

# Policy.



## Political Contributions and Activities Policy.

### Purpose and scope

The purpose of this Policy is to:

- outline how Personnel and Excluded Contractors may be involved in TC Energy’s political activities;
- help identify what constitutes lobbying activities and when to seek guidance;
- ensure compliance with legal and reporting requirements pertaining to political activities and Political Contributions; and
- ensure a consistent approach to engagement with Government Officials.

This Policy applies to all Personnel and Excluded Contractors in Canada, the U.S. and Mexico and members of the Company’s Board of Directors.

### Policy

#### 1 General provisions

- 1.1 TC Energy is non-partisan and only participates in the political process in accordance with applicable law, Company policies and in a responsible and ethical way that serves the best interests of the Company.
- 1.2 TC Energy recognizes the right of Personnel and Excluded Contractors to be involved in the political activities of their choice in a personal capacity. However, Personnel and Excluded Contractors must:
  - a) not endorse or appear to endorse on TC Energy’s behalf Political Organizations or individuals who hold or are candidates for public office without prior approval by the External Relations department;
  - b) not make a Political Contribution on TC Energy’s behalf without prior approval by the External Relations department and not authorize, approve, facilitate or act as a conduit for any Political Contribution prohibited by law;
  - c) make it clear that Political Contributions or interactions with Government Officials or Political Organizations in their personal capacity are done on their own account and not on behalf of TC Energy;

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- d) not use Company time or resources for political activities they choose to be involved with in their personal capacity;
- e) immediately notify their leader if they decide to run as a candidate for public office or are appointed to a federal, state/provincial/territorial or municipal/local government administrative board, commission or tribunal; and
- f) in accordance with the Code of Business Ethics Policy, Personnel or Excluded Contractors may not serve in political office or on a government administrative board, commission or tribunal if that office, board, commission or tribunal may have any decision-making authority related to any aspect of TC Energy's business. In cases where political office, board, commission or tribunal is not related to TC Energy's business, Personnel must obtain approval from Corporate Secretarial by contacting [outsidedirectorships@tcenergy.com](mailto:outsidedirectorships@tcenergy.com) prior to accepting a position in such an organization.

## 2 Lobbying

- 2.1 Lobbying is when TC Energy Personnel or Excluded Contractors, acting on behalf of the Company, communicate with a Government Official, usually in an attempt to influence a government decision, program or policy.
- 2.2 Activities that are not considered lobbying on behalf of the Company and do not need to be reported in accordance with this policy include:
  - interactions with a regulatory or government body as a part of day-to-day responsibilities;
  - interactions with legislators unrelated to specific bills, votes, or other legislative processes;
  - activities related to permitting as a part of an application process;
  - interactions with regulators conducting audits or inspections;
  - non-Company related engagements conducted on personal time;
  - social interactions (e.g., small talk or unplanned interactions at events; brief conversation at the gym); or
  - personal activities (e.g., applying for a zoning permit for a private residence).
- 2.3 If the activities listed in, or similar to, section 2.2 become an attempt to influence a government decision, program or policy, the interaction could be lobbying and must be reported, as applicable, using the appropriate channels outlined in this Policy.
- 2.4 All TC Energy lobbying activities with Government Officials must be planned and coordinated by the Government Relations department in the appropriate jurisdiction.
- 2.5 In Mexico, the Company currently does not engage in lobbying activities as defined under Mexican law. If Personnel are considering conducting lobbying activities in Mexico, they must first contact Government Relations Mexico to ensure they comply with all applicable registration requirements in the jurisdiction where they choose to lobby.

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- 2.6 Lobbyists must be honest, fair and transparent when speaking to any Government Official about who they work for and what they are asking from the government.
- 2.7 All Personnel and Excluded Contractors must adhere to all codes of conduct or ethics requirements concerning lobbying in the relevant jurisdiction.
- 2.8 Personnel who engage in lobbying activities in all Canadian jurisdictions must:
  - a) report all lobbying activities within 5 calendar days of the lobbying activity by using the TC Energy Internal Lobbying Tracking Submission Form; or
  - b) contact the [Lobbying Coordinator](#) within 5 calendar days of the lobbying activity if they are uncertain whether an activity needs to be reported.
- 2.9 Contractors must submit evidence of compliance annually to all registration requirements in the applicable jurisdiction(s) to the Lobbying Coordinator.
- 2.10 Excluded Contractors engaged to conduct lobbying on behalf of the Company:
  - a) must be pre-approved by the applicable Government Relations department;
  - b) must undergo avoiding bribery and corruption classification prior to starting work for or on behalf of TC Energy; and
  - c) are responsible and accountable for complying with all applicable registration, reporting, and legal requirements in the jurisdiction where they lobby, including registering as lobbyists and reporting their meetings.
- 2.11 The Company's retention of external legal counsel with respect to lobbying activities must be pre-approved and coordinated by the Legal department.

### 3 Avoiding Bribery and Corruption

- 3.1 All TC Energy Personnel are accountable and responsible for adhering to the Company's Avoiding Bribery and Corruption Policy, Gifts and Entertainment Policy and Gifts, Meals, Entertainment and Travel for Government Officials Standard.
- 3.2 All Personnel must ensure any expenses for gifts, meals or entertainment for Government Officials are only incurred in accordance with the Gifts, Meals, Entertainment and Travel for Government Officials Standard and the laws of the jurisdiction where they are incurred.
- 3.3 For Mexico, Personnel are prohibited from providing any gift or entertainment to Government Officials, except for meals which are permitted solely in connection to business meetings in accordance with the Gifts and Entertainment Policy.

