

# Policy.



## Supplier Diversity and Local Participation Business Policy.

### Introduction

TC Energy contributes to the social and economic well-being of communities that are adjacent to, or are potentially impacted by, our business. We endeavor to create opportunities for qualified Local and/or Diverse Suppliers and Individuals to benefit from our projects and operations. This is important for securing public confidence where we build and operate. It also provides TC Energy with a competitive advantage as a leader in Supplier Diversity and Local Participation among energy infrastructure companies in North America.

### Purpose and scope

TC Energy's capital and operational activities provide potential socio-economic benefits in communities where we do business. Energy infrastructure projects, including pipelines, power generation and gas storage, require significant amounts of goods, materials, and services. It is important that these opportunities lead to greater participation by qualified Local and/or Diverse Suppliers and Individuals. A number of existing TC Energy programs support these potential benefits, including Aboriginal Contracting, Community Investment, and the Supplier Diversity and Local Participation Program.

This Business policy ("Policy") provides the framework to enhance the opportunities and participation of Local and/or Diverse Suppliers and Individuals in TC Energy's projects and operations. The Policy reinforces our commitment to creating sustainable legacies in the communities where we live and work.

This Policy applies to all Personnel (defined as all full-time and part-time employees, contract workers and contractors) of TC Energy Corporation and its wholly-owned subsidiaries whether operating in Canada, the United States and Mexico, hereafter referred to as the "Company".

### Policy

#### 1 General provisions

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- 1.1 TC Energy will assist Local and/or Diverse Suppliers and Individuals to participate in opportunities related to Company projects and operations through:
- Encouraging the identification, qualification, employment and contracting of Local and/or Diverse Suppliers and Individuals across the Company's supplier lifecycle management process;
  - Developing and executing procurement policies, processes, systems and tools that enable greater participation by qualified Local and/or Diverse Suppliers and Individuals;
  - Identifying and communicating viable contracting and procurement opportunities for which qualified Local and/or Diverse Suppliers and Individuals can compete;
  - Supporting targeted community investments that contribute to the development of Local and/or Diverse Suppliers and Individuals;
  - Designing, implementing, and supporting education and training programs that help develop the skills, knowledge, and capacity of Local and/or Diverse Suppliers and Individuals; and
  - Tracking Company performance with regards to Local and/or Diverse Suppliers and Individuals participation in Company opportunities, and regularly reporting the results internally and externally.

### **Responsibilities**

The following departments are fundamental to the Company's commitment to enabling socio-economic opportunities for Local and/or Diverse Suppliers and Individuals.

#### **Supply Chain**

Supply Chain is responsible for providing the tools and processes required to implement this Policy specific to contracting and procurement. Supply Chain resources will also support Major Projects in tracking and reporting data consistent with this Policy.

#### **Major Projects**

Major Projects is responsible for providing the project-specific requirements for labour, services and materials, and collaborating with Supply Chain, Community Relations, Aboriginal & Tribal Relations, Community Investment, and Communications teams on implementing the Policy.

Within applicable Major Projects, the Supplier Diversity and Local Participation Program is responsible for supporting the development of strategies, tools and processes to ensure the inclusion of Local and/or Diverse Suppliers and Individuals in contracting and procurement opportunities; assisting in the tracking and reporting of Local and/or Diverse Suppliers and Individuals data; identifying capacity development opportunities; and monitoring the continuous improvement of the Supplier Diversity and Local Participation Program.

#### **Community and Sustainability**

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Community Relations and Aboriginal & Tribal Relations are responsible for providing advocacy and implementation of this Policy as part of ongoing stakeholder engagement in communities adjacent to our projects and operations, including the identification of Local and/or Diverse Suppliers and Individuals.

### 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

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

**Diverse Individual** is a person who belongs to at least one of the following groups: Aboriginal (Canada); Minority (USA); Indigenous (Mexico); Visible Minority (Canada); Women; Individual/Person with a Disability; and Veteran (USA – includes service-disabled).

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**Diverse Supplier** is a business that supplies goods, materials or services, and is wholly or partially owned by an individual (or individuals) belonging to at least one of the following groups: Aboriginal including a Band (Canada); Minority including a Tribe (USA); Indigenous (Mexico); Visible Minority (Canada); Women; and Veteran (USA – includes service-disabled).

**Local and/or Diverse Suppliers and Individuals** are Diverse Suppliers, Diverse Individuals, Local Suppliers and/or Local Individuals.

**Local Individual** is a person who has a substantial attachment to or connection with communities which are located adjacent to, or are potentially impacted by, our construction and operations. This can include both the communities immediately surrounding our work as well as the broader municipality, county, or regional district and is identified based on the socio-economic characteristics of the region and varies according to each project or operation. The exact specification of what local is will be determined on a project by project basis as part of the stakeholder engagement process.

**Local Supplier** is a business that supplies goods, materials or services, and is wholly or partially owned by an individual (or individuals) that has (have) a substantial attachment to or connection with communities which are located adjacent to, or are potentially impacted by, our construction and operations. This can include both the communities immediately surrounding our work as well as the broader municipality, county, or regional district and is identified based on the socio-economic characteristics of the region and varies according to each project or operation. The exact specification of what local is will be determined on a project by project basis as part of the stakeholder engagement process.

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

**Supplier Diversity** is a proactive and strategic business process that seeks to provide qualified Diverse Suppliers and Individuals with equal opportunity to become suppliers/contractors to major corporations.

## References

### Related corporate governance and supporting documents

- Indigenous relations policy
- Stakeholder engagement commitment statement

### Other references

- CPMS manage external project stakeholders

## How to contact us

- [Policy Questions and Comments](#)

## TC Energy's reporting channels

## Supplier Diversity and Local Participation Business Policy.

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