

Reconciliation Action Plan Update

NOVEMBER 2022





"We dance to honour our ancestors—following their footsteps, with grace, dignity and pride."



ARTIST PROFILE

Delreé Dumont

Wâpiski Kihéw Esquao (White Eagle Woman), also known as Delreé Dumont, is an internationally recognized Cree artist from Nakusp, British Columbia, Canada. Dumont was born in Chilliwack, British Columbia and is a member of Onion Lake Cree Nation located north of Lloydminster, Saskatchewan. Prior to working as a full-time artist in 2014, Dumont was employed in Alberta's oil and gas industry for 32 years. During that time, she promoted the beauty of her culture and traditions within the corporate environment. Today, much of her artistic work draws on her experience as an Indigenous person.

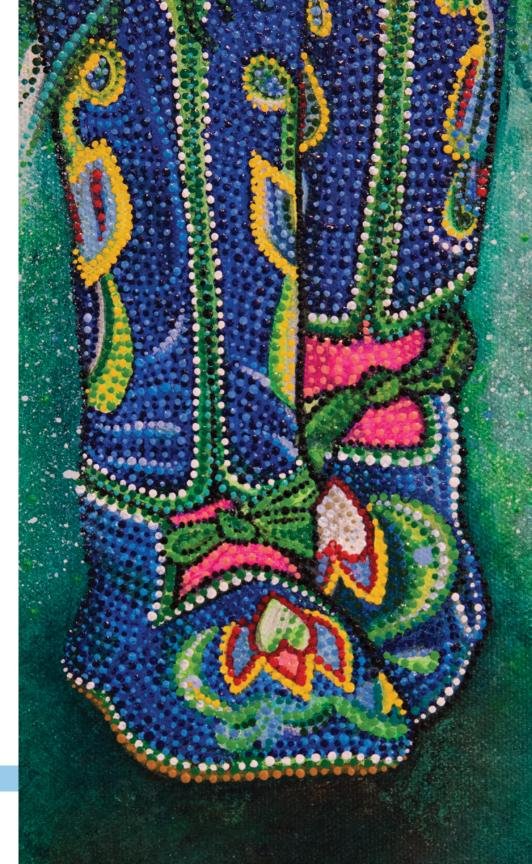


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Introduction

A year after publishing our inaugural Reconciliation Action Plan, we continue to listen and learn and we have made progress along the way.

Most importantly, we have grown our mindset from *wanting* to learn many of the answers right away to *understanding* this growth takes time. Only through our relationships with Indigenous Peoples can we identify interconnected issues and then co-create meaningful solutions on our path to building a strong shared energy future together. This is why we have focused our efforts in the past year on increasing cultural awareness among our Board, employees and contractors, and have invited Indigenous leaders to help us define the next steps in our journey.

Through internal and external engagement activities, we made mindful decisions to embed reconciliation into how we work. However, we recognize that we have much more work to do. From feedback, encouragement and collaboration, we are learning to approach reconciliation with humility. In the following update on the Reconciliation Action Plan published in 2021, we offer transparency on performance and reflection on our learnings.

