

An aerial photograph of a city skyline, featuring several prominent skyscrapers and a dense urban area. The image is overlaid with a semi-transparent blue filter. A white rectangular box is positioned in the lower-left quadrant, containing the report's title. The Inter Pipeline logo is located at the bottom left of the page.

2023 REPORT

**FIGHTING AGAINST
FORCED LABOUR AND
CHILD LABOUR IN
SUPPLY CHAINS ACT**

1. Introduction

Inter Pipeline owns and operates strategic energy infrastructure. Inter Pipeline's Canadian asset base includes eight pipeline systems, one straddle plant, two offgas processing facilities, one olefinic fractionator, and one petrochemical facility, all of which are operated under four business segments: transportation, facilities infrastructure, marketing, and heartland. In addition, a number of key functions for all business segments and Inter Pipeline as a whole are provided by a corporate function.

Inter Pipeline Ltd. ("IPL") is the parent company of all other entities covered by this report. In this report, reference to "IPL" denotes specific activities of that entity, while reference to "Inter Pipeline", "we" or "our" refers to the overall business as represented by the four business segments and the corporate function.

This is a joint report made on behalf of IPL and its subsidiaries listed under section 4 in accordance with the *Fighting Against Forced Labour and Child Labour in Supply Chains Act* (the "Act"). The information provided in this report is in respect of the period January 1, 2023, to December 31, 2023, unless otherwise stated. This is IPL's first report provided pursuant to the Act.

2. Commitment

Inter Pipeline is committed to conducting all activities with integrity and in compliance with all legal and regulatory requirements. This includes a commitment to conducting business in an ethical and responsible manner, with respect and support for the protection of human rights which includes a prohibition of child labour and forced labour (child labour and forced labour together referred to as "**Modern Slavery**" throughout this report). We recognize that Modern Slavery creates complex and dynamic issues, and we continue to work to address these issues in a risk-based manner that is appropriate for our business.

3. Steps taken to prevent and reduce the risk of forced labour or child labour (Section 11 (1) of the Act)

While the entirety of this report reflects the steps taken by Inter Pipeline to prevent and reduce the risk that Modern Slavery is used in its operations and supply chains, a general summary of those steps is as follows:

- Reconfirmed our commitment to the support and protection of human rights, including through the prohibition of Modern Slavery;
- Engaged in a desktop review of our operations and supply chains to determine where we may have Modern Slavery risks;
- Engaged in a review of our existing policies and processes to determine how they relate to risks of Modern Slavery; and
- Increased understanding and awareness regarding Modern Slavery risks within Inter Pipeline.



4. Structure, activities and supply chains (Section 11 (3)(a) of the Act)

In this section, we provide a description of the structure, activities and supply chains of the entities required to report under the Act categorized by the business segment they support and operate within, and the corporate function.

STRUCTURE

Business Segment	Reporting Entities and Structure
Transportation	<ul style="list-style-type: none"> • Inter Pipeline Ltd. (an Alberta Corporation, referred to as “IPL” throughout this report). • Cold Lake Pipeline Limited Partnership (an Alberta Partnership, hereinafter referred to as “CLPLP”). • Inter Pipeline (Corridor) Inc. (an Alberta Corporation, hereinafter referred to as “IPCI”). • Inter Pipeline Polaris Inc. (an Alberta Corporation, hereinafter referred to as “IPPI”).
Facilities Infrastructure	<ul style="list-style-type: none"> • Cochrane Extraction Partnership (an Alberta Partnership, hereinafter referred to as “CEP”). • Inter Pipeline Offgas Limited Partnership (an Alberta Partnership, hereinafter referred to as “IPOLP”).
Heartland	<ul style="list-style-type: none"> • Heartland Petrochemical Complex Limited Partnership (an Alberta Partnership, hereinafter referred to as “HPCLP”).
Marketing	<ul style="list-style-type: none"> • Inter Pipeline Canadian Marketing Limited Partnership (an Alberta Partnership, hereinafter referred to as “IPCMLP”).
Corporate Function	<ul style="list-style-type: none"> • Inter Pipeline Ltd. (an Alberta Corporation, referred to as “IPL” throughout this report).

