TC Energy

REPORT ON SUSTAINABILITY

JULY 2025

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(F) - Feature page

INTRODUCTION

PROUDLY CONNECTING THE WORLD TO THE ENERGY IT NEEDS

IN THIS SECTION

This document includes environmental or climate-related content that has been developed with guidance from internationally-recognized methodologies, frameworks, standards and/or recommendations for sustainability reporting. We continue to monitor developments for mandatory climate-related disclosure in jurisdictions where we operate and will adjust our disclosure and public statements as required to comply with new mandatory requirements. Where non-standard measures are used, we have disclosed the information in accordance with our internal standards, which are designed to reflect and be consistent with internationally-recognized methodologies, frameworks, standards and/or recommendations to the extent possible.

MESSAGE FROM THE CEO & BOARD CHAIR

Our annual Report on Sustainability offers a comprehensive overview of our sustainability-related endeavors and summarizes the progress we have made towards our targets—underscoring our ongoing commitment to transparency and accountability for our shareholders, stakeholders and rights holders.

BUILDING ON A LONG HISTORY OF SUSTAINABILITY

At TC Energy, sustainability is not simply a part of what we do—it is embedded in how we work, every day.

Our approach encompasses a wide spectrum of strategic, environmental, social and governance practices, from prioritizing the safety and wellbeing of our workforce to maintaining strong relationships with Indigenous communities, rights holders, and stakeholders. Building on our long history of operating with integrity, our seasoned team of experts work every day to create tangible, long-lasting value for the communities we serve both at home and across the globe. In an increasingly dynamic and unpredictable world, we are committed to transparency and adaptability.

DELIVERING SAFE, RELIABLE AND AFFORDABLE ENERGY TO MEET GROWING DEMAND

We recognize that our role as an energy infrastructure company comes with a responsibility to our shareholders, stakeholders and the environment. This past year has underscored our ongoing commitment to safe, sustainable and responsible energy delivery while navigating the critical societal and environmental challenges shaping our world.

Global energy demand is growing—driven by rapid global electrification, increased Liquefied Natural Gas (LNG) exports, coal-to-gas conversions and technological advancements, such as Artificial Intelligence (AI)—and calls for decisive action. Beyond these factors, the global population is expected to grow by almost 30 per cent by 2050, driving the need for more energy. This emphasizes the need for an energy system that considers rising global greenhouse gas (GHG) emissions while advancing economic growth and energy security—**and TC Energy has a pivotal role to play**.

François L. Poirier
President and Chief Executive Officer

John E. Lowe
Chair of the Board of Directors

In 2024, we achieved critical milestones in addressing rising energy demand and advancing sustainable energy solutions. This includes commissioning the Coastal GasLink pipeline to support increased Canadian LNG exports; completing the Southeast Gateway pipeline in Mexico, which will provide reliable energy access to the southeast region of the country while driving substantial economic development; and, placing approximately US$1.9 billion of capital projects in service in 2024, including the Gillis Access project, Virginia Electrification and GTN XPress projects—enhancing natural gas supply reliability across the U.S. and supporting growing LNG export demand. We also made significant progress on the Bruce Power Major Component Replacement (MCR) program, an investment that underscores our unwavering commitment to delivering safe, reliable, affordable and non-emitting nuclear power. This initiative supports Ontario's growing electricity demand and aligns with our broader decarbonization goals. As part of our secured capital program, we have allocated $4.9 billion to non-emitting nuclear power generation—a strategic investment that represents approximately six to seven per cent of the North American annual investment in nuclear energy over the next six years. These efforts highlight our leadership in advancing lower-carbon solutions and fostering long-term energy sustainability.

The continued growth of our operations underscores our belief that working collaboratively across borders positions us to meet the energy needs of our local communities while supporting our global allies. We see an extraordinary opportunity to strengthen North America's energy ecosystem through the united efforts of Canada, the United States and Mexico—recognizing

that as the individual countries progress, so too does the continent. Over the past year, we have witnessed growing momentum in Canada's push for a resilient resource economy, one that supports domestic prosperity and contributes meaningfully to North American energy security. This vision for an interconnected North American energy system bolsters our collective capacity to address new challenges, advance decarbonization and seize emerging opportunities in the global energy landscape.

A LOWER-CARBON FUTURE AND OUR RESPONSIBILITY

The transition to a lower-carbon economy is essential to advancing a sustainable future. Achieving meaningful progress in lowering carbon emissions demands collective action and a shared understanding that a thriving energy industry and emissions reductions efforts are not mutually exclusive. This idea forms the foundation of our Climate Strategy.

We are progressing a pragmatic and financially disciplined strategy that focuses on progressing emissions reduction efforts across our assets and investing in low-carbon technologies – effectively balancing energy security, affordability and sustainability.

We have introduced a methane-intensity target, underlining our commitment to operational GHG emissions reductions. With a 40 to 55 per cent reduction by 2035 in our methane intensity from our 2019 baseline, we've advanced the application of operational best practices and made targeted investments to enhance performance across our footprint.

While the path forward to positioning to achieve net-zero emissions from operations requires significant progress in global energy policies and emerging technologies, our commitment to advancing a lower-carbon energy system remains steadfast.

We continue to refine our methane measurement and bolster transparency in our emissions disclosures. These advancements allow us to prioritize reduction efforts, support our GHG emissions reduction targets and contribute meaningfully to global climate solutions. Through these initiatives, we reaffirm our dedication to being a responsible steward of the environment while helping to meet the world's ongoing energy needs sustainably.

SAFETY IN EVERY STEP

Our values underscore the principles that guide our behaviours, decisions and actions every single day. At the heart of these values is an unwavering commitment to safety—our number one value. Safety in every step, 24/7, 365 days a year, is not just a slogan or goal but a core element of everything we do. It drives our culture, shapes our operations and upholds the trust placed in us by our stakeholders.

In 2024, we delivered measurable advancements in safety performance, marking a significant milestone in our continuous improvement journey. This year, we achieved a five-year low in our High Energy Serious Injury and Fatality (HSIF) rate, demonstrating tangible progress in safeguarding our people and operations. At the core of these accomplishments are the principles of Human and Organizational Performance (HOP), which centers on understanding human capabilities and limitations, while creating systems that anticipate and mitigate risks. By embedding these principles into every layer of our work, we have reinforced the understanding that strong performance begins with protecting both our workforce and the communities we serve.

These achievements highlight our steadfast dedication to safety as the foundation of sustainable success.

PROGRESS ROOTED IN COLLABORATION

Looking ahead, we are driven by a shared commitment to continue to shape an energy system that is accessible, resilient and inclusive—one that enables progress for everyone. This vision is anchored in our partnerships with Indigenous communities. TC Energy strives to build and maintain Indigenous support for our projects and operations through early, honest and ongoing communication, as well as through mitigating impacts and creating mutually beneficial partnerships. Our philosophy is simple: those most impacted should benefit most.

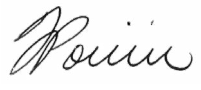
Across our footprint, our Indigenous Relations teams in Canada, the U.S. and Mexico operate with a unified mission—to foster strong, respectful relationships with Indigenous and Tribal groups while tailoring efforts to the local regulatory, cultural and social context. Building on our commitment to working with and learning from Indigenous peoples, we are honored to have welcomed Dawn Madahbee Leach to our Board of Directors this year. Dawn Madahbee Leach is Anishinabe-Kwe and a member of the Aundeck Omni Kaning First Nation. She brings a depth of Indigenous relations and business strategy experience to TC Energy.

CONFIDENCE IN OUR PATH FORWARD

Our values—safety in every step, personal accountability, one team and active learning—guide our actions every day as we move, generate and store the critical energy that North America and the world depend on. With strong governance from our Board of Directors and leadership team, we are equipped to maintain accountability to our diverse stakeholders and rights holders. This unwavering commitment inspires us to pursue future-focused strategies that redefine energy accessibility and equity on a global scale.

Together, we are shaping a sustainable, resilient future for generations to come.

Sincerely,



François L. Poirier

President and Chief Executive Officer

July 2025

John E. Lowe

Chair of the Board of Directors

Q&A WITH THE CSO

You're new to the role of Chief Sustainability Officer. What have you observed so far?

While I am new to the official title of Chief Sustainability Officer, my experience in sustainability and the energy transition spans over a decade. Prior to joining TC Energy, I played a pivotal role in advancing environmental policies, shaping Environmental, Social and Governance (ESG) strategies and demonstrating the importance of energy infrastructure in achieving a net-zero economy.

Sharon Tomkins
Vice-President, Chief Sustainability Officer (CSO)

Stepping into this role is a great privilege and allows me to build on the strong sustainability culture at TC Energy—one that is guided by our values. Our approach is rooted in transparency, accountability and active engagement with our stakeholders and rights holders.

I am proud to deliver on the sustainability commitments we made last year—to provide an update on our GHG emission reduction targets, complete a climate scenario analysis, reassess Oil & Gas Methane Partnership 2.0 (OGMP 2.0) participation and provide a roadmap to reasonable assurance. I am also encouraged to see the tangible ways we prioritize our people—through inclusion, wellbeing and professional development. These pillars are the foundation for fostering an engaged workforce, which is integral to achieving our sustainability goals.

At the heart of our efforts lies a focused ambition to continuously improve how we communicate, engage and deliver on our commitments. Through streamlined reporting, strategic stakeholder engagement and revitalizing our sustainability strategy, my initial observations underscore that we are well-positioned to lead with purpose and impact.

TC Energy has recently updated its Climate Strategy. Can you explain what's changing and why?

To continue to progress the global effort to reduce carbon emissions, we must balance lowering emissions with energy security and affordability. We must also deploy emissions reduction strategies that are financially disciplined and economically sound.

Our updated climate strategy prioritizes a pragmatic approach that strives to strike the balance between meeting growing energy demand and addressing rising global emissions. Guiding our efforts are five principles that we will use to do our part to lower our emissions, invest in low-carbon technologies and support the broader global decarbonization efforts.

Using these principles, we have set an interim target to reduce methane intensity 40-to-55 per cent below 2019 levels by 2035. In setting this target, we prioritize realistic measures to minimize operational emissions in the near term, enabling tangible progress without compromising energy reliability and financial performance.

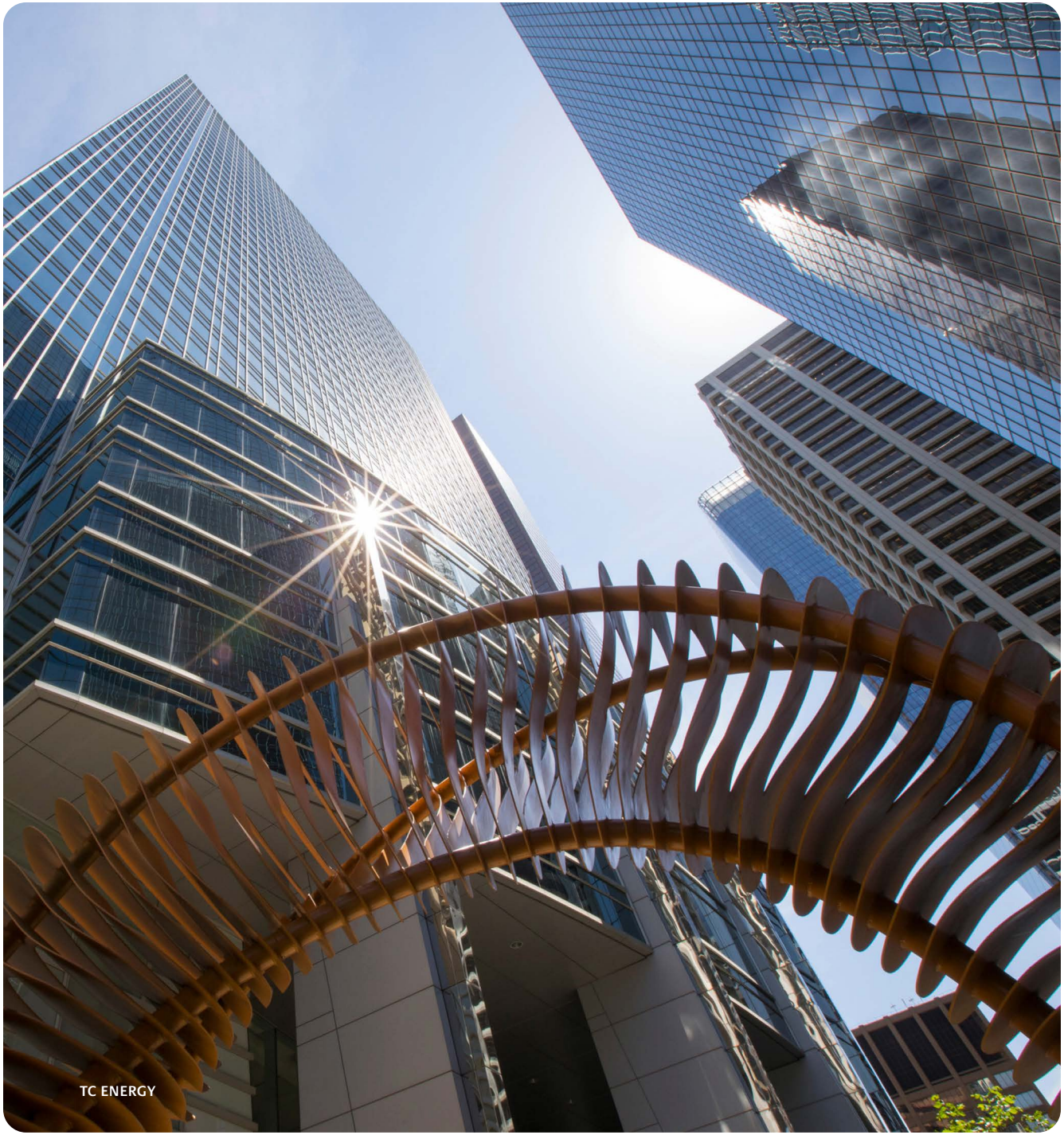
These updates underscore our commitment to being adaptable, transparent and forward-thinking as we balance near-term actions with our long-term commitments to sustainability.

With this shift in our approach, will we still meet our net-zero goals?

As we move closer to 2050 and global GHG emissions reduction targets are being missed, society is having to acknowledge the enormity of achieving net-zero emissions. To progress the global effort to reduce carbon emissions, we can no longer adhere to an unrealistic timeline.

The scope, scale and pace at which the transition to a net-zero economy can realistically occur is too large. The anticipated technological breakthroughs and adoption rates that were expected to serve as key drivers for the transition have not materialized at the necessary scale. Carbon capture technologies, renewable energy storage solutions and green hydrogen production—while promising—remain at insufficient deployment levels to support the originally envisioned transition timelines.

Given these realities, maintaining an unwavering commitment to 2050 as a rigid target without acknowledging these challenges lacks transparency and authenticity. We, however, remain resolute in our commitment to position our operations to achieve net-zero as technological capabilities and market conditions evolve.



With shifting global dynamics, how is TC Energy addressing workforce diversity, equity and inclusion (DE&I)?

We are proud to continue our focus on inclusion and belonging within our workplace. Guided by our purpose, mission, vision and values, we are committed to fostering a culture of inclusion where everyone is respected and has the opportunity to contribute. We are doing this through a series of initiatives designed to promote overall wellbeing, advance inclusion and provide opportunities for personal and professional development.

We're committed to meeting the ambitious people and culture targets outlined in this report. We believe inclusion drives innovation and is vital to TC Energy's success. By aligning these initiatives with our core values, we're reinforcing our dedication to building an engaged, high-performing team of energy problem solvers prepared to lead into the future.

Any final thoughts to share?

Looking ahead, we remain steadfast in our commitment to sustainability, innovation and meaningful collaboration. The challenges we face are complex and present an opportunity to drive real change across our operations and the communities we serve. Our sustainability goals are at the heart of what we do and I am confident that through collective action and strategic focus, we are well-positioned to deliver impactful and lasting results. I invite you to explore this report for updates on our progress to date and new ambitions as we continue on this important journey together.

Sincerely,

Sharon Tomkins

Vice-President, Chief Sustainability Officer (CSO)

July 2025

ABOUT TC ENERGY

At TC Energy, we are proud to connect the world to the energy it needs.

We are a leader in North American energy infrastructure, with a rich history spanning more than seven decades. Our operations extend across three jurisdictions — Canada, the U.S. and Mexico — strategically positioning us to safely and efficiently move, generate and store the critical energy North America and the world relies on.

We have renewed our strategic vision to focus on two core complementary pillars of our business: natural gas and power generation. This positions us to address the global energy trilemma—energy security, affordability, and sustainability—while delivering consistent, low-risk growth for our shareholders.

TC Energy's common shares trade on the Toronto (TSX) and New York (NYSE) stock exchanges under the symbol TRP. To learn more, visit us at TCEnergy.com.

Land acknowledgement

TC Energy acknowledges the Indigenous ancestral lands on which the company operates across North America and affirms our commitment to understanding how the histories, cultures and rich traditions of the peoples of these lands have been shaped by the past, how they influence our present and what we can learn to prosper together in the future. We are committed to working with the original keepers of the land to advance shared ownership and prosperity.

Renewing our purpose, mission, vision and values

Through constructive collaboration with employees and leadership, we have renewed our purpose, mission, vision and values - the building blocks of our identity and culture.

These collectively reflect the core behaviours that will drive our success and shape our culture moving forward.

Together, they guide and align us as one team to meet rising global demand for more secure, affordable and sustainable energy.

PURPOSE

We are proud to connect the world to the energy it needs.

MISSION

To safely and efficiently move, generate and store the critical energy that North America and the world rely on.

VISION

To be the trusted leader in North America's energy infrastructure, committed to excellence in safety, performance and stakeholder relationships.

VALUES

SAFETY IN EVERY STEP
I put safety first to protect myself, my teammates, the public and the environment.

PERSONAL ACCOUNTABILITY
I act with integrity and own my commitments and outcomes.

ONE TEAM
I am part of the greater whole, where our unique skills enable us to achieve more together

ACTIVE LEARNING
I embrace learning in all aspects of my work with curiosity and creativity.

Sustainability in our business

As a team of over 6,500 energy problem solvers, TC Energy continues to meet the growing demand for reliable, secure and affordable energy solutions with a focus on safety and operational excellence and a commitment to health, sustainability and the environment.

Our eight sustainability commitments, metrics and targets are guided by the United Nations Sustainable Development Goals (UN SDGs). The UN SDGs are global goals and associated targets to drive company performance in areas including GHG emissions reductions, gender equality, safeguarding biodiversity and improving safety performance. Throughout this report, we demonstrate our contributions to this movement.

WE SUPPORT UN GLOBAL COMPACT

TC Energy also participates in the United Nations Global Compact (UNGC), a voluntary initiative to embed sustainability principles into business culture and day-to-day operations and collaborate on projects that advance the broader development goals of the UN. This report describes the actions we took in 2024 to implement the UNGC guidelines and principles and serves as our Communication on Progress (CoP).

Guided by our values of safety in every step, personal accountability, one team and active learning, we work every day to improve lives and livelihoods across North America and the world. By collaborating closely with our neighbours, customers, Indigenous rights holders and governments across Canada, the U.S., and Mexico, we foster strong relationships and create opportunities for thriving, resilient communities. Our strategic focus on building an inclusive energy system and investing in sustainable energy solutions positions us to meet growing demands while advancing a secure and responsible energy future for all.

OUR BUSINESS

NATURAL GAS PIPELINES

With extensive operations in three geographies across North America, we are a leader in natural gas transportation and storage. Our strategic infrastructure network connects the most competitive, low-cost natural gas basins to premium value markets in Canada, the U.S. and Mexico. We safely transport approximately 30 per cent of the natural gas required to meet energy demand across the continent every day.

Our infrastructure connects to supply and demand centres, including LNG export terminals across North America that facilitate the global distribution of responsibly-produced natural gas.

REPRESENTS **93%** OF OUR 2024 REVENUES

POWER AND ENERGY SOLUTIONS

Our natural gas assets are complemented by our strategic ownership and low-risk investments in power generation. Our portfolio of owned and operated assets generates approximately 4,650 megawatts (MW) of power-generation capacity, over 75 per cent of which is low carbon emission electricity from nuclear and renewable power sources.

Anchored by our 48.3 per cent ownership in Bruce Power, nuclear is the core of our Power and Energy Solutions business and is a critical and complementary part of our strategy to supply reliable, affordable and sustainable energy.

REPRESENTS **7%** OF OUR 2024 REVENUES

OUR PORTFOLIO

TC Energy's asset map demonstrates our company's unique value proposition. We have an unparalleled asset base that spans Canada, the U.S. and Mexico.

Our extensive infrastructure provides the energy connections that unite North America.

UNRIVALLED GEOGRAPHICAL DIVERSIFICATION

We are the only natural gas infrastructure company with critical assets in three North American countries—Canada, the U.S. and Mexico. This unique continental connectivity enables us to deliver natural gas from the most competitive, low-cost natural gas basins to critical demand markets beyond borders and continents.

UNWAVERING FOCUS ON NATURAL GAS

We are anchored as North America's dominant natural gas-focused energy transmission and storage company. We are well-positioned for growth to strengthen our natural gas business and keep pace with technological advancements.

