



ESG Investor Pack

FEBRUARY 2024



Forward-looking information and non-GAAP measures

This presentation includes certain forward-looking information, including but not limited to, our financial and operational performance, statements related to future dividend and earnings growth, future EBITDA growth, the future growth of our core businesses, including the performance of our subsidiaries, expectations about strategies and goals for growth and expansion, including acquisitions, expected cash flows and future financing options available along with portfolio management, including our expectations regarding the size, timing and outcome of the asset divestiture program, expected dividend growth, expected duration of discounted DRP, expected access to and cost of capital, expected energy demand levels, expected costs and schedules for planned projects, including projects under construction and in development, expected emission reductions and other benefits from planned projects, expected capital expenditures and proportion of program relating to energy transition, contractual obligations, commitments and contingent liabilities, including environmental remediation costs, expected regulatory processes and outcomes, statements related to our GHG emissions reduction goals, expected outcomes with respect to legal proceedings, including arbitration and insurance claims, the expected impact of future tax and accounting changes, the commitments and targets contained in our 2023 Report on Sustainability and GHG Emissions Reduction Plan and expected industry, market and economic conditions, including their impact on our customers and suppliers. Statements that are forward-looking are based on certain assumptions and on what we know and expect today and generally include words like anticipate, expect, believe, may, will, should, estimate or other similar words.

Forward-looking statements do not guarantee future performance. Actual events and results could be significantly different because of assumptions, risks or uncertainties related to our business or events that happen after the date of this presentation. **In particular, unless otherwise specified, forward-looking statements in this presentation do not include the impacts of TC Energy's intention to separate into two independent, investment-grade, publicly listed companies through the spinoff of TC Energy's Liquids Pipelines business expected to close in the second half of 2024, subject to receipt of all required approvals (the "Liquids Spin-off").**

Our forward-looking information is based on certain key assumptions and is subject to risks and uncertainties, including but not limited to the realization of expected benefits from acquisitions and divestitures, our ability to successfully implement our strategic priorities and whether they will yield the expected benefits, our ability to develop, access or implement some or all of the technology and infrastructure necessary to efficiently and effectively achieve GHG emissions targets and ambitions, the commercial viability and scalability of GHG emissions reduction strategies and related technology and products, our ability to implement a capital allocation strategy aligned with maximizing shareholder value, the operating performance of our pipelines, power generation and storage assets, amount of capacity sold and rates achieved in our pipeline businesses, the amount of capacity payments and revenues from power generation assets due to plant availability, production levels within supply basins, construction and completion of capital projects, cost and availability of, and inflationary pressures on, labour, equipment and materials, the availability and market prices of commodities, access to capital markets on competitive terms, interest, tax and foreign exchange rates, performance and credit risk of our counterparties, regulatory decisions and outcomes of legal proceedings, including arbitration and insurance claims, our ability to effectively anticipate and assess changes to government policies and regulations, including those related to the environment, our ability to realize the value of tangible assets and contractual recoveries, competition in the businesses in which we operate, unexpected or unusual weather, acts of civil disobedience, cyber security and technological developments, ESG-related risks, impact of energy transition on our business, economic conditions in North America as well as globally and global health crises, such as pandemics and epidemics, and the impacts related thereto. As actual results could vary significantly from the forward-looking information, you should not put undue reliance on forward-looking information and should not use future-oriented information or financial outlooks for anything other than their intended purpose. We do not update our forward-looking statements due to new information or future events, unless we are required to by law. You can read more about these factors and others in the MD&A in our most recent Quarterly Report to Shareholders and in other reports we have filed with Canadian securities regulators and the SEC, including the MD&A in our most recent Annual Report.

For additional information on the assumptions made, and the risks and uncertainties which could cause actual results to differ from the anticipated results, refer to our most recent quarterly report and most recent annual report filed under TC Energy's profile on SEDAR at www.sedar.com and with the U.S. Securities and Exchange Commission at www.sec.gov and the "Forward-looking information" section of our most recent Report on Sustainability and our GHG Emissions Reduction Plan which are available on our website at www.TCEnergy.com.

Comparable EBITDA, comparable earnings, comparable earnings per share, funds generated from operations, and comparable funds generated from operations are non-GAAP measures used throughout this presentation. These measures do not have any standardized meaning under GAAP and therefore are unlikely to be comparable to similar measures presented by other companies. The most directly comparable equivalent GAAP measures are, segmented earnings (losses), net income attributable to common shares, net income per common share, and net cash provided by operations. Reconciliations to the most directly comparable GAAP measures are included as an Appendix to this presentation. Refer to the MD&A in our most recent Quarterly Report for more information about the non-GAAP measures, which section of the MD&A is hereby incorporated by reference. Our Quarterly Report to Shareholders is filed with Canadian securities regulators and the SEC and available at www.TCEnergy.com under Investors.





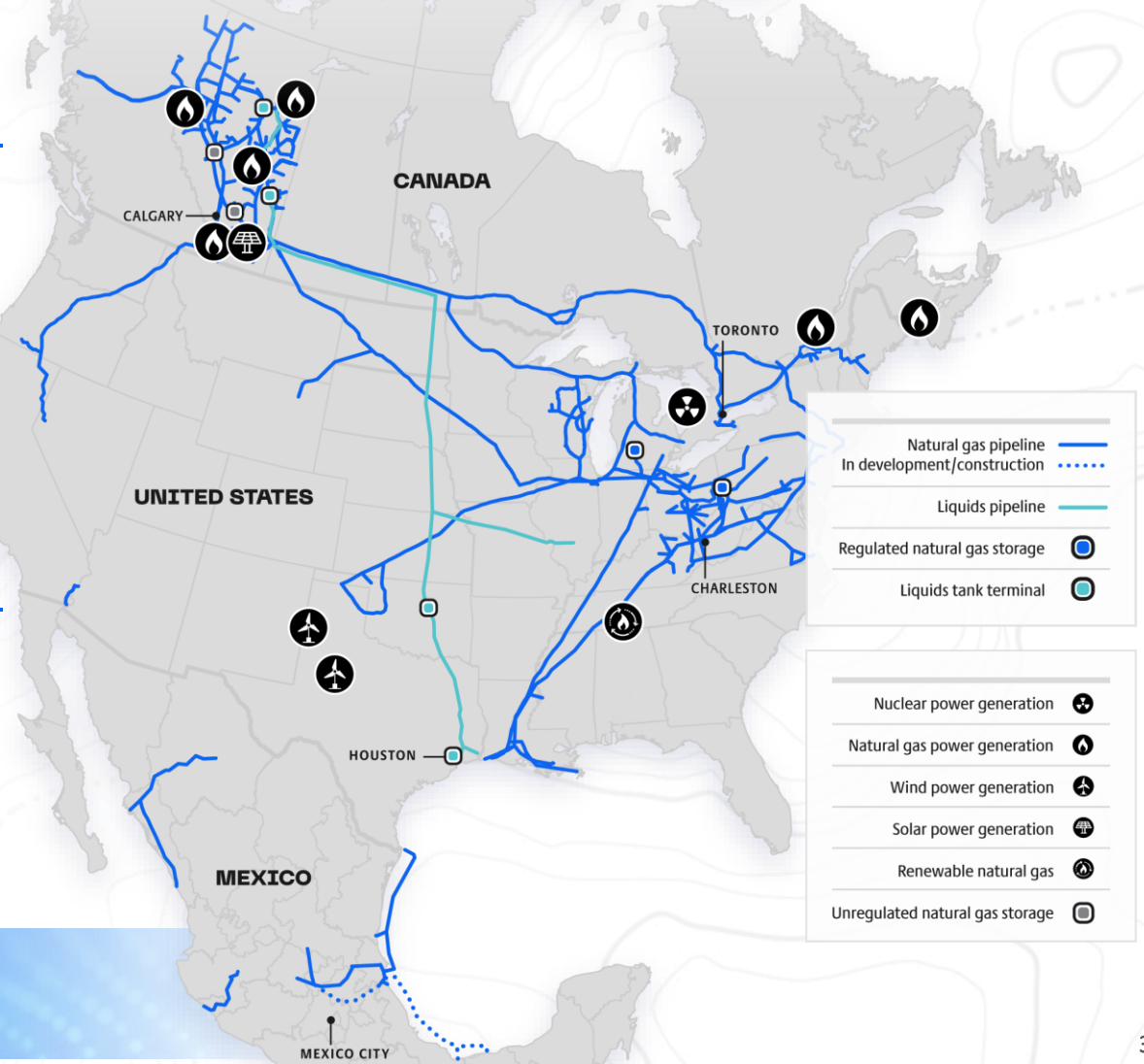
Highly integrated North American asset base

