

AltaLink, L.P. Annual Report on Forced/Child Labour

FOR THE YEAR ENDED DECEMBER 31, 2023



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Glossary

In addition to those terms defined herein, the following terms and abbreviations used in this Report have the following meaning:

“Act” means the *Fighting Against Forced Labour and Child Labour in Supply Chains Act* (Canada);

“Child Labour” means labour or services provided or offered to be provided by persons under the age of 18 years and that (a) are provided or offered to be provided in Canada under circumstances that are contrary to the laws applicable in Canada; (b) are provided or offered to be provided under circumstances that are mentally, physically, socially or morally dangerous to them; (c) interfere with their schooling by depriving them of the opportunity to attend school, obliging them to leave school prematurely or requiring them to attempt to combine school attendance with excessively long and heavy work; or (d) constitute the worst forms of child labour as defined in article 3 of the Worst Forms of Child Labour Convention, 1999, adopted at Geneva on June 17, 1999;

“Forced Labour” means labour or service provided or offered to be provided by a person under circumstances that (a) could reasonably be expected to cause the person to believe their safety or the safety of a person known to them would be threatened if they failed to provide or offer to provide the labour or service; or (b) constitute forced or compulsory labour as defined in article 2 of the Forced Labour Convention, 1930, adopted in Geneva on June 28, 1930;

“Forced/Child Labour” means, collectively, Child Labour and Forced Labour as defined above;

“Procurement Agreements” means the agreement templates generally used by AltaLink in the 2023 Fiscal Year, for the purchase of goods, materials, equipment, or services that are utilized in AltaLink’s operations;

“Purchase Order” means the purchase order template generally used by AltaLink in the 2023 Fiscal Year for the purchase of goods, materials, equipment, or services that are utilized in AltaLink’s operations;

“Report” means this Forced/Child Labour Annual Report prepared in accordance with the Act dated April 26, 2024, for the 2023 Fiscal Year;

“Subcontractor” means any company, entity, organization or person having an agreement with a Supplier or any other Subcontractor to perform a portion of a Supplier’s obligations under a Procurement Agreement or Purchase Order;

“Supplier” means any company, entity, organization or person that has contracted to provide goods, materials, equipment, or services to AltaLink pursuant to a Procurement Agreement or Purchase Order;

“Supply Chain” means the network of all Suppliers and Subcontractors involved in the provision of goods, materials, equipment, or services to AltaLink and includes entities that have contracted with AltaLink for the provision of goods, materials, equipment or services other than through a Procurement Agreement or Purchase Order; and

“2023 Fiscal Year” means the period beginning January 1, 2023, and ending December 31, 2023.

Forward-looking statements

This Report may reference events or steps to be taken after the date of this Report. Where this Report contains such forward-looking statements, these statements are not statements of fact and there can be no certainty with respect to the actual outcome in relation to the matters to which the statements relate. Forward looking statements involve unknown risks, uncertainties, assumptions and other factors that could cause the actual outcomes to be materially different from the events or results expressed or implied by such statements.

Scope

This Report sets out the policies and procedures utilized by AltaLink, L.P. in the 2023 Fiscal Year to prevent and reduce the risk of Forced/Child Labour being utilized in its Supply Chain. This Report covers the operations of AltaLink, L.P. only and is not prepared nor filed on behalf of any other entity.

Company structure, activities and supply chain

COMPANY STRUCTURE

Formation of AltaLink

AltaLink, L.P. (“AltaLink”) was formed as a limited partnership under the laws of Alberta on July 3, 2001, pursuant to the provisions of a limited partnership agreement (the “LP Agreement”). AltaLink Investments, L.P. (“AILP”), is the sole limited partner of AltaLink under the LP Agreement and owns a 99.99% partnership interest in AltaLink. The LP Agreement was amended and restated on September 2, 2002, and June 22, 2006, respectively, and further amended on March 1, 2012. AltaLink's certificate of limited partnership has been amended on several occasions primarily to reflect equity injections, or capital contributions, from AILP.