Our vision for reconciliation

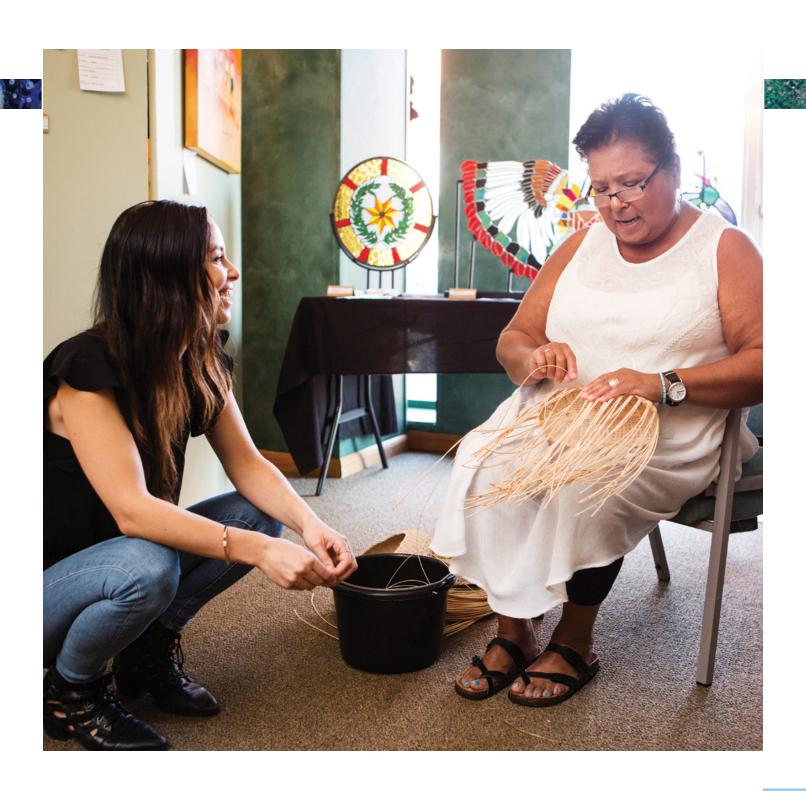
We will be an industry leader in advancing reconciliation with Indigenous Peoples.

We play a role in reconciliation as an energy infrastructure company that engages with Indigenous Peoples every day across our unique footprint. Our vision is to support the growth of resilient Indigenous communities and the development of a strong shared future.

Successful long-term relationships are based on trust and respect. By ensuring early and honest communication with our partners, and listening to understand priorities of Indigenous Peoples and businesses, together we will find alignment and pursue opportunities that help us continually build stronger, mutually beneficial relationships and partnerships. Reconciliation is the responsibility of every person, every employee and every employer.

An ongoing commitment

Early and honest communication sets the foundation for successful long-term relationships based on trust and respect.



Progress in 2021-2022: Acting on our plan

Reconciliation between Indigenous Peoples and non-Indigenous people is a journey requiring education, introspection, a thoughtful approach, long-term commitment and openness to listen and learn.

Our Reconciliation Action Plan includes six commitments. Since the launch of this plan in 2021, we have made progress in several areas and have recognized it is also important to take time to meaningfully advance other areas to fulfil the intent of some of the goals. For example, mandatory training for our Board of Directors and our Canadian workforce was a first step in building a greater understanding of the history of Canada and relationships with First Peoples. We are now evolving our internal training to further integrate community perspectives and tailor the training for specific regions. Some commitments have taken us longer and require additional work; for example, setting contracting targets across each business unit requires detailed analysis of past spend and changes to process and systems before we can determine the best approach.

We are deeply grateful for the feedback and interest from Indigenous groups, partners, employees and the Indigenous Advisory Council. This guidance is informing how we measure progress, identify other areas for improvement and shape new goals.

In the following sections, we offer detailed updates on our progress towards each of the goals set in 2021. As we continue our journey, it is important to share stories and learnings that may spark ideas or create connections. In each section, we set key learnings that will continue to inform our actions as we move forward.

"We are committed to building respectful relationships, enhancing cultural competency and pursuing opportunities that help us build stronger, mutually beneficial relationships with Indigenous Peoples."

1. Indigenous Advisory Council

Our goal and target

Work with Indigenous leaders across our footprint to establish an Indigenous Advisory Council that will provide advice to our Executive Leadership Team and help guide our reconciliation efforts. We targeted having an approach for an Advisory Council in place by Q4 of 2021.

Our progress

Complete: An Indigenous Advisory Council (the Council) was established in December 2021 with leaders representing Indigenous interests across Canada. Currently, the Council is comprised of three Indigenous leaders with recruitment continuing. The Council will meet with TC Energy's Executive Leadership Team twice a year and will provide guidance on initiatives to progress reconciliation-related priorities with Indigenous groups. The Council had its first meeting with our Executive Leadership Team in May 2022 and identified six pillar areas of focus. At the second joint meeting in October 2022, discussions focused on the launch and progress of working committees in these focus areas.