ACTIVITIES AND SUPPLY CHAINS¹

Transportation

IPL’s activities include the transportation, processing and storage of energy products, predominantly crude oil, on three conventional pipeline systems and related infrastructure in Alberta and Saskatchewan.²

CLPLP’s activities include the transportation of energy products, predominantly bitumen blend and diluent, on a long-haul pipeline system and related infrastructure in Alberta. CLPLP’s pipeline system provides diluent for blending producers’ heavy bitumen, which blended product is then transported to oil terminalling hubs in Edmonton and Hardisty, Alberta.

IPCI’s activities include the transportation of energy products, predominantly bitumen blend and diluent, on a long-haul pipeline system and related infrastructure in Alberta. IPCI’s pipeline system provides diluent for blending producers’ bitumen product from the Athabasca oil producing area, which blended product is then transported to the oil processing and marketing hub near Edmonton, Alberta. IPCI’s pipeline system also transports refined products to the marketing hub near Edmonton, Alberta.

IPPI’s activities include the transportation of diluent on a long-haul pipeline system and related infrastructure in Alberta. IPPI’s pipeline system provides diluent from the Edmonton area to the Athabasca and Cold Lake oil producing areas of Alberta.

¹ General supply chain expenditure described throughout this section does not include expenditure on company credit card.

² IPL’s activities also include those described for the corporate function on page 6.

A transportation business unit supply chain team supports all entities in the transportation business unit, including those described above. In 2023 supply chain spend for the transportation entities required to report under the Act was directed at supporting operations and projects in Alberta and Saskatchewan, Canada. The following categories accounted for the majority of spend in 2023:

- parts and equipment;
- power, feedstock, and fuel; and
- asset development and maintenance.

Almost 100% of transportation supply chain spend by entities required to report under the Act was within Canada and the United States and the only spend outside of Canada and the United States was within the United Kingdom and Italy.



Facilities Infrastructure

CEP's activities include the processing of energy products, predominantly natural gas liquids ("**NGLs**"), through the operation of a straddle plant in Cochrane, Alberta. The straddle plant extracts and fractionates NGLs from natural gas for end-user markets or feedstock for petrochemical products.

IPOLP's activities include the processing of energy products, predominantly gas liquids, through the operation of two offgas liquids extraction facilities located near Fort McMurray, Alberta, an olefinic fractionator located near Redwater, Alberta, and a pipeline system that connects these facilities. The offgas liquids extraction facilities extract gas liquids from upgrader offgas. Once extracted, the gas liquids are transported on the pipeline system to the olefinic fractionator where it is fractionated into marketable products for end user markets.

A facilities infrastructure business unit supply chain team supports all entities in the facilities infrastructure business unit, including those described above. In 2023 supply chain spend for the facilities infrastructure entities required to report under the Act was directed at supporting operations and projects in Alberta, Canada. The following categories accounted for the majority of spend in 2023:

- power, feedstock and fuel;
- asset development and maintenance; and
- parts and equipment.

Almost 100% of facilities infrastructure supply chain spend by the entities required to report under the Act was within Canada and the United States and the only spend outside of Canada and the United States was within the United Kingdom.



Heartland

HPCLP is an entity within Inter Pipeline’s heartland business. The heartland business includes an integrated complex comprised of a propane dehydrogenation plant and polypropylene plant located in Strathcona County, Alberta. These facilities convert propane to polypropylene, an easily transported and recyclable plastic used in the manufacturing of a wide range of essential finished products and consumer goods. HPCLP’s activities include all Canadian operational aspects of the heartland business described above.

A heartland business unit supply chain team supports all entities in the heartland business unit, including HPCLP. In 2023 HPCLP supply chain spend was directed at supporting operations and projects in Alberta, Canada. The following categories accounted for the majority of spend:

- asset development and maintenance;
- parts and equipment; and
- power, feedstock and fuel.

Almost 100% of HPCLP supply chain spend was within Canada and the United States and the only spend outside of Canada and the United States was within the following countries: Germany, Japan, Netherlands, Italy, United Kingdom, Belgium, France, and Sweden.

