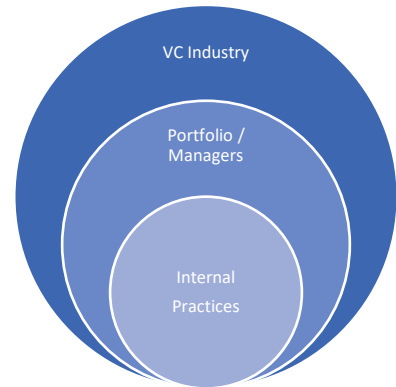


Alberta Enterprise Corporation

Diversity, Equity, and Inclusion Statement of Strategy

Background

This document outlines Alberta Enterprise Corporation's (AEC) Diversity, Equity, and Inclusion (DEI) statement of strategy and details how it is embedded throughout the organization. AEC is committed to doing its part to ensure that the Corporation, and its stakeholders, benefit from the measurable increase in results (financial and social) that arise from having a diverse, equitable and inclusive organization. In addition to being integrated into our recruitment and retention practices, AEC also maintains a commitment to diversity, equity and inclusion in our portfolio selection and fund management processes.



Diversity, Equity, and Inclusion at the organization level

At an organizational level, AEC recognizes the need for a diverse workforce that has equitable access to opportunities and experiences the effects of an inclusive working environment. AEC tracks the demographic data of our workforce (subject to privacy concerns) which includes tracking the promotions and the retention of employees by their demographic markers (gender and race/ethnicity). This snapshot provides AEC with real-time information that endeavors to reduce bias from hiring and promotion decisions and brings awareness to any historical patterns that may have existed.

When identifying, nominating, and selecting candidates for hiring and promotion, management will seek to reach a diverse audience by recruiting through multiple channels and will consider:

- a) The qualifications, skills, knowledge and expertise of each potential candidate and the way in which they would complement the qualifications, skills, knowledge, experience, and expertise of the existing team and match the requirements of the position, and
- b) Whether each potential candidate is a woman, aboriginal person, persons with disabilities or member of a visible minority and the extent to which such candidate's hiring would advance AEC's diversity strategy.

AEC maintains policies that encourage the recruitment and retention of a diverse range of candidates, including family leave, a whistleblower policy, a discrimination, harassment and workplace violence policy, and a robust code of conduct.

Diversity, Equity, and Inclusion in our General Partners

At the portfolio level, Limited Partners (LPs), such as AEC, have a key role to play in advancing Diversity, Equity, and Inclusion in the venture capital industry and setting expectations for General Partners (GPs). Investors are driving behavior and are leading the changing attitudes around DEI; with this being true at both the GP and the LP level. At the GP level, there are numerous ways that a venture capitalist can influence company performance, from performing due diligence on Diversity, Equity, and Inclusion, to providing guidance and recommendations to current and prospective portfolio companies, including at the board level. Specifically, investors can use their influence and advance DEI as it relates to the composition of portfolio company boards. Funds themselves can differentiate in the market with a specific focus on DEI.

The economic and social benefits of Diversity, Equity and Inclusion has been recognized at the Limited Partner level for some time and AEC will use its influence as an LP to effect change at the GP level with the ultimate goal of outsized returns and a strong social profile. AEC tracks the demographic data of our underlying portfolio, incorporates DEI into our due diligence on new fund investments, as well as pushes for the inclusion, and equitable consideration, of diverse candidates at the portfolio company board level and fund manager level. We will consider funds for investment that are differentiated on the basis of DEI, provided that the target sector(s) aligns with Alberta deal flow and meets all of AEC's minimum investment criteria. The overall outcome of AEC's focus on DEI is to raise awareness in the venture capital community and be on the forefront of best practices among our own portfolio for funds and managers.

Diversity, Equity, and Inclusion in the Venture Capital Industry

There is a plethora of work to be done in advancing Diversity, Equity, and Inclusion in the venture capital industry. AEC is committed to supporting industry led efforts, including being a signatory to the Institutional Limited Partners Association Diversity in Action Initiative and maintaining our commitment to advancing the pillars of this initiative. AEC also supports industry associations, such as the Canadian Venture Capital Association, with the work they are doing as it relates to Diversity, Equity, and Inclusion. AEC continually supports DEI research in the private markets industry by participating in interviews and surveys that capture data on diversity, equity, and inclusion in the workforce. We also work to share best practices and results with the broader venture capital industry and the public where applicable.

Responsibility for Diversity, Equity, and Inclusion Strategy

AEC's Diversity, Equity and Inclusion strategy is the responsibility of an AEC Vice-President, Investments, who is responsible for ensuring adherence to the statement of strategy and being on the forefront of new and emerging trends as related to DEI.