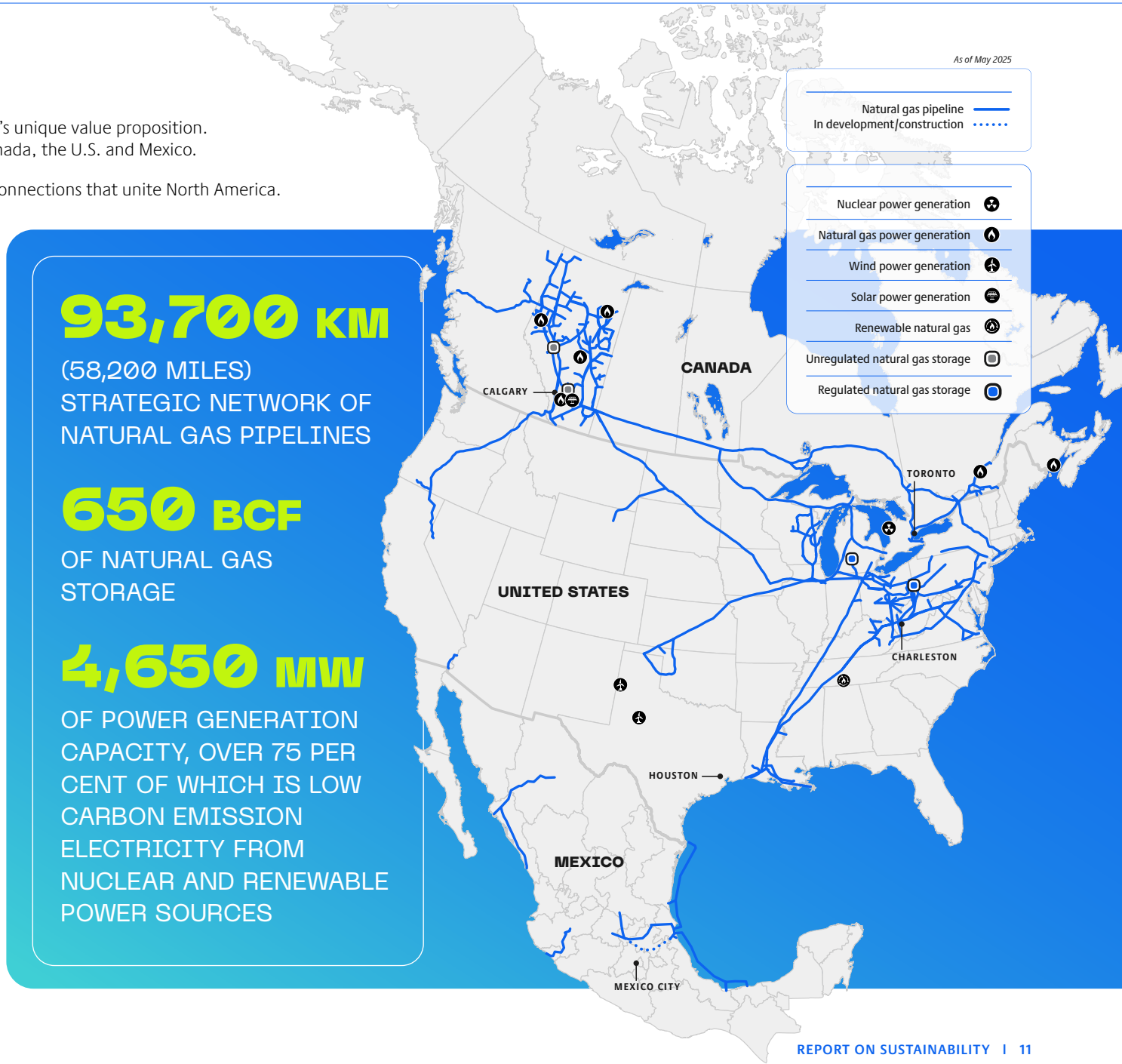
COMPLEMENTARY POSITIONS IN POWER

We have a strategic position in power generation with our stake in nuclear—a steady, reliable and emission-less form of energy. This, along with our expertise in gas-fired power generation and natural gas storage, positions us to provide reliable energy supply and contribute to grid stability.

93,700 KM
(58,200 MILES)
STRATEGIC NETWORK OF NATURAL GAS PIPELINES

650 BCF
OF NATURAL GAS STORAGE

4,650 MW
OF POWER GENERATION CAPACITY, OVER 75 PER CENT OF WHICH IS LOW CARBON EMISSION ELECTRICITY FROM NUCLEAR AND RENEWABLE POWER SOURCES



ABOUT THIS REPORT

Reporting scope and boundaries - In this annual Report on Sustainability, we provide an overview of our environmental, social and governance activities and performance from January 1 to December 31, 2024, or status as of December 31, 2024, whichever is applicable, unless otherwise noted. The scope of this report reflects all assets that we operate, unless otherwise noted. Details of select significant and relevant events that occurred in early 2025 have also been included. Data exclusions or additions are noted where applicable in the report.

Reporting frameworks, standards and recommendations - The information included in this report has been developed with guidance from internationally recognized sustainability reporting frameworks, standards and recommendations. These include the Task Force on Climate-related Financial Disclosure (TCFD) — which now forms part of the International Financial Reporting Standards (IFRS) Foundation's International Sustainability Standards Board (ISSB) — Sustainability Accounting Standards Board (SASB), the Taskforce on Nature-related Financial Disclosures (TNFD), UN SDGs and the Global Reporting Initiative (GRI). This year's report has been designed considering Web Content Accessibility Guidelines (WCAG) 2.0 accessibility standards.

We continue to monitor developments for mandatory climate-related disclosure in jurisdictions where we operate and will adjust our disclosure and public statements as required. Where non-standard measures are required, we have disclosed the information in alignment with our internal standards. Please refer to the alignment tables in the Appendix.

Leadership review - The information in this report has been reviewed by internal subject matter experts and senior leaders, including our Executive Leadership Team, with oversight from our Board of Directors.

Assurance - We have obtained independent third-party limited assurance of select 2024 environmental indicators, identified with the symbol ^ throughout this document. To read the third-party limited assurance report, please refer to our ESG webpage. We also partnered with an independent assurance firm to develop a Roadmap to Reasonable Assurance report for advancing our corporate GHG emissions reporting to reasonable assurance levels, outlining our current capabilities, key opportunities and path forward.

WANT TO LEARN MORE?

+ Roadmap to Reasonable Assurance on GHG Emissions

Forward-looking information - This report contains forward-looking information or forward-looking statements. For details, please refer to the forward-looking information statement. Financial data in this report is stated in Canadian dollars, unless otherwise noted. Please refer to our 2024 Annual Report for details on our financial performance. Footnotes provide definitions and methodology where appropriate and as applicable.

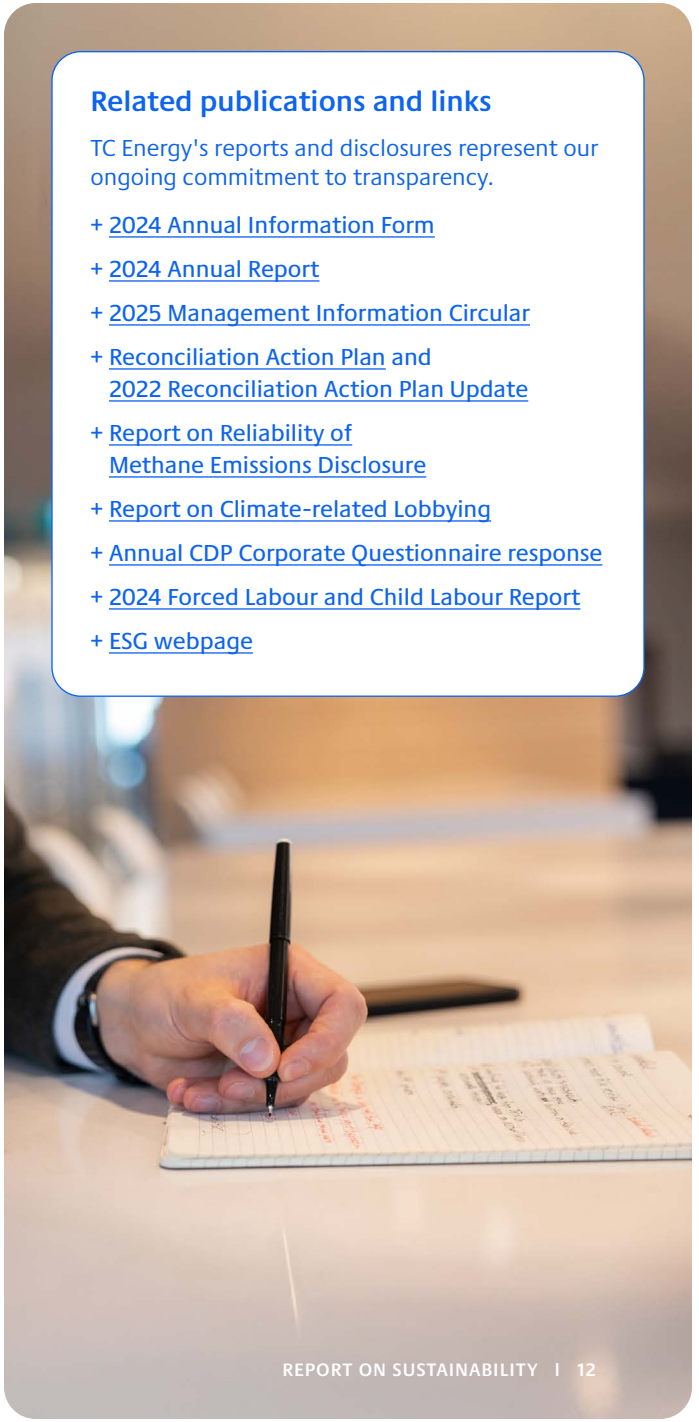
TC ENERGY WELCOMES ALL FEEDBACK ON THIS REPORT.

Please send questions or comments to communications@tcenergy.com.

Related publications and links

TC Energy's reports and disclosures represent our ongoing commitment to transparency.

+ 2024 Annual Information Form
+ 2024 Annual Report
+ 2025 Management Information Circular
+ Reconciliation Action Plan and 2022 Reconciliation Action Plan Update
+ Report on Reliability of Methane Emissions Disclosure
+ Report on Climate-related Lobbying
+ Annual CDP Corporate Questionnaire response
+ 2024 Forced Labour and Child Labour Report
+ ESG webpage



STRATEGY

Our approach to sustainability is integral to our strategic priorities. Strong governance, a culture of personal accountability and active learning for continuous improvement allows us to adapt, evolve and create value for our rights holders and stakeholders.

IN THIS SECTION

OUR SUSTAINABILITY STRATEGY

Sustainability topics

To better align with the evolving priorities of rights holders and stakeholders, we continue to refresh and refine our sustainability strategy. This may involve introducing or refining definitions, metrics, targets, sustainability commitments, policies and initiatives. These updates are guided by jurisdictional priorities and informed by assessments of both the current performance and emerging trends of each topic. We aim to conduct a comprehensive sustainability materiality[1] assessment every two to three years, supplemented by annual internal updates. This allows us to improve our approach and identify the sustainability topics that matter most[2] to our rights holders, stakeholders and our business.

In 2024, facilitated by an independent third-party, we conducted a double materiality assessment, which evaluated potential impacts, risks and opportunities (IROs) for relevant material sustainability topics. This approach analyzed how these topics could potentially affect both our financial performance and our broader impact on people and the environment.

Our materiality assessment analyzed potential impacts against criteria such as scale, scope, magnitude and likelihood. We also assessed potential risks and opportunities for their possible financial impact[3] on TC Energy, guided by our internal Enterprise Risk Management financial thresholds.

While all topics identified from this process are important, those identified as material, or strategically relevant, are covered in this Report on Sustainability.

OUR SUSTAINABILITY COMMITMENTS ARE THE CORNERSTONE OF OUR SUSTAINABILITY STRATEGY.

Sustainability Commitments

TC Energy's eight sustainability commitments, based on our material sustainability topics, are the cornerstone of our sustainability strategy.

We regularly review and update our sustainability commitments based on materiality assessments, feedback from our rights holders and stakeholders, external factors and other key considerations.

To hold ourselves accountable, we link sustainability performance to our corporate scorecard and executive compensation. See page 71 for details on sustainability-related compensation.

The following pages provide details of our commitments, associated targets and 2024 progress towards them.

[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.
[3] Additional evaluation is needed to determine their financial materiality in accordance with the guidance outlined by the ISSB.

OUR SUSTAINABILITY PERFORMANCE

We hold ourselves accountable to our sustainability commitments by setting targets against which we monitor and measure our performance.

	COMMITMENT	TARGET	2024 PERFORMANCE	PAGE
ENVIRONMENT	**Enable the energy transition** Contribute to global efforts to address climate change and strategically manage the risks and opportunities of a shift to a lower carbon economy	40 to 55% reduction in methane intensity below 2019 baseline, by 2035[4]	New	30
		Position to achieve zero emissions from our operations on a net basis[5]	In progress	30
	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	Restore or offset all land disturbances resulting from construction and operation of our North American assets[6]	98%	41
		Invest $10M by the end of 2025 in activities that restore biodiversity and reduce the impacts of climate change	$8.7M	43
	Committed to safe, reliable, sustainable operations Systematically manage risk to continuously improve the integrity and safety of our assets and operations	Zero significant[7] process safety incidents annually	0	38
SOCIAL	**Continuous safety improvement** Continuously improve our systems to protect people and consistently demonstrate safety as our number one value	Combined (employee and contractor) High Energy Serious Injury[8] and Fatality rate: not to exceed 25 per 100 million hours in 2024[9]	11.6	46
		Combined (employee and contractor) High Energy Serious Injury[8] and Fatality rate: not to exceed 11 per 100 million hours in 2025[9]	New	46

[4] Our target addresses Scope 1 methane emissions associated with our natural gas transmission and gas storage assets, expressed in tonnes of CH_4 per Bcf. For planning purposes, target progress is measured under the operational control reporting boundary, relative to the 2019 baseline year intensity of 10.07 tonnes CH_4/Bcf, which has been recalculated to align with the structural and methodological changes noted for the 2020 through 2023 reporting periods. Further information on structural and methodological changes is is provided in the Appendix: Performance data.

[5] Our target addresses Scope 1 and Scope 2 GHG emissions quantified under our operational boundary.

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

[7] Significant process safety incidents are defined by TC Energy as unplanned or uncontrolled releases of hazardous material that result in severe consequences. They are a subset of Tier 1 process safety incidents. In evaluating the significance of the incident, we consider the environmental, reputational, regulatory, and financial impacts to our company. Health and safety impacts are excluded to prevent duplication with the High Energy Serious Injury and Fatality (HSIF) metric. While significant process safety incidents may have an environmental impact, not all process safety incidents will have an environmental impact. This is merely one factor considered when determining whether an incident is classified as 'significant'.

[8] 'High energy' is defined as an element of work that involves more than 500 ft-lbs. of physical energy. 'Serious injury' is defined as a life-threatening or life-altering incident.

[9] Target is based on annual rate of high energy serious injuries and fatalities per 100 million hours, as of December 31, as adapted from Construction Safety Research Alliance (CSRA) serious injury and fatality rate calculation methodology. Internally, we use a 12-month rolling rate to identify changes in the pace or direction of trends.

	COMMITMENT	TARGET	2024 PERFORMANCE	PAGE
SOCIAL	**Advancing an empowered workplace**[10] Deliver people and culture workplace strategies that reflect our values and emphasize wellbeing, inclusion, belonging and respectful collaboration	30% women on our Board of Directors	**40%**[11]	**71**
		At least one member who identifies as racially and/or ethnically diverse[12] on our Board of Directors	**20%**[11]	**71**
		Increase the overall representation of women[13] across our workforce by 2% annually between 2024 and 2026	**-1%**	**52**
		17% of leadership positions across our Canadian and U.S. workforce are held by members of visible minorities	**17%**	**52**
		By the end of 2025, develop a framework to assess TC Energy's Employee Value Proposition (EVP)[14] that evaluates the effectiveness of our current people and culture strategies for attraction and retention and their alignment with our corporate purpose, mission, vision and values	**New**	**53**
		By end of 2026, establish a baseline and KPIs to track the effectiveness of our refreshed and comprehensive employee wellbeing plan and develop targets to measure employee engagement[15]	**New**	**56**
	Fostering mutually beneficial relationships Promote wellbeing for our communities and maintain mutually beneficial external relationships	Sustain 60% workforce participation in our social impact program	**73%**	**61**
		Maintain at least 65% employee participation, and 100% Executive Leadership Team (ELT) participation, in our social impact program each year through 2026	**New**	**61**
		Grow social impact investments to $30M (annually) by end of 2025	**$30M**	**58**
	Fostering enduring, mutually beneficial relationships with Indigenous groups Be the partner of choice for Indigenous groups	Identify and support community-led reconciliation initiatives through partnerships with Indigenous groups	**Ongoing**	**68**
		Operationalize a pilot Indigenous business advisory group, to provide feedback to our business units, Supply Chain, and Indigenous Relations groups on best practices and obstacles to working with TC Energy, by the end of Q4 2024	**Achieved**	**66**

[10] The former sustainability commitments - *Focus on mental health* and *Furthering inclusion and diversity* - have been unified under a single commitment: *Advancing an empowered workplace*. This reflects an intentional evolution from diversity targets to a holistic view of HR programs and initiatives that support overall employee wellbeing, and aligning with our refreshed purpose, mission, vision and values.
[11] See our Board Diversity Policy and 2025 Management Information Circular for additional information including information on board composition following our 2025 annual meeting.
[12] Racially and/or ethnically diverse means Aboriginal peoples (persons who are Indigenous, Inuit or Métis) and members of visible minorities (means persons, other than Aboriginal peoples, who are non-Caucasian in race or non-white in colour).
[13] Includes women and female-identifying individuals at all levels, in all locations (Canada, U.S. and Mexico), both corporate and field locations. Calculated as the share of women in the total force.
[14] Employee Value Proposition (EVP) is what differentiates TC Energy as a preferred employer. It offers employees insights into "why should I join TC Energy?" and "why stay?" and encompasses elements such as corporate purpose and values, total rewards, career development, wellbeing, and work environment.
[15] Employee engagement refers to the level of participation in wellbeing programs and utilization of health and wellness offerings available to TC Energy employees.

	COMMITMENT	TARGET	2024 PERFORMANCE	PAGE
GOVERNANCE	**Further integrate and contribute to sustainability** Advance sustainability and innovation across our business and value chain, including our strategic planning and decision-making	Increase percentage of diverse influenceable procurement spend[16] in Canada and the U.S. by 5% year-over-year through to 2027	-37%	80
		Achieve $10M to $15M in capital and operating optimization and revenue opportunities by continuously improving our processes and systems in 2024	$11M	77
		$80M per year engineering research and development (R&D) value creation[17]	$26M	77
		Cumulative value creation[17] of $150M to $200M from 2025 to 2027	New	77
		Incorporate sustainability drivers and measures in our Integrated Asset Investment Planning (IAIP)[18] Framework, and determine portfolio contributions, by end of 2024	Achieved	78
		Integrate emissions reduction into the IAIP[18] framework, balancing operational excellence with environmental stewardship, for implementation by 2027	New	78
		Maximize the percentage of maintenance project spending that incorporates IAIP[18] risk-based sustainability value measures by 2028	New	78
		Adopt voluntary social impact measurement criteria and establish a 2024 baseline for metrics and targets	Partially achieved	76
		Launch Social Impact measurement metrics and targets in 2025	Ongoing	76

[16] Influenceable procurement spend is defined as purchase order procurement spend and release order procurement spend of Tier 1 suppliers.
[17] "Value creation" includes value realized through engineering R&D initiatives implemented in TC Energy programs. Engineering R&D creates accuracy, precision, and efficiency in decision-making tools and processes which creates smarter and sharper decisions that enable both safety and economy leading to sustainability.
[18] IAIP is our enterprise-wide Integrated Asset Investment Planning Framework, leveraged in program planning for existing assets.

ENVIRONMENT

We are committed to protecting the environment and respecting the diverse landscapes where we work. Whether expanding our footprint or maintaining existing assets, our approach to land and ecosystems is based on our core values. We work closely with rights holders and stakeholders to minimize disturbance and to preserve and maintain the environment for communities and wildlife.

IN THIS SECTION

Relevant SDG's

CLIMATE CHANGE STRATEGY AND THE ENERGY TRANSITION

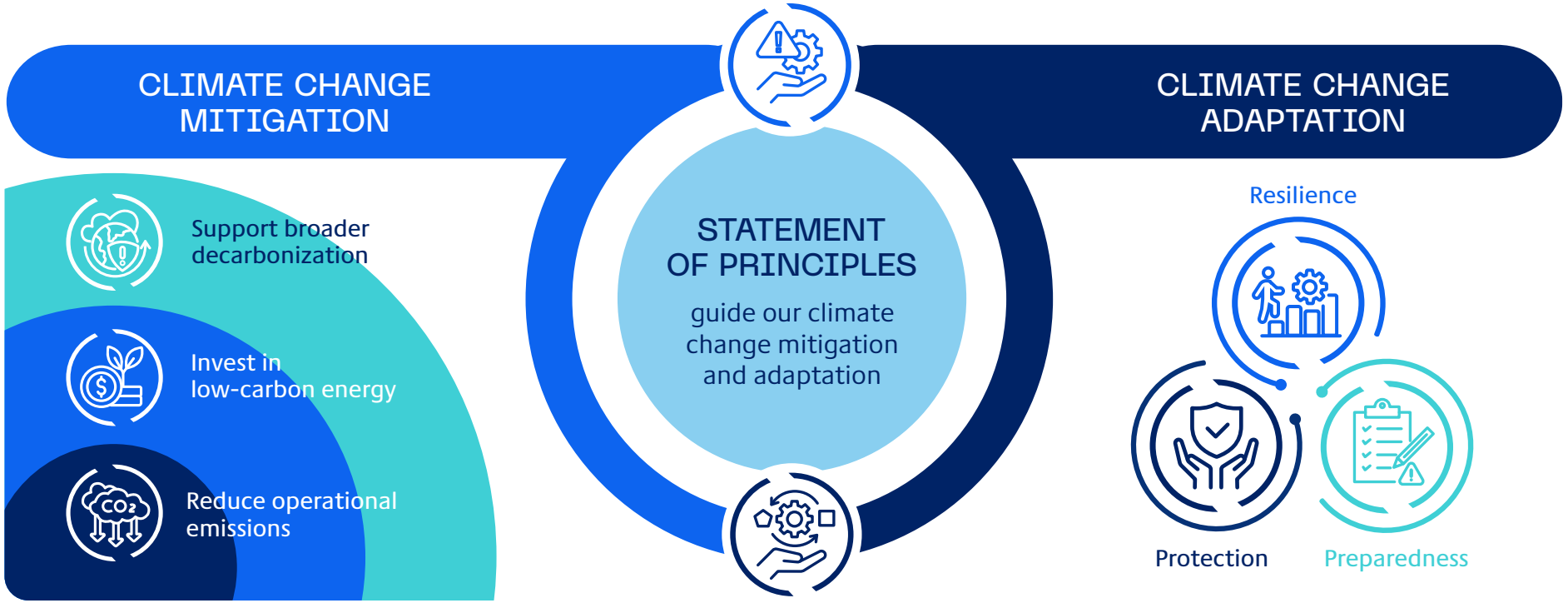
TC Energy is committed to global efforts to address climate change and manage the risks and opportunities of a lower-carbon economy.

