



## **Indigenous, Diverse and Local Participation Requirements (Canada)**

### **1.0 PURPOSE**

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

Supplier/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. It also provides the Company a competitive advantage as a leader in Supplier Diversity and Local Participation 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.

### **2.1 DEFINITIONS**

- 2.2** "Indigenous" – Aboriginal peoples of Canada, including First Nation, Inuit and Métis peoples of Canada.
- 2.3** "Indigenous Business" – A business that supplies goods, materials or services, and is at least 50% owned by an Indigenous person or organization; or, as otherwise determined by the Company in its sole discretion from time to time, any other business with a substantial amount of ownership rights held by one or more Indigenous people.
- 2.4** "Diverse Business" – A business that supplies goods, materials and/or services, and is wholly or partially owned by an individual (or individuals) belonging to at least one of the following groups: Visible Minority and women.
- 2.5** "Diverse Individual" – A person or persons who belong to at least one of the following groups: Visible Minority and women.
- 2.6** "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 Supplier/Contractor what will be considered Local for the Work.
- 2.7** "Plans" – The Indigenous Participation Plan, Diverse Participation Plan and Local Participation Plan "Plans" describes the Supplier's/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.
- 2.8** "Visible Minority" – Persons who are non-white in colour and non-Caucasian in race. Visible Minority classifications include: Black, Chinese, Filipino, Japanese, Korean, Latin American, Pacific Islanders, South Asian, West Asian/Arabs.

### **3.1 INDIGENOUS PARTICIPATION PLAN REQUIREMENTS**

The Company is committed to establishing and maintaining reciprocal business relationships with local Indigenous communities and people. These relationships are important to our commercial success and we encourage the involvement of local Indigenous peoples in our business activities.

The Supplier/Contractor's Indigenous Participation Plan ("IPP") shall be a detailed plan that describes the Supplier/Contractor's proposed procedures and processes as they relate to maximizing productive opportunities for the subcontracting of qualified Indigenous Businesses and the employment of qualified Indigenous peoples. The IPP shall align with the Company's Aboriginal Relations Policy.



The IPP shall include, at a minimum, the below items. Each item must include quantifiable targets and metrics that the Company will use to determine the success of the IPP.

- 3.2 Workforce** –Include a list of direct employment opportunities that will be made available to local Indigenous communities and shall outline the activities it will employ to effectively market and fill those roles with local Indigenous community members. If the Supplier/Contractor is Union affiliated, the Plan shall also include details related to how the Supplier/Contractor will address potential union affiliation topics as they relate to maximizing productive opportunities for local Indigenous workers.
- 3.3 Contracting Opportunities** - Include a list of subcontracting opportunities that will be made available to local Indigenous communities.
- 3.4 Implementation of Indigenous Policies** - Include a detailed explanation of how the Supplier/Contractor plans to integrate its own Indigenous Policies with that of the Company's. Potential inconsistencies should be highlighted.
- 3.5 Indigenous coordinator** - Outline the number of staff or Subcontractors that the Supplier/Contractor intends to employ, in an Indigenous coordinator role, to implement the Plans. The Supplier/Contractor shall include the approximate full time equivalency associated with each of these roles as it relates to implementation of the Indigenous participation plan. The Supplier/Contractor shall also provide a detailed description (e.g., tasks, reporting structure, etc.) for the Indigenous coordinator role. This could be a common role for all participation Plans.
- 3.6 Subcontracting and Hiring Process** - Provide detailed information regarding how the Supplier/Contractor intends to select qualified Indigenous Subcontractors and employees for opportunities listed in item 3.2 above. The Supplier/Contractor shall include information related to areas where territory is shared between multiple Indigenous communities. The intent of this item is for the Supplier/Contractor to illustrate how it intends to maximize productive opportunities for qualified local Indigenous Businesses, Suppliers/Contractors and people.
- 3.7 Capacity Development** - Include a summary of training (including union involvement) it will implement in order to enable potential employees and Subcontractors to productively participate in the Work. The summary will include a description of the number of hours associated with each component of the capacity development and listing of all certificates or certifications which successful candidates will receive.