### 4 Company Political Contributions

- 4.1 The Company is prohibited by law from making Political Contributions in Mexico. Where it is permitted by law, the Company may make Political Contributions in Canadian jurisdictions and the Company's U.S. subsidiaries may make Political Contributions in U.S. jurisdictions.

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- 4.2 All TC Energy's Political Contributions must be made in accordance with all applicable laws and requirements in this Policy, centrally managed by and approved at the director level or above in the External Relations Canada or External Relations U.S. department, as applicable. These requirements do not apply to Political Contributions that Personnel or Excluded Contractors may make in their personal capacity.
- 4.3 All recipients of Company Political Contributions must represent or be located in regions/ridings where TC Energy conducts business and has interests or that could have a direct bearing on Company business or affairs.
- 4.4 Political Organizations and candidates for elected office who receive Political Contributions from the Company should generally have business policy viewpoints consistent with those of TC Energy.

### 5 Additional rules governing Political Contributions in the U.S.

- 5.1 The Company's subsidiary in the U.S., TransCanada USA Services Inc., has established an independent, non-partisan and separately segregated fund known as the TransCanada USA Services Inc. Political Action Committee (PAC) to provide eligible Employees the opportunity to aggregate voluntary contributions and make Political Contributions to candidates for elected office who support the Company's business and public policy objectives in the U.S. For background information and details regarding the PAC governance, see the Political Action Committee Standard.
- 5.2 Executive and Administrative Personnel, and their families, who are U.S. citizens or permanent residents may be solicited to make voluntary contributions to the PAC using personal, non-corporate funds. Other Employees may be eligible to make voluntary contributions in accordance with the Federal Election Campaign Act, Federal Election Commission regulations and associated advisory opinions.
- 5.3 In accordance with U.S. law, TC Energy and all other Foreign Nationals are prohibited from:
  - a) financing the PAC or making any Political Contributions in connection with a U.S. federal, state or local election; and/or
  - b) participating in the operations, administration or decision making of the PAC.

### 6 Industry Associations

- 6.1 All corporate membership payments to Industry Associations must be approved by the External Relations Strategy Governance and Delivery department. This requirement does not apply to Personnel or Excluded Contractors individual Industry Association memberships.

### 7 Government funding

- 7.1 All Personnel who become aware of government funding applied for or received by TransCanada PipeLines Limited in Canada, must report knowledge of such funding to the Lobbying Coordinator as soon as possible upon application or receipt of funds.

### Your responsibility

Employees and Contractors must follow all applicable provisions and the spirit and intent of this corporate governance document and support others in doing so. Employees and Contractors 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. Employees and Contractors 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

**Contractor** means a third party hired by TC Energy to perform services for or supply equipment, materials, or goods to the Company. Contractors include, without limitation, Contingent Workforce Contractors and Excluded Contractors.

**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., work station, 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.

**Executive and Administrative Personnel** means current non-union salaried Employees with policymaking, managerial, professional or supervisory responsibilities. Contractors, hourly Employees and lower level supervisors having direct supervision over hourly Employees are not Executive and Administrative Personnel.

**Foreign National** means:

- any corporation, political party, partnership, government, association or other entity organized under the laws of any country other than the U.S. or having its principal place of business outside the U.S.; and
- any person who is not a citizen of the U.S. or who has not been lawfully admitted for permanent residence in the U.S.

**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.



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**Industry Association** means a sector- or issue-specific organization that is founded and funded by mutually benefitting members.

**PAC** means the TransCanada USA Services Inc. Political Action Committee.

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

**Political Association** means an association of members of a Political Party in a region or riding, or as otherwise may be defined under federal, state or provincial law.

**Political Committee** means any committee or group of persons that receives donations or makes expenditures in excess of certain thresholds to support the election or appointment of any candidate to public office.

**Political Contributions** means anything of value given, loaned or advanced to influence an election, including monetary, in-kind, loans and guarantees or non-monetary donations, made directly or indirectly to Political Organizations or candidates for public office. Examples of Political Contributions are the purchase of tickets to a Political Party event (monetary) or volunteering time outside of business hours (in-kind and/or non-monetary).

**Political Organizations** means Political Committee, Political Party and Political Association, collectively.

**Political Party** means a registered political party under federal or state/provincial/territorial law, as applicable.

**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

- Avoiding Bribery and Corruption Policy
- Code of Business Ethics Policy
- Conflict of Interest and Integrity Policy
- Contractor Management Policy
- Contractor Code of Business Ethics Policy
- Gifts and Entertainment Policy
- Gifts, Meals, Entertainment and Travel for Government Officials Standard
- Our Commitment Statement
- Political Action Committee Standard
- Public Disclosure Policy
- TC Energy's Lobbying & Government Communication Submission Form

## How to contact us



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- External Relations
- [Lobbying Coordinator](#)
- [Government Relations Canada and U.S.](#)
- [Government Relations Mexico](#)
- [Policy Questions and Comments](#)

### TC Energy's reporting channels

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