Embedded in TC Energy's mission to safely and efficiently move, generate and store the critical energy that North America and the world rely on is that commitment: we do this through our broader support of North American and global decarbonization efforts, through our investments in low-carbon energy solutions, and through our efforts to reduce our operational emissions. Our climate strategy employs a holistic approach structured around mitigation and adaptation, systematically addressing both risks and opportunities within each. This allows us to make meaningful contributions to global emission reduction efforts while maintaining energy security, affordability, and reliability and delivering consistent, low-risk growth for our shareholders.

Our core business – natural gas and power generation – puts us at the intersection between gas molecules and electrons, enabling us to provide reliable energy supply, contribute to grid stability and respond to both energy expansion and energy transition signals, unlocking meaningful opportunities nationally and globally.

WANT TO LEARN MORE?

+ Energy Unbound: Our vision for North American energy
+ Climate-related risks and opportunities



Statement of Principles

At the core of our climate strategy lies a set of principles that reflect our fundamental values. These principles form the foundation of our climate strategy and our approach to mitigation and adaptation efforts, designed to deliver solid growth, low risk, and repeatable performance in a changing climate landscape. While our specific plans will likely require adaptation and adjustment as the external landscape evolves, these principles will remain constant as our guiding framework.

1

BALANCED CLIMATE ACTION

Climate action is needed and must be balanced with energy security, reliability, affordability and economic growth.

2

INVESTMENT-CONDUCIVE CLIMATE POLICIES

Decarbonization capital requires regulatory frameworks that provide certainty and stability, complemented by flexible, outcome-driven policies.

3

MARKET-DRIVEN, ECONOMICALLY EFFICIENT OUTCOMES

Market-driven solutions can significantly enhance economic efficiency of broader decarbonization efforts and achieve capital-efficient outcomes.

4

CUSTOMER AND SHAREHOLDER VALUE

Climate investment is centered on prudent, value-generating solutions delivering lower emissions outcomes and repeatable, low-risk growth.

5

STRATEGIC RESILIENCE AND ADAPTATION

An agile strategy enables both business resiliency and adaptation to climate impacts as imperatives for long-term sustainability and security.

GREENHOUSE GAS EMISSIONS

Our operations generate direct Scope 1 GHG emissions largely through the use of combustion-driven compressors that allow us to safely, securely and reliably deliver natural gas across our network. TC Energy's indirect Scope 2 emissions from purchased or imported energy — including electricity, steam and heat — are primarily related to generating electricity and heat for our operations. Through an independent analysis conducted in 2023 of our indirect Scope 3 emissions, we identified ten categories that are relevant to our core business activities. While not directly owned or controlled, these emissions are part of our value chain. We currently report five of the ten categories. See page 22 for an overview of our 2024 GHG emissions profile.

We continue to invest in upgrades to our infrastructure and processes that have the potential to reduce GHG intensity from our operations. Additionally, we are collaborating with suppliers, customers, and industry peers to identify opportunities for improving GHG data quality and reducing overall emissions.

We recognize that accurate and verifiable emissions data is fundamental to being the trusted leader in North America's energy infrastructure—and we are committed to continuous improvement in emissions quantification and reporting accuracy as a cornerstone of our climate strategy. Our Roadmap to Reasonable Assurance on GHG Emissions outlines our progress to date on the maturation of our GHG data and the specific enhancements required to secure an unqualified third-party reasonable assurance opinion on this data.

TECHNICAL HIGHLIGHT

GHG EMISSIONS ACCOUNTING

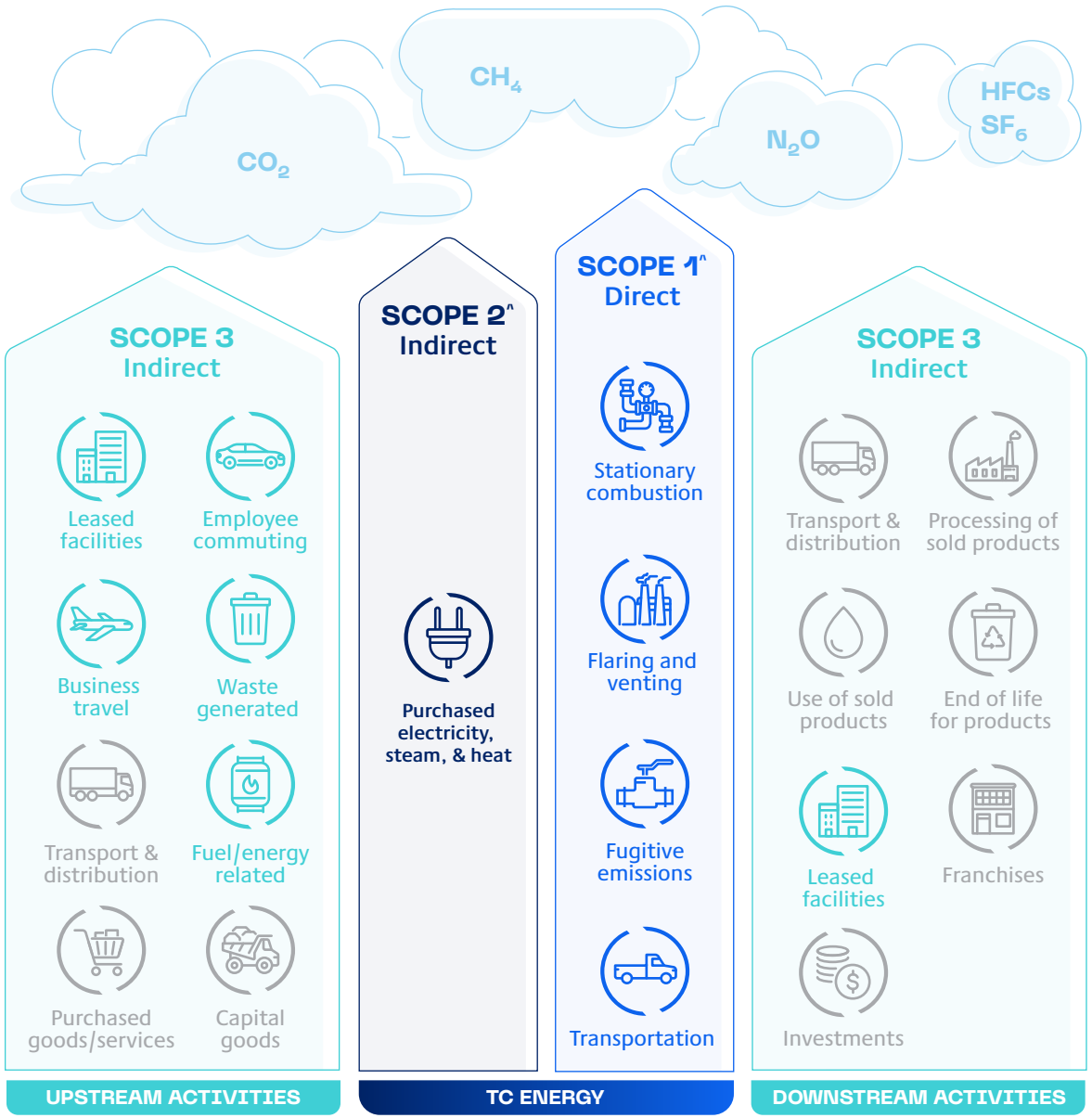
TC Energy's internal standard and methodologies for the annual quantification and reporting of Scope 1, Scope 2 and select Scope 3 GHG emissions are aligned with the GHG Protocol Corporate Accounting and Reporting Standard and related guidance documentation.

Scope 1 GHG emissions include combustion, fugitive, vented and flaring or incineration emissions. These are calculated using quantification methodologies consistent with regulatory reporting requirements in the jurisdictions where we operate or standardized corporate quantification methods aligned to acceptable regulatory methods. Calculations rely on measured fuel consumption, natural gas quality, operational activity, leak and venting data, or default emission factors and engineering estimates when direct measurements are unavailable.

Scope 2 emissions are calculated using the location-based method and standardized corporate reporting methodologies. Indirect emissions from operating assets, including third-party operated assets, are quantified using invoiced or metered energy consumption data and the emission factors published by regulatory bodies relevant to each region in which our assets are located.

Scope 3 emissions for Categories 3, 5, 6, 7, and 8 are calculated using standardized corporate methodologies similar to Scope 2. Emissions are determined by multiplying measured, invoiced or surveyed activity data with regional emission factors from regulatory bodies such as the United States Environmental Protection Agency (U.S. EPA) and Environment and Climate Change Canada (ECCC).

TC ENERGY'S GHG EMISSIONS PROFILE



not reported

SCOPE 1[19]

22,351^ *thousand tonnes CO_2e*

SCOPE 2[19]

426^ *thousand tonnes CO_2e*

SCOPE 3[19]

4,178 *thousand tonnes CO_2e*

We report our Scope 1 and Scope 2 GHG emissions using both an equity share and operational control approach, while Scope 3 GHG emissions are reported based on operational control. The equity share reporting boundary best reflects our corporate GHG emission footprint in relation to the percentage of ownership held across our operated and non-operated assets and closely aligns with our financial performance results. The operational control approach represents the GHG emission footprint from assets that we operate and are therefore influenced by TC Energy's operational practices. For a breakdown of reported GHG emissions, please refer to the Performance Data.

TC Energy has obtained independent limited assurance of operational control boundary Scope 1 GHG emissions, Scope 2 GHG emissions and corporate GHG emissions intensity (Scope 1 and 2) for the year ended December 31, 2024.

[19] Further detail about these indicators can be found in Appendix: Performance data

Climate change mitigation

Each tonne of carbon dioxide equivalent that is avoided, reduced or removed from the atmosphere plays a role in addressing the immense and complex challenge of climate change. TC Energy's mitigation efforts to reduce carbon emissions span across three separate verticals:

SUPPORT BROADER DECARBONIZATION

OUR IMPACT ON THE BROADER ENERGY SYSTEM

- Use natural gas transmission infrastructure to support lower-carbon energy growth (e.g. backstopping renewables, meeting growing energy demand with lower-emitting fuels)
- Support displacement of higher-emitting fuels such as coal, diesel and fuel oil by leveraging our transported commodities to support coal-to-gas conversions across our operational footprint and LNG adoption globally

INVEST IN LOW-CARBON ENERGY

ENHANCED DECARBONIZATION THROUGH OUR INVESTMENT

- Leverage our Power and Energy Solutions business to expand nuclear and invest in a safe, reliable and lower-emission power solutions aligned with global electrification trends
- Accelerate development and adoption of innovative low-carbon solutions through a strategic venture capital portfolio
- Advance energy solutions such as pumped hydro storage and carbon infrastructure (e.g. Alberta Carbon Grid) to reduce the emissions intensity of the broader energy system
- Complement GHG emissions reductions outside of our operational footprint through durable and verified carbon offsets

REDUCE OPERATIONAL EMISSIONS

SOLUTIONS TO REDUCE SCOPE 1 AND SCOPE 2 EMISSIONS

- Implement a methane-focused target: a 40 to 55 per cent reduction in methane intensity below our 2019 baseline by 2035
- Prioritize pragmatic near-term measures such as venting management to reduce GHG emissions while balancing energy reliability and strong financial performance
- Focus on cost-efficient emission reductions that enhance the value proposition of our assets and satisfy customer needs (e.g. modernization efforts that improve system efficiency and reliability)

Reducing operational GHG emissions - Scope 1

TC Energy's Scope 1 GHG emissions sources include combustion, venting, flaring and fugitive emissions from pipelines and pipelines facilities, and transportation. Our efforts to reduce Scope 1 emissions include a focus on reducing methane emissions. Read about our methane mitigation activities on pages 25 to 28.

TECHNICAL HIGHLIGHT

COMPRESSOR ELECTRIFICATION CONSIDERATIONS

When making compression investment decisions, we evaluate options such as electric drive, gas drive or hybrid drive units, based on reliability, cost and long-term utility.

Factors influencing whether to pursue hybrid or electric drive replacements include grid stability, proximity to power sources, electricity rates and existing infrastructure. Each decision is tailored to the specific operational needs of the unit and external considerations such as regulations and policies, including those related to carbon pricing, customer agreements and commercial frameworks for cost recovery.

REDUCING EMISSIONS FROM COMBUSTION

Combustion is the primary source of TC Energy's Scope 1 GHG emissions. In 2024, we advanced our GHG emission reduction efforts by upgrading some compression units to hybrid or electric drives and integrating renewable power sources.

Our initiatives included:

- Upgrading compression units on the Columbia Gas and ANR pipeline systems to hybrid drive horsepower, with some units already operational and additional deployment anticipated by late 2025
- Piloting solar thermoelectric generators (STEGs) at Iosegun Meter Station to harness solar thermal energy and convert it into electricity

Hybrid drive technology combines natural gas engines and an electric motor to power compressor stations. Under typical circumstances, the electric motor operates, producing zero direct emissions. In emergencies, such as power outages, the system seamlessly switches to the natural gas engine, avoiding unnecessary downtime or outages. This approach maintains system reliability while prioritizing emissions reduction where feasible.

Right-sizing turbines – Our Mount Olive compressor station, situated on our Columbia Gas pipeline, has historically been one of our highest emitting sites in the U.S. In 2023, we performed a system operation review and confirmed there were no significant commercial impacts by operating the facility with two of the three existing turbines. After 18 months of implementation, data showed this new operational approach resulted in similar flow volume outputs with approximately 25 per cent less fuel use and the reduction of over 30,000 tonnes of GHG emissions.

Capitalizing on data science – We partnered with Nova Research to develop an algorithm capable of rapidly analyzing thousands of operating scenarios to identify opportunities to optimize capacity and reduce fuel consumption, along with associated GHG emissions, on our NGTL system. Following the success of early pilots, we plan to expand its use in 2025.

FEATURE

METHANE – STRATEGY, PROGRESS AND PLANS

TC Energy continues to focus on reducing methane emissions from our operations, having already achieved a reduction of over 585,000 tonnes CO_2e from our 2019 baseline. Methane, the principal component of natural gas, has approximately 28 times the global warming potential of carbon dioxide. Methane emissions are typically associated with venting, incomplete combustion, fugitive emissions, equipment leaks, as well as upset or emergency conditions. Methane currently represents approximately 19 per cent of our total operational Scope 1 GHG emissions.

In 2024, we initiated efforts to align the Leak Detection and Repair (LDAR) work management processes across our Canadian and U.S. operations, with plans to extend this alignment to our Mexico operations in 2025. By aligning best practices from our various jurisdictions into a unified LDAR approach we can support methane emission reduction efforts across our entire footprint, while also enhancing data reliability.

Our methane reduction activities fall into four key areas:

- **Measurement and Quantification** - increasing the accuracy of emissions data, where possible or prudent, through new technologies and enhanced operational data
- **Prevention** - avoiding vented and fugitive emissions through the application of updated work practices or use of new technologies
- **Emission/Leak detection** - monitoring our assets to detect leaks or malfunctioning equipment
- **Repair** - stopping and repairing leaks

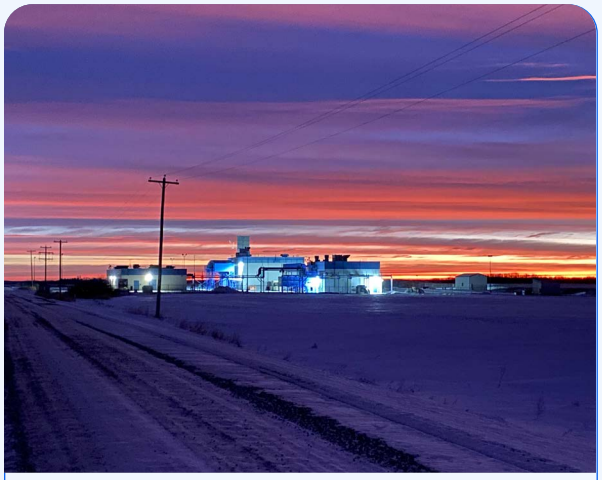
REFINING METHANE MEASUREMENT

TC Energy is improving the quality and transparency of our methane emissions disclosures through a variety of approaches, including leading-edge technology to manage methane emissions data, allowing TC Energy to more reliably validate measured and calculated methane emissions and fill previous data gaps.

In 2024, we implemented the Canada Gas Vent Digitization platform, a proprietary, in-house developed solution designed to quantify natural gas venting across Canada. By integrating data from all known vent sources at over 2,400 facilities, the platform will enhance accuracy in detecting venting activities and calculating station and equipment volumes. We are considering how we can apply this in our U.S. and Mexico operations.

Additional technologies we have implemented, or are currently piloting, include:

- **Optical gas imaging (OGI)** - OGI cameras to detect and measure fugitive emissions
- **Ultrasonic leak detection** – Tools that rely on noise signatures to detect internal leaks and leaks to the atmosphere
- **Aerial measurement** - Drones and aircraft-mounted sensors to identify methane emissions
- **Continuous methane monitoring** - A pilot of multiple industry leading methane detection technologies at our Turner Valley, Alberta compressor station to evaluate the efficacy of these tools in different situations



Oil & Gas Methane Partnership (OGMP) 2.0 membership reassessment

Over the past year, TC Energy has reassessed its participation in OGMP 2.0, conducting a comprehensive regulatory and technical gap analysis.

While we support OGMP's guiding principles, which promote accuracy and transparency of methane emissions data, we have decided not to join OGMP 2.0 at this time.

Based on our analysis, regulatory misalignment and uncertainty present considerable challenges to reach and maintain OGMP 2.0 gold standard across all three operating jurisdictions. We remain committed to methane emissions management as demonstrated by our recently announced methane intensity target.

WANT TO LEARN MORE?

+ OGMP 2.0 Reassessment Report
+ Report on Reliability of Methane Emissions Disclosure

REDUCING VENTED EMISSIONS

Vented emissions can occur during the normal course of operations and maintenance, as well as in upset or emergency conditions, and account for approximately nine per cent of our Scope 1 GHG emissions. Since vented natural gas is composed largely of methane, reducing or preventing vented natural gas is highly impactful at reducing our overall GHG emissions, maintaining compliance with operational standards and lowering compliance costs.

TC Energy actively monitors the development of new technology and practices to reduce or eliminate vented emissions. Our venting mitigation approach currently includes in-line isolation, transfer compression, gas recovery and re-injection, converting or upgrading pneumatic devices and methane destruction, where operationally feasible.

In-line isolation - In some cases, we use specialized equipment to create an isolation point in the pipeline, effectively shortening the length of pipe that needs to be depressurized by venting, allowing workers safe access for maintenance. In 2024, TC Energy expanded the use of the in-line inspection tool, resulting in an avoidance of nearly 83,000 tonnes CO_2e.

Pull-down transfer compression - Primarily applicable to large pipelines and high-pressure facilities, this process involves transferring gas from one pipeline section to another, leaving the targeted section depressurized. This is typically done to provide safe access for expansion tie-ins, maintenance, decommissioning or leak repair. While current technologies enable us to access and transfer most of the gas in the pipeline, a small amount of residual gas remains, which is either vented or incinerated for safety reasons. In 2024, we piloted new technology designed to recover and transfer a greater portion of this residual gas, conserving more product and further reducing emissions compared to traditional practices.

