

# VENDOR CONDUCT REQUIREMENTS

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## Vendor Conduct Requirements Purpose

These Vendor Conduct Requirements (the “Conduct Requirements”) have been developed in order to share the expectations and requirements for vendors, contractors, suppliers, consultants, contract labourers, intermediaries, and other business partners (collectively “Vendors”) who work with or provide goods or services to or on behalf of ATCO Ltd. or any of their Affiliates (as such term is defined in Alberta’s *Business Corporations Act*) (collectively “ATCO”) and to ensure Vendors are in alignment with ATCO’s Code of Ethics, available at <https://www.atco.com/en-ca/about-us/vision-values.html> (“Code of Ethics”). Compliance with the Conduct Requirements is a requirement for becoming and remaining an ATCO Vendor. In addition to any applicable legal and regulatory requirements, Vendors are expected to share and practice ATCO’s core values of Safety, Integrity, Agility, Caring, and Collaboration, as described in the Code of Ethics, and ensure that their employees, suppliers, and sub-suppliers that perform work for ATCO read, understand, and follow the Conduct Requirements and the underlying policies and practices that are applicable to them.

## Violations of the Conduct Requirements

ATCO takes violations of the Conduct Requirements very seriously and encourages Vendors to actively monitor their compliance with the Conduct Requirements. ATCO may seek to verify Vendors’ compliance with the Conduct Requirements and expects Vendors to cooperate with related requests. If any non-compliance with the Conduct Requirements is discovered, Vendors are expected to take reasonable steps to address, remedy, and prevent reoccurrence of the non-compliant conduct. Failure to comply with the Conduct Requirements or cooperate with ATCO’s requests related to verifying such compliance may result in the termination of the commercial relationship between such Vendor and ATCO.

## Discrimination, Harassment, and Forced Labour

ATCO expects its Vendors to be committed to providing equal employment opportunity and creating an inclusive work environment that is free from discrimination. Vendors must treat all members of their workforce fairly and in accordance with all applicable labour and employment laws.

Vendors are expected to employ workers on the basis of their ability to do the job, and not on the basis of their race, color, age, sex, national origin/ancestry, social origin or status, marital or familial status, citizenship status, disability, religion, veteran status, sexual orientation, gender identity, political affiliation, genetic information, being a victim or being perceived as a victim of domestic violence, sexual assault or stalking, or any other status protected by federal, provincial, state, or local law.

ATCO will not tolerate any conduct by a Vendor that is offensive, hostile, abusive, exploitative or otherwise inconsistent with a respectful workplace. Vendors must not support or engage in any form of slavery, forced or indentured labour, human trafficking, child labour, violence, or intimidation of any kind. Vendors must compensate workers in compliance with any legal requirements for wage, working hours, overtime, and benefits. ATCO expects Vendors to respect the rights of their workers to associate freely and to join or not join labour unions.

## Workplace Safety

ATCO considers the safety of our employees, customers, Vendors, and the public to be of utmost importance and priority. Vendors shall comply with all applicable safety and laws and regulations and adhere to ATCO policies and standards with respect to safety as well as any site specific requirements.

## Environmental Protection

ATCO is committed to doing business in a sustainable and environmentally responsible manner. Vendors shall comply with all applicable environmental laws, regulations, and codes and adhere to applicable ATCO procedures and standards with respect to the environment as well as any site specific requirements.

## Alcohol and Drugs

ATCO has safety-sensitive operations and all potential safety hazards must be properly addressed. The use of illicit drugs and other mood-altering substances, and the inappropriate use of alcohol and medications can adversely affect job performance, productivity, the work environment, and the well-being of individuals. Accordingly, Vendors shall comply with ATCO's alcohol and drugs practice, standards, and procedures and are encouraged to have their own policies, standards, and procedures with respect to the foregoing as well.

## Indigenous Relations

Vendors are expected to share ATCO's commitment to building and maintaining positive relationships with Indigenous communities and to make reasonable efforts to pursue commercial opportunities of positive and mutual benefit with Indigenous suppliers and contractors where opportunity exists to do so.

## Anti-Corruption

Vendors should never give, pay, promise, offer or otherwise authorize the payment of anything of value that could influence a business decision. In accordance with domestic and international anti-corruption laws, Vendors shall not pay, promise, offer or otherwise authorize, directly or indirectly, any bribe to any employee, person of influence, business partner, government or commercial entity connected with ATCO's or Vendor's business activities. Vendors shall not kickback any portion of a contract or propose to make any unauthorized or secret rebate, discount, commission or payment to, or for the benefit of, any person. Vendors shall not make facilitation payments. Vendors shall comply with the foregoing requirements and anti-corruption legislation even where such laws may not be strictly enforced or adhered to by local authorities, avoiding any activity that could implicate ATCO or the Vendor in any unlawful or unethical practice. Vendors are expected to have their own anti-corruption policies and procedures which align with the foregoing requirements and include conducting due diligence on sub-Vendors and the maintenance of accurate books and records.