TC Energy

- 3 Three Natural Gas Pipelines businesses:**
 - ❖ Low-risk, rate-regulated and long-term, take-or-pay contracts
 - ❖ Diversified across North America
- 1 One Power and Energy Solutions business:**
 - ❖ Anchored by Bruce Power's clean energy
 - ❖ Increasingly weighted to nuclear and pumped hydro

South Bow

- 1 One Liquids Pipelines and Storage business:**
 - ❖ Highly contracted, low-risk cash flows
 - ❖ Shortest travel time, highest product quality preservation path to the Midwest and the Gulf Coast



 **5 leadership positions**



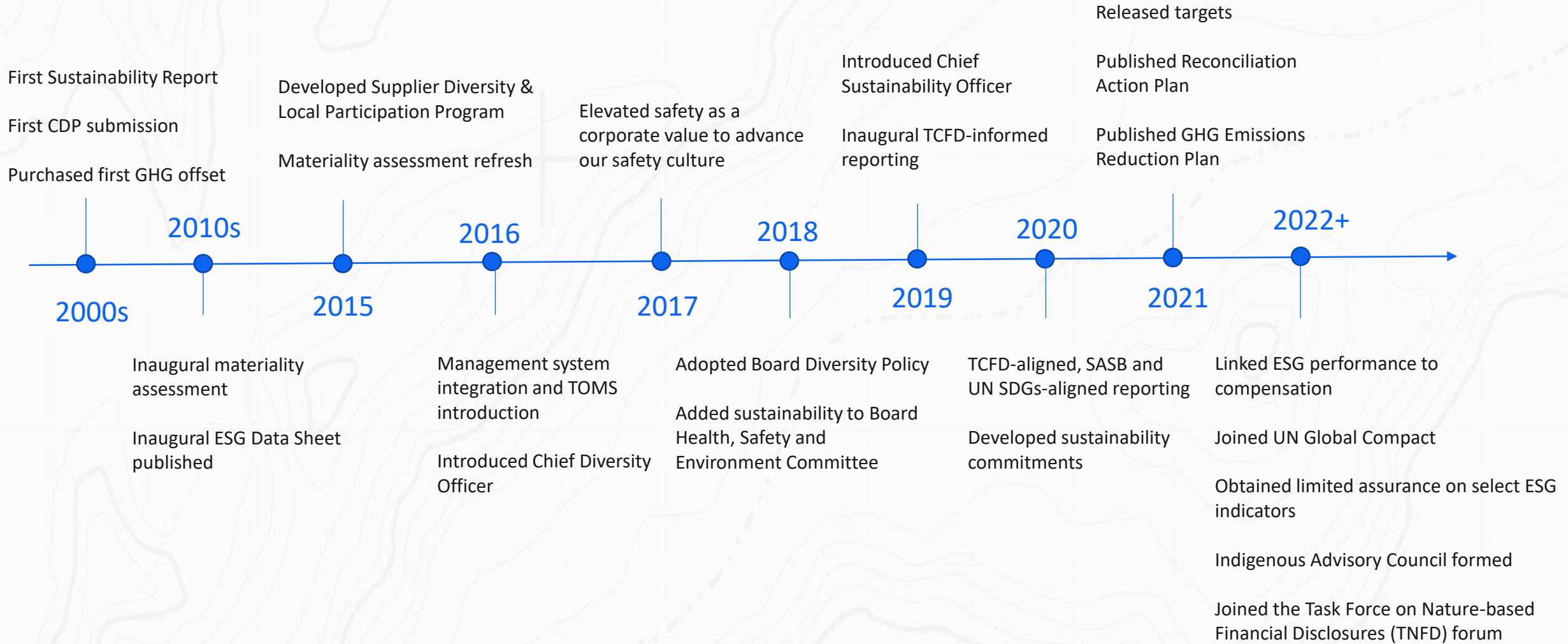
*Sustainability at TC
Energy means meeting
today's energy needs
while safely, reliably and
economically finding
responsible solutions for
our energy future.*



FRANÇOIS POIRIER
PRESIDENT AND CEO

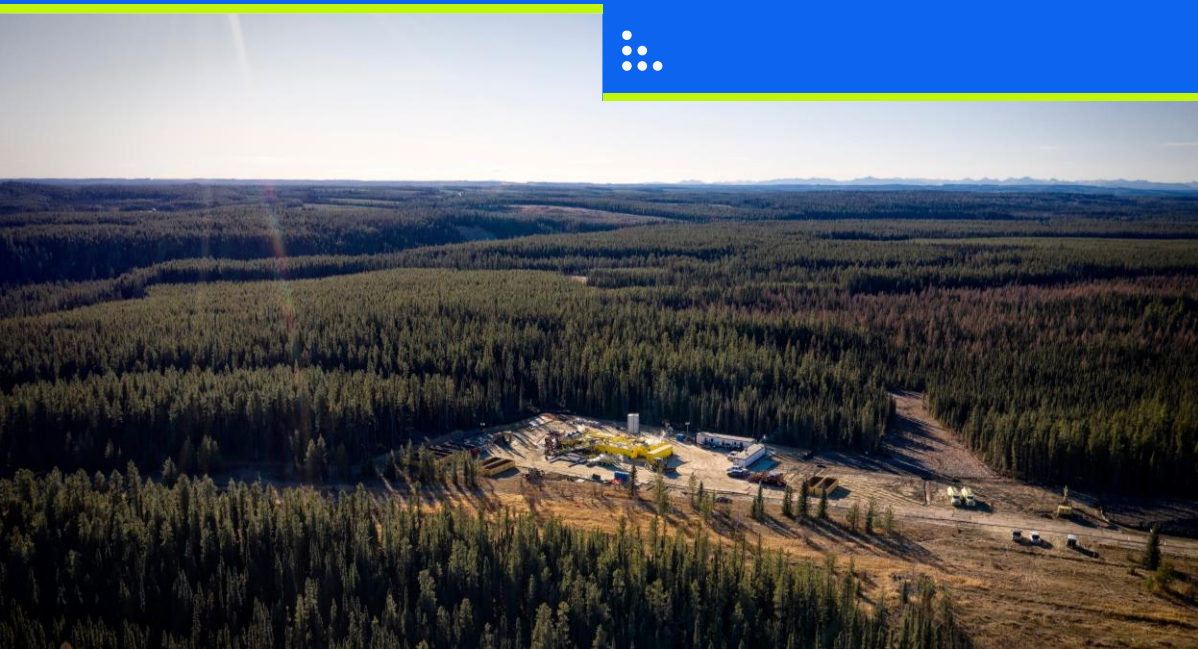


20+ year commitment to sustainability and ESG



A continuous journey of embedding sustainability into business decision-making

Focusing on material risks and opportunities



We are integrating sustainability into our culture, governance, strategic planning, decision making, risk management and across our operations

We've made commitments and set targets to drive performance.