In addition to the above, the Supplier/Contractor is encouraged to include other information that it believes would help Indigenous businesses and people productively participate in the Work.

Unless otherwise indicated, the Supplier/Contractor shall submit its preliminary IPP to the Company prior to the issuance of the Release Order.

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

#### **4.0 INDIGENOUS PARTICIPATION REPORTING**

The Supplier/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 Suppliers/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 Indigenous Businesses 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 Supplier/Contractor shall provide reporting data within fifteen days of the end of each quarter or at other times as requested by the Company regardless of whether an IPP is required. A sample reporting template and instructions will be provided upon onboarding. The Company reserves the right to make changes periodically.

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

## 5.1 DIVERSE PARTICIPATION PLAN REQUIREMENTS

The Supplier/Contractor Diverse Participation Plan (“DPP”) shall include, at a minimum, the requirements described below. Where possible, each item should include quantifiable targets or metrics that the Company will use to evaluate the success of the DPP’s implementation. Where quantifiable metrics are not provided, an explanation of why they are not provided shall be included.

- 5.2 Diverse Workforce** – Include the percentage of the workforce used for the Work that the Supplier/Contractor anticipates will be Diverse Individuals. The DPP shall include the estimated breakdown between employees and Subcontractors, and shall outline the activities it will employ to attain this percentage.
- 5.3 Procurement Practices** – Outline the procurement policies, processes, systems and tools that the Supplier/Contractor will have in place to enable greater participation by qualified and competitive Diverse Businesses and Diverse individuals in the Work. If applicable, this will include information on any joint ventures and partnerships that the Supplier/Contractor has executed with other Diverse Businesses, including their corporate structure.
- 5.4 Subcontracting Opportunities** - Include a list of viable subcontracting opportunities, including equipment rental, which qualified and competitive Diverse Businesses can compete for based on the Work.
- 5.5 Subcontracting and Hiring Process** – Include detailed information regarding how the Supplier/Contractor intends to identify and select qualified and competitive Diverse Subcontractors and employees for opportunities. The Supplier/Contractor will illustrate how it intends to maximize productive opportunities for qualified and competitive Diverse Business and Diverse Individuals. A list of Diverse Businesses and Diverse Individuals may be provided to the Supplier/Contractor. The Supplier/Contractor will not be obligated to employ businesses and individuals from this list, but will be encouraged to consider these or other Diverse Businesses and Diverse Individuals for related subcontracting and procurement opportunities.
- 5.6 Community Investment** - Outline any community investments the Supplier/Contractor will make. The Supplier/Contractor should estimate the value associated with these investments.
- 5.7 Education and Training** – Include a summary of education or training initiatives that the Supplier/Contractor will implement or support, including workforce certification, in order to enable Diverse Businesses and Diverse Individuals to effectively compete for and participate in activities contained within the Work. The summary will include a description of the initiatives, the number of hours associated with each initiative, and a listing of all certificates or certifications which successful candidates will receive.
- 5.8 Coordination of Plans** – Describe how the Supplier/Contractor intends to coordinate the identification, selection and reporting of Diverse Businesses and Diverse Individuals contracted and subcontracted, including any Supplier/Contractor resources assigned to coordination activities. The DPP shall include the approximate number of full-time equivalent positions associated with coordination activities related to the Plans. Additionally, the Plans shall include descriptions of the tasks that these resources would undertake. This could be a common role for all participation Plans.
- 5.9 Other** –The Supplier/Contractor is requested to include other information that it believes would help qualified and competitive Diverse Businesses and individuals productively participate in the Work.

Unless otherwise indicated, the Supplier/Contractor shall submit its preliminary DPP to the Company prior to the issuance of the Release Order.