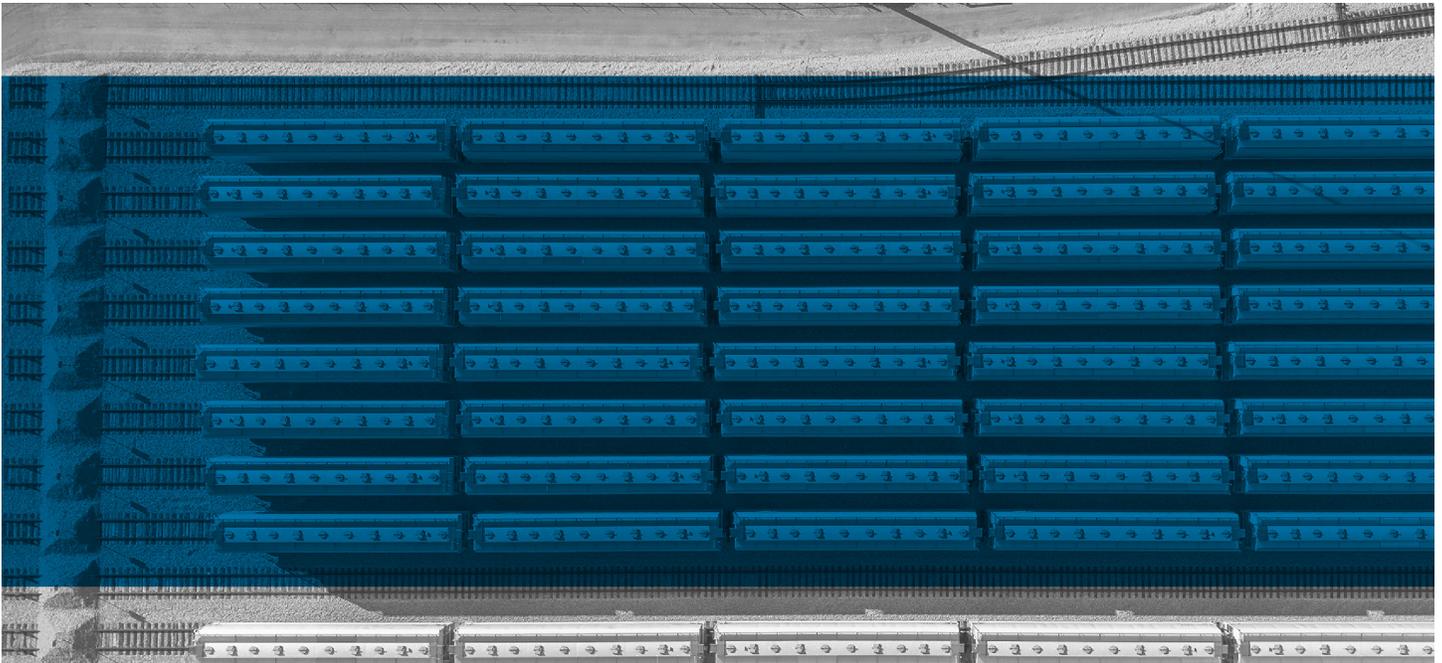


Marketing

IPCMLP is an entity within Inter Pipeline's marketing business. The marketing business manages the sale of portions of energy products produced by the facilities infrastructure business. The marketing business also manages certain midstream marketing activities and undertakes other value-added energy product activities, including buying and selling, storage optimization, transportation and blending.

IPCMLP's activities include all Canadian aspects of the marketing business as described above. As would be expected for marketing activities, almost the entirety of IPCMLP's supply chain spend in 2023 was directed at purchases of energy products. Apart from these purchases, other important areas of spend in 2023 for HPCLP related to logistics and information technology.

Almost 100% of IPCMLP's supply chain spend was within Canada and the United States and the only spend outside of Canada and the United States was within the United Kingdom.



Corporate Function

IPL is the entity conducting various corporate functions in support of all four business segments. Corporate function activities of IPL are non-operational and generally comprise corporate and administrative functions that provide governance and support to our operating business segments. IPL also serves as the employer of all Inter Pipeline employees, with limited exceptions.

A corporate function supply chain team supports all corporate function work for IPL. In 2023, the following categories accounted for the majority of spend by IPL for the corporate function:

- information technology;
- insurance; and
- property.

Almost 100% of IPL's corporate function supply chain spend was within Canada and the United States and the only spend outside of Canada and the United States was within the following countries: United Kingdom, Norway, Portugal, Sweden, Germany, Australia, Ireland, and Denmark.

5. Policies and due diligence processes in relation to forced labour and child labour (Section 11 (3)(b) of the Act)

There are a number of Inter Pipeline policies and processes in place that support how we manage Modern Slavery risks in our operations and supply chains.