Pillar areas of focus:

- Talent and Employment
- Contracting and Hiring
- Relationships/Partnerships
- Governance
- · Land and Environment
- Education

Meet members of our Indigenous Advisory Council



Raylene Whitford MBA, ACA Indigenous Advisory Council Chair

Born in Amiskwacîwâskahikan, now commonly known as Edmonton, Alberta, Raylene Whitford is a proud member of the Métis Nation of Alberta.

As a finance professional, Whitford spent the majority of her career working internationally in the energy sector in Europe, Latin America and the Middle East. In 2019, she returned to Canada specifically to work in the intersection of government, industry and community. She is passionate about ensuring the energy transition is not only inclusive—but co-created—with Indigenous Peoples.

Whitford is a Partner with Monitor Deloitte Canada and works as their National Indigenous Strategy Practice Lead. She is also a member of the Advisory Committee for the Deputy Minister of International Trade and the founder of INDIGI-X, a platform for global exchanges for Indigenous professionals.

Whitford is committed to working with companies and governments to create sustainable economic development opportunities for Indigenous Peoples around the world.

"I joined the Council as I truly believe TC Energy's leadership team members are personally committed to making real and measurable change. Our role is to challenge and hold leadership accountable to making measurable progress on their journey to becoming better partners with Indigenous Nations and businesses."



Krystal Abotossaway, MHRM

At an early age, Krystal Abotossaway, an urban Ojibwe Anishinaabe Kwe, already recognized the need for equity advocacy for Indigenous Peoples, people with disabilities, women and youth. Driven by her life experiences and later observations of lack of representation for these demographics at school and workplaces, Abotossaway has spent her personal and professional life working to enable more Indigenous youth to achieve their aspirations and dreams.

Now a well sought-after expert, speaker and leader on Indigenous engagement, Abotossaway is a senior human resources manager at TD Bank and sits on many boards as an avid community advocate, all while pursuing an Executive Master of Business Administration from Western University. As the President of the Indigenous Professional Association of Canada, she is helping to redefine the agenda and identify new measures for advancing the opportunities for and the capabilities of Indigenous Peoples.

"As a young Indigenous woman, reconciliation means that both parties come to the table to work and progress in the right direction. I'm excited to share my HR knowledge as well as my leadership experience working with Indigenous youth and professionals alike to support TC Energy's efforts towards truth and reconciliation."



Robert Louie, LL.B, OC, Hon. Dr. LL.B, Hon. Fellow Okanagan College

Over the past few decades, newly elected Westbank First Nation Chief Robert Louie has built a reputation as a trusted leader, successful businessman and advocate for legislative change to further the economic and social well-being of Indigenous Peoples.

A longtime Westbank First Nation leader and former lawyer specializing in Indigenous law, he previously served as Chief for 24 years until 2016—during which time he helped guide the Nation through independence, achieving self-governance in 2005.

Chief Louie has held many leadership and advisory roles with government and private industry over the years, including more than 30 years as Chairman of the First Nations Lands Advisory Board. Chief Louie is a recipient of many esteemed designations and awards, including Officer of the Order of Canada, Queen's Diamond Jubilee Medal and the Canadian Council for Aboriginal Business' 2022 Aboriginal Business Lifetime Achievement Award.

"I joined TC Energy's Council because I want to see long-term tangible benefits being made with Indigenous communities in advancing their economic activities. I want to see Indigenous communities with equity stakes and meaningful partnerships in place. I want to see Indigenous Peoples listened to and respected and their concerns addressed."

An important story

As we engaged with Indigenous leaders across Canada during the Council interview process, we learned a great deal. The interviews offered us an opportunity to hear the candidates' experiences and perspectives, as well as feedback and guidance about advancing reconciliation. In this way, the process of establishing the Council created a channel for direct communication that contributed to our learning journey. We are grateful for everyone who participated and shared their ideas—thank you.