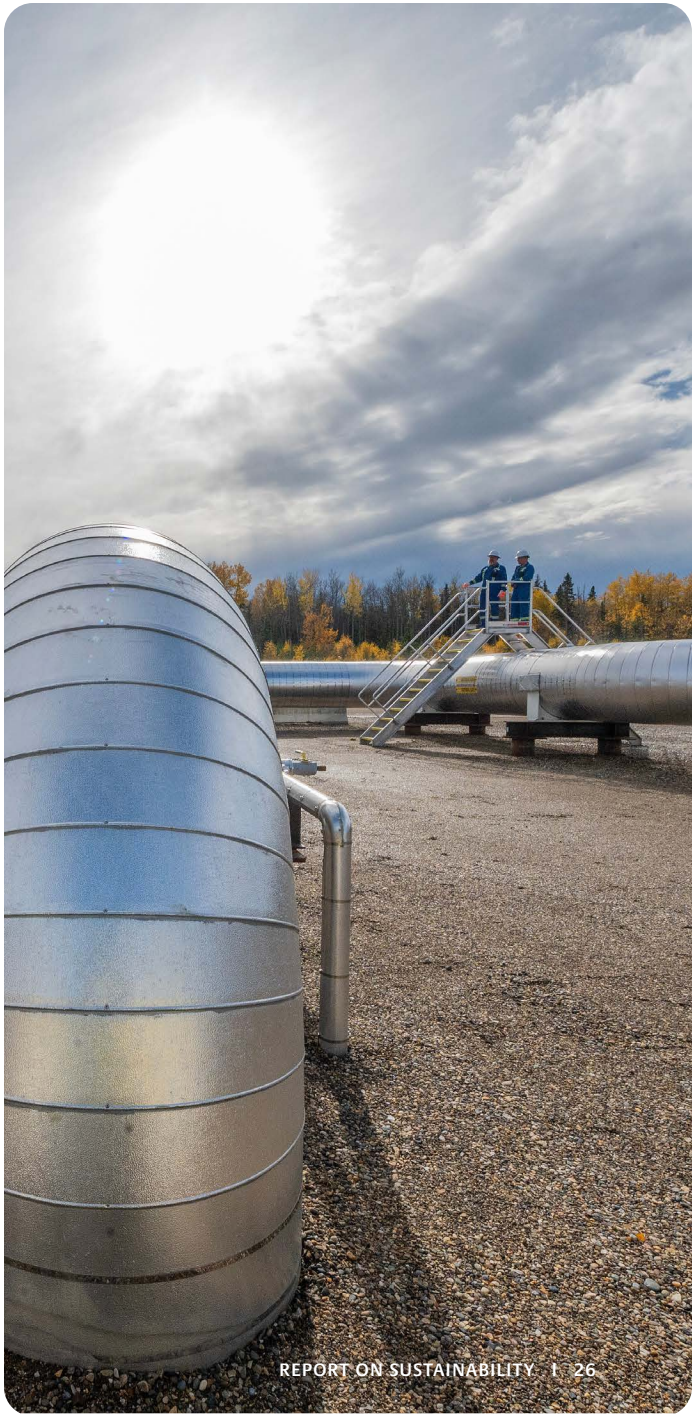
New technology could eliminate venting during blowdowns

In 2024, we piloted new pull-down compression technology aimed at minimizing or eliminating venting during blowdowns, the process of clearing natural gas from pipelines for worker access.

Ideal for lower-pressure, small-diameter pipelines or as a secondary transfer system for larger pipes, our two emissions recovery systems are designed to reduce pipeline pressure to near zero, virtually eliminating residual natural gas in the targeted section.

In 2024, these systems eliminated approximately 4,400 tonnes CO_2e through their respective pilot projects. Now integrated into our incremental abatement program, we are expanding capabilities by incorporating new tools into our standard mitigation practices and partnering with additional service providers.

Accessing and transferring residual natural gas, which is traditionally difficult to capture, represents a significant advancement in reducing venting-related emissions.



Gas recovery for reinjection or repurpose - Dry gas seal (DGS) reinjection systems capture methane from compressor seals and reinject the gas back into the pipeline system rather than releasing it into the atmosphere. A pilot of DGS systems at our Vetchland and Goodfish compressor stations in Alberta and Spruce compressor station in Manitoba, collectively prevented the release of approximately 1,500 tonnes CO_2e in 2024. Also in 2024, we piloted the use of a Qnergy Stirling engine at our Saturn No. 3 meter station on the NGTL pipeline, using it to convert methane emissions into useful energy as a temporary power source. This innovative approach significantly reduced GHG emissions and noise pollution compared to traditional diesel-powered electric generators.

Pneumatics program - In line with respective Canadian and U.S. regulations that focus on reducing vented emissions from pneumatic devices, we are replacing select "high-bleed" or relatively high emitting, pneumatic controllers, which continuously release natural gas during normal operations, with "low-bleed" or "no-bleed" devices. Between 2023 and 2024, we successfully replaced 88 high-emission pneumatic devices across our Canadian assets with low-emission alternatives. Additionally, all new greenfield compression facilities in the United States are being built using zero-bleed devices to further reduce pneumatic emissions. We are also testing and piloting new electric and air-actuated devices, as well as low-methane emission gas-pneumatic devices paired with methane destruction technology, to replace gas-pneumatic power in larger control valves.

Methane destruction - When pull-down compression or recovery technology is not viable for transferring or repurposing natural gas, and converting vented emissions into useful energy is not an option, methane destruction technologies such as incinerators or combustors can be utilized. These systems convert methane into carbon dioxide, which has a considerably lower global warming potential.

- **Mobile incinerators** – Following pull-down compression, we are increasingly deploying incinerators to destroy, rather than vent to the atmosphere, residual natural gas released from pipeline maintenance activities such as blowdowns. In 2024, we avoided the release of more than 8,730 tonnes CO_2e of blowdown emissions using novel applications of incinerators, in addition to TC Energy's existing methane reduction best practices
- **Enclosed vapour combustors (EVC)** - EVCs capture and combust natural gas from compressor dry gas seal vents and natural gas-driven pneumatic devices, converting methane into water vapour and carbon dioxide. In use since 2023 on Coastal GasLink (CGL), we are looking to expand use across our Canadian and Mexican assets where respective regulations recognize methane destruction as an effective solution to reduce GHG emissions from low pressure and small volume methane emission sources

In 2024, TC Energy achieved a 12 per cent reduction in methane emissions from our 2019 baseline. This progress is partly attributed to our Canadian Gas Operations strategy, which implemented the use of third-party incinerators and compressors at key locations nationwide to reduce blowdown volumes. As a result, Canadian pipeline blowdown emissions were reduced by nine per cent, equivalent to approximately 13,100 tonnes of CO_2e, while saving $1.1 million in regulatory compliance costs.

Working together to reduce methane emissions

Interstate Natural Gas Association of America - TC Energy is a member of the Interstate Natural Gas Association of America (INGAA) coalition of 27 U.S. and Canadian natural gas transmission pipeline companies, collaborating as an industry on policy positions and advocating for federal policies, laws, and regulations that support the development and operation of safe and reliable natural gas transportation and storage infrastructure now and as part of an evolving energy industry. INGAA's 2024 Climate Report demonstrates the natural gas industry's ongoing work to reduce and eliminate GHG emissions from the transmission and storage sector.

Our Nation's Energy Future Coalition, Inc. (ONE Future) - TC Energy is a member of ONE Future, a group of U.S. energy companies working to reduce methane emissions by identifying policy and technical solutions that manage emissions from production, processing, transmission and distribution. We are committed to the ONE Future 2025 transmission and storage (T&S) segment methane intensity goal of 0.301 per cent at our U.S. natural gas transmission and storage operations by 2025. Currently, TC Energy's U.S. natural gas pipelines operate at a methane intensity more than three times lower than the sector target, demonstrating our continued progress in emissions reduction.

WANT TO LEARN MORE?

+ View INGAA's 2024 Climate Report
+ ONE Future's 2024 Annual Report on Methane Intensities

REDUCING FUGITIVE EMISSIONS

Fugitive emissions are unintentional releases of methane from pipelines and pipeline facilities such as compressor stations, meter stations and valve sites. Fugitive emissions represent about nine per cent of our total Scope 1 emissions. To minimize their impact, we focus on identifying leaks and minimizing time from detection to repair.

Leak detection and repair for pipeline facilities

TC Energy's tailored LDAR programs at our above-ground natural gas pipeline facilities — compressor stations, meter stations and valve sites — meet or exceed regulatory requirements. We assess and deploy new practices and technologies to improve the efficiency and effectiveness of our LDAR programs across all jurisdictions.

At our Canadian operations, our LDAR program has successfully abated over 153,000 tonnes CO_2e in reported fugitive emissions compared to our 2019 baseline year by leveraging enhanced direct measurement techniques and timely equipment repairs. In 2024, TC Energy introduced an alternative LDAR (Alt-LDAR) program, conducting quarterly leak surveys at compressor stations and annual surveys at meter stations and valve sites using OGI cameras and other Method 21 devices, in accordance with applicable regulations. This approach facilitates faster identification and resolution of significant leaks. Moreover, since the baseline LDAR program's inception in 2020, the average leak repair time has improved by 72 per cent.

At our U.S. operations, we complete annual leak surveys at approximately 70 per cent of our compressor stations using a combination of OGI cameras and flow measuring devices. Approximately 20 per cent of our compressor stations are also subject to quarterly monitoring for fugitive methane emissions using OGI cameras, along with repair requirements for identified leaking equipment components. A subset of our compressor stations in New York, California, Maryland and Pennsylvania are also subject to state LDAR programs, where monitoring[20] occurs bi-monthly, quarterly, or annually, depending on state regulation.

At our Mexico operations, we complete leak surveys using OGI cameras every six months at our compressor stations and meter stations in accordance with Mexican regulatory requirements.

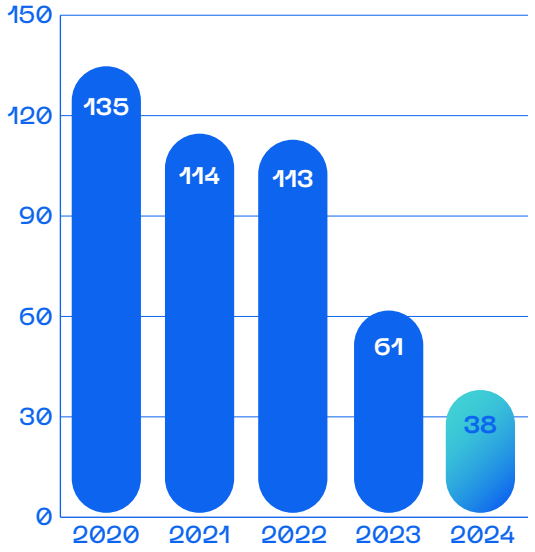
Leak detection and repair for pipelines

TC Energy's Pipeline Integrity Management Program uses set-frequency aerial flyover leak detection surveys to identify methane leaks along our pipelines. At our Canadian and U.S. pipelines, we conduct rotary wing aerial surveys every six months using methane detection technology, identifying potential leaks for further investigation.

Repairing identified leaks is a priority to control emissions and manage safety and environmental risks. When repairing leaks, we use various methane reduction processes, including capacity drawdown, transfer compression and incineration, to further reduce emissions associated with pipeline repairs.

Time from detection to repair

average days; at our Canadian pipelines



We continue to reduce time between leak identification and repair completion.

[20] Using U.S. EPA Method 21 instruments (specialized portable VOC (volatile organic compound) instruments used to detect leaks in industrial equipment such as valves, pumps and connectors) or OGI cameras

Reducing operational GHG emissions - Scope 2

We monitor indirect Scope 2 GHG emissions from purchased electricity and steam across our operations, calculating them using standardized emission factors applied to measured electrical consumption data.

As part of our journey to continuously improve GHG emissions inventory completeness and reliability, we have adopted AI technology that extracts consumption details from thousands of utility invoices across our operations. This advancement has strengthened our ability to create a measurement-informed, comprehensive Scope 2 emissions profile.

We are selectively pursuing opportunities to mitigate Scope 2 emissions through incorporating power purchase agreements (PPAs) in our commercial decisions where it is practical to do so. We also consider Scope 2 emissions when evaluating compressor units for system expansion, utilizing a standardized valuation model to evaluate the impact of electric compression to customer tolling structures. While we do not currently make use of renewable energy certificates (RECs) in our inventory, they remain an option to help lower our overall emissions intensity.

Quantifying indirect GHG emissions - Scope 3

TC Energy's Scope 3 emissions occur upstream and downstream in our value chain. We are currently reporting five of the 10 relevant Scope 3 categories and are assessing the remaining five against current reporting guidance and quantification methodologies.

Quantifying Scope 3 emissions is inherently complex, as it largely relies on data from partners in our value chain and is outside our internal control and assurance processes. To support the development of clear guidance for our industry, we contributed to the International Petroleum Industry Environmental Conservation Association (Ipieca) oil and gas-specific quantification and reporting guidance and supplemented Ipieca's response to the GHG Protocol's Scope 3 survey. We expect our indirect GHG emissions determination and quantification to be iterative as reporting practices across our supply chain improve over time.

TC Energy is continuing to advance lower-carbon energy solutions through our Virginia Electrification Project. In 2024, we converted two compressor stations in Virginia – Goochland and Boswell's Tavern – to hybrid drive technology. Typically, these compressor stations rely on electric-driven motors for operation. During emergencies such as a power outage, the hybrid drive technology can shift to a natural gas-powered engine; a temporary switch to supply continued energy to homes, hospitals, schools and those in need of energy.

WE DO NOT OWN OR SELL TO END-USE CONSUMERS THE MAJORITY OF PRODUCT THAT WE TRANSPORT AND MARKET. AS SUCH, SCOPE 3 CATEGORY 11 IS CONSIDERED NON-RELEVANT TO OUR CORE BUSINESS ACTIVITIES.

Scope 3 Category 11

We recognize that disclosing Scope 3 Category 11 emissions helps stakeholders understand our exposure to climate-related transition risks. We have assessed these risks - alongside others - under various carbon scenarios in the climate scenario analysis section of this report.

Climate targets

PROGRESS ON OUR INTERIM TARGET

As stated in last year's report, our emissions trajectory saw us falling short of the interim target we set in 2021. The increasing demand for our infrastructure and the hard-to-abate nature of our operations created challenges in meeting that target. Accordingly, we undertook a comprehensive reassessment of our interim target. Following this work, TC Energy is setting a methane intensity reduction target of 40 to 55 per cent by 2035. The upper range of our target is contingent on methane emission reductions being financially prudent and receiving customer support and cost recovery.

Our operational emissions are only one part of our overall efforts to reduce carbon emissions. Our efforts fall into three distinct verticals: reducing operational emissions, investing in low-carbon energy, and supporting broader decarbonization efforts.

IN PROGRESS

OUR TARGET: Position to achieve zero emissions from our operations on a net basis.[21]

STATUS: We remain committed to our long-term objective of positioning to achieve net-zero emissions from our operations.

NEW TARGET

NEW TARGET: 40 to 55 per cent reduction in methane intensity below 2019 baseline, by 2035.[22]

2019 methane intensity: 10.07 tonnes CH_4 / Bcf

Our methane target

We are demonstrating our ongoing commitment to climate change mitigation by introducing a methane intensity reduction target as the milestone in our multi-step climate implementation plan.

Setting a methane intensity target enables us to systematically pursue the most cost-efficient and impactful emissions reductions, progressing strategically up the marginal abatement cost curve. By prioritizing methane emissions management in the near term, we are optimizing the balance between protecting and enhancing asset value through proactive climate risk management, maintaining competitive tolls for our customers, and delivering strong returns for our shareholders.

[21] Our targets address Scope 1 and Scope 2 GHG emissions quantified under our operational control boundary.

[22] Our target addresses Scope 1 methane emissions associated with our natural gas transmission and gas storage assets, expressed in tonnes of CH_4 per Bcf. For planning purposes, target progress is measured under the operational control reporting boundary, relative to the 2019 baseline year intensity of 10.07 tonnes CH_4/Bcf, which has been recalculated to align with the structural and methodological changes noted for the 2020 through 2023 reporting periods.

Our 2050 target

In 2021, we set ambitious GHG reduction targets and a position to achieve net-zero from operations by 2050 goal during peak market optimism for low-carbon solutions. Reality has proven more complex—key technologies like carbon capture and low-carbon fuels haven't scaled as expected, while natural gas has emerged as increasingly critical for reliable, affordable and secure energy supply.

This evolving landscape hasn't deterred us or caused us to stop working on ways to lower greenhouse gas emissions. We continue to make strategic investments in lower carbon energy solutions, evaluate emerging technologies, such as methane pyrolysis, and look for innovative customer solutions.

We recognize the importance of pursuing positioning to achieve net-zero emissions from operations to stabilize the global temperature increase and limit climate change impacts. However, we must also recognize that we, as society, collectively lack a comprehensive understanding of the scope, scale and the pace at which the transition to a net-zero economy can realistically occur. Several anticipated technological breakthroughs and adoption rates that were expected to serve as key milestones have not yet materialized at the necessary scale. For example, carbon capture technologies, renewable energy storage solutions and low-carbon hydrogen production remain at insufficient deployment levels to support the originally envisioned transition timelines. At the same time, energy demand across North America continues to surge at a pace not seen in decades, meaning that all forms of energy will be needed to power our always-on modern economy.

Given these realities, we believe maintaining an **unwavering commitment to 2050 as a rigid target without acknowledging these challenges would lack transparency and authenticity**. Nevertheless, we remain committed to our long-term objective of positioning to achieve net-zero emissions from our operations, and we will continue to adapt our strategies as technological capabilities evolve and market conditions change. We will look to decarbonize at a pace that aligns with North American and global energy trends and work to adopt commercially viable low carbon energy solutions as they become available for hard to abate sectors like ours.

LOW-CARBON ENERGY INFRASTRUCTURE AND INVESTMENTS

We continue to invest and develop a broad range of low-carbon energy solutions in our portfolio. In varying stages of development, these projects stretch across our North American footprint.

Nuclear

The core of our Power and Energy Solutions business, Bruce Power[23] plays a critical role in meeting Ontario's growing electricity demand and decarbonization goals, currently generating approximately 30 per cent of the province's electricity needs. With electricity demand forecasted to dramatically increase in the coming decades, Bruce Power is investing to optimize output from the existing site. Extending the operational life of the Bruce Power units will secure long-term, emission-less price-stable electricity for businesses and families in Ontario. In 2024, our investment in Bruce Power[23] accounted for approximately 60 per cent of Canada's annual investment in nuclear power averaged over the past five years. TC Energy's secured capital program of $4.9 billion for Bruce Power represents six to seven per cent of North America's estimated investment in nuclear power from 2024 to 2029[24]. These investments include:

- **MCR Life Extension Program** - In 2024, the Life-Extension Program at Bruce Power progressed with the Unit 3 MCR and the Unit 4 MCR commenced on January 31, 2025. In April 2025, Bruce Power received approval from the Independent Electricity System Operator (IESO) to proceed with its Unit 5 MCR Project. Scheduled to begin in 2026, this marks the fourth MCR outage in Bruce Power's comprehensive Life-Extension Program.
- **Project 2030** - Bruce Power's Project 2030, in conjunction with the MCR life extension program, aims to achieve a site peak output of 7,000 MW by 2033 to support climate change goals and address future clean energy demands. The project emphasizes asset optimization, innovation, and the adoption of new technologies including potential integration with storage and other forms of energy sources, to increase site capability. It is being executed in three phases, with Stages 1, 2, and 3a already approved for implementation.

With the completion of MCR and Project 2030 upgrades in the 2030s, the additional output from existing units will be roughly the equivalent of adding a large-scale reactor to its site. Through these life-extension programs, Bruce Power will continue to supply Ontario schools, businesses and hospitals with the emission-less energy they need, while also supplying cancer-fighting isotopes for the medical community at home and around the world.

AS ELECTRICITY DEMAND IN ONTARIO IS ANTICIPATED TO GROW 75 PER CENT BY 2050[25], BRUCE POWER PLAYS A CRITICAL ROLE.

WANT TO LEARN MORE?

+ Bruce Power 2024 Annual Review

Pumped hydro storage

Ontario Pumped Storage Project - Along with the Saugeen Ojibway Nation (SON), our prospective partner, we continue to advance pre-development work on the Ontario Pumped Storage (OPS) Project, Canada's largest energy storage facility designed to provide 1,000 MW of flexible, clean energy to Ontario's electricity system using a process known as pumped hydro storage. In April 2024, the Canadian Centre for Economic Analysis (CANCEA) released a report detailing the economic and social benefits of the potential project. The report highlighted that the project could inject over $6.8 billion into the Canadian economy over 50 years, create 41,200 jobs across multiple sectors such as manufacturing and construction[26], and generate $450 million in social value. In January 2025, the Ontario government announced an investment of up to $285 million, which will allow the OPS Project to advance critical development work.

The OPS remains subject to a final investment decision by TC Energy's Board of Directors, SON and the Ontario Government.

WANT TO LEARN MORE?

+ Proposed Ontario Pumped Storage Project
+ Report: CANCEA Made-in-Ontario Pumped Hydro Storage: Economic and Social Value Benefits
+ News release: Ontario Starting Pre-Development Work for Pumped Storage Project in Meaford

[23] TC Energy has a 48.3 per cent ownership stake in Bruce Power.
[24] Analysis adapted from IEA World Energy Investments 2025, and IEA 2024 World Energy Outlook
[25] Ontario Independent Electricity System Operator (IESO) October 16, 2024, news release
[26] Figure 4 Total person-years by industry.

Pilot development and venture investments

We are expanding our internal capabilities and developing technologies adjacent to our core natural gas business, piloting initiatives that drive decarbonization across our existing assets. These initiatives:

- Support emission reduction efforts across Natural Gas Pipelines business
- Drive proactive market and technology engagement to better understand pace of transition
- Develop internal capabilities to enhance success of deploying new technologies
- Consider small, strategic investments that seek to generate outsized returns

Current Pilot Portfolio

CO_2 capture and sequestration pilot on a compressor station

Methane pyrolysis study for blending produced hydrogen as a fuel

Carbon capture: we continue to assess and advance carbon capture, utilization, and storage projects for transport and sequestration of CO_2 emissions.

WANT TO LEARN MORE?

+ Alberta Carbon Grid

Methane pyrolysis: we are exploring hydrogen production methods that offer an alternative to traditional hydrogen production.

In 2024, TC Energy was awarded a grant from Alberta Innovates as part of their Hydrogen Centre of Excellence to explore hydrogen production via methane pyrolysis. Methane pyrolysis involves breaking down methane into hydrogen and solid carbon, whereby the produced hydrogen can be used as a fuel substitute, reducing CO_2 emissions compared to conventional processes.

SUPPORTING BROADER DECARBONIZATION

Supporting global decarbonization from Liquified Natural Gas (LNG)

North America is the leading supplier of reliable LNG to the world and is recognized as a critical enabler of global decarbonization due to its abundant resources, favorable geography, strong resource governance, and vast energy infrastructure network. As Canada brings its first LNG projects online, the U.S. remains the dominant player in North American LNG exports.

TC Energy's infrastructure is contributing to North America's LNG leadership, with an investment of nearly US$ 1.5 billion over the past seven years.