Key topics include:

Continuous safety improvement

Mutually beneficial relationships

Embracing energy transition

Advancing Indigenous reconciliation

Safeguarding habitat and biodiversity

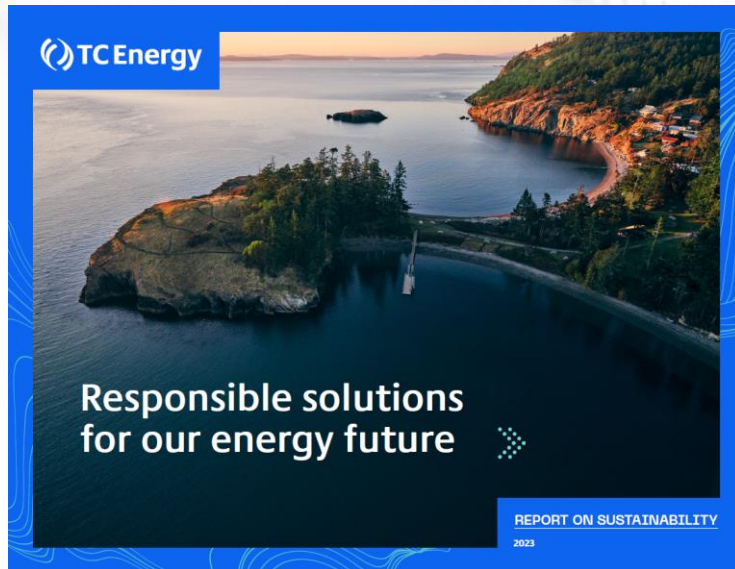
Furthering inclusion and diversity

Strong governance foundation



Sustainability and ESG disclosure

2023 Report on Sustainability



- ❖ Report on Reliability of Methane Emissions Disclosure
- ❖ Report on Climate-related Lobbying
- ❖ Third-party limited assurance report
- ❖ CDP climate change questionnaire response
- ❖ Reconciliation Action Plan Update
- ❖ GHG Emissions Reduction Plan
- ❖ 2022 Sustainability Materiality Assessment

❖ Disclosure aligned with **leading global** frameworks and standards



❖ Obtained limited assurance of Scope 1 and Scope 2 emissions inventory

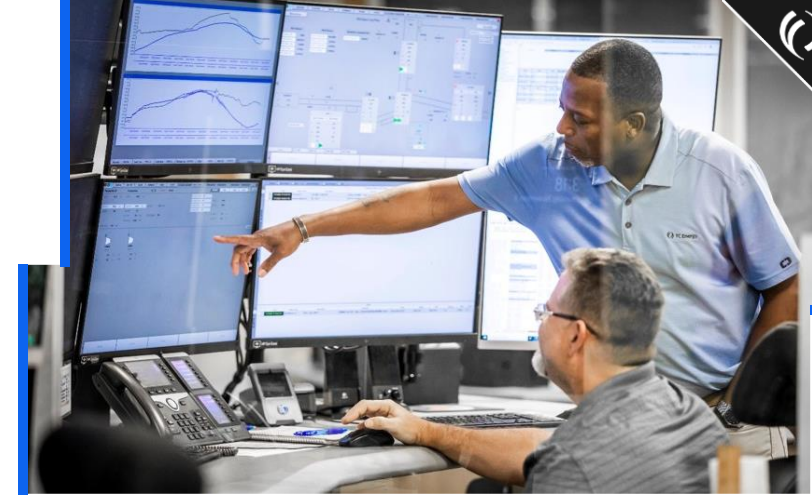
Steady progress aligned with capital markets



*Metrics for the SLL include: GHG emissions intensity and women in leadership in corporate offices.

Performance on key priorities embedded in executive compensation

2023 compensation for all employees and executives is aligned to priorities and commitments



SHORT TERM*

30%

Progressing ESG priorities, including GHG emissions, diversity and safety targets

40%

Delivering financial results

30%

Advancing corporate strategy while balancing growth and discipline

LONG TERM (ESU)

25%

Distributable Cash Flow per share

25%

Debt to EBITDA

50%

Relative TSR vs. peer group(s)

* Short term incentive/corporate scorecard impacts compensation for executives and all employees.

Continuous safety improvement

Our goal is for our pipeline and energy facilities to operate safely every day so that the public, our workforce and the environment aren't affected by an incident involving our assets.



Safety is our number one value

Our commitments:



Committed to safe, reliable, sustainable operations

Systematically manage risk to continuously improve the integrity and safety of our assets and operations



Continuous safety improvement

Continuously improve our systems to protect people and consistently demonstrate safety as our number one value



Focus on mental health

Demonstrate actions enhancing employee psychological safety and emotional well-being

[HSSE Committee Charter](#)

[TC Energy Operations Management System](#)

[Safety — Employee & Contractor](#)

[Safety — Pipeline & Operations](#)

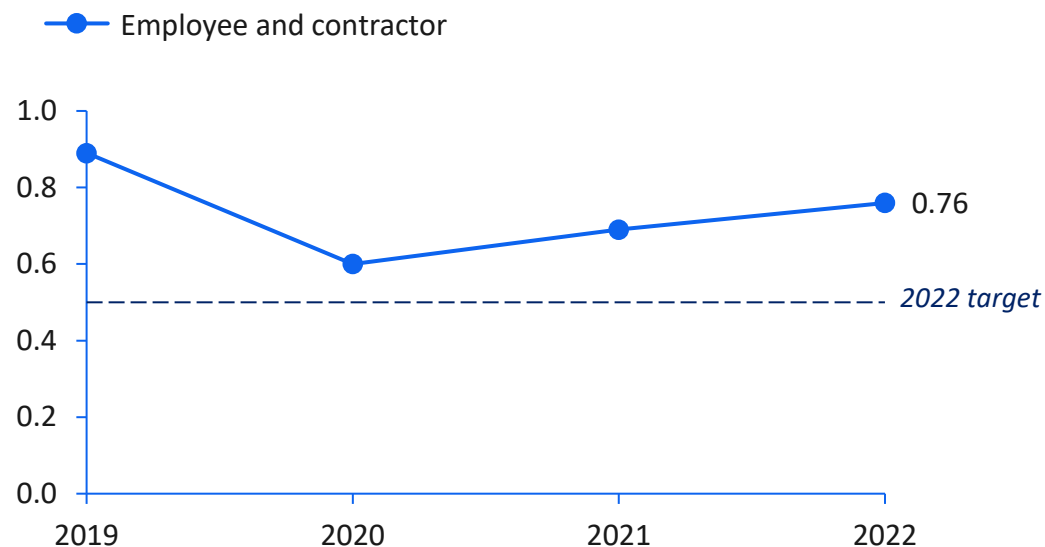
[Safety — Emergency Preparedness](#)

[Focus on mental health](#)

Our safety performance

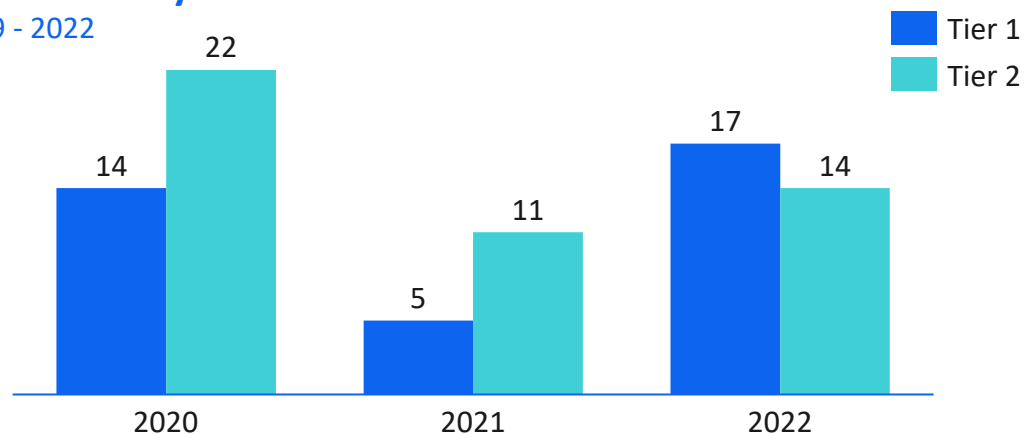
Total recordable case rate (TRCR)

2019 - 2022



Process safety incidents

2019 - 2022



In late 2022, we completed a comprehensive safety culture assessment with an objective third-party consultant.