The business and affairs of AltaLink are managed by AltaLink Management Ltd. (“AML”), as general partner under the LP Agreement. AML was incorporated under the Business Corporations Act (Alberta). The head office of AltaLink is located at 2611 - 3rd Avenue S.E., Calgary, Alberta T2A 7W7. The registered office of AML, the general partner, is located at 1900, 520 - 3rd Avenue S.W., Calgary, Alberta T2P 4H2.

In June 2019 and January 2020, respectively, AltaLink operationalized PiikaniLink, L.P. and KainaiLink, L.P, as two new subsidiary limited partnerships formed under the laws of Alberta to jointly own, with local First Nation partners, certain transmission facilities located on their respective reserve lands. The business and affairs of PiikaniLink, L.P. (“PLP”) and KainaiLink, L.P. (“KLP”) are managed by AML, as general partner under each limited partnership agreement. The limited partner interests in PLP and KLP are divided between AltaLink, as to 49%, and each respective First Nation, as to 51%.

Ownership

The sole limited partner of AltaLink is AILP. The sole limited partner of AILP is AltaLink Holdings, L.P. (“AHLP”), a limited partnership formed under the laws of Alberta. The sole limited partner

of AHL is BHE AltaLink Ltd., a subsidiary of BHE Canada Holdings Corporation, which is itself an indirect subsidiary of Berkshire Hathaway Energy Company. Berkshire Hathaway Energy Company also holds, indirectly, all the outstanding voting shares of AML through subsidiaries established for that purpose.

Berkshire Hathaway Energy Company is a holding company headquartered in Des Moines, Iowa, U.S.A, which owns a highly diversified portfolio of primarily regulated businesses that generate, transmit, store, distribute and supply energy and serve customers across geographically diverse service territories in the Western and Midwestern United States, in Great Britain and Canada.

COMPANY ACTIVITIES

AltaLink's business is the ownership and operation of regulated electricity transmission facilities solely in the Province of Alberta. Through its transmission facilities, AltaLink delivers electricity safely, reliably and efficiently to approximately 85% of Alberta's population to meet continuously changing customer needs under all operating conditions.

Continued investment in AltaLink's regulated capital assets provides reliability in the supply of transmission services to customers and is one of the key indicators of future revenue streams. AltaLink invested significantly in its assets over the past decade as part of a major development cycle advanced by the Independent System Operator to improve the reliability and capacity of Alberta's transmission system and to support the province's economic growth. AltaLink expects to continue transmission development work and investment over the next few years, although at a reduced pace of capital expenditures than has occurred in past years.



COMPANY WORKFORCE

As of the end of 2023, AltaLink employed 686 full-time and three part-time workers (its "Core Employee Base"). The totality of AltaLink's Core Employee Base are Canadian resident individuals and subject to employment checks, including eligibility to work in Canada, prior to hiring.

SUPPLY CHAIN

AltaLink's Supply Chain provides for a variety of goods, materials, equipment, and services used in the operation of AltaLink's business. Goods and materials include a wide range of categories such as, but not limited to, transformers, protection and control equipment, communication equipment, computing devices, wire and cable, wood poles, steel towers structures and fixtures, insulating and grounding materials, lubricating oils, and other accessories and hardware. Equipment includes, but is not limited to, production vehicles, all-terrain and utility-terrain

vehicles, industrial vehicles and equipment, mobile substations and other specialized electrical equipment, and services include a wide range of categories, such as, but not limited to, construction, engineering, consulting, IT managed services, specialized studies, and assessments.

