- Grant date value of long-term incentives

The above performance graph shows how an investment of \$100 on January 1, 2017 in Class I Shares at the closing price of \$44.66 or Class II Shares at the closing price of \$44.78 would equate to \$115 and \$116, respectively, on December 31, 2021, whereas the same \$100 investment in the S&P/composite Index over the same period would equate to \$161. Our compensation program ensures that the compensation we pay to our executive officers is related to factors that influence share owner value. There is a strong correlation between the share price trend line shown in the performance graph above and the target and realized compensation levels our NEOs received during the same period. Share price performance, however, is not the only predictor or outcome of the success of our executive team. It is one of many considerations that influence our NEO compensation decisions.



NANCY C. SOUTHERN

Chair & Chief Executive Officer, ATCO and Canadian Utilities

Calgary, Canada

Years of Service 32

Age 65

Ms. Southern is Chair & Chief Executive Officer of ATCO and Canadian Utilities. She has full responsibility for ATCO's strategic direction and operations. Ms. Southern reports to the Board of Directors and has been a director of ATCO since 1989. Under Ms. Southern's guidance, adjusted earnings have increased from \$330 million in 2011 to \$382 million in 2021 (an increase of approximately 16 per cent). ATCO's total assets have grown from approximately \$12 billion in 2011 to \$23 billion in 2021. For additional information regarding adjusted earnings, please see the Non-GAAP and Other Financial Measures Advisory on Page 87.

COMPENSATION

	2021 (\$)	2020 (\$)	2019 (\$)
Cash			
Base salary	1,000,000	708,333	1,000,000
Short-term incentive ¹	0	1,600,000	1,400,000
Total cash compensation from both ATCO and Canadian Utilities	1,000,000	2,308,333	2,400,000
Equity			
Mid-term incentive ²	13,056	116,314	896,252
Long-term incentive			
Stock options	2,358,500	1,075,800	597,584
Share appreciation rights	N/A	N/A	597,584
Total equity	2,371,556	1,192,114	2,091,420
Total direct compensation from both ATCO and Canadian Utilities	3,371,556	3,500,447	4,491,420

¹ Ms. Southern recommended and GOCOM approved withholding bonuses for Ms. Southern and Mr. Kiefer for 2021, despite strong corporate and individual performance. Process failings were identified in 2021 that resulted in enforcement proceedings being initiated with the Alberta Utilities Commission. Ms. Southern and Mr. Kiefer had no direct involvement, but Ms. Southern and GOCOM felt it appropriate that CEO compensation should be impacted. The Company issued a news release on November 30, 2021 to describe the situation and the corrective actions being taken.

² The amount for 2021 represents the final dividend paid in 2021 under the MTIP. As of 2020, ATCO no longer grants awards under its MTIP and no MTIP awards are currently outstanding for our named executives.

EMPLOYMENT AGREEMENT

Ms. Southern has an employment agreement with ATCO that is reviewed and approved regularly. It is currently extended to February 28, 2024. The agreement includes insurance benefits if Ms. Southern dies or becomes disabled before she retires or employment is terminated. The amount is based on her salary, using formulas that take into account the amounts payable to her under ATCO's group life insurance policies and disability income programs. It also includes supplemental pension benefits, which are described on Page 53. A certain portion of Ms. Southern's supplemental pension benefits are payable to her surviving spouse in the event of her death.

Additionally, Ms. Southern's employment agreement addresses the use and disclosure of confidential information both during and any time after her employment with the Company. Her employment agreement also includes a non-competition provision that prevents Ms. Southern from engaging in certain business and employment arrangements during her employment with the Company and during any period, in connection with a termination event, where she is receiving payment from the Company or is entitled to exercise her incentive awards.



SIEGFRIED W. KIEFER

Honorary Director, Office of the Chair, ATCO

Calgary, Canada

Years of service 39

Age 63

Mr. Kiefer held the position Member, Office of the Chair, ATCO and President & Chief Executive Officer, Canadian Utilities until June 30, 2021. He was responsible for executing the strategy for ATCO's portfolio of investments in energy and energy-related infrastructure, as well as the operation of several key corporate functions. Mr. Kiefer transitioned into the role of Honorary Director, Office of the Chair, ATCO until his retirement on February 28, 2022.

COMPENSATION

	2021 (\$)	2020 (\$)	2019 (\$)
Cash			
Base salary	900,000	900,000	887,500
Short-term incentive ¹	0	1,200,000	800,000
Total cash compensation from both ATCO and Canadian Utilities	900,000	2,100,000	1,687,500
Equity			
Mid-term incentive ²	17,408	163,588	1,212,867
Long-term incentive			
Stock options	764,000	433,299	91,936
Share appreciation rights	N/A	N/A	91,936
Total equity	781,408	596,887	1,396,739
Total direct compensation from both ATCO and Canadian Utilities	1,681,408	2,696,887	3,084,239

¹ Ms. Southern recommended and GOCOM approved withholding bonuses for Ms. Southern and Mr. Kiefer for 2021, despite strong corporate and individual performance. Process failings were identified in 2021 that resulted in enforcement proceedings being initiated with the Alberta Utilities Commission. Ms. Southern and Mr. Kiefer had no direct involvement, but Ms. Southern and GOCOM felt it appropriate that CEO compensation should be impacted. The Company issued a news release on November 30, 2021 to describe the situation and the corrective actions being taken.

² The amount for 2021 represents the final dividend paid in 2021 under the MTIP. As of 2020, ATCO no longer grants awards under its MTIP and no MTIP awards are currently outstanding for our named executives.

EMPLOYMENT AGREEMENT

Mr. Kiefer had an employment agreement with ATCO which was effective until February 28, 2022. The agreement included supplemental pension benefits, which are described on Page 53. A certain portion of Mr. Kiefer's supplemental benefits are payable to his surviving spouse in the event of his death.

Additionally, Mr. Kiefer's employment agreement addresses the use and disclosure of confidential information both during and any time after his employment with the Company. His employment agreement also includes a non-competition provision that prevents Mr. Kiefer from engaging in certain business and employment arrangements during his employment with the Company and during any period, in connection with a termination event, where he is receiving payment from the Company or is entitled to exercise his incentive awards.



KATHERINE-JANE PATRICK

Executive Vice President, Chief Financial & Investment Officer, ATCO

Calgary, Canada

Years of service 6

Age 43

Ms. Patrick is Executive Vice President, Chief Financial & Investment Officer of ATCO. She has accountability for Finance, Accounting, Treasury, Taxation, Risk Management, Investor Relations and administration of the Internal Audit function within ATCO. Ms. Patrick also oversees ATCO's investment focused financial growth strategy and has responsibility for ATCO investments including Neltume Ports and ASHCOR. She joined ATCO in 2015 and has held progressively senior roles in ATCO and Canadian Utilities. Ms. Patrick was appointed to her current role in October 2021.

COMPENSATION

	2021 (\$)	2020 (\$)	2019 (\$)
Cash			
Base salary	385,000	364,167	287,500
Short-term incentive	450,000	325,000	175,000
Total cash compensation from both ATCO and Canadian Utilities	835,000	689,167	462,500
Equity			
Mid-term incentive ¹	1,523	17,276	204,324
Long-term incentive			
Stock options	73,620	19,459	12,556
Share appreciation rights	N/A	N/A	12,556
Total equity	75,143	36,735	229,436
Total direct compensation from both ATCO and Canadian Utilities	910,143	725,902	691,936

¹ The amount for 2021 represents the final dividend paid in 2021 under the MTIP. As of 2020, ATCO no longer grants awards under its MTIP and no MTIP awards are currently outstanding for our named executives.



ADAM M. BEATTIE

President, Structures of ATCO Structures & Logistics Ltd.

Calgary, Canada

Years of service 18

Age 41

Mr. Beattie is President, Structures of ATCO Structures & Logistics Ltd. He is tasked with leading the strategic development and financial performance for ATCO's Modular business lines which include manufacturing facilities, fleet assets and construction activities and services to support the supply of products globally. Mr. Beattie joined ATCO in 2003 and has held a number of senior commercial, operations and management roles within the Structures division both in Australia and Canada. He was appointed to his current role in 2019.

COMPENSATION

	2021 (\$)	2020 (\$)	2019 (\$)
Cash			
Base salary	473,750	440,000	407,581
Short-term incentive	350,000	550,000	315,000
Total cash compensation from both ATCO and Canadian Utilities	823,750	990,000	722,581
Equity			
Mid-term incentive ¹	4,352	17,104	305,621
Long-term incentive			
Stock options	455,650	232,648	29,211
Share appreciation rights	N/A	N/A	29,211
Total equity	460,002	249,752	364,043
Total direct compensation from both ATCO and Canadian Utilities	1,283,752	1,239,752	1,086,624

¹ The amount for 2021 represents the final dividend paid in 2021 under the MTIP. As of 2020, ATCO no longer grants awards under its MTIP and no MTIP awards are currently outstanding for our named executives.