Learnings to share:

- The Council members have informed and unique perspectives ranging across Canada, and are not limited to our operational footprint. This approach complements existing activities and commitments and provides for a more diverse Council with a variety of experiences, credentials and knowledge.
- Through our engagement with Indigenous Peoples across North America, we have learned the importance of having a flexible approach as there is no "one size fits all." As a result, the Council is initially focused on our Canadian footprint.



Board of Directors cultural awareness training

Our goal and target

In response to the Truth and Reconciliation Commission's 92nd (iii) Call to Action, we committed to delivering tailored training to our Board of Directors focused on the history and cultures of Indigenous Peoples across North America. We targeted developing the training by Q3 of 2021 and initiating it before the end of 2021.

Our progress

Complete: In September 2021, we engaged an external consultant with Indigenous trainers to design and facilitate a training session for TC Energy's Board of Directors. The training was held in November 2021 and all 14 Directors participated virtually due to COVID-19 safety precautions.

"The training session for the Board of Directors was informative and insightful. We appreciated the opportunity to ask questions and gain a deeper understanding of the original stewards of North America and look forward to learning more."

Siim Vanaselja

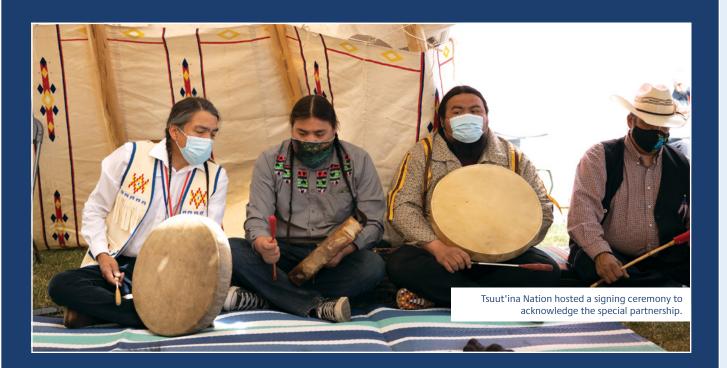
TC Energy Chairman of the Board of Directors

An important story

The session captured the hearts and minds of the Directors. By combining historical details with storytelling, facts and personal perspectives, the session offered a variety of learning topics and insights.

Learnings to share:

 Recognizing that this is a journey of learning and given this session was so positive, we will explore further opportunities to share cultural awareness information with our Board of Directors and examples of economic success and shared prosperity from Nations that have successfully built a shared energy future.



Dānít'ádā ~ - 'How are you?': A warm welcome from Tsuut'ina Nation

A <u>new Relationship Agreement</u> has strengthened our long-standing relationship with Tsuut'ina Nation.

Our relationship dates back to the 1960s, when we began building one of the first natural gas pipeline systems throughout southern Alberta and crossed Tsuut'ina land. The Relationship Agreement—an excerpt of which was engraved onto a buffalo hide in both the Tsuut'ina language and English and then gifted to us—establishes a mutually beneficial relationship that recognizes the interests of both parties. A Feather Hat was also given to our Executive Leadership Team member.

"The Feather Hat is a high honour that is bestowed on someone who represents this relationship. It is called

'making relatives' and recognizes the interdependence of the strengths of two groups," says Elder Bruce Starlight.

As part of the Relationship Agreement, support for the Tsúūt'ínà Gūnáhà Nest is also included, which will be a centre for the preservation of the Tsuut'ina language and will promote mentoring, teaching and development of language resource materials for future generations.

The late Councilor Stanley Big Plume was a well-respected community member who advocated for language support to be included in the Relationship Agreement, in collaboration with the Nation's consultation department, which has engaged closely with TC Energy over the years. ■

3. Cultural awareness training

Our goal and target

In response to the Truth and Reconciliation Commission's 92nd (iii) Call to Action, we committed to implementing a corporate-wide training module to provide mandatory cultural awareness training to all employees and internal contractors. The training was set to focus on the history and cultures of Indigenous Peoples across North America. We targeted developing the training by Q3 of 2021 and initiating it in 2021.