POLICIES

Inter Pipeline maintains a Code of Business Conduct and Ethics (the “**Code**”) that applies to all entities covered by this report and to all directors, officers, employees, contractors and subcontractors, suppliers and service providers. The Code sets out Inter Pipeline’s commitment to conducting business in compliance with all applicable legal requirements and in an ethical and responsible manner. This includes conducting its activities in a manner that respects and supports the protection of human rights, including but not limited to, a prohibition of Modern Slavery.

Other policies that support Inter Pipeline’s management of Modern Slavery risks include:

- A Respectful Workplace Policy which recognizes every person’s right to work in an environment which is safe, healthy and free from harassment, discrimination and violence. Inter Pipeline is committed to ensuring this safe and healthy environment is maintained, encourages raising concerns, and maintains procedures to investigate concerns raised.
- A Whistleblower Policy in furtherance of Inter Pipeline’s commitment to the highest standards of professional and ethical business practices. This policy provides everyone (e.g., employees, contractors, suppliers, consultants and other third parties, including members of the public) with avenues to voice concerns regarding Inter Pipeline actions or business practices, including 24/7 confidential reporting run by an independent third-party to facilitate anonymous reporting. All concerns raised are taken seriously, handled confidentially, and investigated as required.
- An Anti-Bribery and Corruption (“**ABC**”) Policy which codifies Inter Pipeline’s zero-tolerance approach to bribery and corruption and provides guidance in regard to a number of activities through which such issues may arise. Our ABC Policy requires everyone within Inter Pipeline’s workforce to report suspected bribery, corruption and other illegal acts.

These policies are regularly reviewed, updated, and approved by our Board of Directors. We use various methods to raise awareness and ensure compliance with our policies, including but not limited to an annual review and acknowledgement of the Code, Respectful Workplace Policy and ABC Policy by our workforce.

DUE DILIGENCE

Key processes include:

- Established human resources processes, including related to recruitment and remuneration, which are intended to ensure compliance with applicable legislation.
- Structured work processes, including health and safety processes related to verification of training and age, hours worked and fatigue management, remote locations and working alone, and the basic rights of workers, including the right to refuse unsafe work.
- Conducting due diligence on new and existing business partners such as contractors, vendors and suppliers.
- Procedures to ensure that activities with business partners (including contractors, suppliers, vendors, etc.) are governed by written contracts that have been reviewed and approved by appropriate personnel. Related to these processes, Inter Pipeline maintains contract templates which require compliance with all applicable laws and the Code and provide various remedies for breaches.
- Systems and processes ensuring transparency of business activities, business partners and related financial transactions.

6. Parts of our business and supply chains that carry risk of forced labour or child labour (Section 11 (3) (c) of the Act)

OPERATIONS MODERN SLAVERY RISKS

Inter Pipeline regards the risk of Modern Slavery in its operations as low. All operations of entities reporting pursuant to the Act occur in Canada which has low prevalence of, and low risk of vulnerability to, Modern Slavery.³ Additionally, Inter Pipeline's workforce consists primarily of workers who are skilled, often formally trained, qualified and experienced individuals. As described in part 5 of this report, our workforce also benefits from a number of policies, processes and controls that practically work to mitigate the risk of Modern Slavery in our operations. Any "outsourced" workforce is provided by third-party agencies and contractors who are required to comply with IPL-provided requirements and applicable laws.

SUPPLY CHAINS MODERN SLAVERY RISKS

Inter Pipeline's most likely exposure to Modern Slavery risks is through its supply chains, which are generally described in part 4 above. We strive for continuous improvement in our supply chain and contracting practices because we know this is good for our business, including our various stakeholders. We believe that the risk of Modern Slavery within the majority of our supply chains is low primarily because of the jurisdictions in which we engage and operate with our suppliers and vendors and the goods and services they provide to us (see descriptions provided in part 4 above). We recognize that suppliers and vendors may have their own supply chain which could be considered higher risk in terms of Modern Slavery. At this time, we have limited visibility into these extended supply chains, except where our suppliers or vendors are required to obtain our approval for utilizing such sub-supply chain entities.

7. Any measures taken to remediate any forced labour or child labour (Section 11 (3)(d) of the Act)

Inter Pipeline has not identified any forced labour or child labour in its operations and supply chains. As such, Inter Pipeline has not taken any measures to remediate any forced labour or child labour.