Throughout the 2023 Fiscal Year, AltaLink’s Supply Chain was made up of 597 Suppliers¹ from six different countries, and comprised of an aggregate spend of C\$302.516M². Supply Chain spend (for the 2023 Fiscal Year) broken down by location of Supplier and percentage of aggregate Supply Chain spend is as follows:

Location of Supplier by Country ³	Spend (C\$ in millions)	Percentage of Aggregate Spend
Canada	267.301M	88.359%
USA	27.613M	9.128%
Austria	6.154M	2.034%
Croatia	1.138M	0.376%
United Kingdom	0.304M	0.101%
Japan	0.006M	0.002%

Forced/Child Labour due diligence processes & policies

GENERAL

For the 2023 Fiscal Year, AltaLink employed a five-fold approach to prevent and reduce the risk of Forced/Child Labour being used in its Supply Chain. Specifically, AltaLink utilized a combination of employee policy, contractual obligations, problem area identification and avoidance, supplier due diligence and supplier checks, all as more particularly described below.

Employee policy

As part of the Berkshire Hathaway Energy group of companies, AltaLink has adopted the Berkshire Hathaway Energy Core Principles. The Berkshire Hathaway Energy Core Principles define the group’s values and vision and acts as a framework by which all Berkshire Hathaway Energy group companies hold themselves accountable. The core principle of "Regulatory Integrity" underpins the



¹ As used in this paragraph, Suppliers includes entities that have contracted with AltaLink in the 2023 Fiscal Year for the provision of goods, materials, equipment or services other than through a Procurement Agreement or Purchase Order.

² This is an approximate amount based on amounts payable to Suppliers and not the actual amounts paid by AltaLink in the 2023 Fiscal Year.

³ Determined by billing address provided by Supplier and Supplier due diligence processes employed by AltaLink.

Berkshire Hathaway Energy group’s – and by extension AltaLink's – commitment to comply with all laws wherever it does business, and the expectation that all employees manage their activities in a manner that is compliant with all laws, rules, regulations and corporate policies.

In furtherance of its commitment to respect and comply with all laws, rules, regulations and corporate policies, AltaLink has adopted a Code of Ethics and Business Conduct ("Code"). AltaLink's Code represents who AltaLink is and how AltaLink acts as a company. It contains a set of guidelines designed to ensure ethical and responsible conduct by all AltaLink directors, officers and employees. Additionally, AltaLink's Code contains a section which obligates AltaLink's business partners to act in a manner consistent with our Code and adopt and implement practices that, among other things, comply with all applicable laws and regulations and respect the human rights of their employees. The Code also reserves the right for AltaLink to audit its business partners to ensure they are complying with the provisions of AltaLink's Code. AltaLink specifically obligates Suppliers to comply with AltaLink’s Code through its procurement contracting processes. See “Contractual Obligations” below. All AltaLink employees receive mandatory training and testing on the parameters of the Code on an annual basis, and breaches of the Code are, in addition to sanctions imposed by law, sanctionable by steps up to and including termination or removal of a director from AltaLink's board.

AltaLink also maintains a Prohibited Business Practices Policy (“PBPP”), which identifies specific anti-corruption and trade laws and regulations and the standards that must be followed to ensure compliance with those laws and regulations. In line with its objectives, AltaLink's PBPP requires compliance with all Canadian and US laws regarding Forced/Child Labour as set out therein. Like the Code, AltaLink’s PBPP applies to all AltaLink directors, officers and employees and is

In line with AltaLink’s commitment to ethical labour practices, AltaLink holds Suppliers accountable to maintain the same standards.

applicable to all AltaLink Suppliers by virtue of AltaLink's procurement contracting processes. “Contractual Obligations” below. As with the all AltaLink employees receive mandatory and testing on the parameters of the PBPP on an basis and breaches of the PBPP are subject to appropriate disciplinary action.

Finally,
web
policies

AltaLink maintains a Whistleblower Policy and an associated NAVEX Global reporting hotline and portal which together provide an avenue through which AltaLink employees can safely and anonymously report violations of AltaLink and incidents of malpractice or impropriety.