Our progress

In progress and behind schedule: We designed and launched a mandatory cultural awareness training module for all employees and contractors located in Canada in Q4 of 2021. By July 30, 2022, 99.82 per cent of the Canadian workforce had completed the training. Importantly, all new employees and contractors in Canada receive this training as part of their required onboarding. The course is complemented by a resource page with additional guidance materials as well as the option to provide feedback and comments.

99.82%

By July 30, 2022, 99.82 per cent of the Canadian workforce had completed the training.



An important story

In parallel to the company-wide training, the project team leading Coastal GasLink developed mandatory project-specific cultural awareness training for the entire workforce across the project. In creating the content for the course, the Coastal GasLink team shared a draft version with Indigenous Nations along the route to seek feedback on the content. We received over 500 comments of thoughtful feedback on the content from the Indigenous communities. This feedback was insightful and resulted in changes to the course content.

Learnings to share:

- Cultural awareness training is an important step in the journey towards reconciliation that helps build understanding and will continue to evolve over time. We have learned the importance of listening and updating the training to reflect feedback from Indigenous people as well as the importance of understanding the unique cultures and different histories of the geographies across our broad footprint.
- In 2022 and 2023, we will plan how best to follow up on training sessions to enable continuous learning and engagement. We will continue to offer enhancement to the online training through the availability of our full-day session on the history of Indigenous Peoples and the opportunity to visit an Indigenous community for a hands-on learning experience.



Partnering with Indigenous neighbours to encourage safe and inclusive workforce lodges

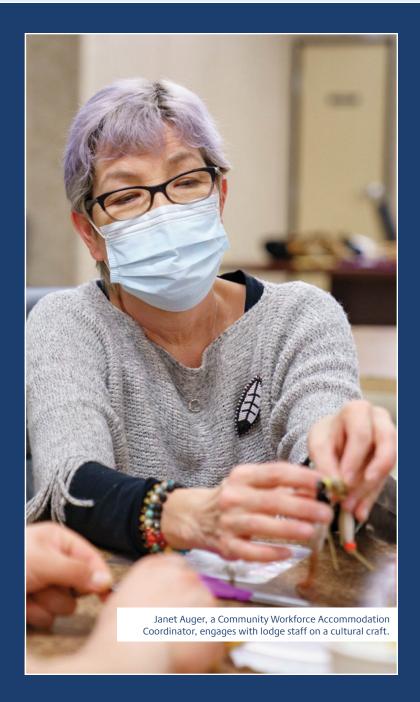
There is now a <u>new initiative at workforce</u> <u>lodges</u> encouraging workers to celebrate our differences and similarities across the company.

Drawing inspiration from a proactive
Coastal GasLink program, the Indigenous
Relations team partnered with Indigenous
Nations to pilot the Community Workforce
Accommodation program for the NOVA Gas
Transmission Ltd. (NGTL) System Expansion to
support a positive and inclusive experience at
our workforce accommodations.

Central to the program is the cultural awareness programming designed by coordinators recruited from several Indigenous Nations. The coordinators are hired to work as ambassadors of inclusion, resource navigators, cultural keepers, activity coordinators and role models at the lodges.

Janet Auger, who is of Métis and Cree heritage, worked as a coordinator. She says, "It's really a recognition in supporting the health and wellness of the workforce and... will help with retention of both Indigenous and non-Indigenous staff because it fosters understanding between one another."

The program was piloted at three workforce accommodations in Alberta beginning in 2021 and has since expanded to other projects.



4. Investment in communities

Our goal and target

We committed to partnering with Indigenous groups to identify and support community-led reconciliation initiatives. We have a long history of providing support for community-led priorities and aimed to continue this process throughout 2021. In addition, through our community giving program, we support Indigenous-led organizations and non-profits through our long-standing Community Legacy programming to address priorities identified by the communities that fit within four focus areas: Safety, Education and Training, Environment, and Community.

Our progress

In progress: In 2021, more than \$7.3 million was provided to Indigenous-related causes and initiatives, including 293 Indigenous Legacy scholarships in North America to support Indigenous post-secondary students in reaching their education goals.