8. Any measures taken to remediate the loss of income to the most vulnerable families that results from any measure taken to eliminate the use of forced labour or child labour (Section 11 (3)(e) of the Act)

Inter Pipeline has not identified any forced labour or child labour in its activities and supply chains. As such, Inter Pipeline has not taken any measures to remediate any forced labour or child labour.

More generally, Inter Pipeline strives to make a positive impact in the communities where we live and operate. Inter Pipeline runs a formal community engagement program which, among other things, focuses on charitable organizations, Indigenous communities and other specific programs that support the basic societal needs of food, shelter and wellness, especially for the vulnerable or underserved in the areas we operate in.

9. Training provided to employees on forced labour or child labour (Section 11 (3)(f) of the Act)

Inter Pipeline maintains systems and processes to ensure its workforce receives both general and role-specific training regarding numerous corporate policies and processes as well as providing training on topics and issues of concern as they arise. The timing and frequency of training is monitored and varies depending on the subject matter. Related to Modern Slavery, the policies which get at least annual review and training are Inter Pipeline's Code (which also discusses the Whistleblower Policy), Respectful Workplace Policy and ABC Policy. While these policies are related to Modern Slavery, Inter Pipeline did not conduct substantive formal training focused specifically on the issue of Modern Slavery in 2023.

In addition to training, Inter Pipeline utilizes numerous other methods of communication and engagement to raise awareness and continually educate its workforce on current issues. Multiple engagements with staff and functions most likely to encounter issues related to Modern Slavery occurred in 2023.

³Walk Free 2023, The Global Slavery Index 2023, pages 88-93 Available from: <https://walkfree.org/global-slavery-index>

10. Assessing effectiveness in ensuring that forced labour and child labour are not being used in our business and supply chains (Section 11 (3)(g) of the Act)

Inter Pipeline is continually engaged in ongoing risk assessment and mitigation activities throughout all of its business segments and corporate function. We also monitor concerns raised pursuant to our Code, Respectful Workplace Policy, ABC Policy, Whistleblower Policy and other reporting avenues for risks related to Modern Slavery and no such concerns have been raised. Additionally, Inter Pipeline engages in regular review and updating of various policies and processes related to managing the risk of Modern Slavery. This is designed to ensure we are compliant with legal and regulatory requirements and gives us the opportunity to maintain effective policies and processes, including by incorporating any findings or learnings from our ongoing risk assessment and mitigation activities and any reported concerns.

11. Report Approval and Attestation (Section 11(4) and 11(5) of the Act)

This report has been reviewed and approved by IPL's Board of Directors pursuant to subsection 11(4)(b)(ii) of the Act.

In accordance with the requirements of the Act, and in particular section 11 thereof, I attest that I have reviewed the information contained in the report for the entity or entities listed above. Based on my knowledge, and having exercised reasonable diligence, I attest that the information in the report is true, accurate and complete in all material respects for the purposes of the Act, for the reporting year listed above.

I am providing this attestation in my capacity as a director and officer of Inter Pipeline Ltd. and not in my personal capacity. I have the authority to bind Inter Pipeline Ltd.



Brian Baker

Chairman of the Board of Directors of Inter Pipeline Ltd.

May 27, 2024

DISCLAIMER AND CAUTIONARY STATEMENT

This report is for reporting purposes under the Act only and any unauthorized use is strictly prohibited. Certain statements made in this report, including, but not limited to, statements relating to expected future plans, actions or strategies with respect to Modern Slavery matters or otherwise and other statements that are not historical facts, are forward-looking. By their nature, forward-looking statements require IPL's management to make assumptions and predictions and are subject to inherent risks and uncertainties, thus there is risk that the forward-looking statements will not prove to be accurate. Readers are cautioned not to place undue reliance on forward-looking statements as a number of factors could cause actual future results and events to differ materially from that expressed in the forward-looking statements. Accordingly, this Report is subject to the disclaimer and qualified by the assumptions and risk factors referred to in IPL's most recent annual MD&A which is available on SEDAR+ at www.sedarplus.ca. The forward-looking statements made in this report describe our expectations as of the date hereof and, accordingly, are subject to change going forward. Except as required by law, IPL disclaims any intention or obligation to update or revise forward-looking statements.

