

## **Supplier Diversity & Local Participation (SDLP) Requirements (Canada)**

### **1.0 PURPOSE**

The purpose of this exhibit is to outline the Company's expectations of Contractors for Indigenous, Diverse and Local participation in the performance of the Work.

Contractor reporting is required, regardless of whether an Indigenous, Diverse or Local Participation Plan is requested. The requirement to provide Indigenous, Diverse and/or Local Participation Plans will be determined per Release Order.

The Company endeavors to create opportunities for qualified and competitive Indigenous, Diverse and Local Businesses and individuals to benefit from the Company's projects and operational activities. This is important for securing public confidence where we build and operate and to respond to evolving regulatory reporting requirements. It also provides the Company a competitive advantage as a leader in supplier diversity, local participation, and Indigenous business engagement among energy infrastructure companies in North America.

The Company's commitment to enabling social and economic opportunities for the communities where we build and operate is reflected in the Company's business practices; we encourage and enhance supplier diversity, local participation and capacity development for Indigenous, Diverse and Local Businesses and individuals. We do this while continuing to uphold the Company's industry-leading standards for quality, competitiveness and safety.

### **2.0 DEFINITIONS**

- 2.1** "Diverse Business" – A business that supplies goods, materials and/or services, and is 51% or more owned by an individual (or individuals) belonging to at least one of the following groups: Visible minority, Women, LGBT or Veteran.
- 22** "Diverse Individual"– A person or persons who belong to at least one of the following groups: Visible Minority, Women, LGBT or Veteran.
- 23** "Indigenous" – Aboriginal peoples of Canada, including First Nation, Inuit and Métis peoples of Canada.
- 24** "Indigenous Business" – A business that is at least 51% owned and controlled by Indigenous Members; any joint venture or commercial arrangement in which an Indigenous Group has a significant financial interest, or significant involvement.
- 25** LGBT - A person who self-identifies their gender expression or sexual orientation to be either gay, lesbian, bisexual, transsexual or other related gender diversity categories.
- 26** "Local" – Those communities (including businesses and individuals) that are located adjacent to, or are potentially impacted by, the Company's construction and operations. This can include both the communities immediately surrounding the Company's work as well as the broader municipality, county or regional district. The identification of a community as being Local is influenced by the socio-economic characteristics of the region and varies according to each project or operation. The Company will determine and advise the Contractor what will be considered Local for the Work.
- 27** "Plans" – The Indigenous Participation Plan, Diverse Participation Plan and Local Participation Plan "Plans" describes the Contractor's proposed activities and processes related to maximizing productive opportunities for the subcontracting or employment of qualified and competitive Indigenous, Diverse and Local businesses and peoples.
- 28** "Veteran" - A former member of the armed forces.
- 29** "Visible Minority" – Persons who are non-white in colour or non-Caucasian in race. Visible Minority classifications include: Black, Chinese, Filipino, Japanese, Korean, Latin American, Pacific Islanders, South Asian, West Asian/Arabs.
- 210** "Women" – Adult female people.

### **3.0 INDIGENOUS PARTICIPATION PLAN**

Upon request, the Company may require the Contractor to submit a preliminary Indigenous Participation Plan (IPP) to the Company prior to the commencement of the Work. An IPP template will be provided by the Company.

If the Company identifies deficiencies in, or requires further clarification on the Contractor proposed IPP, the Company may raise its concerns that the Contractor shall address when submitting its final IPP within the timeline set out in the Release Order.

#### **4.0 INDIGENOUS REPORTING**

The Contractor must keep an accurate record of all interactions with Indigenous Businesses, including interactions related to the procurement of services and the employment of people in the Work, and will submit the record to the Company upon the request of the Company.

The Company collects this data as an important part of tracking the inclusion of Indigenous contractors in Company business and related opportunities. The collection and utilization of this information is in support of the Company's Indigenous Relations Business engagement and supplier diversity and local participation programs, to increase visibility of employment and subcontracting opportunities and spend with Indigenous Businesses and Indigenous individuals in the Company's supply chain. Responses to questions relating to supplier diversity in the template are voluntary. All data collected in this form will be stored in a data center located in the United States and will be retained for only as long as reasonably required by the Company.

The Contractor shall provide a monthly report on the fifteenth (15) day of each month or upon completion of the Work should this be an earlier date regardless of whether an IPP is required. A sample reporting template and instructions will be provided by the Company. The Company reserves the right to make changes periodically.

The Company will utilize the monthly report to track the implementation of and compliance with the accepted IPP.

#### **5.0 DIVERSE PARTICIPATION PLAN**

The Contractor's Diverse Participation Plan ("DPP") shall be a detailed plan that describes the Contractor's proposed procedures and processes as they relate to maximizing productive opportunities for the subcontracting of qualified Diverse Businesses and the employment of qualified Diverse Individuals. The DPP shall align with the Company's Supplier Diversity and Local Participation Policy.

Upon request the Company may require the Contractor to submit a preliminary DPP to the Company prior to the issuance of the Work. A DPP template will be provided by the Company.

If the Company identifies deficiencies in, or requires further clarification on, the Contractor's proposed DPP, the Company may raise its concerns that the Contractor shall address when submitting its final DPP within the timelines set out in the Release Order.

#### **6.0 DIVERSE PARTICIPATION REPORTING**

The Company collects this data as an important part of tracking the inclusion of Diverse contractors in Company business and related opportunities. The collection and utilization of this information is in support of the Company's supplier diversity and local participation program, designed to increase participation of Diverse Businesses. Responses to questions relating to supplier diversity in the template are voluntary. All data collected in this form will be stored in a data center located in the United States and will be retained for only as long as reasonably required by the Company.

The Contractor shall provide reporting data on the fifteenth (15) day of each month or upon completion of the Work should this be an earlier date, regardless of whether a DPP is required. A sample reporting template and instructions will be provided by the Company. The Company reserves the right to make changes periodically.

When a Release Order requires a DPP, the Company will utilize the monthly reporting to track the implementation of and compliance with the accepted DPP.

#### **7.0 LOCAL PARTICIPATION PLAN**

The Contractor's Local Participation Plan (LPP) shall be a detailed plan that describes the Contractor's proposed procedures and processes as they relate to maximizing productive opportunities for the subcontracting of qualified Local businesses and the employment of qualified Local individuals. The LPP shall align with the Company's Supplier Diversity and Local Participation Policy.

Upon request, the Company may require the Contractor to submit a preliminary LPP to the Company prior to the issuance of the Work. A LPP template will be provided by the Company.

If the Company identifies deficiencies in, or requires further clarification on, the Contractor's proposed LPP, the Company may raise its concerns that the Contractor shall address when submitting its final LPP within the timeline set out in the Release Order.

#### **8.0 LOCAL PARTICIPATION REPORTING**

The Company collects this data as an important part of tracking the inclusion of Local contractors in Company business and related opportunities. The collection and utilization of this information is in support of the Company's Supplier Diversity and Local Participation program, designed to increase participation of Local businesses. Responses to questions relating to supplier diversity in the template are voluntary. All data collected in this form will be stored in a data center located in the United States and will be retained for only as long as reasonably required by the Company.

The Contractor shall provide reporting data on the fifteenth (15) day of each month or upon completion of the Work should this be an earlier date. A sample reporting template and instructions will be provided by the Company. The Company reserves the right to make changes periodically.

When a Release Order requires a LPP, the Company will utilize the monthly reporting to track the implementation of and compliance with the accepted LPP.