Contractual obligations

In line with AltaLink’s commitment to ethical labour practices as set out above, AltaLink holds Suppliers accountable to maintain the same standards. AltaLink accomplishes this by using its commercially reasonable efforts to include clauses:

in each of our Procurement Agreements, that:

- require Suppliers to comply with all applicable laws and regulations, including those related to forced labour and child labour, as these terms are used in the Procurement Agreements;

- prohibit Suppliers and their Subcontractors from using, or participating in the exploitation, of workers, forced, trafficked or involuntary labour, and prohibits Suppliers and their Subcontractors from employing any person under the minimum legal age for employment as prescribed by the relevant local authority;
- require Suppliers to comply with AltaLink’s policies, including AltaLink’s Code and PBPP, along with its ability to audit a Supplier’s compliance with such policies;
- require Suppliers, when entering into an agreement with any Subcontractor, to require such Subcontractor to comply with and be subject to all relevant terms and conditions of the Procurement Agreements⁴;
- require Suppliers to take reasonable efforts to prohibit (i) importing and then selling to AltaLink, and/or (ii) using in its supply-chain, goods that are mined, manufactured or produced, wholly or in part by forced labour and child labour, irrespective of their country of origin;
- require Suppliers to be familiar with the list of goods and their source countries, posted by the U.S. Department of Labor’s Bureau of International Labor Affairs, listing the goods believed to be produced by child labor or forced labor, as such terms are used in the Procurement Agreements; and

in each of our Purchase Orders, that:

- require Suppliers to comply with all laws and standards, including those governing health and safety, wages, hours, employment of minors, desegregation and employment discrimination, and privacy, as each may be applicable;
- require Suppliers to comply with all applicable AltaLink policies, including AltaLink’s Code and PBPP;
- require Suppliers, when entering into an agreement with any Subcontractor, to require such Subcontractor to comply with and be subject to all relevant terms and conditions of the Purchase Order; and
- require Suppliers to take reasonable efforts to prohibit (i) importing and then selling to AltaLink, and/or (ii) using in its supply-chain, goods that are mined, manufactured or produced, wholly or in part by forced labour, irrespective of their country of origin.

⁴ This clause is not in AltaLink’s relationship agreement, which agreement is fundamentally different from the other Procurement Agreements.

Problem area identification and avoidance

AltaLink actively avoids certain geographical areas and goods produced in areas that have a higher risk of association with Forced/Child Labour. Two of these areas are China and specifically

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the more localized area of China known as Xinjiang. AltaLink uses efforts to limit its procurement of goods from China (evaluating and prioritizing all alternative avenues of supply prior to making a decision to utilize Chinese suppliers) and does not procure goods believed or known to be originating from the Xinjiang region of China.

Supplier due diligence

In the 2023 Fiscal Year, AltaLink began employing a Due Diligence Questionnaire when contemplating dealing with suppliers in China or who have manufacturing capabilities in China. This questionnaire seeks to understand and document suppliers’ awareness, policies and due diligence processes in relation to Forced Labour within its Supply Chain.

Supplier checks

AltaLink performs a check every two years for the top 15% of its current Suppliers (calculated by spend) to ensure its Suppliers and the entities that control them have not become the subject of any government (Canadian and US) sanctions and are not on any government (Canadian and US) issued prohibited persons lists.

Forced/Child Labour risk assessment & management

AltaLink’s Forced/Child Labour risk assessment and management efforts are concentrated on its Supply Chain activities. AltaLink considers the risk of Forced/Child Labour in its Core Employee Base to be extremely low given Canada’s ranking as a low modern slavery risk country (Global Slavery Index 2023) and the fact that all of AltaLink’s employees are protected under various employee policies, human rights and labour legislation.