An action plan has been developed and the HSSE committee of the Board receives regular updates from management on the progress of the plan.

Action items include:

- Reinforcing key leadership practices and behaviours of a strong safety culture and a psychologically safe environment
- Simplifying our management systems
- Improving our operational discipline



Zero significant process safety incidents¹



(1) Significant process safety incidents are defined by TC Energy as unplanned or uncontrolled spills or releases that result in major consequences to people or the environment. They are a subset of Tier 1 process safety incidents.

Embracing energy transition

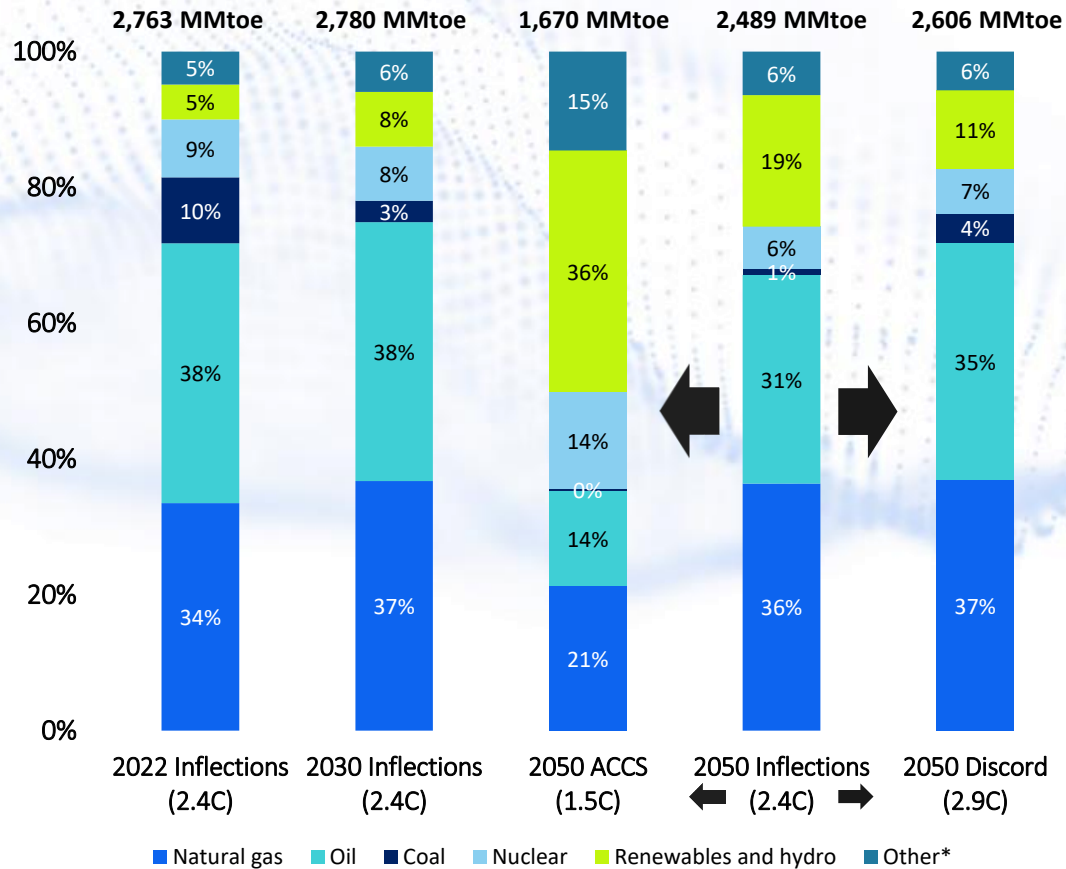
Contribute to global efforts to address climate change and manage the risks and opportunities of the energy transition.



WE ARE WELL POSITIONED ACROSS A RANGE OF FUTURE SCENARIOS

Strategy grounded in fundamentals

Primary energy consumption mix in North America



Natural gas

- ↳ LNG exports and N.A. growth drive consumption
- ↳ Blue hydrogen opportunities
- ↳ Use of gas infrastructure in low-carbon solutions

Oil

- ↳ Steady demand for oil and oil products
- ↳ Uncertainty of the pace/volume of EV adoption and biofuels
- ↳ Reliable and secure supply with low political risk

Power and energy solutions

- ↳ Power demand grows across all major sectors
- ↳ Decarbonization objectives with low carbon generation
- ↳ Regulatory support on federal and state levels

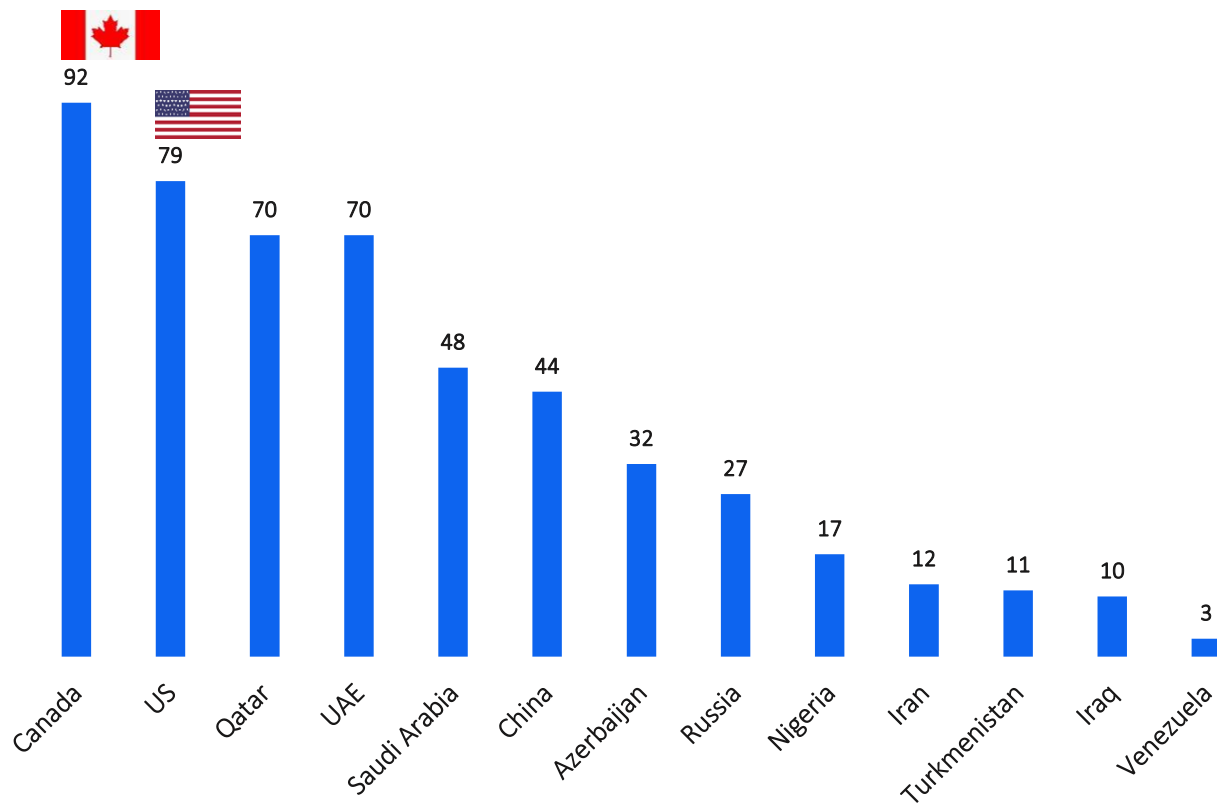
Investing in traditional energy infrastructure while developing new energy capabilities protects value proposition for decades to come