ROBERT J. MYLES

Executive Vice President, Corporate Development

Calgary, Canada

Years of service 2

Age 57

Mr. Myles is Executive Vice President, Corporate Development of ATCO and Canadian Utilities. He is responsible for growing Canadian Utilities' infrastructure footprint in strategic global markets, and the ongoing growth and operations of Canadian Utilities' non-regulated businesses in North and South America, as well as in Australia. Mr. Myles has held a variety of leadership roles across the organization, and after having been away from the organization for a number of years, he rejoined ATCO in 2020 in his current capacity.

COMPENSATION

	2021 (\$)	2020 (\$)	2019 (\$)
Cash			
Base salary	462,500	354,167	—
Short-term incentive	550,000	460,000	—
Total cash compensation from both ATCO and Canadian Utilities	1,012,500	814,167	—
Equity			
Mid-term incentive	0	0	—
Long-term incentive			
Stock options	150,900	87,215	—
Share appreciation rights	N/A	N/A	—
Total equity	150,900	87,215	—
Total direct compensation from both ATCO and Canadian Utilities	1,163,400	901,382	—



DENNIS A. DECHAMPLAIN

Executive Vice President & Chief Financial Officer

Calgary, Canada

Years of service 29

Age 57

Mr. DeChamplain held the position of Executive Vice President & Chief Financial Officer of ATCO and Canadian Utilities until his passing on August 15, 2021. He was responsible for Finance, Accounting, Treasury, Taxation, Risk Management, Information Technology, Investor Relations and the administration of Internal Audit.

COMPENSATION

	2021 (\$)	2020 (\$)	2019 (\$)
Cash			
Base salary	413,218	557,121	472,500
Short-term incentive ¹	0	800,000	320,000
Total cash compensation from both ATCO and Canadian Utilities	413,218	1,357,121	792,500
Equity			
Mid-term incentive ²	13,056	123,278	1,137,726
Long-term incentive			
Stock options	723,600	407,588	91,936
Share appreciation rights	N/A	N/A	91,936
Total equity	736,656	530,866	1,321,598
Total direct compensation from both ATCO and Canadian Utilities	1,149,874	1,887,987	2,114,098

¹ GOCOM applied discretion and determined that no annual bonus would be paid to Mr. DeChamplain for 2021 because process failings were identified in 2021 that resulted in enforcement proceedings being initiated with the Alberta Utilities Commission. The Company issued a news release on November 30, 2021 to describe the situation and the corrective actions being taken.

² The amount for 2021 represents the final dividend paid in 2021 under the MTIP. As of 2020, ATCO no longer grants awards under its MTIP and no MTIP awards are currently outstanding for our named executives.



BRIAN P. SHKROBOT

Executive Vice President & Chief Financial Officer, Canadian Utilities

Calgary, Canada

Years of service 21

Age 49

Mr. Shkrobot is Executive Vice President & Chief Financial Officer of Canadian Utilities. He is responsible for the overall financial management of Canadian Utilities including Finance, Accounting, Treasury, Taxation, Risk Management, Investor Relations and the administration of Internal Audit. He is also responsible for ATCO's Sustainability and Information Technology functions and Regulatory Affairs for ATCO's utilities divisions in Canada, Australia and internationally. Mr. Shkrobot joined ATCO in 2000 and has held a variety of leadership positions across Canadian Utilities. He was appointed to his current role in October 2021.

COMPENSATION

	2021 (\$)	2020 (\$)	2019 (\$)
Cash			
Base salary	377,500	362,273	316,250
Short-term incentive	350,000	350,000	175,000
Total cash compensation from both ATCO and Canadian Utilities	727,500	712,273	491,250
Equity			
Mid-term incentive ¹	870	19,095	197,719
Long-term incentive			
Stock options	49,620	15,427	10,091
Share appreciation rights	N/A	N/A	10,091
Total equity	50,490	34,522	217,901
Total direct compensation from both ATCO and Canadian Utilities	777,990	746,795	709,151

¹ The amount for 2021 represents the final dividend paid in 2021 under the MTIP. As of 2020, ATCO no longer grants awards under its MTIP and no MTIP awards are currently outstanding for our named executives.

2021 COMPENSATION DETAILS

Summary Compensation Table

The table below summarizes the total compensation of each of the named executives received or awarded for the years ended December 31, 2019, 2020 and 2021. In 2021, the named executives, excluding Adam M. Beattie, had a dual role for ATCO and for Canadian Utilities, our subsidiary company. Adam M. Beattie's compensation expenses are 100 per cent allocated to ATCO. The table below shows how the compensation expense for executives with dual roles has been shared over the past three years.

	Amount paid by ATCO	Amount paid by Canadian Utilities	Combined total reported in ATCO proxy circular
2021	11.0 %	89.0 %	100 %
2020	10.0 %	90.0 %	100 %
2019	10.1 %	89.9 %	100 %

The compensation we report below for all named executives is the compensation they receive from both ATCO and Canadian Utilities.

	Salary	Share based awards ¹	Option based awards ^{2,3}	Non-equity incentive plan compensation		Pension value ⁴	All other compensation ⁵	Total compensation
				Annual incentive plans ^{6,7}	Long term incentive plans			
Nancy C. Southern								
Chair & Chief Executive Officer, ATCO and Canadian Utilities								
2021	1,000,000	13,056	2,358,500	0	N/A	1,585,483	35,000	4,992,039
2020	708,333	116,314	1,075,800	1,600,000	N/A	2,549,106	35,000	6,084,553
2019	1,000,000	896,252	1,195,168	1,400,000	N/A	(2,451,120)	35,000	2,075,300
Siegfried W. Kiefer								
Honorary Director, Office of the Chair, ATCO								
2021	900,000	17,408	764,000	0	N/A	152,721	31,500	1,865,629
2020	900,000	163,588	433,299	1,200,000	N/A	225,809	31,500	2,954,196
2019	887,500	1,212,867	183,872	800,000	N/A	(975,168)	31,063	2,140,134
Katie J. Patrick								
Executive Vice President, Chief Financial and Investment Officer, ATCO								
2021	385,000	1,523	73,620	450,000	N/A	29,210	0	939,353
2020	364,167	17,276	19,459	325,000	N/A	27,830	0	753,732
2019	287,500	204,324	25,112	175,000	N/A	27,230	0	719,166
Adam M. Beattie								
President, Structures of ATCO Structures & Logistics Ltd.								
2021	473,750	4,352	455,650	350,000	N/A	29,210	8,291	1,321,253
2020	440,000	17,104	232,648	550,000	N/A	27,830	6,417	1,273,999
2019	407,581	305,621	58,422	315,000	N/A	40,213	214,129	1,340,966
Bob J. Myles								
Executive Vice President, Corporate Development, ATCO and Canadian Utilities								
2021	462,500	0	150,900	550,000	N/A	29,210	11,562	1,204,172
2020	354,167	0	87,215	460,000	N/A	23,192	7,969	932,543
2019	—	—	—	—	N/A	—	—	—
Dennis A. DeChamplain								
Executive Vice President & Chief Financial Officer, ATCO and Canadian Utilities								
2021	413,218	13,056	723,600	0	N/A	104,525	13,300	1,267,699
2020	557,121	123,278	407,588	800,000	N/A	4,907,546	19,499	6,815,032
2019	472,500	1,137,726	183,872	320,000	N/A	27,230	16,071	2,157,399
Brian P. Shkrobot								
Executive Vice President & Chief Financial Officer, Canadian Utilities								
2021	377,500	870	49,620	350,000	N/A	29,210	13,213	820,413
2020	362,273	19,095	15,427	350,000	N/A	27,830	12,680	787,305
2019	316,250	197,719	20,182	175,000	N/A	27,230	11,777	748,158

- 1 The grant date fair value for MTIP granted in past years was determined in consultation with our independent advisors. The accounting fair value was based on the full value share price at the time of grant and the grant date fair value used for compensation benchmarking purposes reflected a discount applied to account for performance hurdles that had to be met in order for the MTIP to vest. The share based awards value includes the dividends received during the respective calendar year. ATCO did not grant units under the mid-term incentive plan in 2020 or 2021.