In the U.S., we move approximately 25 per cent of the natural gas destined for LNG exports, with deliveries to LNG terminals reaching an average of 3.2 Bcf per day in 2024 - a nearly 370 per cent increase since 2018. Our network has direct and indirect connections to all four operating LNG facilities in Louisiana, a region expected to account for over half of U.S. LNG exports by 2035.
In Mexico, our Sur de Texas pipeline became the country's first upstream supply line for LNG exports in 2024.
In Canada, TC Energy's partnership in Coastal GasLink Pipeline– the country's first major pipeline to the west coast in over 70 years - is intended to support two LNG export facilities, both of which are expected to be among the lowest in emissions intensity globally[27].

We continue to invest in infrastructure that builds the backbone of tomorrow's LNG supply chain. From 2022 to 2024, we placed five major LNG-related projects in service in the U.S., connecting LNG facilities, which represent 4.1 Bcf per day of capacity, to natural gas supply through our infrastructure. Through projects like Grand Chenier XPress, Louisiana XPress, Alberta XPress, North Baja XPress, and Gillis Access, we are demonstrating our ability to execute reliably at scale to support LNG growth and global decarbonization. In the absence of U.S. LNG exports, coal would likely be the economically viable alternative to meet up to 50 per cent of electricity demand in Asia[28] - particularly in India, South Korea, and Japan. In these three countries[29], coal represents over 50 per cent of the combined electricity generation mix.

Over the next year, we plan to quantify the impact of our footprint in supporting the displacement of higher-emitting fuels through deliveries to North American LNG export facilities. Leveraging internationally recognized methodologies, our approach will evaluate historical and forward-looking energy transition trends to understand sources of energy displaced, including the potential displacement of more emissions-intensive forms of energy, where applicable. This work will allow us to evaluate our impact while identifying areas where we could influence further GHG emission reductions along our supply chain.

Supporting North America's coal-to-gas conversion

Beyond exports, natural gas is playing a vital role in North America's power sector transformation. Natural gas demand is growing, underpinned by the need for dispatchable, high-capacity baseload power that can complement intermittent renewables. In 2024, U.S. natural gas demand for power generation reached a record 37 Bcf a day, up 19 per cent from 2019[30].

Coal-to-gas conversions are an important development in the U.S. power market, where there is still nearly 175 GW of operating coal-fired capacity[31]. Between 2006 and 2023, approximately 60 per cent of U.S. power sector CO_2 emissions reductions were driven by coal-to-gas switching[32]. We believe our assets are strategically positioned to support this ongoing evolution. Across our U.S. footprint, we maintain direct connections to over 100 power plants and are situated within 15 miles of an additional 41 operating coal-fired facilities—many of which are anticipated to be retired in the coming years. Our proposed ANR Heartland project exemplifies how we are advancing the evolution of North America's energy mix towards lower-emission intensity sources. By delivering critical midstream infrastructure to meet growing power demand, especially in the mid-American corridor – a region poised to play a leading role in coal-to-gas conversions – we are supporting the transition from coal-fired generation to cleaner-burning, dispatchable natural gas.

Over the next year, we expect to leverage internationally recognized methodologies to quantify the potential emissions reductions from these coal-to-gas conversions to better understand our contribution to North America's electric grid decarbonization.

[27] Evaluate Energy, LNG Briefing Note: Fall 2023; *Cedar LNG Project: Greenhouse Gas Technical Review*, Environment and Climate Change Canada, September 2, 2022; Figure 9 *from Canadian LNG Competitiveness*, Oxford Institute for Energy Studies, December 2019.
[28] Exhibit 41 and 48 from *Lifecycle GHG Emissions of US LNG Exports*, Natural Allies for a Clean Energy Future, July 2024; Figures 10 and 11 from *Major New US Industry at a Crossroads: A US LNG Impact Study – Phase 1*, S&P Global, December 2024.
[29] *Electricity – India*, International Energy Agency; *Electricity – Korea*, International Energy Agency; *Electricity – Japan*, International Energy Agency.
[30] US Energy Information Administration – Natural Gas Consumption by End Use
[31] *Net Summer Capacity of Utility Scale Units Using Primarily Fossil Fuels and by State*
[32] Figure A-7 from *U.S. Energy-Related Carbon Dioxide Emissions, 2023—Report Appendix and Methodology*, Energy Information Agency – EIA, 2024; *Today in Energy - Electric power sector CO2 emissions drop as generation mix shifts from coal to natural gas*; Energy Information Agency – EIA, 2021.

OPERATIONAL MANAGEMENT

The safe and reliable function of our assets and equipment remains vital to achieving our safety and business goals. We work proactively to maintain the integrity of our assets through their entire life cycle, continually monitoring the health of our pipelines and facilities, and preventing damage by outside sources and conditions.

WANT TO LEARN MORE?

+ Fact sheet: asset integrity (Canada)
+ Fact sheet: asset integrity (U.S.)

Asset integrity and resilience

TC Energy's asset integrity programs are designed to reduce our environmental impact, improve efficiency and help ensure safety for workers and communities throughout the lifecycle of our assets.

$2.0B invested in integrity programs in 2024

1

+ Aerial inspections of pipeline route
+ Leak detection

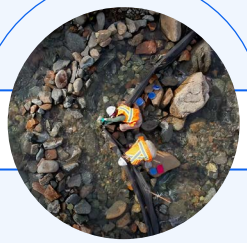
>1,000 aerial inspections per year

2

+ Anti-corrosion coating
+ Cathodic protection

> 150,000 designated test points monitored annually. Test points are located at regular intervals along our pipeline.

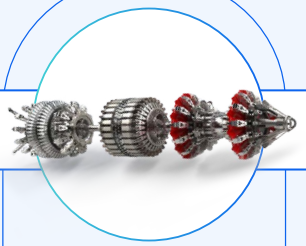
3



Monitoring of geotechnical, water crossing and other natural hazards

> 1,200 natural hazard inspections per year[33]

4



+ In-line inspections (ILI)
+ Non-destructive examinations
+ Integrity digs

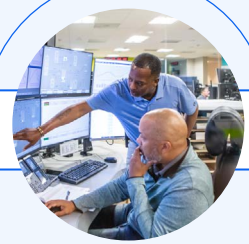
>350 in-line inspections per year[33]

5

+ Compressor Station maintenance
+ Instrumentation and meter calibration
+ Valve inspection and maintenance

>100,000 valve inspections per year[33]

6



We monitor our pipeline network 24 hours a day, 7 days a week from our primary control centers in Texas, West Virginia, U.S., Alberta, Canada, and Mexico City, Mexico

Note: image source for the ILI tool is "ROSEN group"

[33] The number and length of inspections at TC Energy varies yearly due to factors like pipeline age, regulatory changes, operational adjustments, technological advancements, incident history, and environmental conditions.

Pipeline and facility integrity

To protect our workforce, communities and the environment, we focus on maintaining the integrity of our pipelines and facilities. We continually monitor our assets for external and internal hazards that could impact the pipeline and conduct regular maintenance on our pipeline system. Key activities include:

1 AERIAL INSPECTION

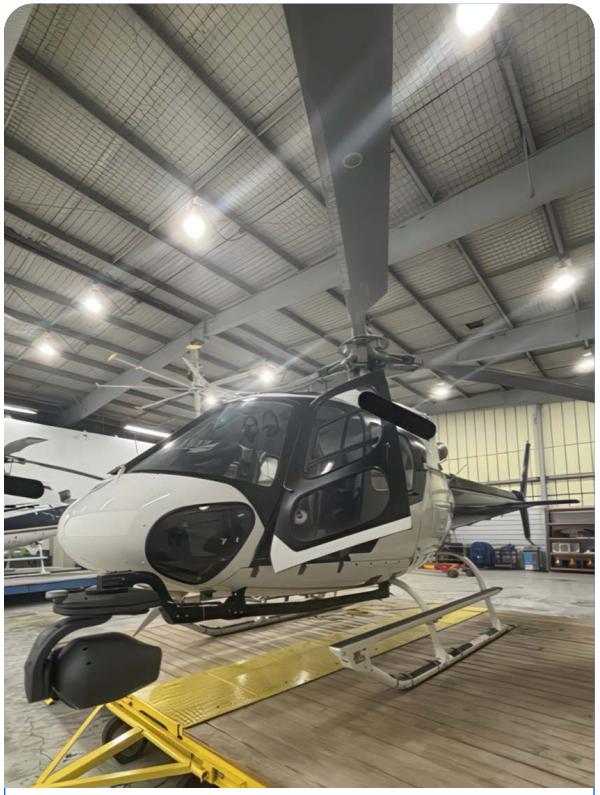
Our pipelines traverse slopes and cross rivers and streams. We fly over pipeline routes, looking for unauthorized activity and geotechnical hazards such as soil disturbances from wind or water erosion and movement of steep slopes. We also use sensitive leak detection equipment during aerial inspections to detect potential natural gas leaks.

2 CORROSION PROTECTION

The external surface of our pipeline is coated with an anticorrosion product. During operations, a very low-voltage electrical current called cathodic protection is applied to the pipe to protect it from corrosion in areas where the coating may have been compromised. We monitor the cathodic protection system for proper operation.

3 GEOTECHNICAL, WATER-CROSSING AND OTHER NATURAL HAZARDS MONITORING

Active slopes and streams along our pipeline routes are monitored regularly to help ensure the safety of our pipelines and reduce environmental influence.



To enhance the safety and integrity of our pipeline network, TC Energy uses aircraft with advanced sensors to detect leaks and external interference threats. However, these low-elevation flights pose potential safety risks. In 2024, we began implementing an advanced camera system that improves the location and quantification of methane emissions and allows pilots to conduct their aerial inspection from a higher altitude, improving pilot safety. We currently have one system in use, with another coming online soon, at our Charleston, West Virginia airbase.

4 IN-LINE INSPECTION (ILI)

ILI involves sending an internal inspection device through the pipeline to collect data that can help identify potential hazards such as small cracks, weld defects, or corrosion. Based on data analysis from ILI and other inspection and monitoring reports, sections of pipeline are excavated to investigate their condition. Detailed engineering assessments (non-destructive examinations) may be performed to determine if repair or replacement is required.

5 INSPECTIONS AND MAINTENANCE

Our Pipeline Integrity Management Program guides how we monitor, inspect and repair our pipeline facilities. Using advanced data analytics, we extract insights from numerous sources of pipeline data across the company. These insights are used to plan pipeline maintenance to maximize efficiency and minimize disruption to local communities. Inspection and maintenance activities include:

- **Mainline valve maintenance** – Mainline valves are located approximately every 25 kilometres (16 miles) along the pipeline. They allow us to isolate a section of pipeline for routine maintenance and in the unlikely event of an unintended pipeline release. Routine maintenance for valves varies depending on function and valve condition
- **Compressor and meter station maintenance** – Maintained in accordance with regulations and standards, these inspections support the safety and reliability of our turbines, compressors, instrumentation, controls systems and associated equipment

6 DIGITAL MONITORING

Our Pipeline network is monitored 24 hours a day by highly trained employees from four primary control centres in Houston, Texas, Charleston, West Virginia, Calgary, Alberta, and Mexico City, Mexico. Along with our Corporate Security team, they monitor pipelines for:

- major changes in pressure that could indicate a significant leak requiring investigation
- intrusions into a locked facility, alerting local authorities
- equipment performance, automatically shutting down equipment that exceed thresholds

In 2024, we invested in developing, piloting and implementing enhanced inline inspection technologies. Improving the accuracy and reliability of ILI results enables us to deploy our maintenance resources more effectively where and when they are most needed.

Pictured is an inline inspection tool used on part of our pipeline in Mazatlán, Mexico, where we collaborated with an ILI vendor to develop an optimized tool for low-flow inspection conditions. This allowed us to examine the pipeline from the inside without disrupting gas flows.

Emergency preparedness and response

With a goal of zero significant process safety incidents at hundreds of facilities in three countries, staying prepared takes teamwork, co-ordination and effective response plans.

TC Energy uses the Incident Command System (ICS) to co-ordinate an effective and efficient response to emergencies. A standardized approach, ICS requires those responding to an emergency to be familiar with the process and aware of their role during a crisis. To prepare our employees and contractors for their roles, we develop and practice emergency response plans, conduct regular emergency response exercises and collaborate with local first responders to coordinate our response.

ZERO

OUR TARGET: Zero significant[34] process safety incidents annually.

STATUS: We achieved our target of zero significant process safety incidents while reducing Tier 1 process safety events by nearly 30 per cent, from 17 events in 2023 to 12 in 2024. Our investigations of these events have highlighted opportunities to enhance hazard recognition and risk awareness, which we are addressing through planned improvements to our risk management processes and continued deployment of Control of Work tools to strengthen frontline competencies across our operations.

We conduct investigations of all Tier 1 process safety events. In 2024, we completed initial training on new critical risk management processes and are continually improving additional safety processes, such as management of change and pre-startup safety reviews, among others, from early 2025 through mid-2026.

EMERGENCY RESPONSE PLANS (ERP)

All TC Energy operational assets have an ERP outlining steps to take in response to an incident. Guided by regulatory and legislative requirements, ERPs prioritize the safety of the public, landowners, first responders and employees, reduce the potential for destruction of property, help minimize environmental impacts and limit interruption of service.

TRAINING AND COLLABORATION

Practice is essential to responding quickly and effectively in an emergency. In 2024, we conducted 192 emergency exercises across our network to practice the skills and communication required to respond to an incident on or near our assets. Many of these drills included local emergency responders to refine our collaborative response.

WANT TO LEARN MORE?

+ Fact sheet: emergency preparedness and response

[34] Significant process safety incidents are defined by TC Energy as Tier 1 Process Safety Events that result in a major, critical, or catastrophic actual consequence according to the Operational Risk Matrix. Applying a severity filter allows focus on more serious Tier 1 process safety incidents by measuring actual consequences according to Operational Risk Matrix (ORM). Events resulting in injury are excluded to avoid duplication with the HSIF metric.

ENVIRONMENTAL MANAGEMENT

We recognize that land has cultural and ecological significance in addition to its economic value. TC Energy is committed to stewardship of shared resources, including: preventing or mitigating our impacts on habitat, biodiversity, water, land and air; responsibly managing our waste; restoring land impacted by our operations; and, investing in community initiatives that protect and enhance the environment.

Our approach

Our approach to environmental management is guided by our environmental principles centered on stewardship, protection and performance. These principles direct our behaviours and shape our actions, throughout the life cycle of our assets. They support the broader environmental strategy and embody TC Energy's enduring commitment to responsible environmental practices.

Stewardship - We believe success comes from joint efforts to prevent or mitigate our environmental impact from developing and operating energy infrastructure. TC Energy takes an evidence-based, collaborative approach, listening to Indigenous rights holders, landowner and stakeholder voices, working with local communities and experts to assess site-specific impacts.

Protection - TC Energy's dedicated team of environmental professionals create tailored operating procedures, employee training, and inspection and audit cycles that match the needs of the site, including managing potential interactions with sensitive habitats or species as well as sensitive life cycle stages. These programs help minimize impacts on stream and wetland ecosystems, wildlife habitat, cultural resources and the human environment.

Performance - Having clear metrics and targets for our commitments is essential to our performance-based management. We align our efforts with global, market-led standards and frameworks to report on biodiversity and environmental impacts.

From our initial stakeholder and rights holder engagements on project planning and design, through construction and operations, to the day we decommission and reclaim the land, we are committed to protecting the environment.

WANT TO LEARN MORE?

+ Environment Principles

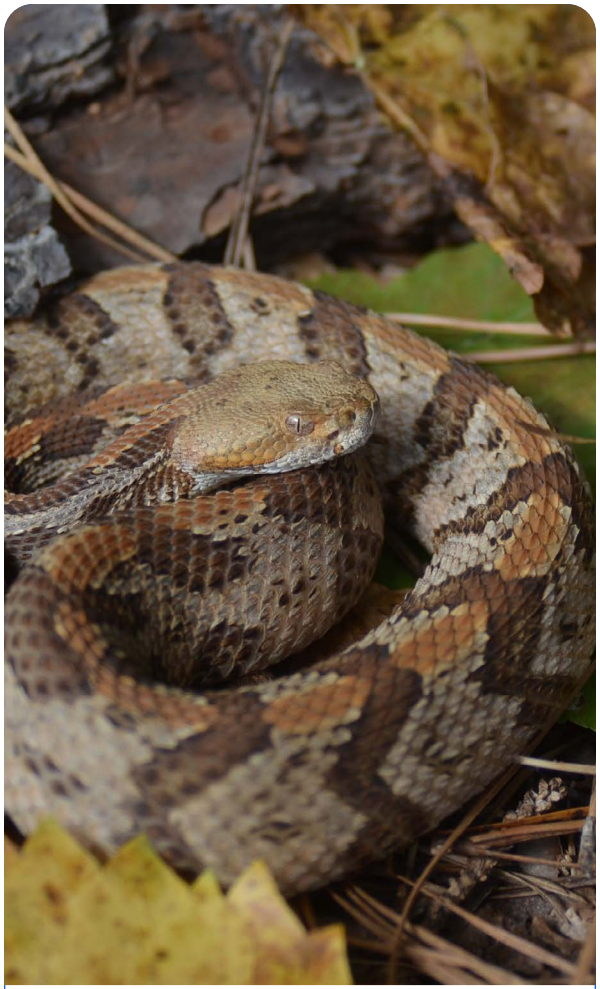
Supporting TNFD refinement

The Taskforce on Nature-related Financial Disclosures (TNFD) is a global initiative that developed a framework for companies to manage their nature-related risks and impacts.

As a member of the TNFD Forum, we continue to build on our knowledge of the TNFD's work to inform our approach to nature-based reporting. To that end, we have prepared a table of preliminary correlations between our sustainability reporting and TNFD's recommendations. This represents one of our first steps towards TNFD alignment.

WANT TO LEARN MORE?

+ TNFD alignment



In 2024, we conducted monitoring work on our Virginia Reliability Project to minimize the impact of project activities on the state-endangered canebrake rattlesnake. This work led to the successful relocation of a total of 171 individual animals of 26 species, including 13 canebrake rattlesnakes.

Habitat, biodiversity and land

We are committed to being responsible stewards of ecosystems near our operations. To do so, we work to mitigate our impacts at all stages of an asset's lifecycle.

IDENTIFYING IMPACTS

Before we start work on a proposed facility or pipeline, we assess how our construction and operations could interact with wildlife and wildlife habitat, vegetation, fish and fish habitat and wetlands. When we identify a sensitive habitat or an area of high biodiversity, we make that location a priority and avoid it where possible. This is the first step in our Biodiversity Mitigation Hierarchy. If we cannot work around a priority area, we design a plan to minimize disturbance.

MINIMIZING IMPACTS

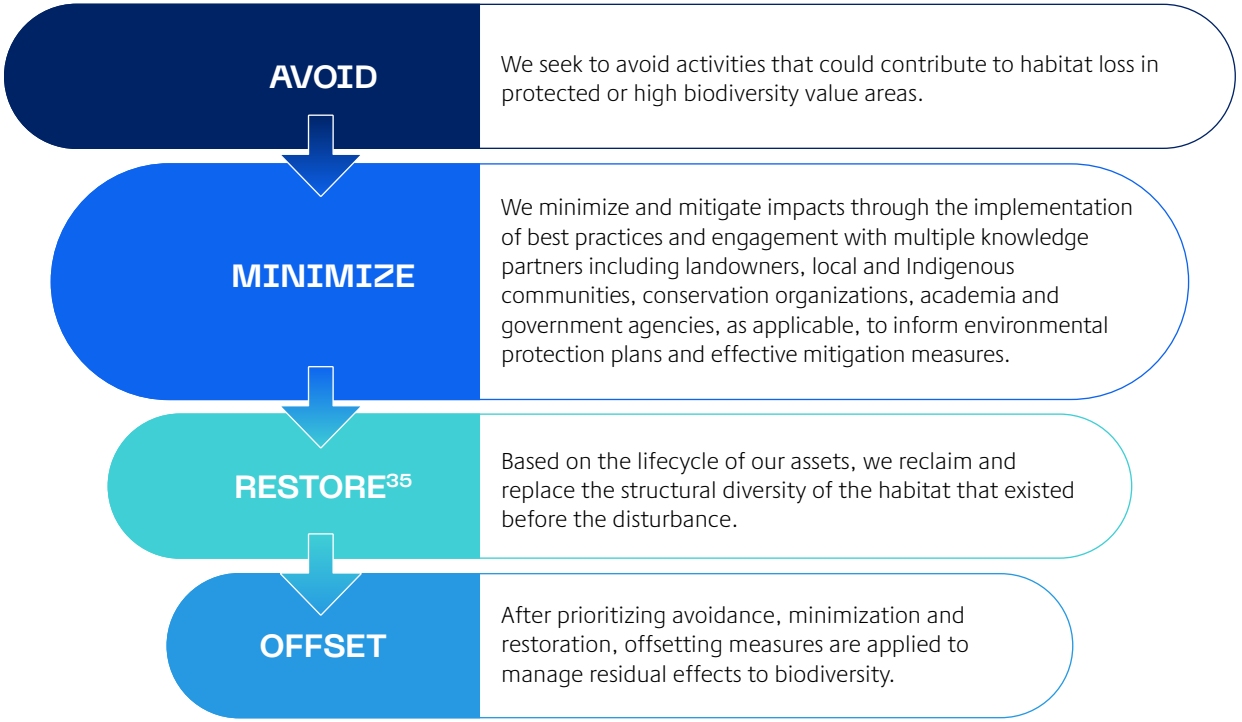
We develop protection and restoration plans project by project, working with rights holders and stakeholders to design and implement methods that minimize impacts on habitats and make restoration efforts more successful. We are mindful of the natural environment — including plants, wildlife and waterways — and recognize the significance many of these places hold, including for those that are sacred to Indigenous peoples.