Inflections: S&P Global Commodity Insights base case scenario.
 ACCS (Accelerated CCS): S&P Global Commodity Insights net zero 2050 GHG emissions modeled case.
 Discord: S&P Global Commodity Insights disrupted world scenario.
 (*) Other includes solid waste, traditional biomass, net trade of electricity, hydrogen and heat.
 Source: S&P Global Commodity Insight's Energy and Climate Scenarios, 2022. ©2023 by S&P Global Inc. All rights reserved.

North American energy is in the world's best interest

Governance scores of top natural gas reserve holders

Aggregated from the World Bank Governance Index



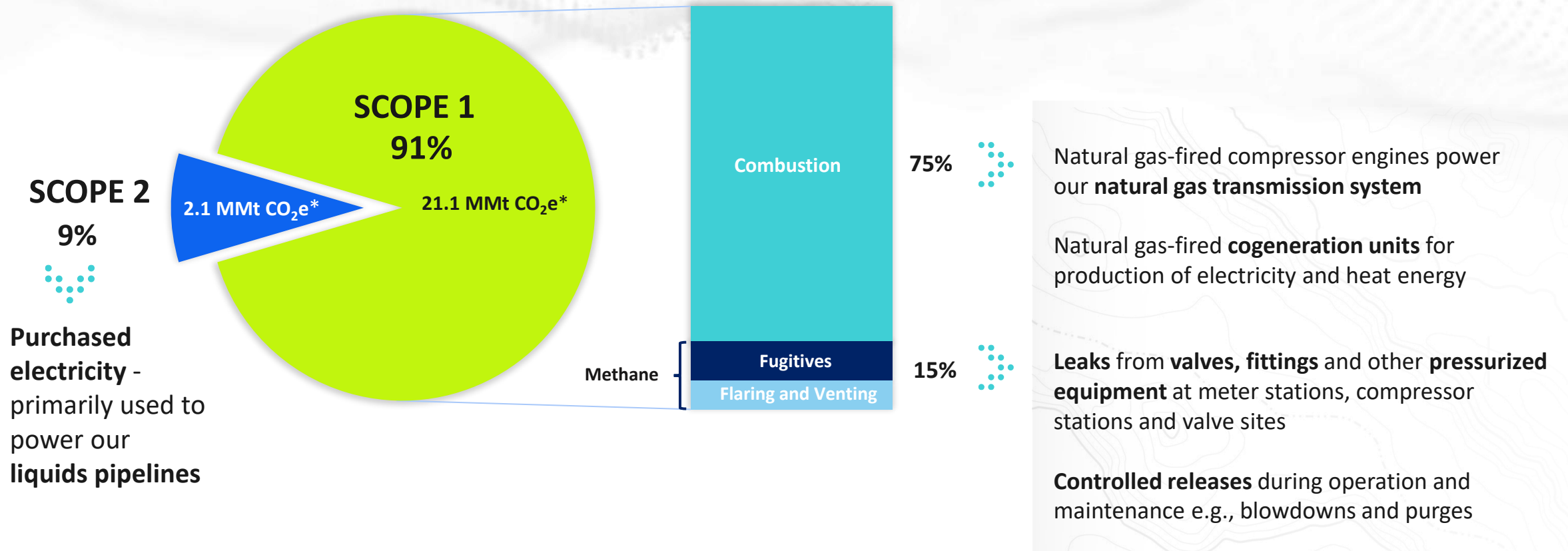
Connecting the **best-governed natural gas** reserves in the world to markets in need – **Canada** and **U.S. #1 and #2** in World Bank Governance Index

WGI measures:

- Voice and accountability
- Political stability
- Government effectiveness
- Rule of law
- Regulatory quality
- Control of corruption

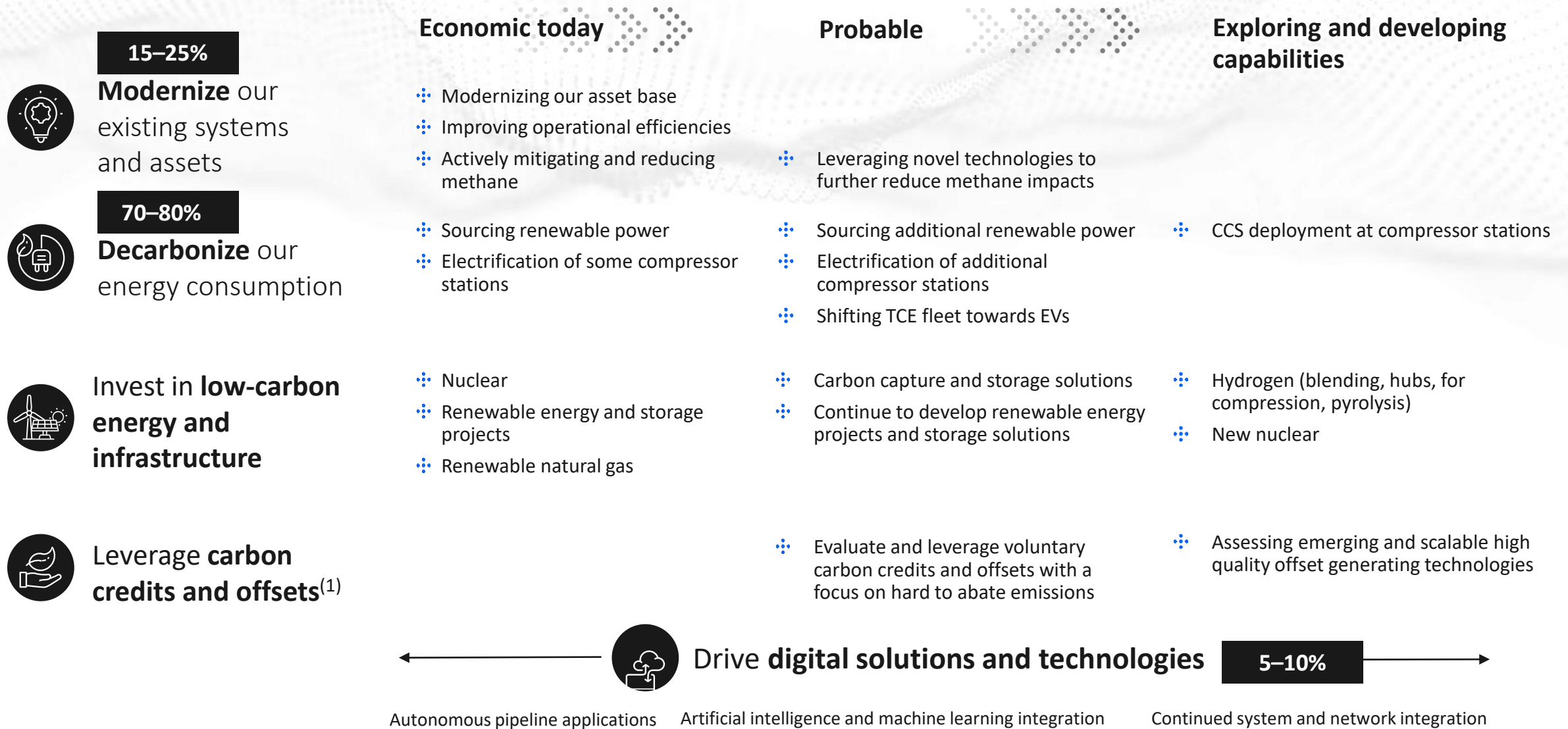
Decarbonizing our asset base

Primary emissions sources and main activities



*2022 GHG emissions reported on an operational control reporting boundary. Totals may not add due to rounding.

