PERSONNEL RISK ASSESSMENT POLICY

PURPOSE

ATC or 'the Company' believes working with appropriately qualified, responsible individuals is critical to the Company's success. The Company is also committed to complying with all North American Electric Reliability Corporation ('NERC') Reliability Standards, including those associated with personnel and training. Therefore, ATC conducts Personnel Risk Assessments ('PRA') using a third-party service provider or requires suppliers to provide comparable PRA documentation.

SCOPE

The policy applies to ATC employees, prospective employees, and Contingent Workers.

DEFINITIONS

Personnel Risk Assessment (PRA) – Background evaluation to identify risk posed to ATC that may include, but is not limited to, the following: academic verification, prior employment verification, criminal records dating back a minimum of seven calendar years, driving records, identity verification (e.g. Social Security verification), residence history dating back a minimum of seven calendar years, credit check, and drug test (10 panel urine sample).

Contingent Workers – Any non-employee requiring access to ATC facilities, cyber systems, or information assets. These individuals are not employees of ATC and are not eligible for benefits offered by the Company.

RESPONSIBILITIES

ATC is responsible for:

- Conducting PRAs, in conjunction with a third-party service provider, under the following circumstances:
    - Hire of a new employee
    - Re-hire of a former ATC employee, based upon duration of break in service and/or date of last PRA if they require elevated access
    - Promotion or transfer of an ATC employee, based upon access need
    - Contingent Worker converting to an ATC employee, or vice-versa, based upon access need
    - At regularly scheduled intervals not to exceed seven years of employment/service for employees and Contingent Workers with applicable access subject to NERC CIP Standards
    - New Contingent Worker requiring, or existing Contingent Worker whose access needs are changed to require:
        - Unescorted physical access to Company sites, including substations
        - On- or off-premise electronic resource access in accordance with Enterprise Information Management and Identity Access Management governance practices
        - Other circumstances as deemed appropriate
- Communicating with the Contingent Worker's Point(s) of Contact on the option to provide comparable PRA documentation, in lieu of ATC Human Resources conducting a PRA using ATC's third-party service provider
- Communicating with employees and prospective employees on the requirement to complete the PRA
- Reviewing the PRA results for ATC employees, prospective employees, Contingent Workers, and entering the data into the human capital management system

- Initiating escalation for review with the Director of Total Rewards and People Services and/or Legal for any PRA information that is questionable for determination of approval
- Consulting with Legal and ATC's third-party service provider to issue a pre-adverse action letter to any individual with PRA results that do not meet ATC standards, if required
- For Contingent Workers, if a determination is made that an individual does not meet ATC's PRA requirements notify the ATC Sponsor and/or company Point(s) of Contact
- For prospective employees, if a determination is made that an individual does not meet ATC's PRA requirements, notify the ATC manager and prospective employee, as necessary

ATC employees, prospective employees, and Contingent Workers are responsible for:

- Completing a PRA using ATC's preferred third-party service provider, including all necessary third-party authorizations
- Requesting a copy of their background information from ATC's third-party service provider, if desired
- Appealing any adverse decisions by providing subsequent information, in writing, to augment or correct any PRA information, as necessary

Contingent Worker Points of Contact are responsible for:

- Coordinating completion of a required PRA with the contingent worker using ATC's third-party vendor
- Providing comparable PRA documentation to ATC Human Resources and completing the PRA Initial Screening Attestation or PRA Re-Screening Attestation form

DISQUALIFIERS

The following would prevent an employee, prospective employee, or Contingent Worker from working at, or on behalf of, ATC:

- Refusal to submit to a PRA or provide necessary authorizations
- Failure of a drug test
- A background check revealing information that differs from what is listed on the job application
- Felony or misdemeanor convictions substantially related to the employee's or prospective employee's job, or the Contingent Worker's role and responsibilities
- Other conditions as determined on a case-by-case basis

REPORTING

It is the responsibility of all ATC employees to report any suspected violations of this policy, in accordance with ATC's Open Door Policy. Contingent workers and contractors should report any suspected violations in accordance with ATC's Supplier Code of Conduct.

NON-RETALIATION

ATC strictly prohibits retaliation in any way against anyone who has honestly made a report or complaint, expressed a concern about inappropriate conduct or cooperated in an investigation. Disciplining or otherwise disadvantaging an individual because they, in good faith, reported a potential concern or cooperated in an investigation is, itself, a violation of ATC policy.

EXCEPTIONS/VIOLATIONS

Exceptions to this Policy require the approval of ATC.

ATC Board Members receiving general (non-PSP) unescorted access are exempt from the PRA requirement. Other PRA's may be waived in exceptional circumstances or commensurate with documented provisions for emergency situations. Exceptions applicable to NERC CIP Standards require consultation with the NERC CIP Senior Manager or delegate.

Employees who violate this Policy are subject to disciplinary action, up to and including termination.

Contingent Workers who violate this Policy are subject to access denial or revocation.