\$7.3_{M+}

In 2021, more than \$7.3 million was provided to Indigenous-related causes and initiatives.





Important stories

- For nearly 20 years, TC Energy has supported local Habitat for Humanity organizations across Canada through Habitat Build Days. Since 2021, our team in Ontario partnered with Habitat for Humanity Canada to support the Indigenous Housing Partnership. The Indigenous Housing Partnership is an equitable partnership rooted in respect for Indigenous cultures, helping deliver housing solutions by Indigenous communities for Indigenous communities. TC Energy is proud to be partnering with Habitat Canada, Habitat Grey Bruce, the Chippewas of Nawash Unceded First Nation, and the Saugeen First Nation. Through this partnership, our team has worked alongside homeowners and community members to help build 11 homes within the Saugeen Ojibway Nation traditional territory.
- We have provided support to Driftpile Cree Nation to help build an essential new healing lodge on the shore of Lesser Slave Lake to care for the mental wellness, health and healing of community members. The healing lodge, which opened in May 2022, provides treatment for addiction recovery in a beautiful facility that is close to home. A stunning feature wall at the lodge was built using material recovered from the original cabin site of Chief Kinosayo, who was the Chief for all current Lesser Slave Lake Nations when Treaty 8 was signed in 1899.

Learnings to share:

 We recognize the best solutions start with listening to the people who are impacted by our business activities. We continue to find alignment, enhance relationships and support Indigenous-led initiatives within communities where we work. We will continue to engage with Indigenous groups to understand their priorities and work collaboratively to support them.





Community changemaker offers opportunities to achieve economic prosperity and security

It's <u>partner organizations like Trade Winds to Success</u> that enable the long-term social and economic success in Alberta. Through its four-month long preapprenticeship trades program, which we've supported since 2020, Indigenous students across Alberta receive pre-apprenticeship training in a variety of trades, with the goal of supporting students to achieve journeyman status and bringing more trained Indigenous tradespeople into the workforce.

Robert Bryenton, a Trade Winds instructor, says, "Trade Winds can change lives, and that's the truth. Someone who might not have had a chance to get

into trades can now get a higher paying job and have better opportunities."

Levi McKay, who is of Cree and Blackfoot descent, completed the program in 2016 and is now a third-year boilermaker who has found success and inspired others to take up a trade through Trade Winds. His life has changed significantly since he first participated in the program: "I'm married, I have one child with a second on the way and I do own my own house and vehicle. Success looks to me like where I am right now—all due to Trade Winds to Success."

5. Indigenous hiring and contracting

Our goal and target

We committed to setting contracting targets with Indigenous businesses to drive increased participation of Indigenous businesses in the execution of our projects and operational activities. We aimed to have the targets set by Q3 2021.

Our progress

In progress and behind schedule: Prior to 2020, we did not have corporate-level targets. While some major projects, such as Coastal GasLink, adopted internal contracting targets, we have not yet established enterprise-level targets in operations and maintenance workstreams. We believe top-to-bottom support and alignment are important elements to ensure the approach becomes part of the way we do business. In order to set ambitious yet achievable goals, our team is conducting a comprehensive review process to understand previous spend data with Indigenous vendors across Business Units and our contractors. In addition, we reviewed forecasts to understand how expenditures may shift over the next five years. Through this process, it has been made clear to us by Indigenous leaders that we must support the building of skills and capabilities and that our contractors hire Indigenous people in the areas where our work is taking place. Put simply, whenever possible we should hire and buy from the Nations impacted by our work. We agree. We are conducting a review of our contracting and hiring processes and expect to implement new changes in 2023.

\$1.2_B

To date Coastal GasLink has awarded \$1.2 billion of contract awards to local Indigenous businesses affiliated with Coastal GasLink agreement-holding First Nations groups.



An important story

Indigenous participation is a core component of Coastal GasLink's extraordinary legacy and the <u>recent contracting</u> <u>collaboration on the project</u> demonstrates the importance of working together towards economic prosperity for all involved.

