



## Avoiding bribery and corruption Policy.

### Introduction

TC Energy conducts its business in compliance with its Code of Business Ethics and the applicable Anti-Bribery and Anti-Corruption Laws of each country in which the Company conducts business.

### Purpose and scope

This Policy outlines TC Energy's expectations of Personnel regarding integrity-based business practices to avoid the occurrence, or even the appearance, of improper or illegal conduct, and to encourage ethical behaviour in all of TC Energy's business. TC Energy will use reasonable good-faith efforts to influence non-majority owned subsidiaries to maintain standards similar to the ones set out in this Policy. TC Energy also requires Agents to conduct themselves in a manner consistent with this Policy.

This Policy applies to all Personnel.

### Avoiding bribery and corruption of government officials

TC Energy prohibits the payment of bribes and Kickbacks, or provision to Government Officials of gifts, entertainment or Something of Value in order to improperly influence such Government Official's decisions or actions in TC Energy's favour. TC Energy also prohibits the offer or provision of Facilitation Payments.

TC Energy Personnel and Agents are prohibited from offering, paying, promising or authorizing a compensation, payment or benefit to any Government Official, directly or indirectly, to secure any contract, concession or other improper advantage for TC Energy. Such action is prohibited even if the intent is not to influence the Government Officials, but it could appear to be improper.

### Agents

TC Energy may be held responsible for Bribery or Corruption by Agents. All Personnel are required to ensure that TC Energy only deals with legitimate, reputable and qualified Agents. Personnel must ensure that Agents understand and comply with their obligations not to engage in improper conduct in connection with the business they conduct for TC Energy.

Prior to retaining or entering into a contract with an Agent, Supply Chain Management, in conjunction with the applicable business unit, Risk Management and the Law Department, will

## Avoiding bribery and corruption policy.

conduct due diligence proportionate to the risks involved in retaining the Agent. After the appropriate screening, the Corporate Compliance Department may also conduct further due diligence, investigation, or inquiries to evaluate potential compliance risks.

TC Energy retains Agents after completing the required screening process and using written agreements that include provisions regarding compliance with TC Energy's policies and applicable law.

### **Mergers, acquisitions, joint ventures and partnerships**

Prior to acquiring or entering into a transaction with another company, TC Energy will conduct specific anti-corruption due diligence on the entities or assets to be acquired as considered appropriate by the Vice-President of the applicable business unit or functional group and the Corporate Compliance Department. TC Energy will use a risk-based approach to such due diligence, which will be proportionate to the size of the transaction and the Bribery and Corruption risks presented.

Prior to entering into any agreement with a joint venture or business partner who will have dealings with Government Officials, the Vice-President of the applicable business unit or functional group and the Corporate Compliance Department will conduct due diligence regarding the prospective business partners. For more information, see TC Energy's Transactional Anti-Corruption Due Diligence Guideline.

Additionally, any contracts with joint venture or business partners who will have dealings with Government Officials will require the companies to comply with TC Energy's Code of Business Ethics and this Policy, or comply with their own anti-bribery and anti-corruption policy or code of business ethics if they have substantially similar or more onerous provisions.

### **Gifts, Meals and Entertainment to Government Officials**

Giving and accepting reasonable gifts, meals, entertainment, or other business hospitality can help to build and maintain strong business relationships. Personnel will be prudent when offering or providing, directly or indirectly, gifts, meals, entertainment, or other business hospitality to Government Officials to avoid violations of Anti-Bribery and Anti-Corruption Laws and TC Energy's policies, or even the appearance of improper or illegal conduct.

For more information regarding the required considerations and approvals please see TC Energy's Gift, Meals, Entertainment and Travel for Government Officials Standard.

### **Payment of travel, expenses and per diems for government officials**

In appropriate circumstances, TC Energy may pay reasonable expenses for Government Officials if:

- there is a legitimate business need, such as a Government Official's visit to a TC Energy facility in order to test products or demonstrate TC Energy's specific capabilities. Such expenses may only be paid where permitted under local law and approved in advance by the Vice-President, Senior Vice-President, or President of the applicable business unit or functional group; and
- the expenses are reasonable in amount and directly related to the business purpose.

## Avoiding bribery and corruption policy.

TC Energy will not pay or reimburse non-business travel expenses such as recreation or entertainment for a Government Official, Government Official's spouse or other family members. Per diems or cash allowances must not be provided to Government Officials.

For more information regarding the required considerations and approvals please see TC Energy's Gift, Meals, Entertainment and Travel for Government Officials Standard.

### **Community Investment**

TC Energy's community investment program is focused on safety, community and environment. All donations must be documented, transparent and made in accordance with this Policy, TC Energy's Code of Business Ethics, and all applicable laws and regulations. Donations, investments of cash, gifts-in-kind and/or volunteering to charitable and other community-based organizations must not be made to improperly influence Government Officials to act in favour of TC Energy. If a request for cash support is received or when in-kind support or financial support is:

- a) to be provided outside of Canada or the United States or is related to a project that is outside of Canada or the United States; or
- b) more than **CAD\$5,000** and is at the request of a Government Official; or
- c) is for the direct benefit of a Government Official or an immediate family member of a Government Official

an application must be submitted under TC Energy's Enhanced Community Support Standard.