## Business Courtesies

The exchange of business courtesies may occur between ATCO and a Vendor, or a Vendor and other parties while the Vendor is performing work for ATCO, in efforts to develop goodwill and facilitate strong working relationships. Business courtesies shall not be used to influence a decision or action, create a sense of obligation, or put ATCO or the Vendor in a position where either would appear biased towards a particular outcome. Vendors shall not offer business courtesies to ATCO during periods where the Vendor is engaged in an open bid process with ATCO. Where business courtesies are provided, strong consideration shall be provided to the value and frequency of the courtesy. Extravagant gifts, cash, cash equivalents (such as gift cards), and any other gifts or courtesies which could give the appearance of impropriety shall not be offered or given.

## Conflicts of Interest

Vendors shall avoid engaging in any activity that would create an actual or perceived conflict of interest in the provision of goods or services to ATCO. Conflicts of interest may arise when personal or professional relationships influence or appear to influence a Vendor's, or an employee or agent of a Vendor's, business decisions. Vendors shall promptly disclose to ATCO any situation that may create or potentially create a conflict of interest, real or perceived.

## External Communication

Vendors shall not make any public statements, including, but not limited to, press releases, statements to the media, and any form of social media sharing, on behalf of ATCO or make any use of ATCO's logos, trademarks, or other intellectual property without prior written permission from ATCO's corporate communication department.

## Inter-Affiliate Code of Conduct & Code of Conduct Regulation

The way that ATCO works with their Affiliates and energy retailers is governed by two codes of conduct: The ATCO-Group Inter-Affiliate Code of Conduct (“Affiliate Code”) and the Code of Conduct Regulation (“Conduct Regulation”). ATCO requires their Vendors to read, understand, and abide by the applicable requirements contained in those two codes, and the spirit and intent thereof, which are available at:

<https://electric.atco.com/en-ca/products-services-rates/rates-billing/regulatory.html> and

<https://gas.atco.com/en-ca/products-services-rates/rates-billing-energy-savings-tips/rates-billing/codes-conduct.html>.

### Summary: ATCO Group Inter-Affiliate Code of Conduct

The purpose of the Affiliate Code is to establish standards for interaction between each ATCO Utility and its Utility and Non-Utility Affiliates in order to prevent Utilities from cross-subsidizing Affiliate activities, protect confidential Utility information, ensure no entity has preferential access to Utility services, and to avoid uncompetitive practices between Utilities and their Affiliates. The Affiliate Code applies to all of the Affiliates, including the Utilities (such as ATCO Gas, ATCO Pipelines, and ATCO Electric), the Non-Utility Affiliates (such as ATCO Structures and Logistics, ATCO Energy, and ATCO Energy Solutions) and any Vendors of an Affiliate.

Key components of the Affiliate Code include:

- (a) A requirement that a Utility’s business be managed and conducted separately from that of its Non-Utility Affiliates;
- (b) Requirements on how assets are shared or transferred and how employees are shared in order to prevent Utilities from subsidizing the activities of the other Affiliates, requiring transactions to be done on a Cost Recovery Basis or Fair Market Value, as set forth in the Affiliate Code;
- (c) Requirements to protect a Utility’s confidential information from being disclosed to Affiliates;
- (d) Requirements regarding equal treatment with respect to utility services, including equal access to utilities and impartial application and enforcement of tariff provisions, without any preference being given by a Utility to its Affiliates and no implication or suggestion that any customer would receive any sort of advantage with regards to the Utility by dealing with an Affiliate of the Utility or any requirement for them to do so; and
- (e) Requirements regarding disputes, complaints, or inquiries respecting the Affiliate Code to be made to the Utility’s Compliance Officer or the Alberta Utilities Commission.

## Summary: Code of Conduct Regulation

The Conduct Regulation exists under Alberta's *Electric Utilities Act* and *Gas Utilities Act* and, with respect to ATCO, applies to ATCO Electric, ATCO Gas, ATCO Energy, and each of their respective Vendors. The purpose of the Conduct Regulation is to ensure that the owners of electricity and gas distribution systems ("distributors") and regulated rate suppliers are fair, open, and transparent in their dealings with retailers (those who sell electricity or gas) and customers (those who buy electricity or gas) in order to protect the competitiveness of the marketplace.

Key components of the Conduct Regulation include:

- (a) Prohibiting distributors and regulated rate suppliers from:
  - i. Transferring a customer to a new retailer unless the customer asks;
  - ii. Representing to customer that they would receive different treatment depending on who they purchase electricity or gas from;
  - iii. Giving customers advice about which retailer they should choose;
  - iv. Making services conditional on choosing a particular retailer or obtaining additional services from a retailer; and
  - v. Giving preferential treatment to or discriminating against any retailers.
- (b) Requirements on protection of customer information, which, subject to other listed exceptions in the Conduct Regulation, cannot be disclosed without the customer's consent unless the information is
  - i. Aggregated in accordance with the Conduct Regulation;
  - ii. For the sole purpose of preventing an interruption of electricity or gas services; or
  - iii. Is being disclosed to the customer's retailer or regulated rate supplier.

## Vendor Concerns about ATCO

Any Vendor that is, in good faith, concerned that ATCO has engaged in actual or suspected illegal or unethical behavior shall report such concerns. Concerns may be reported anonymously through the ATCO Integrity Line, a secure reporting system operated by a third-party service provider. Concerns may be reported online at [www.atcointegrity.com](http://www.atcointegrity.com) or by phone at the following numbers:

- North America: 1-844-810-2826
- Australia: 1-800-238-497
- Mexico: 01-800-062-2116
- All other countries worldwide: 00-1-604-640-7831 (collect call)