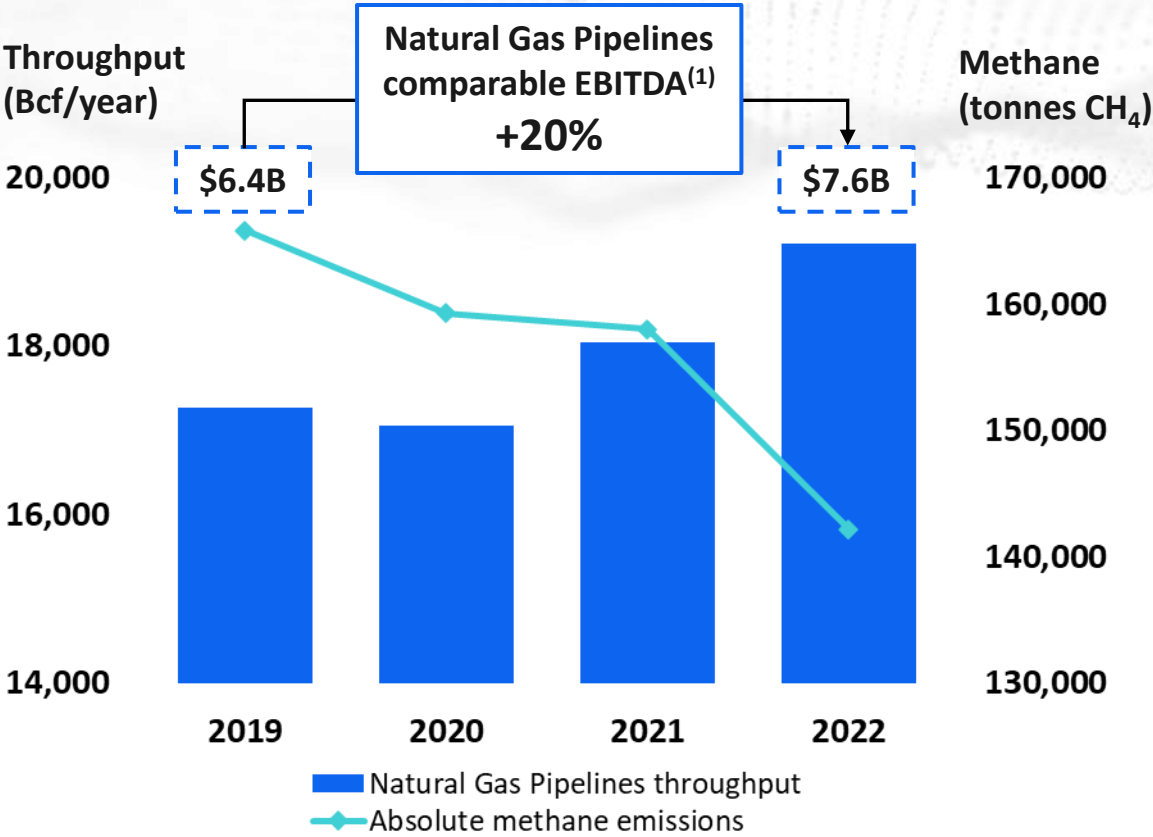
Positioning to achieve net zero from operations by 2050



(1) Represents voluntary carbon market; excludes compliance-based mechanisms.

(2) Percentages identified represent our current abatement assessment and will change over time as technology and innovation develops.

Focused on methane reduction



Methane has a 25x higher global warming potential than CO₂

Global Methane Pledge

A global coalition to collectively reduce methane emissions by at least 30% below 2020 levels by 2030

Canada, U.S. and Mexico are all signatories



From 2019 to 2022 absolute methane emissions decreased by **14%** while natural gas throughput increased **11%** and natural gas comparable EBITDA⁽¹⁾ increased by **20%**

(1) Comparable EBITDA is a non-GAAP measure. See the forward-looking information and non-GAAP measures slide at the front of this presentation for more information.

Managing methane emissions

1 FUGITIVE EMISSIONS

Unintentional releases from valves, fittings and other pressurized equipment

SOURCES

MITIGATIONS



Leak detection and repair program

- 3x/year in Canada
- 4x/year in U.S. (new facilities)*
- 2x/year in Mexico



Valve and meter equipment enhancements

- High to low bleed pneumatic conversions
- Piloting zero-emission actuators technologies



Digital solutions and technologies

- Piloting surveillance technology to better detect, quantify, monitor and report our emissions

2 VENTED EMISSIONS

Controlled releases during operation and maintenance



Improving maintenance activities

- Blowing down into lower pressure pipes instead of into atmosphere
- Capture re-injection skid; collects and recirculates vented emissions



Addressing operating practices

- Replacing gas starters with electric starters

Learn more in our [Report on reliability of methane emissions disclosure](#)







*EPA 0000a regulation for compressor stations installed post-September 2015.

Our role as a North American energy transition enabler

Our approach to Scope 3 emissions

Applicability of Scope 3 categories to core business

1	Purchased goods and services	✓
2	Capital goods	✓
3	Fuel and energy related activities	✓ 
4	Upstream transportation and distribution	✓
5	Waste generated in operations	✓ 
6	Business travel	✓ 
7	Employee commuting	✓
8	Upstream leased assets	✓ 
9	Downstream transportation and distribution	⊗
10	Processing of sold products	⊗
11	Use of sold products	⊗
12	End-of-life treatment of sold product	⊗
13	Downstream leased assets	⊗
14	Franchises	⊗
15	Investments	✓



Currently disclosed



Applicable / evaluating for future disclosure



Not applicable to core business

Category 11 is not applicable to our core business, but we play an important role in reducing global emissions

