Caring for the environment – stewardship, protection and performance

At TransCanada, we are committed to protecting the environment. Not just because we have to, but because we want to.



We are actively involved in conservation efforts across North America. This includes collaborating in large-scale partnerships that support the protection of natural resources and ecosystems such as Ducks Unlimited.

We recognize that how we interact with the environment is of vital importance to you. It is to us, too. That's why TransCanada's Environment Strategy reflects our long-term corporate culture when it comes to environmental stewardship, protection and performance. It guides our decisions every day when building and operating energy infrastructure.

Our Environment Strategy goes beyond simply complying with all applicable environmental laws and regulations; we strive for excellence at every level of the organization.

With 90,300 kilometres (56,100 miles) of natural gas pipelines, 4,300 kilometres (2,700 miles) of oil pipelines and 17 power generation facilities across North America, we work to minimize our environmental footprint as we strive to meet the energy needs of North Americans.

Environmental stewardship

Environmental stewardship is about taking responsibility for our environmental impacts. Our goal is to always minimize the environmental impacts of our activities by reducing our land disturbance, carbon intensity, energy consumption and water use.

Over the course of our more than 65-year history, TransCanada has successfully reclaimed hundreds of thousands of acres of land post-construction in many different ecological regions across North America.

To date, TransCanada has invested more than \$5 billion in emission-less energy sources, accounting for over one-third of the 10,500 megawatts of power we produce. Our emissionless portfolio includes nuclear, wind, hydro and solar power generation facilities.

We work collaboratively with numerous organizations to encourage environmentally beneficial technologies. For instance, in 1964 we introduced the pipeline industry's first Rolls-Royce Avon turbine - derived from Rolls-Royce's Avon turbojet - in an Ontario compressor station. More than 50 years later, the partnership continues with ongoing research into even higher efficiency turbines that significantly reduce fuel consumption and greenhouse gas emissions of our pipelines.



Our commitment to the environment



As supporters of North America's transition to a balanced energy mix, we have invested more than \$5 billion in emission-less energy sources.

In the past five years we have dedicated more than \$140 million towards technology development, to support our internal research program as well as to collaborate with industry and government partners to enhance the safety, efficiency and reliability of our pipeline construction and operations. In 2015 alone, over \$45 million was spent on R&D activities, with the focus being in-line inspection of pipelines.

Environmental protection

Environmental protection is about developing and maintaining environmental policies and management systems that help us preserve the integrity of the environment and sustainability of our operations.

We're committed to protecting the environment throughout the complete life cycle of our assets, from business development to project planning and design, through construction and reclamation to operations and final decommissioning.

TransCanada completes environmental assessments for our projects. These assesments include field studies which examine existing natural resources and land use along our proposed project footprint, such as vegetation, soils, wildlife, water resources, wetlands, and protected areas. In order to conserve and protect the environment through construction and into operations, information gathered for an environmental assessment is used to develop project-specific environmental protection plans.

After construction, TransCanada makes sure the land is returned to its equivalent capability and that biological diversity is maintained or reestablished. TransCanada has an extensive environmental management program to ensure ongoing, day-to-day protection of the environment, including detailed operating procedures, extensive employee training and routine inspections and audits.

Environmental performance

Environmental performance is a reflection of our efforts in stewardship and protection. It's how we systematically measure and communicate our environmental work proactively and transparently.

We measure and transparently communicate on our performance each year in our Corporate Social Responsibility report. In 2016, TransCanada's achievements in environmental, social and economic performance were recognized with a gold class distinction – along with 'Industry Leader' and 'Industry Mover' awards – in RobecoSAM's globally recognized Sustainability Yearbook 2016 publication. We were also named to Corporate Knights' list of Best 50 Corporate Citizens in Canada. In 2015, TransCanada achieved a score at the 100th percentile on the Dow Jones Sustainability Index (DJSI) and rankings on DJSI's North America and World indices. We also received an industry-leading score of 99B by the CDP (formerly the Carbon Disclosure Project).

To read more about environmental stewardship, protection and performance at TransCanada, please see **TransCanada's 2015 CSR Report** available at **www.transcanada.com**.

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