

Tackling the issues that matter most to our stakeholders and our business

Focusing On Relevant Sustainability Topics¹

To help us gauge the sustainability and environmental, social and governance (ESG) topics that are most relevant and of greatest importance² to our business and our stakeholders, we regularly conduct materiality assessments. This helps inform both our sustainability-related communications and our broader sustainability strategy.

In 2022, facilitated by an independent third-party, we undertook an extensive internal and external feedback exercise, with more than 270 individuals representing the various stakeholder groups across the jurisdictions in which TC Energy operates. Internally, this meant employees across all business units and jurisdictions were engaged. Externally, this included stakeholders such as

government organizations, regulators, joint venture partners, suppliers, customers, community investment partners, insurance companies, and industry and landowner associations.

The internal and external stakeholders who participated in surveys, interviews, and in-depth workshops provided feedback on 30 sustainability topics.

In addition to the feedback we received, we analyzed investor analyst and ESG ratings reports and peer sustainability report publications.

Our materiality assessment identified 13 aggregated sustainability topics that are most relevant to our business and our stakeholders.



- Business ethics and culture
- Climate change adaptation and resilience (incl. renewable energy)
- Customer experience and satisfaction
- Cybersecurity
- Emergency preparedness, spill prevention and asset integrity
- Emissions reduction and net-zero goals
- Employee attraction, retention and development

- Habitat, biodiversity and land use
- Indigenous engagement and community support & involvement
- Innovation and technology
- Mental and physical health and safety of workforce (incl. physical security)
- Stakeholder engagement
- Workforce diversity, inclusion and equal opportunity

Key findings from our updated analysis include:



Business ethics and culture was one of the highest-rated issues in our assessment. At TC Energy, integrity is one of our core values, and we demonstrate this value through governance structures, policies and practices that comply with laws, encourage transparency and are designed to prevent unethical behaviour across our operations and value chain.



Emergency preparedness, spill prevention and asset integrity remains among the most important sustainability topics to both our company, rightsholders and stakeholders. This includes our ability to construct and operate our pipelines and facilities safely and reliably every day, and our ability to plan, practice, and collaborate to respond to incidents and unplanned events quickly and efficiently.



Cybersecurity is a newly identified topic of high importance among sustainability issues, reflecting the growing focus of stakeholders as well as efforts at TC Energy to sustain safe, reliable, secure, confidential, and resilient digital assets. Our cybersecurity program establishes cybersecurity governance, incorporates regulatory requirements and plans, and implements and continually improves security operations.

Path Forward

These issues should not be viewed in isolation – they are increasingly interconnected and can often impact each other. That is why, in response to these results, and to better reflect current and emerging rightsholder and stakeholder priorities, in the coming years, we will refresh our sustainability strategy in alignment with these topics. This may be achieved through new or enhanced definitions, metrics, targets, sustainability commitments, policies and/or initiatives, while considering jurisdictional priorities and evaluating current and future state performance of each topic. We plan to conduct a comprehensive sustainability materiality assessment every two to three years, with annual internal refreshes in between, while strengthening our process during each exercise.

¹ References and use of the terms “materiality,” “material” and similar terms throughout this document are in the context of economic, environmental, social and governance topics. For ESG topics, materiality is based on definitions in referenced sustainability frameworks, standards and guidelines, and do not correspond to the concept of materiality under Canadian or U.S. securities laws.

² Sustainability materiality assessments are a moment-in-time snapshot of the current topics of importance.