Our project plans, including construction methods and mitigation measures, are developed based on consultation, assessments, regulatory requirements, industry best practices, constructability and economic feasibility. When determining the pipeline construction method around waterways, we consider crossing locations and possible trenchless installations. We monitor wildlife interactions during construction and operations and may delay or adjust work plans while wildlife is migrating or nesting. Minimizing our impact on habitats during the construction phase helps us return it to its pre-disturbance state more quickly.

RESTORATION AND OFFSET MEASURES

Once project construction is completed, we stabilize the disturbed area, including the soil, before re-vegetation begins, using seed mixes approved by appropriate land management agencies or landowners. Since natural growth takes time, we regularly visit the site to check on progress. If restoration — returning disturbed land to equivalent land capability — is not possible, we consider an offset measure to compensate for the lost values, which may entail enhancing or restoring wildlife habitat.

For example, in the U.S., if our work creates an unavoidable wetland disturbance that cannot be fully restored, we consider offset measures, such as purchasing credits from a wetland mitigation bank. These credits support the restoration of similar wetland areas, both in size and ecological value, ensuring we are doing our part to help protect the environment. Restoration activities are often multi-year efforts with end-of-activity targets rather than annual targets. Further information is provided in the Appendix: Performance data.



[35] In the mitigation hierarchy, 'restore' is defined as the process of returning disturbed land to equivalent land capability, which is the ability of the land to support various land uses similar to the ability that existed prior to disturbance. This includes ensuring stable, non-hazardous, non-erodible soil conditions and seeding or enabling the re-establishment of vegetation, as appropriate and in accordance with applicable regulatory requirements and permit conditions.

2024 LAND RESTORATION AND OFFSET ACTIVITIES

TC Energy has been restoring land for more than 70 years, returning thousands of acres to their natural state after pipeline and facility construction is complete.

CANADA - In 2024, we successfully completed restoration of nearly 1,700 hectares of disturbed lands. This includes clean-up and reclamation activities on approximately 140 kilometres (87 miles) of Coastal GasLink right-of-way in British Columbia. Close to 1,500 employees and contractors worked to reinstate ground and topsoil, restore habitat, decommission workforce accommodations, temporary roads and access points, and conduct environmental monitoring. All final clean-up and reclamation activities along the right-of-way have been completed, and post-construction monitoring activities continue.

In Alberta and British Columbia, we offset impacts to habitat by planting nearly 155,000 seedlings over approximately 50 hectares to support caribou habitat restoration, deter human access and reduce line-of-sight for predators. We planted over 2,000 plants across 38 hectares for riparian protection and to provide roost habitat for the little brown bat in Alberta. We also took care to support the conservation and protection of important riparian and instream habitat for aquatic species, including the arctic grayling, Westslope cutthroat trout and bull trout in Alberta by planting more than 15,000 seedlings over approximately 60 hectares of habitat.

U.S. - In 2024 we successfully completed restoration of more than 7,700 hectares of disturbed lands. Also in 2024, we received a Certificate of Inclusion to participate in the Nationwide Candidate Conservation Agreement with Assurances (CCAA) for the Monarch Butterfly on Energy and Transportation Lands. This is a voluntary program that requires participant commitments to implement specific conservation measures that create or enhance habitat for the monarch butterfly and contribute to the conservation of the species. Of the 330 acres of company-owned lands enrolled in the CCAA, we planted 42 acres in Louisiana and Ohio to create and restore pollinator habitat.

In addition to site restoration work and tree planting completed in wetland and riparian areas, we provided more than $590,000 USD to conservation organizations as compensation to offset the impact of our construction projects on wetlands and streams.

MEXICO - To prepare our Southeast Gateway Pipeline (SGP) work sites, we conducted sweeps to deter, rescue and relocate fauna in the area prior to, and during, construction activities. A total of 1,756 fauna, representing 105 species and five faunistic groups, were relocated. We also relocated 392 organisms in Veracruz Norte, 427 in Coatzacoalcos and 937 in Dos Bocas, all belonging to 105 species.

OUR TARGET: Restore or offset all land disturbances resulting from construction and operation of our North American assets[36].

STATUS: In 2024, we restored 98 per cent of disturbed lands. The remaining two per cent was not achieved due to additional repair work required in localized sites due to lack of access, challenging terrain and weather conditions. Some projects, where repairs were completed in the preceding growing season, warrant additional monitoring beyond the five-year period to verify success of the mitigation. These sites will be restored when conditions permit, and we will continue active engagement with landowners until restoration is achieved.

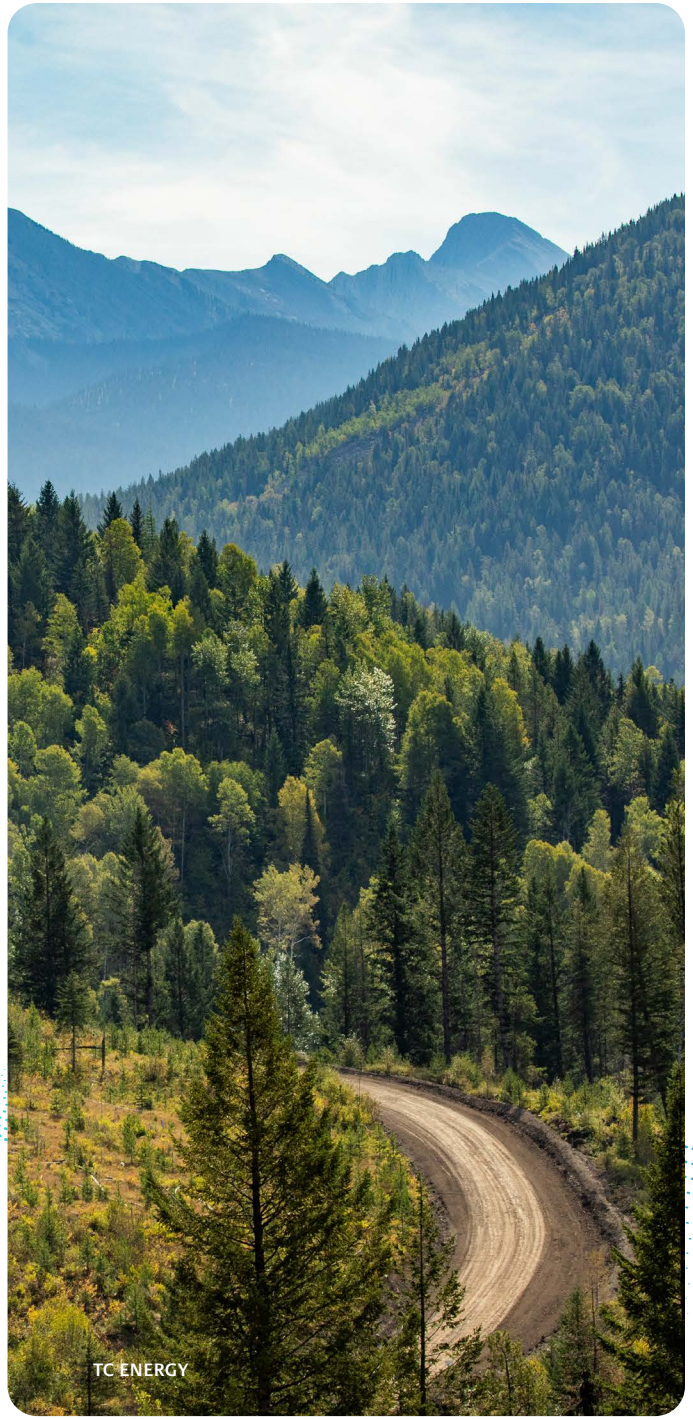
When planting seedlings of the endangered species limber pine near Lundbreck, Alberta, we scattered coarse woody debris and rocks, where available, as wind buffers and to create suitable conditions for regeneration.

A Mexican Burrowing Toad, one of many species relocated as part of our worksite preparation for the SGP project.

WANT TO LEARN MORE?

+ Safeguarding Biodiversity | Our approach
+ Fact sheet: Reducing our environmental footprint

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



Air quality

We monitor and manage our air quality emissions in accordance with the local environmental statutes and regulations in each jurisdiction and cooperate fully with appropriate regulatory authorities and agencies. Our methods for preventing, minimizing or mitigating air emissions include implementing operational best practices and controls, maximizing operational efficiency and monitoring compliance with applicable laws and regulations.

Water

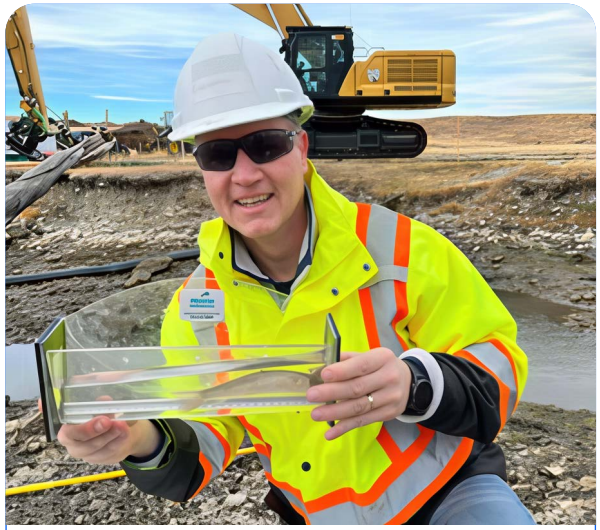
We are committed to responsible water use. Our cogeneration power assets are responsible for most of our water consumption, followed by hydrostatic testing of pipelines. Our cogeneration assets convert water to steam to generate electricity. Residual steam is either sold, recycled or treated prior to discharge. We also use water for hydrostatic testing of pipeline integrity during commissioning or maintenance. Water for testing is drawn from nearby natural or municipal sources in accordance with applicable permits and regulatory requirements. Prior to discharge, the water is filtered and sampled to verify it meets applicable water quality requirements and standards. Most water used for pipeline testing is returned to the land near the original watershed source, with a small proportion sent for treatment or disposal.

WANT TO LEARN MORE?

+ Fact sheet: hydrostatic testing

Waste

TC Energy's projects and operations generate small amounts of waste in the form of recyclable hydrocarbons from our storage systems, recovered oily liquids from the natural gas in our gas pipelines or used lube oils and glycols from turbines, pumps and engines. When we cannot recycle or recover it, waste is processed at licensed, secure disposal facilities in accordance with applicable laws and regulations. Clean-up, treatment, storage and disposal of hazardous substances are conducted in accordance with applicable federal, state and provincial environmental statutes and regulations.



One of our aquatics experts during fish salvage at Pekisko Creek.

Environmentally-focused community giving

TC Energy recognizes the importance of protecting and enhancing the environment, especially projects that aim to conserve, maintain and encourage land capability, promote biodiversity, preserve important habitats and protect species at risk. We are committed to supporting environmentally focused partnerships through our social impact program, Build Strong. Organizations receiving grants through this program are required to report back on outcomes to help us evaluate the positive social impact.

2024 HIGHLIGHTS

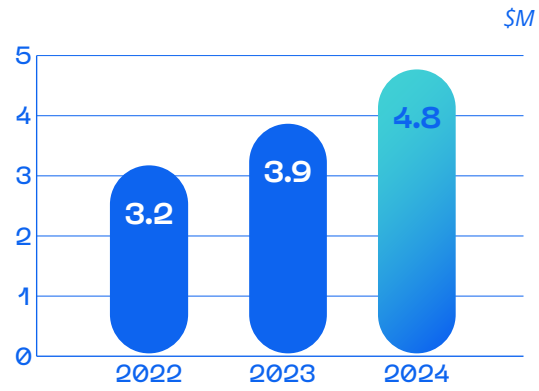
Upper St. Mary Collaborative Stewardship Program - Funded by TC Energy, the Upper St. Mary Collaborative Stewardship Program will improve stream and riparian health in several high-priority creek systems in the southern Alberta foothills. Freshwater Conservation Canada (formerly Trout Unlimited Canada), Indigenous rights holders and industry will collaborate to rehabilitate streams through 2026, improving water quality and restoring spawning and rearing habitat for threatened fishes, including Bull Trout and Rocky Mountain Sculpin.

Education for Sustainability Leadership Fellows Program - TC Energy and Children's Environmental Literacy Foundation (CELF) announced a three-year partnership to support 25 Leadership Fellows in New York, New Jersey, Connecticut, Texas and Louisiana. Fellows will develop sustainability and civic science themes and projects that align with local curriculum standards, identify curriculum gaps and develop curriculum resources to fill them. We estimate approximately 30,000 teachers and students will benefit from this programming.

WANT TO LEARN MORE?

+ Upper St. Mary Collaborative Stewardship Program
+ Children's Environmental Literacy Foundation

Environmentally-focused community investment



$8.7M

OUR TARGET: Invest $10 million by the end of 2025 in activities that restore biodiversity and reduce the impacts of climate change.

STATUS: In 2024, we contributed nearly $4.8 million to environmental causes across North America, positioning us to meet our $10 million target.

FEATURE

SOUTHEAST GATEWAY PIPELINE UPDATE

TC Energy's nation-building legacy project, Puerta al Sureste or Southeast Gateway Pipeline (SGP), is laying the foundation for social and economic development opportunities in southeast Mexico.

In January 2025, approximately 18 months after kicking off the project, the SGP project team reached a significant milestone — the "Golden Weld" — at the Coatzacoalcos landfall in southern Veracruz, Mexico. This final weld represents the completion of pipe installation along the more than 700-kilometre (435 mile) route — stretching from Tuxpan in northern Veracruz to Coatzacoalcos and onward to Paraiso in Tabasco — marking the mechanical completion of this large-scale marine pipeline project, one of the most technically complex undertakings in our history with 95 per cent of the route located offshore.

What did the project involve?

The scale of this achievement is remarkable. The entire business unit in Mexico, and corporate functions from across Canada, the U.S. and Mexico, dedicated themselves to keeping workers safe, preventing or mitigating impacts on biodiversity and restoring land at completed works sites.

- **4,200 direct jobs** created at the peak of construction, including 1,500 local jobs
- **US$30 million in support for the fishing sector**, directly benefiting over 12,500 fishermen and their family members including donations of outboard motors, boats, fishing gear and utility vehicles.
- **US$13 million in community projects** such as classroom construction, roofing and multipurpose sports courts, benefiting over 380,000 community members
- **15 million hours worked** and zero high-energy serious injuries or fatalities
- **1,756 fauna individuals belonging to 113 species** were deterred, relocated to new habitat or transferred to beaches to continue their migration

What does it mean for TC Energy and our partners?

We completed the SGP Project in the second quarter of 2025, a testament to the dedication, resilience and commitment of thousands of people at TC Energy, our partner the Comisión Federal de Electricidad (CFE) and our contractors who worked as one team to connect Mexico with the energy it needs. We are incredibly proud of this world-class project that will deliver a legacy of safe, reliable and affordable energy to a region in Mexico that has historically lacked access to essential natural gas for electric power generation. SGP is a foundation for life-changing social and economic development opportunities.

> I CAN PROUDLY SAY WE DID IT — SAFELY, ON SCHEDULE, SIGNIFICANTLY UNDER BUDGET AND IN ALIGNMENT WITH OUR VALUES."
>
> Greg Romero,
> Senior Vice-President, Mexico Natural Gas Pipelines

SOCIAL

It is a privilege for us to work closely with many diverse and unique communities across North America. With that privilege comes a responsibility to do our best for those communities and the people who live there. We begin with our own workplace, where employees are empowered to prioritize wellbeing, health and safety.

Our work also connects us to the lives and livelihoods of rights holders and stakeholders who have knowledge and insight that we value. Beyond our core business, we are making investments to build resilient communities, support diverse local businesses, attract and retain talented individuals, and create value alongside Indigenous peoples and groups.

IN THIS SECTION

Relevant SDG's

EMPLOYEE AND CONTRACTOR SAFETY

Our commitment to the safety of our people is integral to everything we do. No matter what our day-to-day priorities are, going home safe and healthy to our families and friends is our number one value.

Our approach

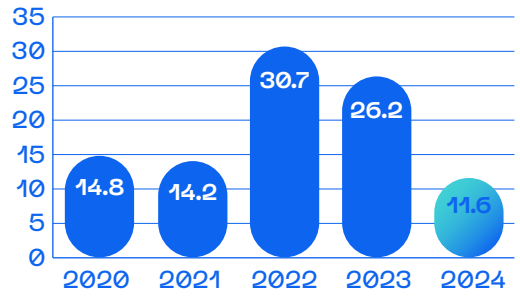
In 2024, we marked the second year of our three-year safety roadmap, a strategic refresh to TC Energy's approach to safety. As we progress through implementation, we are enhancing operational discipline, integrating industry best practices for management and communications, and continuing to build a workplace culture with Safety in Every Step.

Activities fall into nine categories, discussed in detail on the following pages.

- Safety leadership
- Management system transformation
- Resourcing and organizational design
- Frontline competency and training
- Risk management and process safety
- Operating procedures
- Contractor safety management
- Incident management
- Assurance and metrics

Combined (employee and contractor) high-energy serious injury[37] and fatality rate

per 100 million hours worked



11.6 PER 100 MILLION HOURS

OUR TARGET: Combined (employee and contractor) High-Energy Serious Injury[37] and Fatality (HSIF) rate: not to exceed 25 per 100 million hours in 2024[38].

Status: We exceeded our target by 56 per cent. The 2024 HSIF rate was 11.6 per 100 million hours. This significant achievement reflects our team's unwavering dedication to improving personal and process safety performance.

NEW TARGET

NEW TARGET: Combined (employee and contractor) High-Energy Serious Injury[37] and Fatality rate: not to exceed 11 per 100 million hours in 2025[38].

The winner of our safety slogan contest: Neltzin Espinoza from External Relations – Government Relations Mexico.

"Safety in Every Step. Energy in Every Action." is TC Energy's new safety slogan. Chosen by employees from among 240 submissions, Safety in Every Step reminds us to take a step back and use stop work authority or other safety tools to speak out when we see something is not safe.

Employees use the slogan to keep each other accountable and as a reminder that we need to learn from each other.

By embracing safety in every step, we are building a safety culture that reinforces our commitment to sending everyone home safely every day.

[37] 'High energy' is defined as an element of work that involves more than 500 ft-lbs. of physical energy. 'Serious injury' is defined as a life-threatening or life-altering incident.
[38] Target is based on annual rate of high energy serious injuries and fatalities per 100 million hours, as of December 31, as adapted from Construction Safety Research Alliance (CSRA) serious injury and fatality rate calculation methodology. Internally, we use a 12-month rolling rate to identify changes in the pace or direction of trends.

Safety leadership

Our Board Health, Safety, Sustainability and Environment (HSSE) Committee provides oversight for safety at TC Energy. This includes reviewing and monitoring our progress against strategic plans and targets, and reporting on our risk management and safety performance. Safety performance is a key criterion in our allocation of short-term incentives for employees, including executives.

Our safety culture, behaviours and habits are shaped by leadership practices and the genuine desire to achieve safety excellence. We foster safety leadership through monthly Learning from Incidents (LFI) leader meetings. In 2024, nearly 600 leaders from Canada, the U.S. and Mexico gathered to discuss insights from major safety incidents and share effective control measures and proactive solutions, including those related to injury prevention, worker protection and safety culture.

Zero incidents in Power & Energy Solutions (P&ES)

Our P&ES business is putting safety in every step, with zero lost time, medical aid, or recordable motor vehicle incidents in 2024. Showing their commitment to keeping each other safe, employees and contractors reported over 1,350 health, safety or environmental observations, identifying and resolving hazards and recognizing positive behaviors. Their dedication contributed to TC Energy's outstanding safety performance in 2024.

Management system transformation

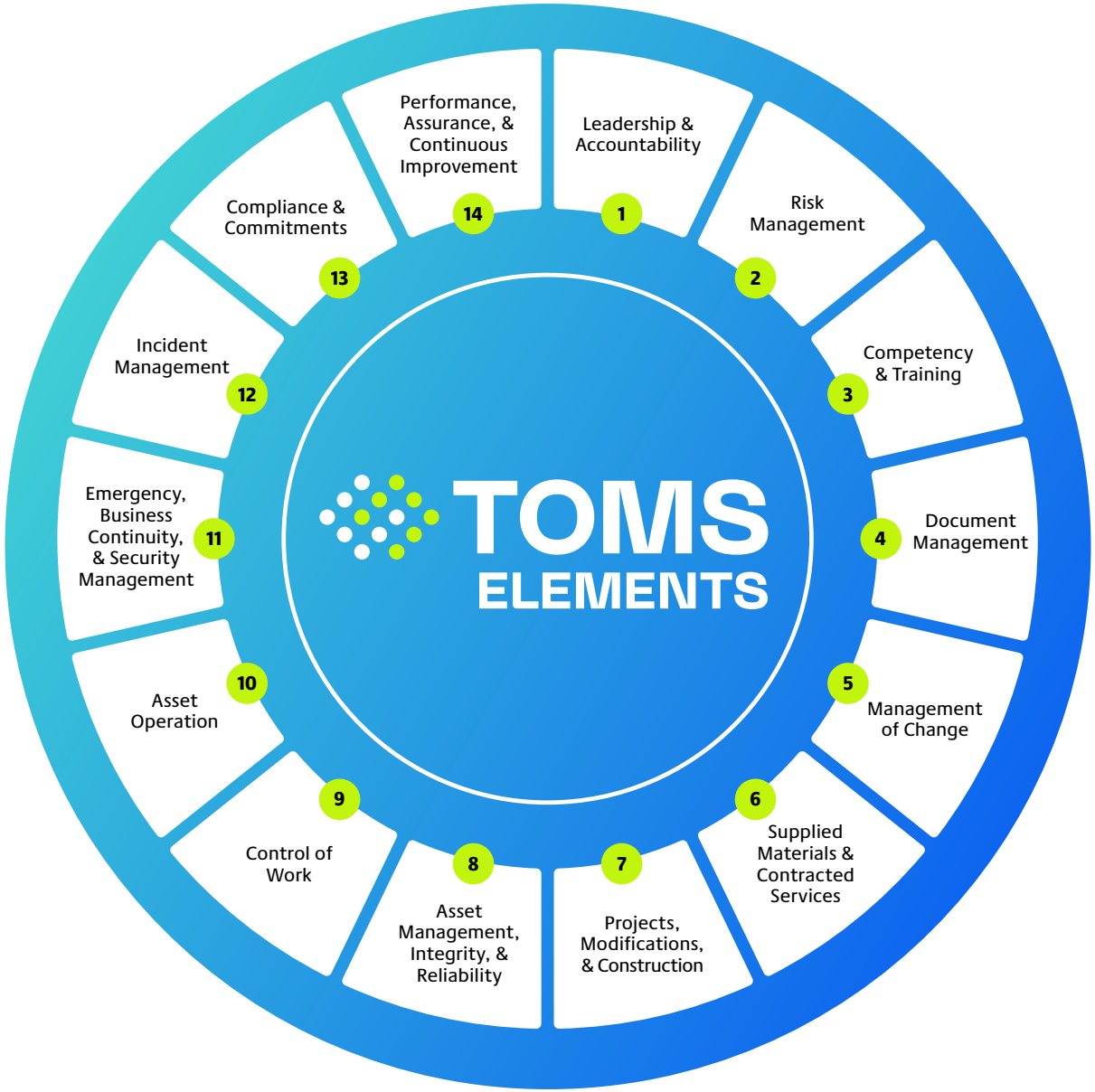
In 2023, we launched a project to update TC Energy's Operational Management System (TOMS). Our goal is to make TOMS simpler to use for frontline employees making decisions on safety, efficiency and productivity in their day-to-day activities and operations.

