

# Policy.



## Avoiding Bribery and Corruption Policy.

### 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 and support ethical behaviour throughout TC Energy's business.

TC Energy conducts its business in compliance with its Code of Business Ethics (COBE) Policy, Contractor Code of Business Ethics Policy, Conflict of Interest and Integrity Policy and all applicable Avoiding Bribery and Corruption Laws of each country in which the Company conducts business.

Excluded Contractors must comply with the provisions of the Contractor Code of Business Ethics Policy.

This Policy applies to all Personnel.

### Policy

#### 1 General

- 1.1 Bribery and Corruption are never acceptable business practices and are illegal. All forms of Bribery and Corruption are prohibited at TC Energy.
- 1.2 Personnel are strictly prohibited from offering, paying, promising, or authorizing any bribe or Kickback to anyone, including to any Government Official, Politically Exposed Person, or any other person. This includes offering, paying, promising, or authorizing compensation, payments, or benefits to anyone, 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 recipient, but where it could still appear to be improper.

This prohibition includes anything, tangible or intangible, financial, or not, that provides a benefit or advantage of any kind to the recipient and may include, but is not limited to:

- a) cash or cash equivalents including all manner of gift cards and certificates;

- b) stock, securities or other negotiable instruments;
- c) cars, home improvements, jewelry or other consumer goods;
- d) personal favours for a recipient or their business(es) or anyone with whom the recipient has a Family Relationship, such as an employment opportunity, immigration assistance, education or other assistance or favourable treatment; or
- e) the purchase of property or services at inflated or discounted prices.

1.3 TC Energy prohibits the offer or provision of Facilitation Payments.

1.4 Reasonable relationship-building expenses for non-Government Officials may be permitted, so long as the payment is transparent, is not intended to obtain an improper advantage, and is made in accordance with TC Energy's policies and all applicable laws.

1.5 In accordance with anti-money laundering legislation, Personnel are not permitted to transact in property that is known, or reasonably ought to have been known or suspected to be the proceeds of crime.

## **2 What to do in the event of a request for a bribe**

2.1 If a Government Official, Politically Exposed Person, Excluded Contractor, or any other person requests a bribe, Kickback, or any other thing of value (including gifts, entertainment, travel, or other hospitality) that would be in violation of this Policy, Personnel must refuse the request and make a record of the request as soon as possible.

2.2 The record should be marked "confidential" and promptly provided to their leader and Corporate Compliance so that appropriate next steps can be determined.

## **3 Government Officials**

3.1 Giving and accepting reasonable gifts, meals, entertainment, or other business hospitality can help build and maintain strong business relationships. However, Personnel must be prudent when offering or providing, directly or indirectly, gifts, meals, entertainment, travel, or other business hospitality to Government Officials, in order to avoid any actual or perceived violations of Avoiding Bribery and Corruption Laws and TC Energy's policies.

3.2 In accordance with section 1.2 of this Policy, TC Energy prohibits the payment of bribes and Kickbacks, or offering, paying, promising, or authorizing a compensation, payment, or benefit to any Government Official or Politically Exposed Person, directly or indirectly, to secure any contract, concession, or other improper advantage for TC Energy or to improperly influence such Government Official's decisions or actions in TC Energy's favour.

3.3 The Company sets out prescribed thresholds and required approvals for gifts, meals, entertainment, and travel for Government Officials which must be followed at all times in accordance with both the Gift, Meals, Entertainment and Travel for Government

Officials Standard and the Government Official Expense Approval Process Quick Reference Guide.

### **4 Excluded Contractors**

- 4.1 TC Energy may be held responsible for Bribery or Corruption activities conducted by its Excluded Contractors. As such, all Personnel are required to ensure that TC Energy only deals with legitimate, reputable, and qualified Excluded Contractors.
- 4.2 Personnel must ensure that Excluded Contractors understand and comply with their obligations under the Contractor Code of Business Ethics Policy, including an obligation not to engage in improper conduct in connection with the business they conduct for TC Energy.
- 4.3 Personnel must not use Excluded Contractors as a means to directly or indirectly avoid following this Policy.
- 4.4 Personnel must follow TC Energy's Supply Chain processes prior to retaining or entering into a contract with an Excluded Contractor. TC Energy's Supply Chain department, in accordance with the Procurement Policy and in conjunction with the applicable business unit and the Legal department, as applicable, must conduct due diligence proportionate to the risks involved in retaining the Excluded Contractor. Written agreements with Excluded Contractors must include the applicable Bribery and Corruption language.
- 4.5 In accordance with the Procurement Policy, Corporate Compliance may conduct additional due diligence to assess an Excluded Contractor's Bribery and Corruption risk.
- 4.6 Personnel responsible for the relationship with the Excluded Contractor must monitor performance to ensure the Excluded Contractor does not engage in any activities that may raise Bribery and Corruption concerns. If an Excluded Contractor is acting in a manner which is inconsistent with this Policy, or if their activities may be perceived as potentially corrupt, Personnel must immediately report the concern to one of TC Energy's reporting resources.