2019		
July		
	ATCO	Canadian Utilities
MTIP Assumptions		
Grant date fair value	28.85	23.38
Accounting fair value	44.38	35.97

- 2 The option values shown for the last three years are the grant date fair values determined using the Black-Scholes method, the same method used for determining the accounting fair values. The assumptions used were as follows:

	2021				2020		2019	
	October		June		December		November	
	ATCO	Canadian Utilities	ATCO	Canadian Utilities	ATCO	Canadian Utilities	ATCO	Canadian Utilities
Option Assumptions								
Expected life (years)	7.1	6.8	7.1	6.8	7.1	6.8	7.1	6.8
Risk free rate of return	1.57%	1.56%	1.10%	1.06%	0.52%	0.50%	1.47%	1.47%
Volatility	26.14%	24.01%	26.23%	24.09%	21.76%	22.25%	18.88%	17.53%
Dividend yield	4.27%	4.91%	3.93%	4.89%	4.62%	5.49%	3.25%	4.27%

The SAR values shown for past years are the grant date fair values determined using the Black-Scholes method, the same method used for determining the accounting fair values. ATCO did not grant SARs under the long-term incentive plan in 2020 or 2021. The assumptions used were as follows:

2019		
November		
	ATCO	Canadian Utilities
SAR Assumptions		
Expected life (years)	6.1	6.0
Risk free rate of return	1.47%	1.47%
Volatility	18.67%	18.29%
Dividend yield	3.25%	4.27%

- 3 Total ATCO and Canadian Utilities stock options and share appreciation rights.
- 4 Estimated using a prescribed formula based on several assumptions. Also includes other compensatory items. For additional information, please see the disclosure under Pension and Retirement Benefits starting on Page 80.
- 5 Employer contribution to the Employee Share Purchase Plan. Mr. Beattie's 2019 compensation also included expatriate allowances of \$109,121 and payment for Australian leave benefits of \$102,044.
- 6 Ms. Southern recommended and GOCOM approved withholding bonuses for Ms. Southern and Mr. Kiefer for 2021, despite strong corporate and individual performance. Process failings were identified in 2021 that resulted in enforcement proceedings being initiated with the Alberta Utilities Commission. Ms. Southern and Mr. Kiefer had no direct involvement, but Ms. Southern and GOCOM felt it appropriate that CEO compensation should be impacted. The Company issued a news release on November 30, 2021 to describe the situation and the corrective actions being taken.
- 7 GOCOM applied discretion and determined that no annual bonus would be paid to Mr. DeChamplain for 2021 because the situation that is described in footnote (6) arose while he was CFO.

Outstanding Option-Based Awards

The table below shows each named executive's outstanding incentive plan awards as of December 31, 2021.

Option-based awards									
Number of securities underlying unexercised options (#)					Option exercise price /SARs base value (\$)		Option / SARs expiration date	Value of unexercised in-the-money options / SARs (\$)	
ATCO			Canadian Utilities		ATCO	Canadian Utilities		ATCO	Canadian Utilities
Options ¹		SARs ²	Options ³	SARs ⁴					
Nancy C. Southern									
2021	250,000	N/A	150,000	N/A	45.38	35.76	2029-06-15	0	139,500
2020	200,000	N/A	140,000	N/A	38.40	32.09	2028-12-15	860,000	644,000
2019	65,000	65,000	65,000	65,000	49.51	38.97	2029-11-15	0	0
2018	65,000	65,000	65,000	65,000	42.08	34.13	2028-03-15	80,600	332,800
2017	65,000	65,000	65,000	65,000	48.82	38.07	2027-03-15	0	0
2016	62,500	62,500	62,500	62,500	38.93	36.08	2026-03-25	471,250	76,250
2015	50,000	50,000	50,000	50,000	46.98	40.78	2025-03-15	0	0
2014	50,000	50,000	50,000	50,000	51.96	39.45	2024-03-15	0	0
2013	60,000	60,000	60,000	60,000	44.97	39.04	2023-03-15	0	0
Siegfried W. Kiefer									
2021	60,000	N/A	85,000	N/A	45.38	35.76	2029-06-15	0	79,050
2020	60,000	N/A	85,000	N/A	38.40	32.09	2028-12-15	258,000	391,000
2019	10,000	10,000	10,000	10,000	49.51	38.97	2024-02-28	0	0
2018	10,000	10,000	10,000	10,000	42.08	34.13	2028-03-15	12,400	51,200
2017	10,000	10,000	10,000	10,000	48.82	38.07	2027-03-15	0	0
2016	7,500	7,500	7,500	7,500	38.93	36.08	2026-03-25	56,550	9,150
2015	7,500	7,500	7,500	7,500	46.98	40.78	2025-03-15	0	0
2014	10,000	10,000	10,000	10,000	51.96	39.45	2024-03-15	0	0
2013	10,000	10,000	10,000	10,000	44.97	39.04	2023-03-15	0	0
2012	7,500	7,500	7,500	7,500	35.12	33.18	2022-03-15	113,775	52,650
Katie J. Patrick									
2021	6,000	N/A	0	N/A	41.04	N/A	2029-10-30	9,960	0
2021	4,000	N/A	2,000	N/A	45.38	35.76	2029-06-15	0	1,860
2020	4,000	1,000	2,000	2,000	38.40	32.09	2028-12-15	17,200	9,200
2019	1,000	750	2,000	750	49.51	38.97	2029-11-15	0	0
2018	750	500	750	500	42.08	34.13	2028-03-15	930	3,840
2017	500	0	500	3,250	50.33	40.82	2027-06-15	0	0
Adam M. Beattie									
2021	65,000	N/A	N/A	N/A	45.38	N/A	2029-06-15	0	N/A
2020	65,000	N/A	N/A	N/A	38.40	N/A	2028-12-15	279,500	N/A
2019	5,000	5,000	0	0	49.51	N/A	2029-11-15	0	N/A
2018	N/A	4,000	N/A	N/A	42.08	N/A	2023-03-15	2,480	N/A
2017	N/A	4,000	N/A	N/A	48.82	N/A	2022-03-15	0	N/A
Bob J. Myles									
2021	10,000	N/A	20,000	N/A	45.38	35.76	2029-06-15	0	18,600
2020	10,000	N/A	20,000	N/A	38.40	32.09	2028-12-15	43,000	92,000
Dennis A. DeChamplain⁶									
2021	0	N/A	0	N/A	N/A	N/A	N/A	N/A	N/A
2020	0	N/A	0	N/A	N/A	N/A	N/A	N/A	N/A
2019	2,000	2,000	2,000	2,000	49.51	38.97	2023-08-16	0	0
2018	3,000	3,000	3,000	3,000	42.08	34.13	2023-08-16	3,720	15,360
2017	3,200	3,200	3,200	3,200	50.75	41.54	2023-08-16	0	0
2017	800	800	800	800	48.82	38.07	2023-08-16	0	0
2016	0	0	3,000	3,000	N/A	36.08	2023-08-16	0	3,660
2015	1,000	1,000	1,000	1,000	46.98	40.78	2023-08-16	0	0
2014	1,500	1,500	1,500	1,500	51.96	39.45	2023-08-16	0	0
2013	0	0	2,000	2,000	N/A	39.04	2023-03-15	0	0
2012	0	0	2,000	2,000	N/A	33.18	2022-03-15	0	14,040
Brian P. Shkrobot									
2021	0	N/A	6,000	N/A	N/A	35.44	2029-10-30	0	7,500
2021	0	N/A	6,000	N/A	N/A	35.76	2029-06-15	0	5,580
2020	0	N/A	6,000	N/A	N/A	32.09	2028-12-15	0	27,600
2019	0	0	3,000	3,000	N/A	38.97	2029-11-15	0	0
2018	1,000	1,000	800	800	42.08	34.13	2028-03-15	1,240	4,096
2017	0	0	1,200	1,200	N/A	38.07	2027-03-15	0	0
2016	0	0	600	600	N/A	36.08	2026-03-25	0	732
2015	0	0	200	200	N/A	29.97	2025-12-15	0	2,688
2015	0	0	200	200	N/A	40.78	2025-03-15	0	0

- 1 Options to buy ATCO Class I Shares.
- 2 Share appreciation rights based on ATCO Class I Shares.
- 3 Options to buy Canadian Utilities Class A shares.
- 4 Share appreciation rights based on Canadian Utilities Class A shares.
- 5 The difference between the market value as at December 31, 2021, of ATCO Class I Shares (\$42.70) and Canadian Utilities Class A shares (\$36.69) underlying the option based awards and the exercise price of the option-based awards.
- 6 At the time of Mr. DeChamplain's death, in accordance with the terms of the plans, all unvested options and SARs expired immediately. This table shows Mr. DeChamplain's vested options and SARs that remained outstanding as at December 31, 2021.
- 7 The Company no longer grants restricted shares under its MTIP (share-based awards) and no such awards are currently outstanding for our named executives. As such, the "share-based awards" portion of the previous table has been omitted.

The tables below show the total holdings and value of options and SARs held by the named executives at the end of the year, and the options and SARs they exercised in 2021.