The updated TOMS has reduced the number of individual requirements from 1,400 to 94, with the introduction of 14 interconnected elements. These elements serve as the organizing structure for our management system and its components. Element Standards describe foundational requirements for our management of employee and contractor health and safety, the environment, and the operational integrity of our assets (HSE&OI).

As we improve the consistent application of TOMS across our businesses, our goal is to improve our ability to systematically identify, assess, and mitigate HSE&OI risk at TC Energy, uniting across our businesses to protect each other and the communities in which we operate.

Resourcing and organizational design

We continue to assign and deploy critical resources where they are most needed, adjusting our organizational structures to support the safe execution of our strategy. For example, in 2024, we integrated Safety and Technical Services, improving the alignment and sharing of safety best practices across three countries. We also adjusted our monthly LFI meetings. Previously, they were conducted by business units and focused on business-unit safety events. Now, approximately 600 leaders from across the company are invited, and we review HSIF or Potential Serious Injury and Fatality (PSIF) events from across the company, encouraging discussion about high-energy hazards and direct controls through a Human and Organizational Performance (HOP) lens to share learnings to prevent recurrence.



Frontline competency and training

We recognize that in high-risk industries, problems flow from systemic issues, not individual errors. To promote a strong safety culture, we focus on developing a learning mindset and providing effective training and support.

LEARNING MINDSET

To promote a culture where everyone has a learning mindset, we embed HOP principles into our safety training, programming and informal activities. The five HOP principles are: people make mistakes; blame fixes nothing; context drives behaviour; learning is vital; and response matters.

By cultivating a learning culture, HOP principles play a key role in reinforcing psychological safety, empowering employees to speak without fear of blame. This approach fosters an environment where employees and contractors feel safe reporting issues and are motivated to collaborate towards continuous improvement.

In 2024, to build frontline confidence and competency in HOP principles, TC Energy provided HOP Foundations Training to over 400 employees, added 40 new HOP coaches to our network, and completed approximately 400 HOP overview sessions with various projects and operational teams. By integrating HOP principles into our day-to-day work, we can work together to help prevent incident recurrence and Serious Injury and Fatality (SIF) incidents.

HOP PRINCIPLES

1. **People make mistakes**
   Mistakes happen - and when they do, we try to understand why, not who.
2. **Blame fixes nothing**
   Blame stops improvement, hinders learning and breeds a culture of fear and unsafe conditions.
3. **Context drives behaviour**
   Circumstance, emotions and experiences influence our actions, behaviours and decisions.
4. **Learning and improving is vital**
   Adopting a learning mindset to understand how our people interact with systems during everyday work enables the cocreation of solutions.
5. **How we respond matters**
   Responding negatively to bad news can get in the way of a valuable learning opportunity.

TRAINING AND SUPPORT

We reinforce our safety beliefs and influence behaviours through formal training and informal supportive activities.

Training - TC Energy requires onboarding and regular refresher training on how to identify and control risks and hazards, with ad hoc sessions offered as needed. For example, in 2024, we trained over 150 frontline leaders and employees on TC Energy's new safety classification and learning model. This model helps us focus on the context and circumstances of the incidents. Insights from these reviews are shared to foster continuous safety culture improvement across the organization.

Safety Week - Our annual Safety Week is an opportunity for employees to attend virtual or in-person sessions to reinforce a safety-conscious mindset and culture. In 2024, more than 5,300 employees across North America attended sessions featuring frontline workers sharing their safety challenges, successes and how safety connects us all.

Safety Recognition Program - To encourage proactive safety from the field to the office, TC Energy's Safety Recognition Program is a way to recognize a colleague who did something differently to ensure immediate safety on site or prevent safety issues down the road. Employees and contractors can nominate a colleague online, recognizing them for their safety actions. Quarterly, the TC Energy corporate Safety team reviews all nominations and selects standout recipients for corporate recognition. Recipients' stories are shared on TC Energy's intranet as an example of proactive safety leadership and receive gift cards and other awards showing our appreciation for people who put safety in every step in their day-to-day work.

Workforce wearing Blackline Safety devices

TC Energy has deployed close to 2,000 Blackline connected wearables to help protect Canadian and U.S. field employees working alone. In addition to portable gas detection, these small devices provide real-time monitoring with built-in GPS, automatically alerting our security operations team with critical data in the event of emergency SOS, falls, immobilization and vehicle incidents.

The use of Blackline devices provides multiple benefits to TC Energy and our front-line staff. They integrate gas detection and safety monitoring into a single device, improve response times and reliability through cellular and satellite capabilities, and provide essential information about a worker's location and the nature of the incident - helping responders prepare effectively. We are currently testing the use of these devices in Mexico.

TC ENERGY

Risk management and process safety

Our risk management processes and operating procedures help us bring our management system to life. We focus our efforts on the most significant hazards and risks our employees and contractors face, including driving, energy isolation, lifting and working at heights, and working in confined spaces. TC Energy has developed standards and operating procedures for each high-risk activity, outlining how employees and contractors are to safely undertake these tasks. Employees receive onboarding and refresher training in each of these standards, as relevant to their role.

Operating procedures

We regularly review our operating procedures, refining or adapting as needed to align with industry best practices and advances in technology. Highlights from 2024 include:

- **Job Risk Hazard Assessment (JRHA)** - We piloted this updated risk assessment tool in all countries. The new, more comprehensive JRHA is to be completed right before starting a task, in addition to Risk Assessments completed during the planning phase
- **High Energy Hazard Recognition** - We provide two hours of training in all regions for front-line field workers (e.g. technicians, operators). Training includes: identifying high-energy hazards in the workplace; completing pre-job safety meetings and safety observations; and managing change and stop work in field settings. Leaders whose daily work location is field-based also received this online training, with additional content on how to identify Serious Injury and Fatality (SIF) incidents based on the Safety Classification and Learning (SCL) model

Contractor safety

Selecting responsible contractors is essential for safe operations and completion of major projects.

We screen potential contractors for safety performance, quality, technical expertise and business conduct using third-party services such as ISNetworld and other internal screening mechanisms.

In 2024, we began piloting our newly developed Integrated Contractor Safety Management Process (ICMP) to streamline and strengthen our pre-qualification and qualification processes, contractor onboarding and safety performance oversight. Elements of the ICMP include:

- defining safety roles and responsibilities of TC Energy personnel, prime/general contractors and subcontractors in managing contractor safety
- planning the safety needs and requirements of all levels of projects or programs involving contracted services
- developing a strategy to safely manage our contracted services and improve their safety performance

Also in 2024, we launched a project to enhance our construction management and inspection (CM&I) program. This work involves consolidating onboarding and training courses into a single platform for real-time tracking and learning, and conducting quarterly safety trend meetings to review active project trends, share lessons learned and promote safe practices. We also provide quarterly safety updates for field personnel and regularly verify the competency of personnel performing high-risk tasks.

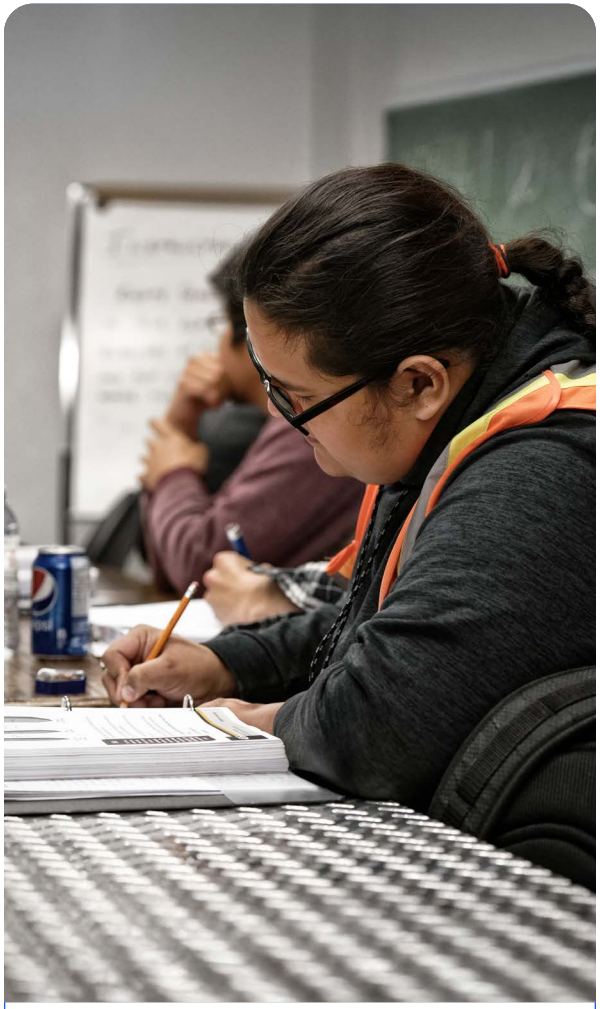
Incident management

If a high-severity safety event occurs, or could have occurred under different circumstances, the event is documented, rights holders and stakeholders are informed, and a formal investigation is initiated to identify root causes and assign actions to reduce the likelihood of recurrence. Learnings from the event are summarized and shared with relevant groups and prompts a review of our internal safety standards and processes, refining them where needed to prevent future safety events.

Assurance and metrics

At TC Energy, we believe that what gets measured, gets managed. We use our Safety Event Management system to identify risks, track safety incidents and measure our safety performance. We pay extra attention to corporate safety metrics for high-risk incidents including severe injury frequency (SIF), high-consequence process safety incidents, and High-Energy Serious Injury and Fatalities (HSIF).

As a learning organization, we prioritize sharing our safety performance through a monthly safety performance scorecard and dashboard. Our safety metrics and updates are consistently communicated during regular reporting cycles, with monthly updates to the Executive Leadership Team (ELT) and quarterly updates included in the Board of Directors Report and President's Report.



Contractor Safety Forum

We invite contractors to attend our annual Contractor Safety Forums where, amongst other topics, we share safety learnings. In 2024, we held four forums in Canada and three in the U.S., with more than 450 contractors attending in total.

PEOPLE AND CULTURE

We believe employees are most engaged in their work when they feel included, valued and supported. Engaged employees drive performance and enhance corporate innovation and resilience.

Reflecting TC Energy's values of safety in every step, personal accountability, one team and active learning, we set targets and provide leaders and employees with information and training in focus areas. We offer formal programs and support informal initiatives that support employee belonging and wellbeing. We review our employment policies, practices and programs regularly to help ensure they are compliant, competitive, relevant and communicated in a user-friendly manner.

Through The Pulse, our employee engagement survey, we invite employees to anonymously share their insights, perspectives and feedback on our programs. These contributions help us translate employee input into meaningful action and improvements.

To build an engaged, high-performing team of energy problem solvers, we focus on three key areas:

- fostering an inclusive and equal-opportunity workplace
- promoting wellbeing
- providing opportunities for personal and professional development

–1%

OUR TARGET: Increase the overall representation of women[39] across our workforce by two per cent annually between 2024 and 2026.

STATUS: We did not achieve our target for 2024. The overall representation of women across our workforce declined from 29 per cent in 2023 to 28 per cent in 2024. This decrease was primarily due to organizational restructuring following the completion of the spinoff of our Liquids Pipelines business.

17%

OUR TARGET: 17 per cent of leadership positions across our Canadian and U.S. workforce are held by members of visible minorities.

STATUS: We continue to meet our target of 17 per cent of visible minorities in leadership positions across our Canadian and U.S. workforce.

TC Energy was the recipient of a Diversity in Business Award from the Houston Business Journal, recognizing our commitment to fostering an inclusive culture that values the contributions of everyone.

[39] Includes women and female-identifying individuals at all levels, in all locations (Canada, U.S. and Mexico) - both corporate and field locations. Calculated as the share of women in the total force.

In 2025, TC Energy is transitioning from diversity targets towards a comprehensive approach to people and culture strategies. By focusing on the overall wellbeing of employees, we recognize that true inclusivity encompasses the holistic wellness of our workforce. This shift includes the introduction of a comprehensive wellness plan and strategic Employee Value Proposition (EVP) initiatives that will be aligned with our purpose, mission, vision and values.

WE AIM TO FOSTER A WORK ENVIRONMENT WHERE EVERY INDIVIDUAL FEELS VALUED, SUPPORTED AND EMPOWERED TO THRIVE.

NEW TARGET

NEW TARGET: By the end of 2025, develop a framework to assess TC Energy's Employee Value Proposition (EVP)[40] that evaluates the effectiveness of our current people and culture strategies for attraction and retention and their alignment with our corporate purpose, mission, vision and values.

[40] Employee Value Proposition is the distinctive aspects that differentiate TC Energy as a preferred employer. It offers employees insights into "why should I join TC Energy?" and "why stay?" and encompasses elements like corporate purpose and values, total rewards, career development, wellbeing, and work environment.

Inclusion and equal opportunity

At TC Energy, we are committed to fostering a culture of inclusion where everyone is respected, valued and has the opportunity to contribute to their full potential.

Led by our Executive Vice-President, Corporate Services and Chief Inclusion Officer, our Inclusion Leadership Council (ILC) provides visible leadership support for inclusion-building initiatives. Spanning functions and business units, and involving leaders from all three countries in which we operate, the ILC acts as a sounding board for new training, policies and communications to foster inclusion and belonging at TC Energy. The ILC is supported by our extensive network of volunteer Inclusion Champions who act as change agents in their business areas.

Our Diversity, Equity and Inclusion Action Plan and Harassment-Free Workplace Policies for Canada, the U.S. and Mexico outline our expectations for respectful behaviour and processes for reporting and resolving allegations of harassment in the workplace. We provide training on inclusive behaviours and offer regular opportunities for further education and development. All leaders are required to complete psychological safety training.

WANT TO LEARN MORE?

+ Diversity, Equity and Inclusion Action Plan
+ Harassment-free Workplace Policies: Canada, U.S., Mexico
+ TC Energy Accessibility Plan
+ Equal Employment Opportunity and Non-Discrimination Policy
+ Reasonable Workplace Accommodation Policy

Canadian core workforce

37% WOMEN

4% INDIGENOUS

2% PERSONS WITH DISABILITIES

25% VISIBLE MINORITIES

U.S. core workforce

19% WOMEN

16% MINORITIES

1% INDIVIDUALS WITH DISABILITIES

11% VETERANS

Mexico core workforce

29% WOMEN

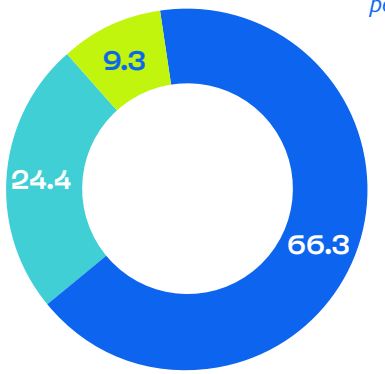
ACCESSIBILITY

TC Energy is dedicated to engaging fully with our employees, applicants and customers without barriers. Our Accessibility Plan outlines the steps we have taken and planned activities to identify, prevent and remove barriers for persons with disabilities. We post annual progress updates on our website. Read our 2024 Accessibility Progress Report here.

Our Equal Employment Opportunity and Non-Discrimination Policy and Reasonable Workplace Accommodation Policy outline how we work to remove physical, technological and communications barriers for current employees and applicants. TC Energy is also committed to creating a psychologically safe environment where individuals have the confidence to self-advocate for reasonable accommodation without fear of retaliation.

Workforce demographics

per cent



- Under 30 years old
- 30-50 years old
- Above 50 years old

Pay Equity

COMPARING APPLES TO ORANGES

Employees in different jobs that offer a similar value should be paid similarly, as required by legislation as of September 2024.

Equal Pay

COMPARING APPLES TO APPLES

Employees in similar jobs should be paid similarly (monitored by Human Resources).

Pay equity is the concept of equal pay potential for work of equal value. Jobs that have similar value to the organization, based on similar skills, responsibilities, effort and working conditions, should have similar earning potential.

Pay equity is not equal pay.

Equal pay ensures employees doing the same job get paid similarly whereas pay equity ensures employees doing different jobs of equal value have the same pay potential.

PAY EQUITY

As a signatory to the UN Women's Empowerment Principles, established by the UNGC and UN Women, we are committed to advancing gender equality in our workplace.

Our Pay Equity Plan, which supports equal earning potential for work of equal value, underscores our commitment to fairness and transparency in compensation practices. The Pay Equity Committee, comprised of volunteer employee and employer representatives, external independent equity consultants and select members of the HR compensation team, is responsible for evaluating the fairness of our compensation practices. This committee reports to TC Energy's Human Resources Board Committee.

In 2024, we completed a comprehensive review of our Canadian compensation programs, policies and structures, in alignment with Canadian Federal Pay Equity legislation. This included a review of gender predominance within job classes across the organization and gender pay gaps based on work of equal value. Based on our review, we are compliant with the Pay Equity Act legislation. Select salary midpoints were adjusted upward and there are currently no gaps within our pay equity bands.

Learning and development

At TC Energy, we recognize that the personal growth and career advancement of our workforce is fundamental to our success. We are committed to offering comprehensive programs and development opportunities that empower every employee to thrive, grow their careers, and achieve their full potential within the organization.

Our programs provide hands-on job experience, peer and leadership mentoring, as well as formal training to adapt to technological advancements and changes in the regulatory environment. This equips our people to reliably deliver energy in a safe, high-quality and cost-efficient manner. Beyond the direct benefits, these training programs also cultivate a more resilient and flexible work mindset among our employees, ultimately enhancing their overall wellbeing and mental health.

In 2024, we delivered an average of 33 hours of training and development per full-time-equivalent employee through a wide range of channels, including self-directed e-learning programs, live interactive skill-building sessions and core programs designed to support emerging leaders. Training programs cover health, safety, environment, Indigenous awareness, inclusion, leadership, compliance, cybersecurity, mental health and psychological safety. We also fund post-secondary institutions that develop education programs supporting women, visible minorities and Indigenous peoples.

WANT TO LEARN MORE?

+ United Nations Global Compact (UNGC)
+ Women's Empowerment Principles (WEP)
+ WEP Gender Gap Analysis Tool

Wellbeing

When everyone feels safe and empowered to bring their best - that is when we spark innovation. We prioritize and invest in our employees' physical, financial, emotional and social wellbeing.

BENEFITS PROGRAM

We offer our employees flexible, hybrid work arrangements and parental and maternity leave. At our head office in Calgary, employees can use our dual-purpose wellness centre with designated multi-faith areas. All employees have access to TC Energy's Employee and Family Assistance Program (EFAP), known as the Employee Assistance Program in Mexico. These programs provide support and resources for a range of topics including: managing relationships at home and work; mental health; lifestyle and nutritional changes; addictions; childcare and elder care and legal and financial advice.

MENTAL HEALTH AWARENESS AND WELLBEING

Mental health is a critical aspect of wellbeing. To promote an engaged and productive workforce, we prioritize mental health in the following ways:

Psychological safety - Psychological safety is knowing that one can speak up, offer ideas, point out problems or deliver bad news without fear of shame or retaliation. We promote psychological safety through our adoption of HOP safety principles and initiatives such as our Mental Health Champions, discussed below. In doing so, we empower employees to speak up. This leads to early issues detection, fewer errors and improved overall performance. It also helps to minimize incidents and harm, and promote trust, respect and collaboration among team members.

Mental Health Champions - Across the organization, these volunteer employees promote mental health and psychological safety, directing coworkers to resources when needed and providing guidance to leaders on incorporating wellness moments into daily activities. All Champions receive training in mental health and wellness.

NEW TARGET: By the end of 2026, establish a baseline and KPIs to track the effectiveness of our comprehensive wellbeing plan and measure employee engagement[41].

Drive change with feedback - We listen to employees and seek out feedback through The Pulse survey. Employees' candid feedback and insights provided through The Pulse help leaders take meaningful action. The Pulse measures and tracks four main drivers, including a health and wellbeing driver. We have seen steady improvement in the health and wellbeing measures since we launched The Pulse. Our health and wellbeing score currently ranks in the "middle range" for the Energy & Utilities sector benchmark.