Decarbonizing our footprint

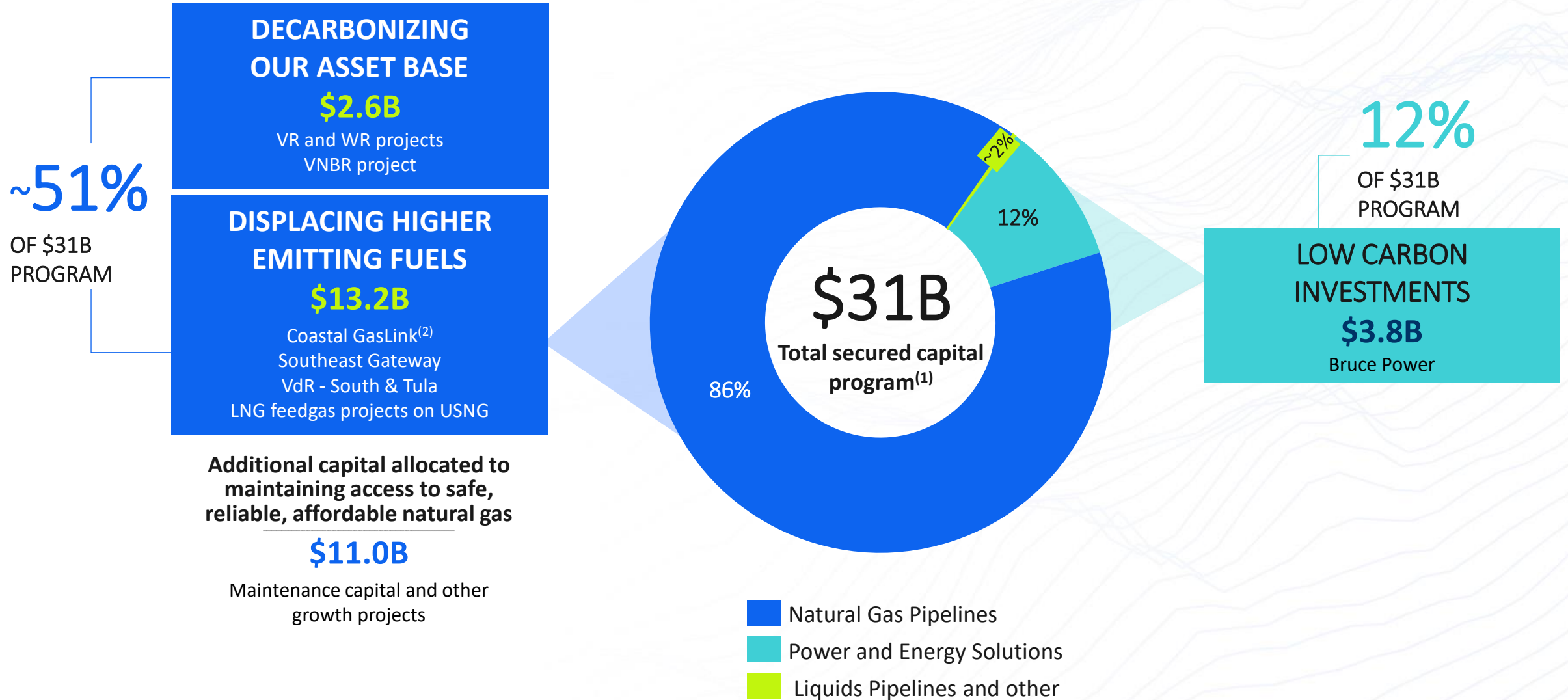
- Addressing Scope 1 and 2 emissions
- Working to better define and calculate indirect emissions across our entire value chain

Decarbonizing others

- Expanding access to natural gas to help displace higher emitting fuels
- Growing our portfolio of customer driven solutions to help others meet their energy transition challenges



Over 60% of sanctioned capital directly enabling energy transition



(1) Reflects Fourth Quarter 2023 MD&A. Includes non-recoverable maintenance capital of \$0.4 billion.

(2) Includes TC Energy's share of anticipated partner equity contributions to the project.

Reflects U.S./Canada foreign exchange rate of 1.32

A partner in climate initiatives

TC Energy is uniquely positioned to help advance a clean energy transition that promotes security and prosperity for energy users worldwide.

We will continue to be a voice for thoughtful and balanced solutions that drive global growth and emissions reductions through infrastructure development and a leveraging of North America's abundant energy resources.

We will advocate for policies that are consistent with our climate-related goals, support deployment of clean energy systems, a robust energy trade, a strategic diversification of our energy mix, and an advancement of the aspirational pursuit of limiting a global temperature increase to 1.5°C.

 [Report on climate-related lobbying and trade associations](#)



Leaving the environment as we found it

Caring for the environment and minimizing our impact on the land are core to our values.



Committed to protecting the environment throughout the lifecycle of our assets

Our commitment:



Leaving the environment as we found it

Safeguard habitat and biodiversity and minimize land use impacts, including restoring the environment to a condition equal to or better than we found it



100%

total land restoration¹



\$10 million invested
through 2025

in environmentally focused social
impact investments

- ❖ [HSSE Committee Charter](#)
- ❖ [TC Energy Operations Management System](#)
- ❖ [Environment Program](#)
- ❖ [Environmental principles](#)
- ❖ [Our approach | Safeguarding biodiversity](#)

¹ Restoration activities are multi-year efforts with end-of-activity targets rather than annual targets. Further information is provided in the [Appendix: Performance data](#).

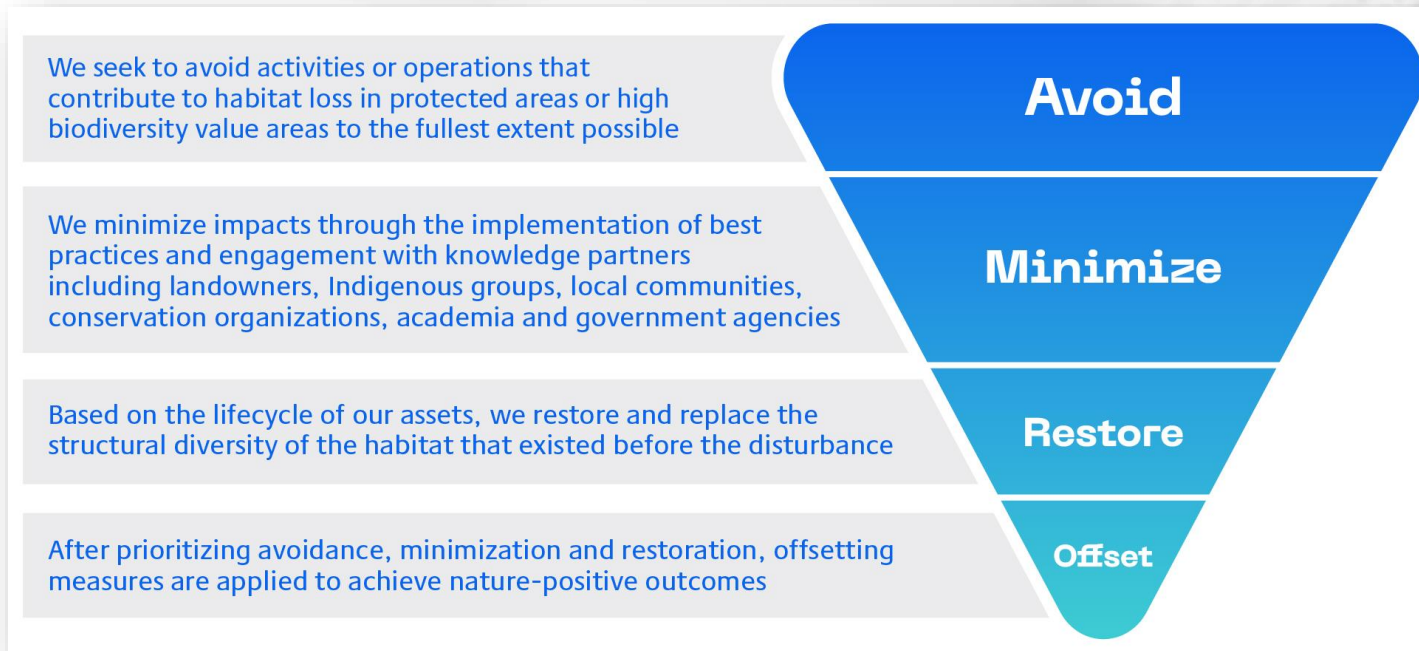
Safeguarding biodiversity

Managing the biodiversity risks associated with our operations across North America is a responsibility TC Energy and our +7,000 employees take seriously.