For further information, please see the Community Investment Guide.

### **Political Contributions and Government Lobbying**

Restrictions on political contributions and government lobbying laws assist with the proper functioning of the political process. TC Energy does not contribute to political parties or organizations, or to any individual who holds or is candidate for public office, except when permitted by applicable law and in accordance with Company policies. Without prior authorization, Personnel and Agents must never endorse or appear to endorse political parties or organizations, or individuals who hold or are candidates for public office, engage in lobbying activities, or make political contributions on TC Energy's behalf.

For further information, please see the Political Activities and Contributions Policy.

### **Books, Records and Accounts**

TC Energy will maintain books, records and accounts that accurately reflect the Company's transactions, use of Company assets, and other similar information, and maintain a reasonable system of internal controls. All Personnel must ensure that:

- the provision of any gift, meal, entertainment or other business hospitality, as well as payments of travel and expenses for a Government Official, community investments and political contributions are accurately coded and entered into the system so that they can be accounted for and described in TC Energy's books, records and accounts in accordance with Company policies. Additionally, the applicable business unit or functional area will keep records identifying what was given, the value, date, and the name and title of the recipient;

## Avoiding bribery and corruption policy.

- any payments made on behalf of TC Energy are supported by appropriate documentation;
- no payments are made in cash, unless authorized by the Vice-President of the applicable business unit or functional group; and
- no Personnel create or help create any documents for the purpose of concealing any improper activity.

If, in reviewing and approving expenses, or in the review of TC Energy's books, records and accounts, any question arises in connection with this Policy, that question must be reported.

For further information, please see the Business Expense Policy and TC Energy's Gift, Meals, Entertainment and Travel for Government Officials Standard for more information.

### **Avoiding bribery in the private sector**

Bribery in the private sector is illegal and is strictly prohibited. It is TC Energy's policy never to provide bribes or Kickbacks to anyone, regardless of whether or not they are a Government Official. Reasonable relationship building expenses for non-Government Officials are allowed, so long as the payment is transparent, is not intended to obtain improper advantage, and is made in accordance with TC Energy's policies.

### **Roles and responsibilities**

#### **Personnel**

Fines, criminal penalties and even jail time may be imposed for violating Anti-Bribery and Anti-Corruption Laws. All Personnel are expected to:

- comply with all aspects of this Policy and to support others in doing so;
- complete training when they are required to do so by the Corporate Compliance Department;
- seek additional guidance when necessary from their leaders or the [Corporate Compliance Department](#);
- turn down a Government Official or an Agent's request for a bribe, Kickback, Facilitation Payment or Something of Value that would be in violation of this Policy;
- report, upon becoming aware or having a reason to believe that an actual or potential bribe, Kickback, Facilitation Payment, request for Something of Value, or any other violation of this Policy has or may have occurred. Personnel are also expected to report any other issues, risks, or concerns related to this Policy; and
- cooperate with any investigation.

#### **Leaders**

TC Energy leaders will:

- maintain the required controls necessary to implement this Policy and prevent violations;
- assess the level of risk when dealing with Government Officials or Agents, and take action accordingly;

## Avoiding bribery and corruption policy.

- as necessary, develop and make available to Personnel and Agents standards for providing gifts, meals, entertainment or other business hospitality to Government Officials, based on their business activities, risks and local legislation, customs and norms; and
- immediately advise the Corporate Compliance Department if they receive a report of an actual or suspected violation of this Policy.

In fulfilling these requirements, leaders should seek advice and assistance from the Corporate Compliance Department as appropriate.

### **Chief Compliance Officer**

The Chief Compliance Officer is appointed by TC Energy's Board of Directors to oversee the administration of this Policy. He/she will:

- review this Policy at least every 3 years, and will revise and update it, as necessary;
- report on the status of the Avoiding Bribery and Corruption Program, at least annually, to the Board of Directors; and
- establish and conduct a suitable training program through the Corporate Compliance Department, to train and certify all appropriate Personnel on the compliance goals and requirements of this Policy.

### **Imminent risk of personal harm payments**

Nothing in this Policy prohibits the making of payments in cash or in kind to Government Officials or anyone else when life, safety, or health are at risk. Personnel and Agents are permitted to make a payment to avoid subjecting himself/herself to a health or safety risk. Protection of property is generally not considered a health and safety risk circumstance. The making of such an imminent risk of personal harm payment must be reported as soon as possible after the payment is made. Such payments must be accurately recorded and identified in expense reports and other books, records and accounts.

See TC Energy's Imminent Risk of Personal Harm Payments Standard for more information.

### **Compliance**

Personnel must comply with all aspects of this Policy and support others in doing so. Personnel are responsible for promptly reporting suspected or actual violation of this Policy, applicable law, or any other concern, through available channels so that it can be appropriately investigated, addressed and handled. Personnel who fail to comply, or knowingly permit Personnel under their supervision to not comply, may be subject to appropriate corrective disciplinary action in accordance with the Company's Policies and processes. Please refer to the TC Energy Corporate Policies website for more information.

