

# EMBEDDING THE UNITED NATIONS GLOBAL COMPACT PRINCIPLES INTO TO ENERGY'S STRATEGY

In 2022, TC Energy became an <u>official participant</u> of the <u>United Nations Global Compact (UNGC)</u>. We are committed to making the UNGC, and its principles, part of our business culture and day-to-day operations, as well as collaborating on projects that advance the broader development goals of the UN, particularly its Sustainable Development Goals (SDGs). As a signatory, TC Energy is committed to report on initiatives related to the following issues:

# **Human rights**

Principle 1: Business should support and respect the protection of internationally proclaimed human rights; and

Principle 2: make sure that they are not complicit in human rights abuses.

TC Energy does not tolerate human rights abuses. We will not be complicit with, nor engage in, any business activity that solicits or encourages abuse of human rights.

We consider the International Bill of Human Rights, which consists of the Universal Declaration of Human Rights, alongside the core International Labour Organization (ILO) Conventions when adopting human rights best practices. This context enables us to comply with all applicable international standards, laws, rules, regulations, orders, and ordinances, including, but not limited to, environmental protection, energy, health and safety, and labour laws and regulations, as well as applicable industry codes and standards.

Our Code of Business Ethics (COBE) Policy mandates our workforce to adhere to the requirements and expectations for business behaviours and it provides guidance to confirm that our daily activities and decisions reflect, and are consistent with, our corporate values of safety in every step, personal accountability, one team, and active learning.

We believe that our differences make us stronger and we encourage a culture of inclusion, equal-opportunity and wellbeing. We prohibit any form of discrimination and require reasonable accommodation of differences. We expect our workforce to create and reinforce an inclusive, collaborative and productive work environment where everyone is accepted and respected.

#### WANT TO LEARN MORE?

+ Code of Business Ethics (COBE) Policy

through comprehensive supply chain management, utilizing a risk-based model to manage modern slavery risks in our supply chain. Due to global sourcing of products and services for our projects and operations, we work to maintain an understanding our complex supply chain networks. TC Energy issues a Contractor Code of Business Ethics Policy (COBE) to set expectations and raise awareness of human rights. Other preventative measures include assessing contractual terms and working with contractors to measure the effectiveness of their actions to address forced labour and child labour, including tracking relevant performance indicators. Additionally, we conduct specialized, in-person training sessions designed to address the unique challenges of high-risk areas. This dual-layered training framework underscores our dedication to fostering a culture that not only understands

but also actively champions human rights across all facets

of our operations and supply chain.

Beyond our workforce requirements, we exert influence

#### WANT TO LEARN MORE?





+ Vendors Rules and Guidelines

For more than 40 years, TC Energy has engaged with Indigenous groups as rightsholders who have a distinct relationship to the land. We understand that our business activities have the potential to affect these groups in tangible ways. Our work with Indigenous groups is guided by our Indigenous Relations Policy, providing consistency while addressing local needs and compliance. We engage with Indigenous groups in a manner that supports the spirit and intent of the United Nations Declaration on the Rights of Indigenous Peoples (UNDRIP), including Free, Prior and Informed Consent (FPIC).

Our approach is grounded in respect for existing laws in Canada, the U.S., and Mexico, and recognizes the roles and commitments of governments within those jurisdictions in relation to Indigenous groups.

#### **WANT TO LEARN MORE?**

- + Indigenous Relations <u>Policy</u>, <u>strategy</u> and quiding principles
- + Canadian Indigenous Equity Framework

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## Labour

Principle 3: Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining;

Principle 4: the elimination of all forms of forced and compulsory labour;

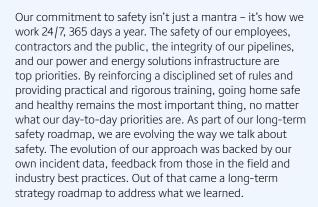
Principle 5: the effective abolition of child labour; and

Principle 6: the elimination of discrimination in respect of employment and occupation.

TC Energy recognizes that our growth orientation, and our continued contribution to the North American economy, relies on our team of energy problem solvers. We work to establish workplace policies and programs that comply with applicable laws, regulations and other legal employment and compensation requirements in all jurisdictions where TC Energy operates.

#### WANT TO LEARN MORE?

- + <u>Equal Employment Opportunity and Non-</u> Discrimination Policy
- + Reasonable Workplace Accommodation Policy
- + Harassment-Free Workplace Policy: Canada, U.S., Mexico
- + TC Energy Accessibility Plan



At TC Energy, we're aware of the continued need for supportive programs to enhance employee wellbeing in all aspects of work and personal lives. Accordingly, we provide resources and support across four pillars of health and wellbeing to align with employee needs and industry expectations: physical health, emotional health, social fitness and financial security. We prioritize streamlined, co-ordinated communication and socialization so employees can receive this information in a timely manner and utilize all resources available to them. Our objective is to make our employee health and wellbeing holistic through an integrated approach to employee engagement and wellbeing programs.