	Aggregate holdings and value of options and SARs held on December 31, 2021				Options and SARs exercised in 2021	
	Number of unexercised options/SARs (#)		Value of unexercised in-the-money options/SARs (\$)		Securities acquired on exercise (#)	Aggregate value realized (\$)
	Exercisable	Unexercisable	Exercisable	Unexercisable		
Nancy C. Southern						
In 2021, Ms. Southern exercised:						
• 50,000 options and 50,000 SARs on ATCO Ltd. Class I Shares						
• 50,000 options and 50,000 SARs on Canadian Utilities Class A shares						
ATCO Class I						
Options	389,500	478,000	474,805	661,120	50,000	299,250
SARs	339,500	78,000	259,805	16,120	N/A	308,750
Canadian Utilities Class A						
Options	374,500	333,000	298,965	689,060	50,000	98,385
SARs	339,500	78,000	137,965	66,560	N/A	104,500
Siegfried W. Kiefer						
In 2021, Mr. Kiefer exercised:						
• 5,000 options and 5,000 SARs on ATCO Ltd. Class I Shares						
• 5,000 options and 5,000 SARs on Canadian Utilities Class A shares						
ATCO Class I						
Options	75,500	117,000	153,383	195,980	5,000	53,425
SARs	60,500	12,000	88,883	2,480	N/A	53,125
Canadian Utilities Class A						
Options	81,750	160,750	144,010	382,540	5,000	32,625
SARs	60,500	12,000	46,260	10,240	N/A	34,525
Katie J. Patrick						
Ms. Patrick did not exercise any options or SARs in 2021						
ATCO Class I						
Options	2,250	14,000	4,579	23,046	N/A	N/A
SARs	1,250	1,000	279	186	N/A	N/A
Canadian Utilities Class A						
Options	2,150	5,100	3,452	9,528	N/A	N/A
SARs	1,650	1,600	1,152	768	N/A	N/A
Adam M. Beattie						
Mr. Beattie did not exercise any options or SARs in 2021						
ATCO Class I						
Options	18,250	116,750	69,875	209,625	N/A	N/A
SARs	2,000	11,000	0	2,480	N/A	N/A
Canadian Utilities Class A						
Options	N/A	N/A	N/A	N/A	N/A	N/A
SARs	N/A	N/A	N/A	N/A	N/A	N/A

Aggregate holdings and value of options and SARs held on December 31, 2021					Options and SARs exercised in 2021	
	Number of unexercised options/SARs (#)		Value of unexercised in-the-money options/SARs (\$)		Securities acquired on exercise (#)	Aggregate value realized (\$)
	Exercisable	Unexercisable	Exercisable	Unexercisable		
Bob J. Myles						
Mr. Myles did not exercise any options or SARs in 2021						
ATCO Class I						
Options	2,500	17,500	10,750	32,250	N/A	N/A
SARs	N/A	N/A	N/A	N/A	N/A	N/A
Canadian Utilities Class A						
Options	5,000	35,000	23,000	87,600	N/A	N/A
SARs	N/A	N/A	N/A	N/A	N/A	N/A
Dennis A. DeChamplain						
In 2021, Mr. DeChamplain exercised:						
• 2,000 options and 2,000 SARs on ATCO Ltd. Class I Shares						
• 2,000 options and 2,000 SARs on Canadian Utilities Class A shares						
ATCO Class I						
Options	11,500	0	1,860	0	2,000	22,073
SARs	11,500	0	1,860	0	N/A	24,030
Canadian Utilities Class A						
Options	18,500	0	16,530	0	2,000	14,083
SARs	18,500	0	16,530	0	N/A	16,450
Brian P. Shkrobot						
Mr. Shkrobot did not exercise any options or SARs in 2021						
ATCO Class I						
Options	600	400	372	248	N/A	N/A
SARs	600	400	372	248	N/A	N/A
Canadian Utilities Class A						
Options	4,900	19,100	9,634	34,804	N/A	N/A
SARs	3,400	2,600	2,734	1024	N/A	N/A

Incentive plan awards — value vested or earned during the year

The table below shows incentive plan awards that have vested or were earned for each named executive during 2021.

Year ended December 31, 2021	Option-based awards				Share-based awards ⁵		Non-equity incentive plan compensation ⁶
			Amount vested during the year (\$)		Value vested during the year (\$)		Value earned during the year (\$)
	ATCO		Canadian Utilities		ATCO	Canadian Utilities	
	Options ¹	SARs ²	Options ³	SARs ⁴			
Nancy C. Southern	243,375	30,375	131,950	0	13,056	N/A	0
Siegfried W. Kiefer	67,545	3,645	80,112	0	17,408	N/A	0
Katie J. Patrick	4,260	0	1,885	0	1,523	N/A	450,000
Adam M. Beattie	69,225	7,760	N/A	N/A	4,352	N/A	350,000
Bob J. Myles	10,650	N/A	18,850	N/A	N/A	N/A	550,000
Dennis A. DeChamplain	0	0	0	0	13,056	N/A	0
Brian P. Shkrobot	0	0	5,655	0	870	N/A	350,000

1 Options to buy ATCO Class I Shares.

2 Share appreciation rights based on ATCO Class I Shares.

3 Options to buy Canadian Utilities Class A shares.

4 Share appreciation rights based on Canadian Utilities Class A shares.

5 Represents the final dividend paid in 2021 from the 2018 and 2019 MTIP awards that were cancelled in 2020.

6 Ms. Southern recommended and GOCOM approved withholding bonuses for Ms. Southern and Mr. Kiefer for 2021, despite strong corporate and individual performance. Process failings were identified in 2021 that resulted in enforcement proceedings being initiated with the Alberta Utilities Commission. Ms. Southern and Mr. Kiefer had no direct involvement, but Ms. Southern and GOCOM felt it appropriate that CEO compensation should be impacted. The Company issued a news release on November 30, 2021 to describe the situation and the corrective actions being taken. GOCOM applied discretion and determined that no annual bonus would be paid to Mr. DeChamplain for 2021 because the situation described above arose while he was CFO.

Equity compensation plan information

	Non-voting shares to be issued upon exercise of outstanding options	Weighted average exercise price of outstanding options	Non-voting shares remaining available for future issuance under equity compensation plans (not including outstanding options)	Total number of outstanding shares	Non-voting shares to be issued upon exercise of outstanding options (as a % of total outstanding shares)	Non-voting shares available for future issuance (as a % of total outstanding shares)
December 31, 2021						
ATCO	1,431,050	\$43.70	107,150	114,383,778	1.3 %	0.1 %
Canadian Utilities	1,524,750	\$35.63	2,905,900	269,347,121	0.6 %	1.1 %
March 9, 2022						
ATCO	1,415,950	\$43.68	119,150	114,386,878	1.2 %	0.1 %
Canadian Utilities	1,509,250	\$35.62	2,917,900	269,449,535	0.6 %	1.1 %

Incentive Plan Awards

Plan details for Stock Option Plans		
	ATCO	Canadian Utilities
Maximum number of shares that can be issued:	<ul style="list-style-type: none"> 10,200,000 Class I Shares (8.9% of outstanding Class I and Class II Shares as of December 31, 2021) 	<ul style="list-style-type: none"> 12,800,000 Class A shares (4.7% of outstanding Class A and Class B shares as of December 31, 2021)
Number of outstanding securities awarded:	<ul style="list-style-type: none"> Options to purchase 1,431,050 Class I Shares were outstanding as of December 31, 2021 (1.3% of outstanding Class I and Class II Shares as of December 31, 2021) 	<ul style="list-style-type: none"> Options to purchase 1,524,750 Class A shares were outstanding as of December 31, 2021 (0.6% of outstanding Class A and Class B shares as of December 31, 2021)
Activity in 2021:	<ul style="list-style-type: none"> 515,000 options were granted 59,750 Class I Shares were issued on the exercise of options 139,400 options were cancelled 	<ul style="list-style-type: none"> 525,000 options were granted 62,400 Class A shares were issued on the exercise of options 190,700 options were cancelled

Dilution Measure

Burn rate is calculated as the number of shares granted divided by the weighted average number of securities outstanding. The weighted average number of securities outstanding during the period is the number of securities outstanding at the beginning of the period, adjusted by the number of securities bought back or issued during the period multiplied by a time-weighting factor. The table below provides the burn rate for the past three fiscal years.

Current

	December 31, 2021	December 31, 2020	December 31, 2019
ATCO	0.45%	0.39%	0.09%
Canadian Utilities	0.19%	0.18%	0.05%

Pension and Retirement Benefits

Defined Benefit

The table below shows the pension benefits and accrued obligations under all registered pension plans and supplemental arrangements for each of the named executives. See Page 53 for more information about our pension plans.

	Number of years credited service (#)	Annual benefits payable (\$)		Opening present value of defined benefit obligation (\$)	Compensatory change (\$)	Non-compensatory change (\$)	Closing present value of defined benefit obligation (\$)
		At year end	At Age 65				
Nancy C. Southern	26.00	2,048,000	2,048,000	38,367,401	1,585,483	(2,371,744)	37,581,140
Siegfried W. Kiefer	38.00	642,706	673,713	15,403,842	152,721	994,016	16,550,579
Dennis A. DeChamplain ¹	0.00	0	0	5,548,471	85,052	(5,633,523)	0

¹ Mr. DeChamplain's Supplemental Employee Retirement Plan did not include a death benefit provision.

Number of years of credited service is the time the executive has been a member of the pension plan, and is used to calculate the pension.

Annual pension benefits payable at year end is based on the defined benefit credited service and actual average pensionable earnings at December 31, 2021. The benefits are reduced if a named executive is eligible for early retirement.