If the Company identifies deficiencies in, or requires further clarification on, the Supplier/Contractor’s proposed DPP, the Company may raise its concerns that the Supplier/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 Suppliers/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 Supplier/Contractor shall provide reporting data within fifteen days of the end of each quarter or at other times as requested by the Company, regardless of whether a DPP is required. A sample reporting template and instructions will be provided upon onboarding. The Company reserves the right to make changes periodically.

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

## 7.1 LOCAL PARTICIPATION PLAN REQUIREMENTS

The Supplier/Contractor's Local Participation Plan ("LPP") shall include, at a minimum, the requirements described below. Where possible, each item should include quantifiable targets or metrics that the Company will use to evaluate the success of the LPP's implementation. Where quantifiable metrics are not provided, an explanation of why they are not provided shall be included.

- 7.2 Local Workforce** – Include the percentage of the workforce used for the Work that the Supplier/Contractor anticipates will be sourced from Local communities. The LPP shall include the estimated breakdown between employees and Subcontractors, and shall outline the activities it will employ to attain this percentage.
- 7.3 Procurement Practices** – Outline the procurement policies, processes, systems and tools that the Supplier/Contractor will have in place to enable greater participation by qualified and competitive Local businesses and individuals in the Work. If applicable, this will include information on any formal agreements, joint ventures and partnerships that the Supplier/Contractor has executed with other Local businesses, including their corporate structure and clear identification of the specific Local communities involved, and any unique benefits to the Local communities arising from the Work.
- 7.4 Subcontracting Opportunities** – Include a list of viable subcontracting opportunities, including equipment rental, which qualified and competitive Local businesses can compete for based on the Work.
- 7.5 Subcontracting and Hiring Process** – Include detailed information regarding how the Supplier/Contractor intends to identify and select qualified and competitive Local Subcontractors and employees for opportunities. This process should include the steps that will be taken in areas where more than one Diverse Subcontractor operates. The Supplier/Contractor will illustrate how it intends to maximize productive opportunities for qualified and competitive Local businesses and individuals. A list of Local businesses and individuals may be provided to the Supplier/Contractor. The Supplier/Contractor will not be obligated to employ businesses and individuals from this list, but will be encouraged to consider these or other Local businesses and individuals for related subcontracting and procurement opportunities.
- 7.6 Community Investment** – Outline any community investments the Supplier/Contractor will make. The Supplier/Contractor should estimate the value associated with these investments.
- 7.7 Education and Training** – Include a summary of education or training initiatives that the Supplier/Contractor will implement or support, including workforce certification, in order to enable Local and individuals to effectively compete for and participate in activities contained within the Work. The summary will include a description of the initiatives, the number of hours associated with each initiative, and a listing of all certificates or certifications which successful candidates will receive.
- 7.8 Coordination of Plans** – Describe how the Supplier/Contractor intends to coordinate the identification, selection and reporting of Local businesses and individuals contracted and subcontracted, including any Supplier/Contractor resources assigned to coordination activities. The LPP shall include the approximate number of full-time equivalent positions associated with coordination activities related to the Plans. Additionally, the Plans shall include descriptions of the tasks that these resources would undertake. This could be a common role for all participation Plans.
- 7.9 Other** – The Supplier/Contractor is requested to include other information that it believes would help qualified and competitive Local businesses and individuals productively participate in the Work.

Unless otherwise indicated, the Supplier/Contractor shall submit its preliminary LPP to the Company prior to the issuance of the Release Order.



If the Company identifies deficiencies in, or requires further clarification on, the Supplier/Contractor's proposed LPP, the Company may raise its concerns that the Supplier/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 Suppliers/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 Supplier/Contractor shall provide reporting data within fifteen days of the end of each quarter or at other times as requested by the Company. A sample reporting template and instructions will be provided upon onboarding. The Company reserves the right to make changes periodically.

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