In April 2022, O.J. Pipelines, one of Canada's largest pipeline contractors, partnered with the economic development divisions of three Wet'suwet'en communities along the project route to build a section of the Coastal GasLink pipeline, marking the third Indigenous collaboration responsible for major pipeline construction on the project. The partnership is a collaboration between O.J. Pipelines, Natanlii Development Corporation (Skin Tyee Nation), Yinka Dene Economic Development Limited Partnership (Wet'suwet'en First Nation) and Kyah Development Corporation (Witset First Nation) and leverages each Nation's deep knowledge and commitment to the land while providing significant opportunities for local Indigenous participation in the region.

"Having the ability to participate and benefit from projects like Coastal GasLink without compromising our cultural values and environmental stewardship is what economic reconciliation looks like," says Joe Bevan, Chair of Kyah Development Corporation.

Learnings to share:

Indigenous contracting and hiring are among the most effective ways to advance economic reconciliation and enhance relationships through tangible opportunities.
 We have recognized the success of these collaborative efforts and the positive impacts created through our capital project activities. In 2021, TC Energy and our Prime or General Contractors collectively reported more than \$1.1 billion spend with Indigenous and Native American businesses. Meanwhile, to date Coastal GasLink has awarded \$1.2 billion of contract awards to local Indigenous businesses affiliated with Coastal GasLink agreement-holding First Nations groups*.

We also recognize there are opportunities for us to approach our operations and maintenance activities differently, leveraging our experience and learnings in capital projects to support the continued growth and strengthening of relationships with Indigenous businesses. This will help us extend the economic opportunities created through our ongoing business activity more widely across our asset footprint.

- We will continue to identify opportunities to increase Indigenous participation in service categories aligned with our ongoing business needs and the economic development priorities of the communities with whom we work. We will also extend our efforts to increase Indigenous participation through direct and indirect employment.
- * Coastal GasLink acknowledges that the total dollar value of these contracts at award may not be the same as the total dollar value received as revenue share by the Indigenous partner.



Nak'azdli Whut'en salmon population revitalized thanks to new hatchery

For generations, salmon stocks, a staple in Nak'azdli Whut'en diet and culture, have dwindled in waterways within the Nak'azdli Whut'en traditional territory. Last year, Coastal GasLink partnered with Nak'azdli Whut'en on a project that would provide new fish hatcheries to re-establish salmon stocks for future generations to enjoy.

Fast forward to June 2022, exactly one year since the hatcheries were delivered to the Stuart River waterfront. Nak'azdli Whut'en released their first 60,000 sockeye salmon fry into a creek connecting to the Stuart River system.

Along the busy stretch of the Stuart Lake Highway, the salmon were released into a small creek with prayers and drumming to send them on their way. The salmon will make their way to Stuart Lake for the next year and then travel down through river systems that ultimately reach the Pacific Ocean. Every year, thousands of salmon make their way back from the ocean to the river they started from to spawn their eggs, which is a four-year trek.

"Now we have the ability to make an impact and feed the community again the way we used to. To tell the Elders that we'll be okay is going to be really important," says Pete Erickson, the Nak'azdli Whut'en Hatchery Manager. ■