Our insistence on fairness extends to recognizing the right of our employees to be fairly compensated. In line with Canadian Federal Pay Equity legislation, our Pay Equity Plan supports equal earning potential for work of equal value and underscores our commitment to fairness and transparency in compensation practices.

Our sustained success as a business enables us to offer high-value careers in an important industry with a company that prides itself on a strong social, environmental and governance record. We believe this enables us to attract the very best new recruits, helping us execute energy projects in North America to move, generate and store energy while making real impacts in the communities we work in. Consequently, we provide our employees with a competitive compensation package, including extensive benefits, flexible employment practices and recognition programs.

Internally, our COBE Policy is designed to support international labour principles, including those set out in International Labour Organization (ILO) conventions. Every member of the TC Energy team is expected to read, understand and comply with the principles and requirements set out in the COBE Policy and is required to complete online annual COBE Policy training and certification. We encourage personnel to refer regularly to the COBE Policy to help guide decisions in ethical situations they may face, as it offers clear guidelines and examples of expected behaviour. Our COBE Policy also provides a framework for asking questions and points to resources where concerns can be reported.

Externally, we expect contractors to uphold human rights for workers and to treat them with respect and dignity. Our Contractor COBE Policy reinforces our requirements and expectations for conducting business with us or on our behalf, and it serves as a reference guide for our requirements and expectations. TC Energy's Contractor COBE Policy addresses issues in the supply chain including but not limited to:

- · diversity, employment equity and equal opportunity
- harassment and violence-free workplace
- forced labour avoidance including child labour, prison labour, and any form of physical or mental abuse within our business and operations
- avoiding conflicts of interest.

#### WANT TO LEARN MORE?



- + Contractor Code of Business Ethics (COBE) Policy
- + Working with us

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## **Environment**

Principle 7: Businesses should support a precautionary approach to environmental challenges;

Principle 8: undertake initiatives to promote greater environmental responsibility; and

Principle 9: encourage the development and diffusion of environmentally friendly technologies.

Our commitment to protecting the environment and respecting the diverse landscapes where we work is deeply rooted in the values of our teams. We established our first health, safety and environment management system in the early 1990's when we began voluntarily reporting on climate change and GHG emissions. Our enterprisewide management system, TOMS, enables operational excellence through an interconnected set of standards, processes and procedures that describes the requirements to manage risk and continually improve through the plan, do, check, act cycle. TOMS is modelled on international standards, including the International Organization for Standardization (ISO) standard for environmental management systems, ISO 14001, and the Occupational Health and Safety Assessment Series. TOMS sets the foundational requirements to identify, analyze, evaluate, manage, monitor, and communicate risks and implement mitigation strategies for the asset life cycle, including environmental-related risks.

We consider sustainability, and the environment, in our decision-making around modernization and maintenance of our existing operations and evaluation of new projects. We seek to safeguard habitat and biodiversity and

minimize land requirements and related land use impacts, including restoring the environment to a condition equal to or better than we found it. We recognize we play a key role in reducing the environmental impacts not only of our own activities but also across our industry. That means we are consistently working to reduce our land disturbance and investing in low-carbon energy solutions.

#### WANT TO LEARN MORE?



- + Safeguarding Biodiversity | Our Approach
- + Environment Principles
- + Reducing our environmental footprint

## **Anti-corruption**

Principle 10: Businesses should work against corruption in all its forms, including extortion and bribery.

To meet our ethical obligations to our stakeholders, customers, rightsholders, shareholders, we work hard to adhere to the most rigorous standards of business conduct.

TC Energy's Avoiding Bribery and Corruption Policy prohibits employees or contractors from directly or indirectly offering, paying, promising or authorizing any bribe or kickback to anyone to secure any contract, concession or other improper advantage for TC Energy. This policy also provides requirements for our workforce regarding interactions with government officials and processes to guard TC Energy from dealing with contractors and suppliers who are not legitimate, reputable and qualified.

All contractors, transactional counterparties and new shippers are assessed for anti-bribery and corruption violations and monitored regularly. TC Energy's Global Trade Management System screens new shippers and contractors against over 140 denied party and sanctions lists issued by governments to impose restrictions or sanctions against either individuals, companies or countries.

Our Ethics Help-Line allows anyone – employees, contractors, consultants, other stakeholders and the general public – to report a concern, confidentially and anonymously, about any perceived accounting irregularities, legal or ethical violations or other suspected breaches of the COBE Policy or Contractor COBE Policy. It is operated by an independent third-party service provider, calls are free of charge, and reporting can be made in English, French or Spanish 24 hours a day, seven days a week, 365 days a year. The telephone number and web portal is published on our website and employee intranet, in other employee communications and in our annual report.

#### WANT TO LEARN MORE?



- + Ethics Help Line
- + Avoiding Bribery and Corruption Policy
- + Political Contributions and Activity Policy

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