We work every day to help protect the environment, including safeguarding habitat and biodiversity and restoring the environment to a condition equal to or better than we found it.

❖ [Our approach | Safeguarding biodiversity](#)

TC Energy joined the **Task Force on Nature-based Financial Disclosures** forum in 2023



Managing impacts on water

The protection of our water resources is of the utmost importance to both the environment and our business.

Environmental protection measures are implemented to avoid or minimize potential adverse effects on the environment at water crossings during construction and throughout the life cycle of our pipeline operations.

- ❖ [Water crossing fact sheet](#)

When we temporarily use water to test the integrity of our pipelines before they go into service, we adhere to strict regulatory requirements and ensure water meets applicable water quality standards before it is discharged or disposed of.

- ❖ [Hydrostatic testing fact sheet](#)



Mutually beneficial relationships

By engaging early and often with stakeholders, we create project plans with better outcomes for everyone involved.



Engaging with communities throughout the lifecycle of our assets

Our commitment:



Fostering mutually beneficial relationships

Promote wellbeing for our communities and maintain mutually beneficial external relationships

Our principles:

- ❖ We identify and consider the perspectives of our stakeholders
- ❖ We are visible, present and approachable in the community
- ❖ We recognize that diverse thoughts, opinions and experiences contribute to better decisions and outcomes
- ❖ We take ownership and accountability for our decisions and outcomes
- ❖ We track, measure and report on our performance to learn and improve

- ❖ [TC Energy — Communities](#)
- ❖ [Stakeholder Engagement Commitment Statement](#)
- ❖ [Engaging with our stakeholders – Fact sheet](#)
- ❖ [Guiding Principles Working with Landowners](#)

100% of our operations have local community engagement, impact assessments and development programs

Advancing Indigenous reconciliation

Building respectful relationships, enhancing cultural competency and pursuing opportunities that help us build stronger, mutually beneficial relationships with Indigenous Peoples



Engaging with Indigenous communities

Our commitment:



Fostering enduring, mutually beneficial relationships with Indigenous groups

Be the partner of choice for Indigenous groups




Our work with Indigenous groups is guided by our Indigenous relations Policy, Strategy, and Guiding Principles

- ❖ [Indigenous Relations Policy](#)
- ❖ [Indigenous Relations Strategy](#)
- ❖ [Guiding Principles](#)

Our Reconciliation Action Plan is TC Energy's public commitment to advance reconciliation between Indigenous and non-Indigenous peoples

- ❖ [Reconciliation Action Plan Update](#)
- ❖ [Reconciliation Action Plan](#)



Our vision is to be an industry leader in **advancing reconciliation** with Indigenous Peoples

- ❖ Launched Indigenous Advisory Council
- ❖ Completed cultural awareness training for staff and Board of Directors*
- ❖ Finalized Indigenous Equity Framework
- ❖ Extending our efforts to increase Indigenous participation through direct and indirect employment

Learn more about our work with Indigenous communities on the [Coastal GasLink](#) project

\$1.9 BILLION

Spent with Indigenous and Native American business in 2022 through TC Energy and our Prime or General contractors

\$3.8 MILLION

Invested in more than 325 Indigenous groups, organizations and students across Canada through the TC Energy Scholarship, Community Legacy and Education and Training Initiatives in 2022

Furthering inclusion and diversity

Embedding a culture of inclusion across our organization and ensuring the diversity of employees reflects the communities in which we live and work.



An inclusive and diverse workforce is important to our success

Our commitment:



Strengthen collaboration and performance by promoting inclusion and diversity across our organization and supply chain



Women on Board of Directors



Women in leadership¹



Visible minorities in leadership²



100%

of leaders and employees to be trained on how to recognize and mitigate unconscious bias and how to create and sustain an inclusive workforce

Increasing diversity in our supply chain

- ❖ [Supplier Diversity and Local Participation Business Policy](#)
- ❖ [Learn more](#) about our targets to increase spend with diverse Tier 1 and 2 suppliers

Our 2022 performance:

38% Women on Board of Directors

35% Women in leadership¹

17% Visible minorities in leadership²

¹ Leadership positions in our corporate locations of Calgary, Houston, Charleston and Mexico City, by 2025.

² Leadership positions across our workforce in Canada and the U.S., by 2025

Advancing our Inclusion and Diversity Action Plan

1 ATTRACT, HIRE AND RETAIN DIVERSE TALENT

5 SET ENTERPRISE-WIDE DIVERSITY GOALS

2 EDUCATE, TRAIN AND DEEPEN UNDERSTANDING

6 INVEST IN INCLUSIVE COMMUNITIES

3 ESTABLISH ACCOUNTABILITY FOR INCLUSION


7 DIVERSIFY OUR SUPPLY CHAIN

4 FOSTER AND CELEBRATE A CULTURE OF BELONGING

8 REINFORCE A NON-DISCRIMINATORY, EQUITABLE, ACCESSIBLE AND RESPECTFUL WORK ENVIRONMENT

 [Our Action Plan](#)



 [Learn more](#)

Governance

Our robust governance structure provides a framework for oversight, accountability, management and risk mitigation.



Established sustainability governance

Board of Directors

Maintains ultimate oversight over sustainability matters including business strategy alignment, progress against most significant sustainability objectives and commitments and overall sustainability communications strategy

Board committees involved in sustainability issue oversight in respective areas to ensure robust management process with appropriate expertise, attention
Committees receive regular updates from management

Health, Safety, Sustainability & Environment (HSSE) Committee



Audit Committee



Governance Committee



Human Resources Committee



Executive Leadership Team

Responsible for developing and implementing strategy including integration of sustainability matters into decision-making and financial plans; advancing key strategic priorities including growth and energy transition

Chief Sustainability Officer

Provides strategic leadership of sustainability-related issues; responsible for directing coordination, communication and management of sustainability-related issues

Chief Risk Officer

Centralizes approach to facilitating the annual enterprise risk assessment and management of the enterprise risk register; responsible for ensuring the ERM program governance model

Management

Integrating sustainability strategy and risk management into daily functional and operational accountabilities; developing, overseeing and implementing corporate initiatives, policies, processes, and measuring performance of programs

Nine of our 13 directors have specific expertise in operations/health, safety, sustainability and environment

Living our values

The Code of Business Ethics (COBE) Policy

- Reinforces TC Energy's requirements and expectations for conducting business and behaviours
- Applies to all employees, directors, officers and Contingent Workforce Contractors of TC Energy and its wholly owned subsidiaries and/or operated entities in all countries in which TC Energy conducts business
- Requires annual training and certification

Our suppliers are expected to share our commitment to ethics and compliance as stated in our Contractor COBE Policy

Topics covered in the code of business ethics:

- Ethics helpline
- Human Rights
- Diversity, employment equity and equal opportunity
- Harassment and violence-free workplace
- Political contributions and lobbying
- Anti-corruption and preventing money laundering and fraud
- Cybersecurity

Our confidential, independently operated, 24/7 **Ethics Help Line** is available for concerns relating to breaches of the COBE

TC Operations Management System (TOMS)

Overarching management system that applies across the organization and throughout the asset life cycle

- ❖ Governs health, safety, environment and operational integrity matters at TC Energy
- ❖ Sets the foundational requirements to manage risk and continually improve
- ❖ Modeled after international standards, including the ISO standard for environmental management systems, ISO 14001 and the Occupational Health and Safety Assessment Series.
- ❖ Aligns to industry best practices and standards and incorporates applicable regulatory requirements