Annual pension benefits payable at age 65 is based on actual average pensionable earnings at December 31, 2021, and their projected service at age 65, to a maximum of 35 years service (with the exception to Supplemental Employee Retirement Plan maximum for Siegfried W. Kiefer).

The Company calculates the accrued pension obligation using the method prescribed by IFRS and based on management's best estimate of future events that affect the cost of pensions, including assumptions about adjustments to base salary in the future.

The compensatory change includes the service cost, differences between actual and estimated earnings, the impact of plan amendments and past service benefits, as well as changes in expected future retirement dates.

The non-compensatory change includes interest on the obligation and the impact of assumption changes. See Note 15, Retirement Benefits, in the Company's consolidated financial statements for the year ended December 31, 2021, for more information about the methods and assumptions used to calculate accrued obligations.

Defined Contribution

The table below shows the defined contribution disclosure for the named executives.

	Accumulated value at start of year	Compensatory (\$)	Accumulated value at year end (\$)
Katie J. Patrick	163,447	29,210	218,369
Adam M. Beattie	62,988	29,210	105,969
Bob J. Myles	24,670	29,210	57,592
Dennis A. DeChamplain	942,061	19,473	0
Brian P. Shkrobot	623,414	29,210	769,198

The compensatory amount is the Company's contribution. Participants are responsible for their investments and may invest contributions in a broad selection of funds.

Termination and Change of Control

Termination of employment of an executive is subject to applicable legislation and common law provisions as no employment agreements are in place for the named executives, except for Ms. Southern and Mr. Kiefer. The table below shows how various components of our compensation program are impacted by retirement, resignation, change of control and termination.

ATCO considers a *change of control* to occur when holders of more than 50 per cent of our Class II Shares accept an offer for any portion or all of our shares. This change can be by way of a takeover bid or some other means, as long as it is not the result of a transaction to convert ATCO Ltd. to a trust with our share owners owning more than 50 per cent of the voting securities of the trust.

We have an employment agreement with Ms. Southern, Chair & Chief Executive Officer, ATCO and Canadian Utilities. Mr. Kiefer, Honorary Director, Office of the Chair, ATCO had an employment agreement which was effective until February 28, 2022. See Pages 65 and 66 respectively for more information.

Retirement	<ul style="list-style-type: none"> • Salary ends • Retiring allowance is based on years of service to a maximum of one month's salary • Retiree health benefits coverage starts when he or she retires, and continues until six months after the pensioner dies • Annual incentive is paid on a pro rata basis to the retirement date • All vested options and share appreciation rights can be exercised within 24 months of the retirement date, or on the expiry date if earlier • All unvested options and share appreciation rights granted in 2019 and prior are forfeited on the retirement date • All options granted after 2019 will continue to vest over the four-year term and expire eight years after the grant date • Pension benefits are provided based on membership in the Pension Plan (and Supplemental Pension Benefits, as applicable) as more fully described on Page 53.
Resignation	<ul style="list-style-type: none"> • All salary and benefits end • Annual incentive for the current year is forfeited • All vested options and share appreciation rights can be exercised within 90 days of the resignation date, or on the expiry date if earlier • All unvested options and share appreciation rights are forfeited on the resignation date • Pension is paid as a commuted value or deferred benefit.
Change of control	<ul style="list-style-type: none"> • No changes to salary, incentives or benefits • All vested options and share appreciation rights can be exercised upon a change of control. These awards can be exercised until the earlier of their scheduled expiry and 90 days after the date of any termination of the participant's status with the Company. • All unvested options and share appreciation rights vest upon a change of control. These awards can be exercised until the earlier of their scheduled expiry and 90 days after the date of any termination of the participant's status with the Company.

Termination without cause of Nancy C. Southern	<p>A lump sum payment equal to the sum of:</p> <ul style="list-style-type: none"> • three (3) times Ms. Southern's annual base salary; plus • three (3) times the Company's annual cost of providing all of Ms. Southern's benefits and perquisites; plus • an amount equal to the average of Ms. Southern's annual bonuses received for the past three years multiplied by three (3) <p><i>Treatment of long term incentive awards</i></p> <ul style="list-style-type: none"> • The vesting of all unvested options and share appreciation rights would be accelerated and these awards would be exercisable for a period of two years, or until the expiry date if earlier <p><i>Pension</i></p> <ul style="list-style-type: none"> • Pension is paid as a commuted value or deferred benefit <p>Ms. Southern has the right to terminate her employment for "Good Reason", in which case, she would be entitled to the same termination treatment described above. "Good reason" (as defined in her employment agreement) means any situation where duties are materially changed, salary is reduced without express written consent, benefits or incentive compensation is discontinued, or relocation outside of the Province of Alberta is required.</p>
Termination without cause of Siegfried W. Kiefer	<p>A lump sum payment equal to the sum of:</p> <ul style="list-style-type: none"> • two (2) times Mr. Kiefer's annual base salary; plus • two (2) times the Company's annual cost of providing all of Mr. Kiefer's benefits and perquisites; plus • an amount equal to the average of Mr. Kiefer's annual bonuses received for the past three years multiplied by two (2) <p><i>Treatment of long term incentive awards</i></p> <ul style="list-style-type: none"> • The vesting of all unvested options and share appreciation rights would be accelerated and these awards would be exercisable for a period of two years, or until the expiry date if earlier <p><i>Pension</i></p> <ul style="list-style-type: none"> • Pension is paid as a commuted value or deferred benefit <p>Mr. Kiefer has the right to terminate his employment for "Good Reason", in which case, he would be entitled to the same termination treatment described above. "Good reason" (as defined in his employment agreement) means any situation where duties are materially changed, salary is reduced without express written consent, benefits or incentive compensation is discontinued, or relocation outside of the Province of Alberta is required.</p>
Termination without cause of other Named Executives	<ul style="list-style-type: none"> • All salary and benefits end • Annual incentive for the current year is forfeited • All vested options and share appreciation rights can be exercised within 90 days of the termination date, or on the expiry date if earlier • All unvested options and share appreciation rights are forfeited on the termination date • Pension is paid as a commuted value or deferred benefit • If applicable, severance is provided based on employment standards and entitlements at common law.

The table below shows incremental amounts that would be paid to the named executives based on differing scenarios - retirement, resignation, termination without cause and change of control without termination, assuming the triggering event took place on December 31, 2021.

Incremental Amounts	Retirement (\$)	Resignation (\$)	Termination Without Cause (\$) ¹	Change of Control Without Termination (\$) ²
Nancy C. Southern				
Cash payment			7,200,000	
Option-based awards ³			1,432,860	1,432,860
Pension				
Benefits			300,000	
Perquisites			127,713	
Total			9,060,573	1,432,860
Siegfried W. Kiefer				
Cash payment			3,466,667	
Option-based awards ³			591,240	591,240
Pension				
Benefits			180,000	
Perquisites			85,259	
Total			4,323,166	591,240
Katie J. Patrick				
Cash payment				
Option-based awards ³				33,528
Pension				
Benefits				
Perquisites				
Total				33,528
Adam M. Beattie				
Cash payment				
Option-based awards ³				212,105
Pension				
Benefits				
Perquisites				
Total				212,105
Bob J. Myles				
Cash payment				
Option-based awards ³				119,850
Pension				
Benefits				
Perquisites				
Total				119,850
Brian P. Shkrobot				
Cash payment				
Option-based awards ³				36,324
Pension				
Benefits				
Perquisites				
Total				36,324

- 1. The named executives are not entitled to any incremental payments in the event of termination for cause. For Ms. Southern and Mr. Kiefer, the values in this column also apply in the event of termination for "Good Reason" as more fully described on Page 82.*
 - 2. The cash payment that would be made upon termination in the event of change of control is the same value as shown under "Termination Without Cause".*
 - 3. Assumes the exercise of all unvested options and share appreciation rights. Shows the estimated value of accelerated awards based on \$42.70 and \$36.69, the respective closing prices of ATCO Class I Shares and Canadian Utilities Class A shares on December 31, 2021.*
- NOTE: Dennis A. DeChamplain held the position of Executive Vice President & Chief Financial Officer until his passing on August 15, 2021.*

OTHER INFORMATION

Directors and Officers Liability Insurance

ATCO and its subsidiaries have purchased insurance with an annual aggregate limit of \$200 million. Coverage for the directors and officers is \$200 million, with coverage for ATCO and its subsidiaries limited to \$175 million. ATCO paid a premium of \$724,559 in the financial year ended December 31, 2021. No part of the premium was paid by a director or officer. ATCO is responsible for the first \$1 million of any securities claim and for the first \$500,000 of any other loss. There is no deductible in respect of claims against any director or officer.

Indebtedness of Directors and Officers

There is not and has not been, any indebtedness outstanding from directors or executive officers of the Company to the Company in 2021, other than routine indebtedness previously outstanding as defined under Canadian securities laws. ATCO does not provide loans to directors or senior executive officers except for:

- Senior executive officers that are transferred at the request of the Company from one place of employment to another who may require bridge financing or a market differential loan
- Senior executive officers requiring an advance to fund significant expenses to be incurred on behalf of the Company that will be settled through submission of an expense account.