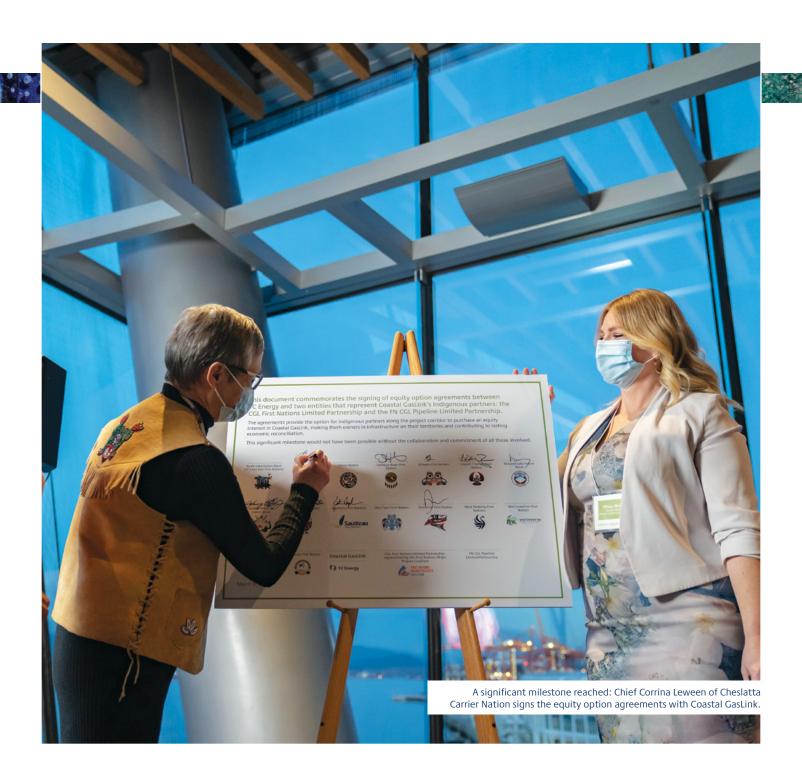
6. Project equity

Our goal and target

We committed to developing a framework to identify project equity opportunities with Indigenous Nations and groups across our footprint. We targeted having the framework developed by Q4 of 2021.

Our progress

In progress and behind schedule: In 2021, a cross-functional team was established to develop an Indigenous Equity Framework. By the end of 2022, we will finalize our Indigenous Equity Framework for new projects. In the meantime, we have continued to pursue Indigenous equity ownership opportunities on projects and will continue to explore similar opportunities on our existing assets.



An important story

Building on the journey that started nearly 10 years ago with Indigenous Peoples and Coastal GasLink, we have continued to work with the Nations to enhance our partnerships. As a result of an interest from the Nations, we signed Equity Option Agreements with two entities that represent 16 Nations to sell them a 10 per cent equity interest in the project. The equity option is in addition to 20 agreements Coastal GasLink has with Indigenous groups along the corridor that provide opportunities for contracting and employment as well as other long-term benefits.

"The finalization of the option agreement represents a historic milestone in our desire to participate as equity owners in Coastal GasLink. For many of us, this marks the first time that our Nations have been included as owners in a major natural resource project that is crossing our territories," says Chief Corrina Leween of Cheslatta Carrier Nation, which is a member of the Coastal GasLink First Nations Limited Partnership Management Committee. "This deal is important because it demonstrates the value First Nations can bring as true partners in major projects."

Learnings to share:

- Indigenous groups and projects are unique and as a
 result, it is important for us to approach potential equity
 opportunities with an open mind and willingness to work
 collaboratively with Indigenous Nations and groups to
 reach a mutually beneficial agreement, as was the case on
 Coastal GasLink. Through the Indigenous Equity Framework,
 we will identify the key principles that will guide how we
 assess equity opportunities, while leaving space to adapt to
 the uniqueness and different priorities of the business and
 Indigenous groups.
- The most critical element to realizing Indigenous equity opportunities is having financing options available to Indigenous Nations and groups at an affordable cost of capital that will generate a meaningful return to communities. Large-scale financing for major projects can be very complex to navigate in the capital markets and is often new to many people. TC Energy seeks to work with Indigenous Nations and groups to identify appropriate and competitive financing options to support their participation. We also believe there is a role for federal and provincial governments to support Indigenous Nations' and groups' economic participation in resource development on their lands, such as through loan guarantees.

About TC Energy

We're a team of 7,000+ energy problem solvers working to move, generate and store the energy North America relies on.

Today, we're taking action to make that energy more sustainable and more secure. We're innovating and modernizing to reduce emissions from our business. And, we're delivering new energy solutions—from natural gas and renewables to carbon capture and hydrogen—to help other businesses and industries decarbonize too. Along the way, we invest in communities and partner with our neighbours, customers and governments to build the energy system of the future.

We'd like to hear from you. Please send questions, comments and suggestions to lndigenous_Relations@TCEnergy.com