### **5 Community investment**

- 5.1 TC Energy's community investment program is focused on safety, community, and environment. All donations, including monetary giving and in-kind giving, must be documented, transparent and made in accordance with the Enhanced Community Support Standard and this Policy.

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

- 6.1 Prior to acquiring or entering into a transaction with another company, TC Energy must conduct specific anti-corruption due diligence on counterparties to any proposed merger, acquisition, joint venture, asset acquisition, and similar transactions in accordance with TC Energy's Transactional Due Diligence Standard.

- 6.2 Any contracts with joint venture or other business partners who have or will have dealings with Government Officials or Politically Exposed Persons must require all parties to comply with TC Energy's COBE and this Policy unless their own anti-bribery and anti-corruption policy and/or code of business ethics meets or exceeds TC Energy's requirements.

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

- 7.1 Nothing in this Policy prohibits the making of payments, either in cash or in-kind, to Government Officials or Politically Exposed Persons or anyone else when life, safety, or health are at imminent risk in accordance with TC Energy's Imminent Risk of Personal Harm Payments Standard.

### **8 Hiring and Scholarships**

- 8.1 Hiring an applicant who is a Government Official or Politically Exposed Person for a position with TC Energy could be construed as providing a Government Official with a benefit to secure a contract, concession, or other improper advantage for TC Energy, or to improperly influence such Government Official's decisions or actions in TC Energy's favour.
- 8.2 TC Energy will conduct appropriate due diligence on applicants who have identified themselves as a Government Official or Politically Exposed Person, or where TC Energy is otherwise aware that the applicant is a Government Official or Politically Exposed Person, in all jurisdictions in which the Company conducts business.
- 8.3 TC Energy will conduct appropriate due diligence on scholarship applicants who have identified themselves as a Government Official or Politically Exposed Person, or where TC Energy is otherwise aware that the applicant is a Government Official or Politically Exposed Person, in all jurisdictions in which the Company conducts business.

### **9 Political contributions and government lobbying**

- 9.1 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 a candidate for public office, except when permitted by applicable law and in accordance with Company policies.
- 9.2 Without prior authorization in accordance with TC Energy's Political Activities and Contributions Policy, Personnel 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.

### 10 Books and Records

10.1 TC Energy must maintain Books and Records that fully, fairly, accurately, and understandably reflect all of the Company's transactions, use and disposition of Company assets, and other similar information. Personnel must ensure that:

- a) all gifts, meals, entertainment, travel, other hospitality and other expenses are properly reported and recorded;
- b) any payments made on behalf of TC Energy are supported by appropriate documentation;
- c) all accounting and financial records are accurate, complete, and contain a reasonable amount of detail to explain the nature and purpose of the transaction;
- d) no payment to a third party is made in cash or cash equivalents, unless pre-approved by Corporate Compliance, the Legal department, and the applicable business unit; and
- e) Personnel must not create or help to create any documents for the purpose of concealing or misconstruing an activity, whether improper or not.

10.2 Any issues, questions, or concerns regarding the review and approval of expenses or with respect to TC Energy's Books and Records must be reported to one of TC Energy's reporting resources in a timely manner.

### Your responsibility

Personnel must follow all applicable provisions and the spirit and intent of this corporate governance document and support others in doing so. Personnel must promptly report any suspected or actual violation of this corporate governance document through available [channels](#) so that TC Energy can investigate and address it appropriately. Personnel who violate this corporate governance document or knowingly permit others under their supervision to violate it, may be subject to appropriate corrective action, up to and including termination of employment or contract, as applicable, in accordance with the Company's corporate governance documents, employment practices, contracts, collective bargaining agreements and processes.