Internal policies detail the specifics of the handling of these exceptions.

Interest of Certain Persons or Companies in Matters to be Acted Upon

Management of ATCO is not aware of any material interest, direct or indirect, by way of beneficial ownership of securities or otherwise, of any director or nominee for director, senior officer, or anyone who has been a director or senior officer of ATCO at any time since January 1, 2021, or of any associate or affiliate of any of the foregoing individuals, in any matter to be acted on at the meeting, other than the election of directors, except for as set forth in this circular.

Interest of Informed Persons in Material Transactions

There were no material interests, direct or indirect, of any informed person of the Company, any proposed director of the Company or any associate or affiliate of any informed person or proposed director of the Company, in any transaction during 2021 or in any proposed transaction which has materially affected or would materially affect the Company.

Management Contracts

No management functions are performed by a person or corporation other than the directors, executive officers or other employees of the Company.

Normal Course Issuer Bid (NCIB)

We believe that, from time to time, the market price of our Class I Shares may not fully reflect the value of our business, and that purchasing Class I Shares represents a desirable use of available funds. The purchase of Class I Shares, at appropriate prices, will also minimize any dilution resulting from the exercise of stock options. The Company purchased 220,000 Class I shares for cancellation at a weighted average price of \$42.14 per Class I Share during the most recent 12-month period preceding the date hereof pursuant to a NCIB which commenced on March 9, 2021 and expired on March 8, 2022. On February 28, 2022, the Company refiled a notice of intention to make a NCIB with the TSX, under which the Company can purchase up to 1,011,907 outstanding Class I Shares from March 9, 2022 to March 8, 2023. The aggregate number of Class I Shares that the Company may purchase under the NCIB during any trading day is subject

to a maximum daily purchase limit of 79,058 Class I Shares (being 25% of the average daily trading volume for the six calendar months preceding the date of the acceptance of the notice, which was equal to 316,325 Class I Shares). Any Class I Shares purchased pursuant to the NCIB will be cancelled. A copy of the Company's notice of intention to make a NCIB, which has been accepted by the TSX, can be obtained by the share owners, without charge, by contacting the Company.

Additional Information

Additional information about ATCO is available on SEDAR at www.sedar.com. Information about ATCO's business is provided in its annual information form dated February 23, 2022. Financial information is provided in ATCO's financial statements and the management's discussion and analysis for the year ended December 31, 2021.

Copies of these documents and additional copies of this Circular may be obtained upon request from Investor Relations at 3rd Floor, West Building, 5302 Forand Street S.W., Calgary, Alberta, T3E 8B4.

Corporate information, including our privacy commitment, is also available on ATCO's website: www.ATCO.com

Forward-Looking Information Advisory

Certain statements contained in this Circular constitute forward-looking information. Forward-looking information is often, but not always, identified by the use of words such as "anticipate", "plan", "estimate", "expect", "may", "will", "intend", "should", "goals", "targets", "strategy", "future", and similar expressions. In particular, forward-looking information in this Circular includes, but is not limited to: references to strategic plans, priorities, initiatives, goals and targets, including those that appear under the heading "2021 Performance and Awards"; the timing for construction, completion, commencement of operations or project approvals, in relation to the projects, programs and/or contracts that are referenced herein; the expected revenues or contracted values or benefits to be associated with or derived from projects, programs or contracts; conditional funding; 2030 ESG targets; targeted net zero greenhouse gas (GHG) emissions by 2050; the decarbonization of operations; energy transition; and the projected generation capacity of solar projects.

Although the Company believes that the expectations reflected in the forward-looking information are reasonable based on the information available on the date such statements are made and processes used to prepare the information, such statements are not guarantees of future performance and no assurance can be given that these expectations will prove to be correct. Forward-looking information should not be unduly relied upon. By their nature, these statements involve a variety of assumptions, known and unknown risks and uncertainties, and other factors, which may cause actual results, levels of activity, and achievements to differ materially from those anticipated in such forward-looking information. The forward-looking information reflects the Company's beliefs and assumptions with respect to, among other things, the Company's ability to successfully achieve its net zero GHG emissions target by 2050 and other ESG targets by 2030; the development and performance of technology and technological innovations and the ability to otherwise access and implement all technology necessary to achieve GHG and other ESG targets; continuing collaboration with certain regulatory and environmental groups; the performance of assets and equipment; demand levels for oil, natural gas, gasoline, diesel and other energy sources; certain levels of future energy use; future production rates; future revenue and earnings; the ability to meet current project schedules, and other assumptions inherent in management's expectations in respect of the forward-looking information identified herein.

The Company's actual results could differ materially from those anticipated in this forward-looking information as a result of, among other things, risks inherent in the performance of assets; capital efficiencies and cost savings; applicable laws and government policies; regulatory decisions; competitive factors in the industries in which the Company operates; prevailing economic conditions (including as may be affected by the COVID-19 pandemic); credit risk; interest rate fluctuations; the availability and cost of labour, materials, services, and infrastructure; the development and execution of projects; prices of electricity, natural gas, natural gas liquids, and renewable energy; the development and performance of technology and new energy efficient products, services, and programs including but not limited to the use of zero-emission and renewable fuels, carbon capture, and storage, electrification of equipment powered

by zero-emission energy sources and utilization and availability of carbon offsets; the occurrence of unexpected events such as fires, severe weather conditions, explosions, blow-outs, equipment failures, transportation incidents, and other accidents or similar events; and other risk factors, many of which are beyond the control of the Company. Due to the interdependencies and correlation of these factors, the impact of any one material assumption or risk on a forward-looking statement cannot be determined with certainty. Readers are cautioned that the foregoing lists are not exhaustive. For additional information about the principal risks that the Company faces, see “Business Risks and Risk Management” in the Management’s Discussion and Analysis for the year ended December 31, 2021 (MD&A), which is available on SEDAR at www.sedar.com.

This Circular may contain information that constitutes future-oriented financial information or financial outlook information, all of which are subject to the same assumptions, risk factors, limitations and qualifications set forth above. Readers are cautioned that the assumptions used in the preparation of such information, although considered reasonable at the time of preparation, may prove to be imprecise or inaccurate and, as such, undue reliance should not be placed on such future-oriented financial information or financial outlook information. The Company’s actual results, performance and achievements could differ materially from those expressed in, or implied by, such future-oriented financial information or financial outlook information. The Company has included such information in order to provide readers with a more complete perspective on its future operations and its current expectations relating to its future performance. Such information may not be appropriate for other purposes and readers are cautioned that such information should not be used for purposes other than those for which it has been disclosed herein. Future-oriented financial information or financial outlook information contained herein was made as of the date of this Circular.

Any forward-looking information contained in this Circular represents the Company’s expectations as of the date hereof, and is subject to change after such date. The Company disclaims any intention or obligation to update or revise any forward-looking information whether as a result of new information, future events or otherwise, except as required by applicable securities legislation.

Non-GAAP and Other Financial Measures Advisory

This Circular includes references to “adjusted earnings”, which is a “total of segments measure” as that term is defined in National Instrument 52-112 *Non-GAAP and Other Financial Measures Disclosure*. The most directly comparable measure reported in accordance with IFRS is “earnings attributable to Class I and Class II shares”, which was \$246 million as at December 31, 2021 and \$252 million as at December 31, 2020. For additional information, see “Other Financial and Non-GAAP Measures” and “Reconciliation of Adjusted Earnings to Earnings Attributable to Class I and Class II Shares” in the MD&A, which is available on SEDAR at www.sedar.com. The information provided in the MD&A under the heading “Reconciliation of Adjusted Earnings to Earnings Attributable to Class I and Class II Shares” is incorporated by reference herein.

SCHEDULE A – BOARD OF DIRECTORS MANDATE

The Board of Directors (the Board) of ATCO Ltd. (the Corporation) is responsible for the stewardship of the Corporation and for overseeing the conduct of the business of the Corporation and the activities of management, who are responsible for the day-to-day conduct of the business.

COMPOSITION AND OPERATION

The Board operates by reserving certain powers to itself and delegating certain of its authorities to management. The Board retains responsibility for managing its own affairs, including selecting its chair, planning its composition and size, nominating candidates for election to the Board, determining independence of Board members, constituting committees of the Board, determining director compensation, periodically discussing matters of interest separate from and independent of any influence from management, and assessing the effectiveness of the Board, committees and directors in fulfilling their responsibilities. Subject to the articles and by-laws of the Corporation and the Alberta Business Corporations Act (the ABCA), the Board may constitute, seek the advice of, and delegate powers, duties and responsibilities to committees of the Board.