## Non-retaliation

We support and encourage Personnel to report suspected incidents of non-compliance with applicable laws, regulations, and authorizations, as well as hazards, potential hazards, incidents involving health and safety or the environment, and near hits. We take every report seriously, investigate each report to identify facts, and effect improvements to our practices and procedures when warranted. All Personnel making reports in good faith will be protected. Good Faith Reporting is intended to remove protection for Personnel making intentionally false or malicious reports, or who seek to exempt their own negligence or willful misconduct by the act of making a report. We ensure immunity from disciplinary action or retaliation for Personnel for the Good Faith Reporting of such concerns. Reports can be made to management, a compliance coordinator, or anonymously to the ethics helpline.

## Definitions

**Agents** means independent third parties whose work includes, or may include, interacting with Government Officials on TC Energy's behalf, such as agents, consultants, independent contractors, suppliers, vendors, sales representatives, distributors and brokers.

**Anti-Bribery and Anti-Corruption Laws** means laws throughout the world combating Bribery and Corruption, including laws that apply to TC Energy's international activities. Examples of such laws are Canada's Corruption of Foreign Public Officials Act (the CFPOA), the United States Foreign Corrupt Practices Act (the FCPA) and Mexico's Ley Federal Anticorrupción en Contrataciones Públicas. Although the CFPOA and the FCPA are national laws of certain countries, they apply to actions anywhere in the world. Prohibitions against Bribery are also contained in the Criminal Codes of most countries, including Canada, the United States, and Mexico.

**Bribery and Corruption** means the offer, promise, or provision of a reward, advantage or benefit of any kind to a Government Official, directly or indirectly, to improperly influence that person's views or conduct in favour of TC Energy. Corruption is the misuse of power by Government Officials for illegitimate private gain. Bribery and Corruption can take many forms, including, but not limited to, the provision or acceptance of:

- cash payments;
- jobs or "consulting" relationships for the Government Official, his/her family or their businesses;
- commissions or Kickbacks;
- excessive gifts, entertainment or hospitality;
- payment of non-business related or lavish travel expenses; or
- personal favours to the Government Official, his/her family or their businesses.

It is important to note that benefits to close relatives of Government Officials, such as spouses and children or other immediate family members, may be treated by enforcement authorities as benefits to the Government Official and, accordingly, may constitute violations of Anti-Bribery

and Anti-Corruption Laws. Any dealings with close relatives of Government Officials require careful scrutiny.

**Facilitation Payment** means an unofficial payment of minimal value (typically less than US\$100 or equivalent in local currency) made solely to expedite or secure the performance of a routine government action which would otherwise be lawful and proper, such as:

- processing governmental papers, including visas and work permits;
- providing or obtaining police protection, telephone services, utilities and mail services;
- loading/unloading cargo, inspection of goods and protecting perishable goods from deteriorating; or
- actions of a similar nature.

This definition does not include paying fees officially established by a government agency to expedite services.

**Good Faith Reporting** means an open, honest, fair and reasonable report without malice or ulterior motive.

**Government Officials** means any appointed, elected, or honorary official or any employee of a government, of a government owned or controlled company, or of a public or international organization. This definition encompasses officials in all branches and at all levels of government: federal, state/provincial or local. This definition also includes political parties and party officials and candidates for political office. Indigenous officials may also be considered Government Officials. A person does not cease to be a Government Official by claiming to act in a private capacity or by the fact that he/she serves without compensation.

Examples of Government Officials relevant to TC Energy's business are:

- government ministers and their staff;
- officials or employees of government departments;
- employees of regulatory agencies;
- judges and judicial officials; and
- employees of state-owned oil companies, or other government-owned or controlled corporations.

**Kickback** means the return of a sum already paid or due to be paid as a reward for awarding or fostering business.

**Personnel** means full-time and part-time employees, contract workers, contractors and consultants of TC Energy.

**Something of Value** means anything, tangible or intangible, financial or not, that provides a benefit or advantage of any kind to the recipient and given to improperly influence a Government Official. This includes, but is not limited to:

- cash or cash equivalents such as gift certificates;
- stock, securities or other negotiable instruments;

- cars, home improvements, jewelry or other consumer goods;
- personal favours for the Government Official, his/her family members or their businesses, such as employment opportunity, immigration assistance, education or other assistance or favourable treatment; or
- the purchase of property or services at inflated or discounted prices.

**TC Energy** or the **Company** means TC Energy Corporation and its wholly-owned subsidiaries and operated entities.

## References and links

### Supporting or related governance documents

- Code of Business Ethics Policy
- Business Expense Policy
- Political Activities and Contributions Policy

### References

- Community Investment Guide
- Enhanced Community Support Standard
- Gift, Meals, Entertainment and Travel for Government Officials Standard
- Imminent Risk of Personal Harm Payments Standard
- Transactional Anti-Corruption Due Diligence Guideline

### How to contact us

- [Corporate Compliance Department Contact](#)