### Interpretation and administration

The Company has sole discretion to interpret, administer and apply this corporate governance document and to change it at any time to address new or changed legal requirements or business circumstances.

### Non-retaliation

TC Energy supports and encourages Employees and Contractors to report suspected violations of corporate governance documents, applicable laws, regulations, and authorizations, as well as hazards, potential hazards, incidents involving health and safety

or the environment, and near hits. Such reports can be made through available [channels](#). TC Energy takes every report seriously and investigates it to identify facts and, when warranted, makes improvements to our corporate governance documents and practices. All Employees and Contractors making reports in good faith will be protected from retaliation, and all Employees and Contractors must report if they or someone they know is being or has been retaliated against for reporting. Good Faith Reporting will not protect Employees and Contractors who make intentionally false or malicious reports, or who seek to exempt their own negligence or willful misconduct by the act of making a report.

## Definitions

**Avoiding Bribery and Corruption Laws** mean 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 Foreign Extortion Prevention Act (FEPA), and Mexico's Ley Federal Anticorrupción en Contrataciones Públicas. Although the CFPOA, FCPA and FEPA are national laws in their respective 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.

**Books and Records** should be interpreted broadly and can include books, records, accounts, invoices, financial statements, bank account statements, ledgers, board minutes, journal entries, and documents concerning transactions with third parties.

**Bribery and Corruption** means the offer, promise, or provision of a reward, advantage, or benefit of any kind to a recipient, including Government Officials, directly or indirectly, to improperly influence that person's views or conduct in favour of TC Energy. Corruption is the misuse of power by a recipient, including 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 recipients, their family or their businesses;
- commissions or Kickbacks;
- excessive gifts, entertainment or hospitality;
- payment of non-business related or lavish travel expenses;
- personal favours to the recipient, their family, or their businesses; or
- the purchase of property or services at inflated or discounted prices.

**Contingent Workforce Contractor (CWC)** means an individual who:

- is employed by a third party to work on behalf of TC Energy;
- uses TC Energy's assets (e.g., workstation, email, phone) and corporate services;
- is compensated on an hourly or daily rate basis (Canada and the U.S.) and monthly (Mexico); and



- works under the direction of a TC Energy leader.

**Employee** means full-time, part-time, temporary and student employees of TC Energy.

**Excluded Contractor** means a third party or individual employed by a third party who:

- delivers services, equipment, materials, or goods to the Company using their own tools and assets (e.g., workstation, laptop, email, phone, PPE, vehicle);
- does not increase TC Energy corporate headcount and overhead costs;
- does not use TC Energy's assets and corporate services; and
- directs their own work or receives direction from their employer.

**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.

**Family Relationship** means relatedness or connection by blood, marriage or adoption and includes, but is not limited to:

- a marriage/common law spouse;
- parent and grandparent;
- child and grandchild;
- sibling;
- aunt and uncle;
- niece and nephew;
- first cousin; and
- any "step", "common law", or "in law" variations of the above relationships.

**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 include:

- government ministers and their staff;
- members of legislative bodies or other elected officials;
- officials or employees of government departments;
- employees of regulatory agencies;
- judges and judicial officials;
- employees of government-owned or controlled corporations;
- customs, immigration, tax, and police personnel; and
- employees of public international organizations, such as the United Nations or World Bank.

**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, part-time and temporary Employees and Contingent Workforce Contractors of TC Energy.

**Politically Exposed Person** means anyone who recently served as a Government Official or individuals who have a close friendship or Family Relationship with a Government Official.

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

## References

### Related corporate governance and supporting documents

- Business Expense Policy
- Code of Business Ethics Policy
- Contractor Code of Business Ethics Policy
- Enhanced Community Support Standard
- Gift, Meals, Entertainment and Travel for Government Officials Standard
- Government Official Expense Approval Process Quick Reference Guide
- Imminent Risk of Personal Harm Payments Standard
- Political Activities and Contributions Policy
- Procurement Policy
- Transactional Due Diligence Guideline

### Other references

- Contractor ABC Due Diligence Procedure
- Mexico Contractor ABC Due Diligence Procedure



## How to contact us

- [Policy Questions and Comments](#)

## TC Energy's reporting channels

- [Ethics Helpline](#)
- [Corporate Compliance](#)
- [Internal Audit](#)
- Human Resources
- Legal department
- Compliance Coordinators