RESPONSIBILITIES

The Board's primary responsibilities are to enhance and preserve long-term shareholder value and to ensure that the Corporation meets its obligations on an on-going basis and operates in a reliable and prudent manner. In performing its duties, the Board should also consider the legitimate interests that other interested parties, such as employees, customers and communities, may have in the Corporation. In broad terms, the stewardship of the Corporation involves the Board in strategic planning, risk management and mitigation, senior management determination, communication planning, and internal control integrity. More specifically, the Board is responsible for:

- a. to the extent feasible, satisfying itself as to the integrity of the Chief Executive Officer (CEO) and other executive officers and that the CEO and other executive officers create a culture of integrity throughout the organization,
- b. adopting a strategic planning process and approving, on at least an annual basis, a strategic plan for the Corporation which takes into account, among other things, the opportunities and risks of the business,
- c. identifying the principal risks of the Corporation's business and ensuring the implementation of appropriate systems to manage these risks,
- d. succession planning (including appointing, training and monitoring senior management),
- e. adopting a communication policy for the Corporation that includes measures for receiving feedback from interested parties,
- f. the Corporation's internal control and management information systems,
- g. developing the Corporation's approach to corporate governance, including developing a set of corporate governance principles and guidelines that are specifically applicable to the Corporation, and
- h. on an individual basis, attending Board meetings, reviewing meeting materials in advance of meetings, and complying with the other expectations and responsibilities of directors of the Corporation established by the Board.

SPECIFIC DUTIES

The Board's specific duties, obligations and responsibilities fall into the following categories:

1. Legal Requirements

- a. The Board has oversight responsibility for the Corporation's satisfaction of its legal obligations and for properly preparing, approving and maintaining the Corporation's documents and records.
- b. The Board has the statutory obligation to
 - i. manage or supervise the management of the business and affairs of the Corporation,
 - ii. act honestly and in good faith with a view to the best interests of the Corporation,
 - iii. exercise the care, diligence and skill that a reasonably prudent person would exercise in comparable circumstances, and
 - iv. act in accordance with its obligations contained in the ABCA and the regulations thereunder, the Corporation's articles and by-laws, and other relevant legislation and regulations.
- c. The Board has the statutory obligation to consider certain matters as a board of directors. The Board may not delegate to management or to a committee of the Board the authority to
 - i. submit to the shareholders any question or matter requiring the approval of the shareholders,
 - ii. fill a vacancy among the directors or in the office of auditor, or appoint additional directors,
 - iii. issue securities except in the manner and on the terms authorized by the Board,
 - iv. declare dividends,
 - v. purchase, redeem or otherwise acquire shares issued by the Corporation, except in the manner and on the terms authorized by the Board,
 - vi. pay a commission to any person in consideration of the person's purchasing or agreeing to purchase shares of the Corporation from the Corporation or from any other person, or procuring or agreeing to procure purchasers for shares of the Corporation, except as authorized by the Board,
 - vii. approve any management proxy circular relating to a solicitation of proxies by or on behalf of management of the Corporation,
 - viii. approve any take-over bid circular or directors' circular,
 - ix. approve any annual financial statements of the Corporation, or
 - x. adopt, amend or repeal by-laws.

2. Independence

The Board is responsible for implementing appropriate structures and procedures to permit the Board to function independently of management.

3. Strategic Planning

The Board is responsible for ensuring that there are long-term goals and a strategic planning process in place for the Corporation and participating with management, at least annually, directly or through its committees in approving the strategic plan by which the Corporation proposes to achieve its goals.

4. Risk Management

The Board is responsible for understanding the principal risks of the business in which the Corporation is engaged, achieving a proper balance between risks incurred and the potential return to shareholders, and confirming that there are systems in place that effectively monitor and manage those risks with a view to the long-term viability of the Corporation.

5. Appointment, Training and Monitoring of Senior Management

The Board is responsible for:

- a. appointing the CEO of the Corporation, monitoring and assessing the CEO's performance, determining the CEO's compensation, and providing advice and counsel to the CEO in the execution of the CEO's duties,
- b. approving the appointment and remuneration of senior executive officers of the Corporation, and
- c. confirming that adequate provision has been made for the training and development of management and for the orderly succession of management.

6. Reporting and Communication

The Board is responsible for:

- a. verifying that the Corporation has in place policies and programs to enable the Corporation to communicate effectively with its shareholders, other interested parties and the public generally,
- b. verifying that the financial performance of the Corporation is adequately reported to shareholders, other security holders and regulators on a timely and regular basis,
- c. verifying that the Corporation's financial results are reported fairly and in accordance with generally accepted accounting principles,
- d. verifying the timely reporting of any other developments that have a significant and material effect on the value of the Corporation, and
- e. reporting annually to shareholders on the Board's stewardship of the affairs of the Corporation for the preceding year.

7. Monitoring and Acting

The Board is responsible for:

- a. verifying that the Corporation operates at all times within applicable laws and regulations to the highest ethical and moral standards,
- b. approving and monitoring compliance with the significant policies and procedures by which the Corporation is operated,
- c. verifying that the Corporation sets appropriate environmental standards in its operations and is in compliance with environmental laws and regulations,
- d. verifying that the Corporation has in place appropriate programs and policies for the health and safety of its employees in the workplace,
- e. monitoring the Corporation's progress toward its goals and objectives and revising and altering its direction through management in response to changing circumstances,
- f. taking action when the Corporation's performance falls short of its goals and objectives or when other special circumstances warrant,
- g. verifying that the Corporation has implemented adequate disclosure controls and procedures and internal control and information systems,
- h. ensuring that the Board receives from senior management on a timely basis the information and input required to enable the Board to effectively perform its duties,
- i. adopting a written code of business conduct and ethics and monitoring compliance with the code,
- j. annually assessing the adequacy of this Mandate and making any changes deemed necessary or appropriate, and
- k. conducting and acting upon annual assessments and evaluations of the Board, committees of the Board and individual directors.

8. Other

The foregoing list of duties is not exhaustive. The Board may perform any other activities consistent with this mandate, the Corporation's articles and by-laws, and any other governing laws, as the Board deems necessary or appropriate.

SCHEDULE B – 2021 COMPARATOR COMPANIES

3M Canada Company
Access Information Management of Canada ULC
Air Liquide Canada, Inc.
All Weather Windows Ltd.
Alstom Transport Canada, Inc.
Ampcor Packaging Canada, Inc.
Americold
AmerisourceBergen Corporation
Ansell Canada, Inc.
Apex Tool Canada, Ltd.
Arrowhead Engineered Products
ASSA ABLOY of Canada
Autoliv, Inc. - Autoliv Canada, Inc.
Ball Beverage Packaging North & Central America
Bombardier, Inc.
Bosch Rexroth Canada Corp.
Bradken
Canada Post Corporation
Canadian Bank Note Company, Limited
Canadian Pacific Railway Limited
Cargill Limited
Carrier Corporation
Cascade Canada, Ltd.
Caterpillar Canada
Centra Industries Inc.
CF Industries
CKEX KONE Inc. (Canada)
Clarios
CNH Industrial Canada, Ltd.
Colas Canada, Inc.
Core Molding Technologies
Cornerstone Building Brands
Cummins Canada
Danfoss Inc.
Day & Ross, Inc.
DeLaval, Inc.
DHL Express (Canada)
Dometic Canada
Domtar Corporation
Dyno Nobel Canada, Inc.
Ecolab
Exel Canada Ltd.
Factors Group of Nutritional Products, Inc.
FedEx Express Canada
Fednav Limited
Finning International
Flowserve Canada Corp.
FLS Transportation Services Limited
Garland Canada
Gates Corporation
GE Corporate / Power
GEA Canada
General Dynamics Land Systems
General Motors of Canada
GF Piping Systems Canada
GPG Canada
Grundfos Canada, Inc.
H.C. Starck Canada
HAMMOND POWER SOLUTIONS
High Liner Foods
Hitachi Canada, Ltd.
Honda of Canada Manufacturing
Honeywell
Husky Injection Molding Systems, Ltd.
HyLife, Ltd.
IMI NH
Ingersoll Rand
Interface Canada
International Paper
IPL Plastics - Consumer Packaging Solutions
J.D. Irving, Ltd. - Transportation and Logistics
Jaguar Land Rover Canada ULC
Jeld-Wen of Canada, LTD.
JM Process Technologies Oil & Gas (Tracerco)
John Deere Limited Canada
Johns Manville Canada, Inc.
Johnson Controls, Inc.
Kautex
KBR, Inc. (Canada)
Kohler Canada - Hytec Plumbing Products