Beginning in 2024, AltaLink’s Supply Chain Management group intends to conduct an annual assessment of the parts of AltaLink’s Supply Chain activities that carry a risk of Forced/Child Labour and the steps AltaLink has taken in managing or reducing that risk. The thrust of this assessment will be to identify those parts of AltaLink’s Supply Chain activities that have an increased risk of Forced/Child Labour and to ensure the existence or implementation of processes and procedures designed to manage these risks. Through a separate assessment, AltaLink’s Internal Audit group will also assess the effectiveness of the processes and procedures utilized in the previous fiscal year to prevent and reduce the risk of Forced/Child Labour in AltaLink’s Supply Chain. See “Annual Assessment of Effectiveness” below.

With respect to the assessment of the parts of AltaLink’s Supply Chain that carry an increased risk of Forced/Child Labour, and the steps AltaLink has taken in managing or reducing that risk, the assessment is projected to begin with a review of the current practices utilized by AltaLink in

identifying and addressing such Supply Chain activities, and pending the results of such review may include:

- The development and implementation of additional compliance checklists to identify Supply Chain activities where there is an increased risk of Forced/Child Labour;
- The development and implementation of additional due diligence policies and procedures to identify and prevent the use of Forced/Child Labour in AltaLink's Supply Chain activities;
- The expansion of anti-Forced/Child Labour contractual clauses in AltaLink's Procurement Agreements and Purchase Orders; and
- Any such other measures as may be deemed prudent given the results of the review of AltaLink's current practices.

Forced/Child Labour remediation

As of the date of this Report, AltaLink is unaware of the use of any Forced/Child labour within its Supply Chain. As a result, for the 2023 Fiscal Year, no measures were implemented by AltaLink to remediate any Forced/Child labour. Should AltaLink become aware of the use of any Forced/Child Labour within its Supply Chain in the future, it intends to assess the situation and options respecting remediation at that time.

Remediation of loss of income

As of the date of this Report, AltaLink is unaware of the use of any Forced/Child Labour within its Supply Chain. As a result, for the 2023 Fiscal Year, no measures were implemented by AltaLink to remediate the loss of income to any families impacted by the use of Forced/Child Labour. Should AltaLink become aware of the use of any Forced/Child Labour within its Supply Chain in the future, it intends to assess the situation and options respecting remediation at that time.

Forced/Child Labour employee training

For the 2023 Fiscal Year, AltaLink did not provide specific topic training to its employee base on any Forced/Child Labour laws or issues. As noted above, AltaLink did provide training to its employee base on: 1) AltaLink's Code of Ethics and Business Conduct; and 2) AltaLink's Prohibited Business Practice Policy. See "Forced/Child Labour Due Diligence Policies & Processes" above. AltaLink intends to assess the need for specific topic training on Forced/Child Labour laws and issues upon receipt of the results of the Annual Assessment of Effectiveness as set out below.

Annual assessment of effectiveness

AltaLink's Internal Audit group will be conducting an annual assessment of the effectiveness ("Annual Assessment of Effectiveness") of the processes and procedures utilized in the previous fiscal year to prevent and reduce the risk of Forced/Child Labour being utilized in AltaLink's Supply Chain. The first Annual Assessment of Effectiveness will occur in 2024 for the 2023 Fiscal Year. Upon completion of each Annual Assessment of Effectiveness AltaLink will consider the results and recommendations as set out therein and make such changes and amendments to its current policies and procedures regarding Forced/Child Labour as it deems prudent.

Attestation

In accordance with the requirements of the Act, and in particular section 11 thereof, I attest that I have reviewed the information contained in the Report. Based on my knowledge, and having exercised reasonable diligence, I attest that the information in the Report is true, accurate and complete in all material respects for the purposes of the Act for the reporting year listed above and was approved by the Board of Directors of AltaLink Management Ltd., acting in its capacity as General Partner of AltaLink, L.P. on April 26, 2024.

I have the authority to bind AltaLink, L.P.

Signed: "*Gary Hart*" _____

Full Name: Gary Hart
Title: President, CEO & Director
Date: April 26, 2024