Kruger Inc.
Kuehne + Nagel - Canada
Ledcor
Lehigh Hanson, Inc. (Canada)
Lennox International, Canada
Linamar Corporation Canada
Litens Automotive Partnership
London Machinery, Inc.
Maersk
Magna International, Inc. - Polycon Industries
Masco Canada
Master Lock Canada
Masterbrand Cabinets Canada
Material Handling Systems
MC Commercial Inc.
Mercedes-Benz Canada, Inc.
Meritor, Inc.
Mersen Canada DN, Ltd.
Methanex Corporation
Metso Canada
MHI Canada Aerospace, Inc.
Michelin North America (Canada)
MiTek Canada, Inc.
Norsk Hydro Canada
NOVA Chemicals Corporation
Nutrien, Ltd.
OTT HydroMet
Owens Corning - Canada
Pearson Canada, Inc.
Publication Papers & SPEK
Purolator Incorporated
Raflatac
Rehau Canada
Resolute Forest Products
Rockwell Automation
Rockwool Canada
Rothsay - Darling International Canada, Inc.
RTX Corporate
S&C Electric Canada, Ltd.
SAAM Towage Canada, Inc.
Safran Landing Systems Canada, Inc.
Saint-Gobain Canada
Samuel, Son & Co., Limited
Sandvik Canada, Inc.
Schaeffler Canada, Inc.
Schenker of Canada Limited
Schneider National Canada
Scholle IPN Canada Ltd
Seaspan Ship Management, Ltd.
Second Closet
Serco Group
ShawCor, Ltd.
Shorewood Packaging Corp. of Canada Limited
Sidel Canada Inc.
Siemens Canada Limited
Simpson Strong-Tie Canada, Ltd.
Stackpole International Powder Metal Products, Ltd.
Steelcase Canada
Sulzer
Sunbelt Rentals of Canada, Inc.
Svitzer
Swegon North America, Inc.
Taiga Motors
Tetra Pak Canada
The CSL Group, Inc.
The Sherwin-Williams Company (Canada)
Thermon Canada, Inc.
Trane Canada Co.
Tree Island Steel
Trench Limited
Trimac
United Rentals
Uponor, Ltd.
UPS Canada
Valmet, Ltd.
Veritiv Corporation (Canada)
VersaCold Logistics Services
Viterra, Inc.
W. L. Gore & Associates Canada, Inc.
Waste Management, Inc. (Canada)
WESCO Distribution Canada LP
Western Forest Products, INC.
WestRock du Canada Corp.
XPO Logistics Canada, Inc.
Yazaki North and Central America
YRC Worldwide Canada

SCHEDULE C - SUMMARY OF THE MATERIAL TERMS OF THE STOCK OPTION PLAN

Plan Maximum, Securities Awarded and Securities Available for Grant

Since its inception in 1994, the Stock Option Plan has required the maintenance of a reserve of Class I shares to cover the options granted to participants. This reserve must be replenished from time to time so that the Company has a sufficient number of Class I shares to cover new option grants. ATCO's share owners were last asked to approve the Stock Option Plan in May 2007, when share owners approved general amendment provisions for the Stock Option Plan. Prior to that, the Stock Option Plan was approved by share owners in May 2000, at which time the number of Class I Shares approved for issuance under the Stock Option Plan was 2,550,000. Since this time ATCO has completed two stock splits, which changed the fixed maximum of Class I Shares reserved for issuance under the Stock Option Plan to 10,200,000 Class I Shares (representing 8.9 per cent of the Company's issued and outstanding Class I Shares and Class II Shares as at the date of this Circular). As at March 9, 2022, 8,664,900 Class I Shares have been issued pursuant to options granted under the Stock Option Plan and options to acquire 1,415,950 Class I Shares are currently outstanding (representing 1.2 per cent of the Company's issued and outstanding Class I Shares and Class II Shares as at the date of this Circular), leaving 119,150 available for future grants (representing 0.1 per cent of the Company's issued and outstanding Class I Shares and Class II Shares as at the date of this Circular).

The Board has determined that it would be appropriate to maintain a fixed maximum of 10,200,000 Class I Shares reserved for issuance under the Stock Option Plan. We are proposing to replenish the share reserve by 8,664,900 Class I Shares (representing 7.6 per cent of the Company's issued and outstanding Class I Shares and Class II Shares as at the date of this Circular), which will result in the reservation of the maximum number of Class I Shares authorized for issuance, being 10,200,000, and will provide the Company with an effective means to utilize stock option awards for many years to come. If approved, the replenishment will result in 8,784,050 Class I Shares being available for future grants (representing 7.7 per cent of the Company's issued and outstanding Class I Shares and Class II Shares as at the date of this Circular). The replenishment of the Class I Shares reserved for issuance under the Stock Option Plan was approved by the Board on February 23, 2022 and has been conditionally approved by the TSX, subject to share owner approval.

The table on Page 79 of the Circular shows the annual burn rate of the Stock Option Plan for the past three years.

Eligible Participants and Insider Participation Limits

Certain officers and key employees of the Company and its subsidiaries are eligible to participate in the Stock Option Plan, at the Board's discretion. The number of the Company's securities (a) issued to insiders of the Company, within any one year period, and (b) issuable to insiders of the Company, at any time, under the Stock Option Plan, or when combined with all of the Company's other security based compensation arrangements, shall not exceed 10% of the Company's total issued and outstanding securities. The Stock Option Plan does not provide for a maximum number of securities that any one person or company is entitled to receive under the Stock Option Plan.

Exercise Price, Vesting, Term, Blackout Periods, Assignability, Financial Assistance and Cashless Exercise

Options to purchase Class I Shares granted under the Stock Option Plan have an exercise price based on the market price of Class I Shares at the time of the option grant. For these purposes, the market price of Class I Shares at the time of the option grant equals the weighted average trading price of the Class I Shares on the TSX for the five trading days immediately preceding the date of the option grant. The Board may impose vesting limitations in its sole unfettered discretion at the time of the option grant. Generally, options granted prior to 2020 have a ten-year term with one-fifth of the total option grant vesting each year

starting on the first anniversary date of the grant and options granted 2020 forward have an eight-year term with one-quarter of the total option grant vesting each year starting on the first anniversary date of the grant. At the time an option is granted, the Board shall determine the number of Class I Shares that may be acquired under such option and the period during which such option may be exercised.

In the event the expiration date for an option falls during or within ten (10) business days after a “black out period” is imposed by the Company under its insider trading policy, then the expiry date of such option shall be extended to the date that is ten (10) business days after the last day of the black out period, after which time the option will expire and terminate.

Options may not be assigned or transferred, except by will or applicable law in the event of death or permanent disability of the Stock Option Plan participant. The Company is not permitted to provide any financial assistance to Stock Option Plan participants in order to facilitate the exercise of options. The Stock Option Plan allows for the “cashless” exercise of options and provides details regarding how a Stock Option Plan participant can make this election and complete a “cashless” exercise of options.

Cessation of Entitlements

The table below summarizes the treatment of a Stock Option Plan participant’s options upon resignation, termination, retirement, and death or permanent disability.

Event	Treatment of Options
Resignation / termination (with or without cause)	As of the service termination date (as defined in the Stock Option Plan), all unvested options shall immediately terminate. Any vested options shall expire on the date that is the earlier of (a) 90 days after the service termination date and (b) the scheduled expiry of the option.
Retirement	Any unvested options as of the date of retirement (as defined in the Stock Option Plan) shall continue to vest in accordance with the vesting schedule set out in the participant’s option agreement(s). Any options vested on, prior to or after the date of retirement, shall be exercisable on or before the last day of the scheduled expiry of the option. Notwithstanding the above, if, following retirement, the participant provides services as an employee or consultant to any competitive business (as defined in the Stock Option Plan) then any unvested options shall immediately terminate and any vested options shall be exercisable on or before the earlier of (a) 90 days after the date of retirement and (b) the scheduled expiry of the option.
Death / permanent disability	Any unvested options as of the date of the participant’s death or permanent disability shall immediately expire and terminate. Any vested options shall be exercisable on or before the earlier of (a) 24 months after the date of death or permanent disability and (b) the scheduled expiry of the option.

Sale of Assets or Change of Control

If there is a sale by the Company of all or substantially all of its assets, or if there is a change of control of the Company, then a participant shall be entitled to exercise each option granted to the participant until the earlier of: (a) the scheduled expiry of the option and (b) the 90th day after the date of termination of the participant’s status with the Company or a subsidiary of the Company at the time and under which the option was granted.

Amendments

The Board may at any time, without share owner approval, add to or repeal any of the terms of the Stock Option Plan or any options and without limiting the generality of the foregoing, may make the following changes, deletions, revisions or amendments:

- I any amendment to the vesting provisions of the Stock Option Plan or any option,

- II any amendment to the termination provisions of the Stock Option Plan or any option, provided that such amendment does not entail an extension beyond the expiry date of the option,
- III any amendment to the persons eligible to receive options or otherwise relating to the eligibility of anyone to receive options other than an amendment which would have the potential of broadening or increasing insider participation,
- IV any amendment with respect to the method or manner of exercise of any option,
- V any amendment of a "housekeeping" nature, and
- VI any other amendment that under the rules of the TSX (or such other stock exchange on which the Class I Shares may be listed) does not require share owner approval,

provided that no such addition, repeal, or amendment shall in any manner materially adversely affect the rights of any participant under any options theretofore granted under the Stock Option Plan without such participant's consent.

The foregoing is intended to provide the Board with the broadest scope of amendment powers permitted by the rules of the TSX (or such other stock exchange on which the Class I Shares may be listed), as such rules may be amended from time to time.

Suspension / Termination

The Board may, at any time, suspend or terminate the Stock Option Plan.



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