Tracking our success - We monitor employee absence and short-term disability rates as indicators of wellness. While the reasons for workplace absences are complex, we track short-term disability rates as a partial proxy measure for wellbeing. For example, casual absence rates have increased in the past two years while short-term disability rates have decreased over the same period. We believe these trends reflect our increased communication with employees around our mental health and wellbeing programs, and increased employee use of tools and resources to take care of themselves in the near-term, reducing the need for longer-term absences.

Employee absenteeism

average number of days absent per employee per year

Short-term disability absence rate

Casual absence rate

[41] Employee engagement refers to the level of participation in wellbeing programs and utilization of health and wellness offerings available to TC Energy employees.

SENSE OF BELONGING

In addition to corporate-wide learning and networking events such as our Employee Forum and our recognition of significant dates and observations, we promote a culture of inclusion and belonging in the workplace and community through corporate matching, paid volunteer time and supporting employee inclusion networks.

Employee Inclusion Networks (EINs) - TC Energy's EINs are voluntary, employee-led forums that bring together people with shared identities and interests to connect, educate, share experiences and create community. All employees and contractors are welcome to join, and allyship is encouraged. We currently have seven EINs that are supported through executive sponsorship, with members from across Canada, the U.S. and Mexico.

Inclusion Champions - These volunteer employees contribute to an inclusive and respectful work environment by acting as change agents, helping to grow our culture of inclusion. Located across our footprint, Inclusion Champions help to identify, organize and participate in initiatives and events, promote inclusion training, guide employees to resources and share feedback with the Inclusion and Diversity Executive Council.

EMPLOYEE INCLUSION NETWORKS

TC Pride 2SLGBTQIA+ employees and allies	**Ujima** Black community and allies
Women@TC Women and allies	**TC Vets** Veteran community and allies
Debwewin Indigenous employees and allies	**Brainwave** Neurodiverse community and allies
UNIDOS Hispanic and Latin American community and allies	

EXTERNAL RELATIONSHIPS

With operations and construction activities across North America, we recognize the need to engage locally and to respond to the changing needs and expectations of rights holders and stakeholders. Strong relationships with landowners, Indigenous groups and local communities are essential to positive, trusting and long-lasting partnerships and collaborations.

Community relations

Our Community Relations teams facilitates the two-way exchange of information on our projects and operations with local communities. We adopt a proactive approach to engagement, recognizing its critical role in fostering strong relationships, supporting compliance, driving investment, enhancing safety and raising public awareness. This approach also enables us to identify mutually beneficial opportunities early on, such as developing training capacity and sourcing local goods and services.

Local Community Relations Advisors support capital projects and our regionally-based Community Relations Liaisons support our operational teams. Each practitioner has a deep understanding of the diverse social, economic and political landscapes they represent. Read about how we engage with landowners on page 62. For information on Indigenous engagement, see pages 63-68.

Community investment priorities

TC Energy's social impact program, Build Strong, invests in organizations that are vital to our communities and crucial for our business. Whether we are providing grants, awarding scholarships, or providing in-kind support, our goal is to help build mutually beneficial relationships that address our biggest social challenges and build strong communities. We do this in two ways: outcomes-focused investments, and support for our employees to give back to the causes they care about most. See page 61 for details on our employee giving activities.

Build Strong donates to non-profits, registered charities, associations, municipalities, Indigenous groups and foundations in four focus areas:

- **Safety** - Equipping first responders with the resources they need to keep our communities safe
- **Education** - Training and education programs that build a strong and skilled energy workforce for the future
- **Environment** - Protecting ecologically sensitive landscapes, species at risk and important wildlife habitats
- **Resilient communities** - Improving access to nutritious food, providing natural disaster relief support, hosting events that bring people together and help ensure psychological wellbeing, and supporting renewable energy projects

$30M

OUR TARGET: Grow social impact investments to $30 million (annually) by end of 2025.

STATUS: In 2024, we invested over $30 million in communities across North America. It was our second year achieving positive target performance, following our $33 million investment in 2023.

WANT TO LEARN MORE?

+ Build Strong

FEATURE

BUILD STRONG ACROSS OUR REGIONS

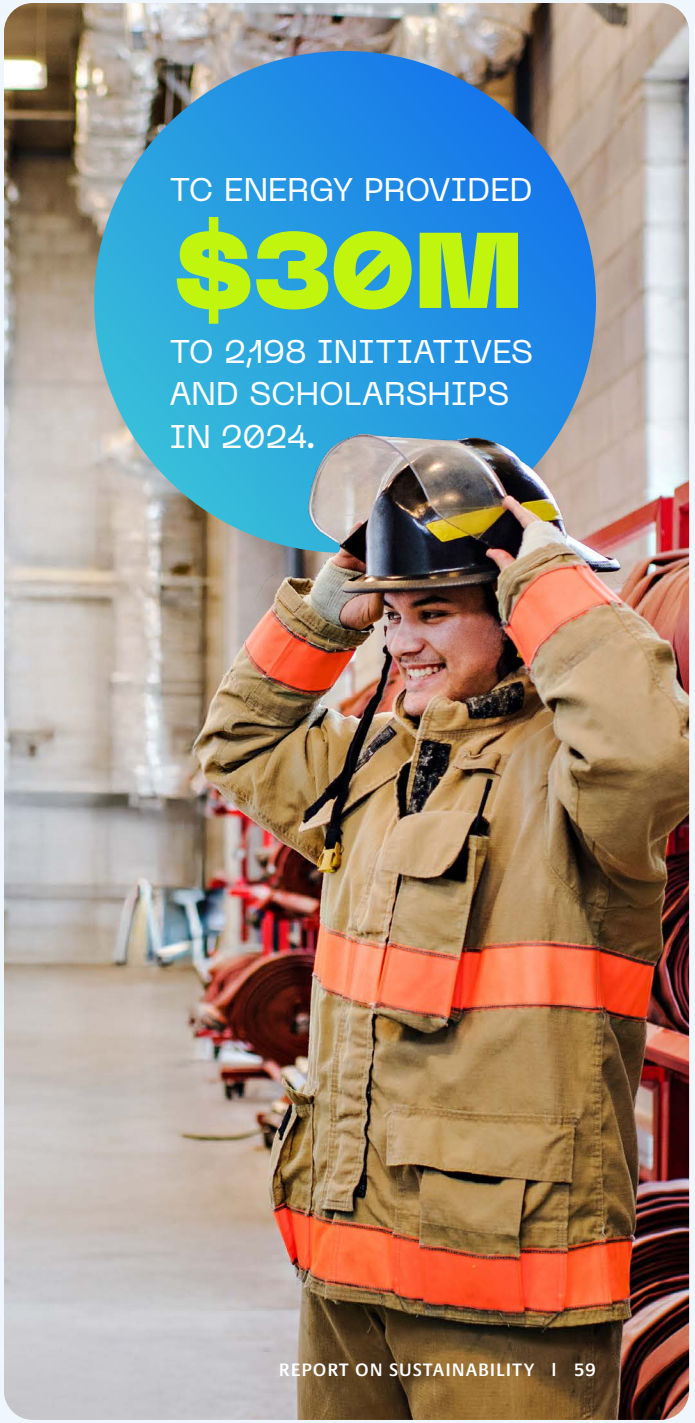
When we give back where we work, we build a stronger future together. By investing in local communities and our business, we are creating shared value and prosperity. Examples include:

CANADA - TC Energy partnered with Women Building Futures and industry peers to help bring the first ever Journey to Trades program to Regina, Saskatchewan. The 12-week introductory construction trades program prepares students with the skills, knowledge and confidence they need to start a career in the construction trades. Thanks to partnerships such as ours, tuition for the program is free.

U.S. - We partnered with Responder Strong to offer two Mental Health Train the Trainer Workshops in Virginia and Pennsylvania. Our ongoing partnership supports first responders and the many communities they serve.

MEXICO - TC Energy conducted vision screenings and provided corrective glasses free of charge to beneficiaries in six communities in the state of Sinaloa, where our El Oro – Mazatlán pipeline runs. Focusing on myopia and astigmatism in primary and secondary school students and older adults, we provided close to 500 pairs of glasses to community members. The ability to see clearly goes beyond visual health; it supports learning and improves school completion rates for young people and promotes quality of life for the elderly.

Glasses recipient in Sinaloa, near our El Oro - Mazatlán pipeline.



FEATURE

SCHOLARSHIP PROGRAM

TC Energy's Scholarship program empowers the next generation of community leaders by providing them with access to education and training opportunities in energy-related disciplines such as the trades, STEM (science, technology, engineering, and mathematics), and vocational studies.

In 2024, we received over 5,720 applications from students located in Canada, the U.S. and Mexico, awarding 880 scholarships totaling approximately $2.8 million.

TC Energy STEM Scholarship (Canada and U.S.) For students studying science, engineering, technology or math academic disciplines relevant to the energy industry.

TC Energy Indigenous Legacy Scholarship (Canada, U.S. and Mexico) For Indigenous students pursuing any full-time, post-secondary program at a registered educational institution.

TC Energy Trades Scholarship (Canada, U.S.) For students studying trades in the energy industry.

TC Energy Women's Scholarship (Mexico) For female entrepreneurs pursuing higher-level vocational training, professional degree or certification program.

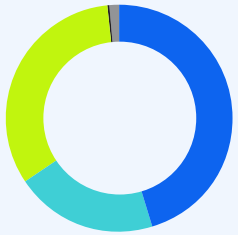
TC Energy Technical Scholarship (Mexico) For students enrolled in technical schools offering employability training relevant to the economic and social needs of their community.

SCHOLARSHIP PROGRAM RESULTS

5,720+ APPLICATIONS RECEIVED IN 2024

APPROXIMATELY **$2.8M** & **880** SCHOLARSHIPS AWARDED

Scholarships awarded by gender



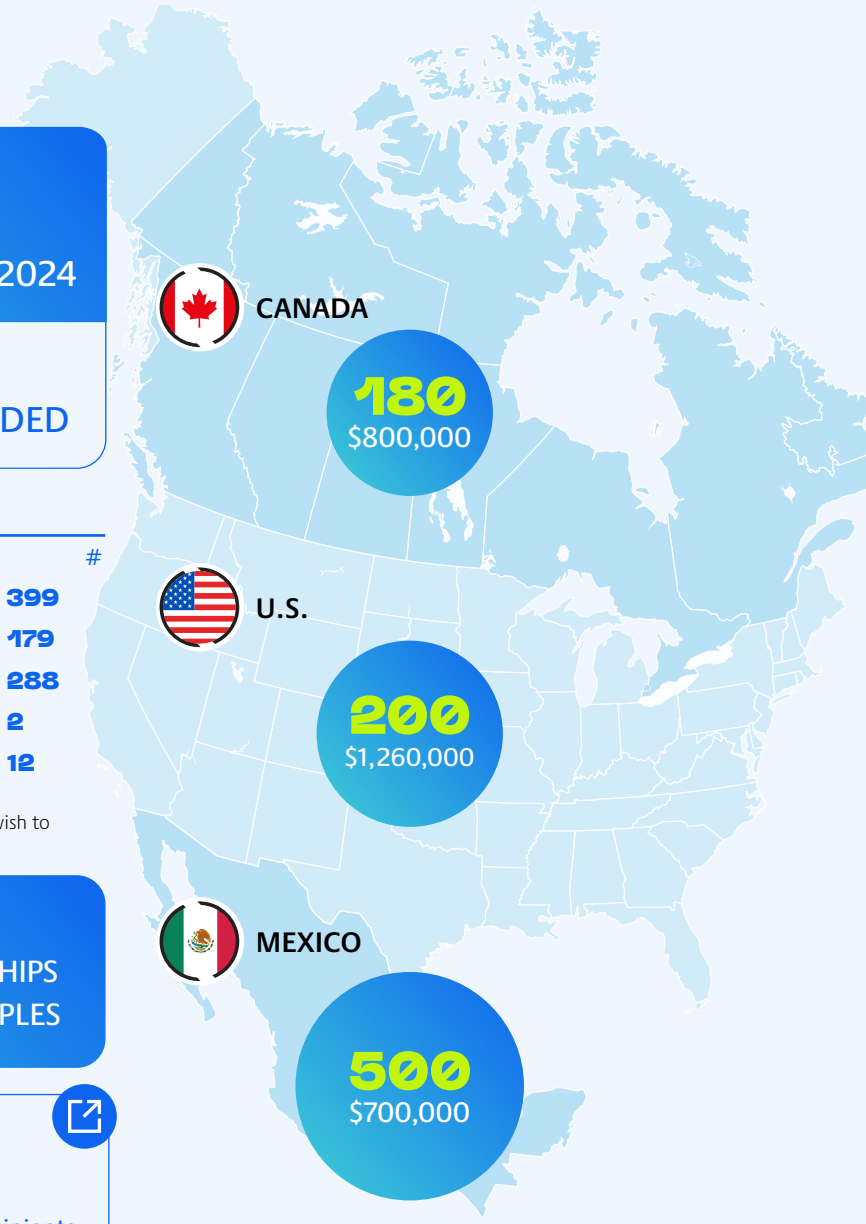
	#
Female	399
Male	179
Unknown	288
Non-Binary	2
Other	12

Unknown represents Scholarship recipients that did not wish to participate in the demographic questionnaire.

55% OF SCHOLARSHIPS AWARDED TO INDIGENOUS PEOPLES

WANT TO LEARN MORE?

+ Social Impact Scholarships
+ News release: TC Energía scholarship recipients



Total, and value of, scholarships awarded in 2024

Employee giving

Build Strong supports and encourages our employees to give back in ways that resonate with them personally. Through fundraising, donating and volunteering, TC Energy employees help make the world a better place.

In 2024, employees contributed $4.1 million to thousands of deserving causes through Build Strong programs, logging more than 45,000 volunteer hours across Canada, the U.S. and Mexico. This represents a 28 per cent year-over-year increase in employee donations and a 19 per cent increase in volunteer hours.

73%

OUR TARGET: Sustain 60% workforce participation in our social impact program.

STATUS: In 2024, we exceeded this target with 73 per cent participation in our workforce giving and volunteering program. Our strong employee participation has encouraged us to increase our target to 65 per cent going forward.

NEW TARGET

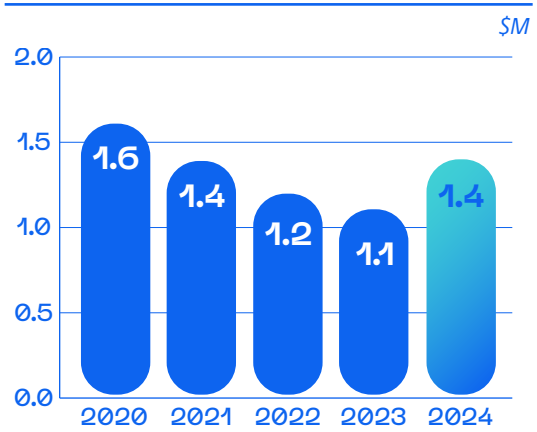
NEW TARGET: Maintain at least 65% employee participation, and 100% Executive Leadership Team (ELT) participation, in our social impact program each year through 2026.

WANT TO LEARN MORE?

+ Build Strong Employee Participation

In September 2024, TC Energy employees rallied around our communities to support those facing food insecurity through our company-wide Nourishing our Neighbours campaign. In just over 10 days, close to 1,400 TC Energy employees from Canada, the U.S. and Mexico collected 31,495 pounds of food, dedicated 6,298 volunteer hours and raised more than $900,000 for 47 food-related causes.

Workforce donations year-over-year



The $4.1 million reflects total corporate contributions made through our employee giving program. This includes company matching donations, employee-driven campaigns, donation credits provided by TC Energy, and direct contributions from Empower to various causes.


TC ENERGY

Landowner relations

As an energy infrastructure company with operations in three countries, we are proud of the relationships we have built with close to 100,000 landowners across our pipeline and asset network. Without their trust and cooperation, our business is not possible.

OUR APPROACH

Building and managing relationships with landowners across North America is critical to our success. Our Guiding Principles help us conduct our interactions with landowners in a positive and consistent manner.

Guiding Principles

Respectful and trustworthy - We recognize the importance and value of developing and maintaining relationships with landowners that are based on respect and trust. We seek to understand, document and resolve landowner concerns through collaborative and mutually beneficial means.

Honest - We engage landowners early and often. Engaging means listening, providing accurate information and responding to questions in a prompt and consistent manner. We use honest and transparent business practices to build strong relationships.

Fair - Our goal is to develop mutually beneficial relationships that are fair and reasonable, balancing landowner concerns and perspectives with business needs.

Accountable - We fulfill our commitments and take ownership for our actions. We carry out our business activities in compliance with our corporate policies and applicable laws and regulations.

Professional - We conduct ourselves in a professional and courteous manner, remaining open and frank and taking concerns seriously.

Responsible for protection of private information - We recognize that land records are an important asset that must be carefully managed. We use best practices with respect to records management and the protection of private information.

Our Power and Energy Solutions business is looking to partner with local farmers to trial using local sheep to manage vegetation at our Saddlebrook Solar + Storage project near Aldersyde, Alta., reducing the need for mechanical mowing and herbicides, and enhancing soil health through natural fertilization.

WANT TO LEARN MORE?

+ Land program guiding principles

+ Working with landowners

INDIGENOUS ENGAGEMENT

TC Energy strives to build and sustain Indigenous support for our projects and operations. We do so through early, honest and continuous communication to mitigate impacts and build mutually beneficial partnerships. We believe those who are impacted most, should benefit most.

Our approach

TC Energy's Indigenous Relations teams in Canada, the U.S. and Mexico share the same unified mission: to build strong, respectful relationships and partnerships with local Indigenous and Tribal groups. While the goal is the same, each team operates within distinct frameworks tailored to the regulatory landscapes and engagement priorities of their respective regions. Guiding their efforts is our Indigenous Relations Policy, providing consistency while addressing local needs and compliance.

The Indigenous Relations Policy outlines the expectations for TC Energy personnel and guides our engagement with Indigenous groups in a manner that supports the spirit and intent of the United Nations Declaration on the Rights of Indigenous Peoples (UNDRIP), including Free, Prior and Informed Consent (FPIC).

In Canada, where the Crown has a duty to consult with Indigenous peoples on projects that impact their treaty and Indigenous rights and delegates aspects of the duty to consult to companies, we engage early and often on new projects. We offer capacity funding to support participation in the regulatory process, as well as funding for traditional knowledge and land use studies. Additionally, we have created construction and post-construction monitoring programs to increase Indigenous participation and enhance knowledge in the planning and execution of our work.

To foster strong partnerships, we collaborate and co-develop Relationship Agreements that define our approach to working together with an Indigenous group and sharing in the benefits of our projects.

In the U.S. and Mexico, where Indigenous consultation is led by the federal governments, we work with government bodies to comply with effective Indigenous consultation processes, both structurally and in practice, and to foster community relationships through various social responsibility initiatives.

JURISDICTIONAL ENGAGEMENT AND ACTION

Building strong, respectful relationships and partnerships requires that we understand the communities where we operate and the people who live there. To achieve this, TC Energy's Indigenous Relations Canada team implemented changes to our operating model to hire a larger and field-based Engagement team across our Canadian footprint to build and maintain relationships with Indigenous peoples through both projects and operations. As a result, 12 of the Engagement Leads are Indigenous and we now have twice as many Indigenous team members in our new operating model compared to two years ago. The new Indigenous Relations operating model, centred around field-based staff, has strengthened relationships with Indigenous communities across our assets. Similar field-based models are in place in the U.S. and Mexico.

On November 7, 2024, we announced the appointment of Dawn Madahbee Leach to the TC Energy Board. Ms. Madahbee Leach is an Anishinabe-Kwe and member of the Aundeck Omni Kaning First Nation. She brings a depth of experience with Indigenous relations and business strategy.

In Mexico, we engaged in two consultation processes led by the federal government, specifically the Ministry of Energy (SENER), along the Tuxpan-Tula pipeline project. This approach led to re-routing of the central pipeline segment to honor requests from the local Indigenous peoples. All consulted Indigenous peoples agreed to the revised project, which now awaits a final investment decision (FID). We remain focused on strengthening relationships until the project receives approval, which is still subject to an FID. We continue to build relationships with communities and are preparing to carry out social investment commitments pursuant to the Energy Ministry's approval.

TC ENERGY IS DEDICATED TO ENGAGING MEANINGFULLY TO BUILD LASTING RELATIONSHIPS AND TRUST.

WANT TO LEARN MORE?

+ Indigenous Relations Policy
+ Indigenous Relations Strategy
+ Indigenous Relations Guiding Principles
+ Reconciliation Action Plan and 2022 Update

Continuing our learning

TC Energy has been engaging with Indigenous groups for more than 40 years. Our journey has underscored the value of fostering relationships and engaging in meaningful dialogue.

BOARD OVERSIGHT OF INDIGENOUS RELATIONS

TC Energy's Board of Directors recognizes the vital role Indigenous relationships and partnerships have to our business. The Board regularly receives verbal and written reports from management on various significant matters related to operations, as well as the development and construction of projects across all business lines and regions. These reports have included notification of, and updates on, matters related to Indigenous rights and relations, including presentations on TC Energy's approach to engagement with Indigenous communities. In addition, the HSSE committee reviews TC Energy's Reconciliation Action Plan disclosure prior to publication.

THE ROLE OF THE INDIGENOUS ADVISORY COUNCIL

TC Energy's Reconciliation Action Plan, released in 2021 and updated in 2022, committed to establish an Indigenous Advisory Council (IAC) in Canada to provide strategic insights and advice to our ELT, helping to inform corporate strategy, project development and operational practices. Representing Indigenous interests and perspectives from across Canada, members have expertise and experience in areas including Indigenous governance, business and partnership development, and Indigenous participation.

Since IAC's inaugural meeting with the ELT in May 2022, their advice has led to meaningful progress in our approach and relationships with Indigenous peoples in Canada.

Specifically, we have:

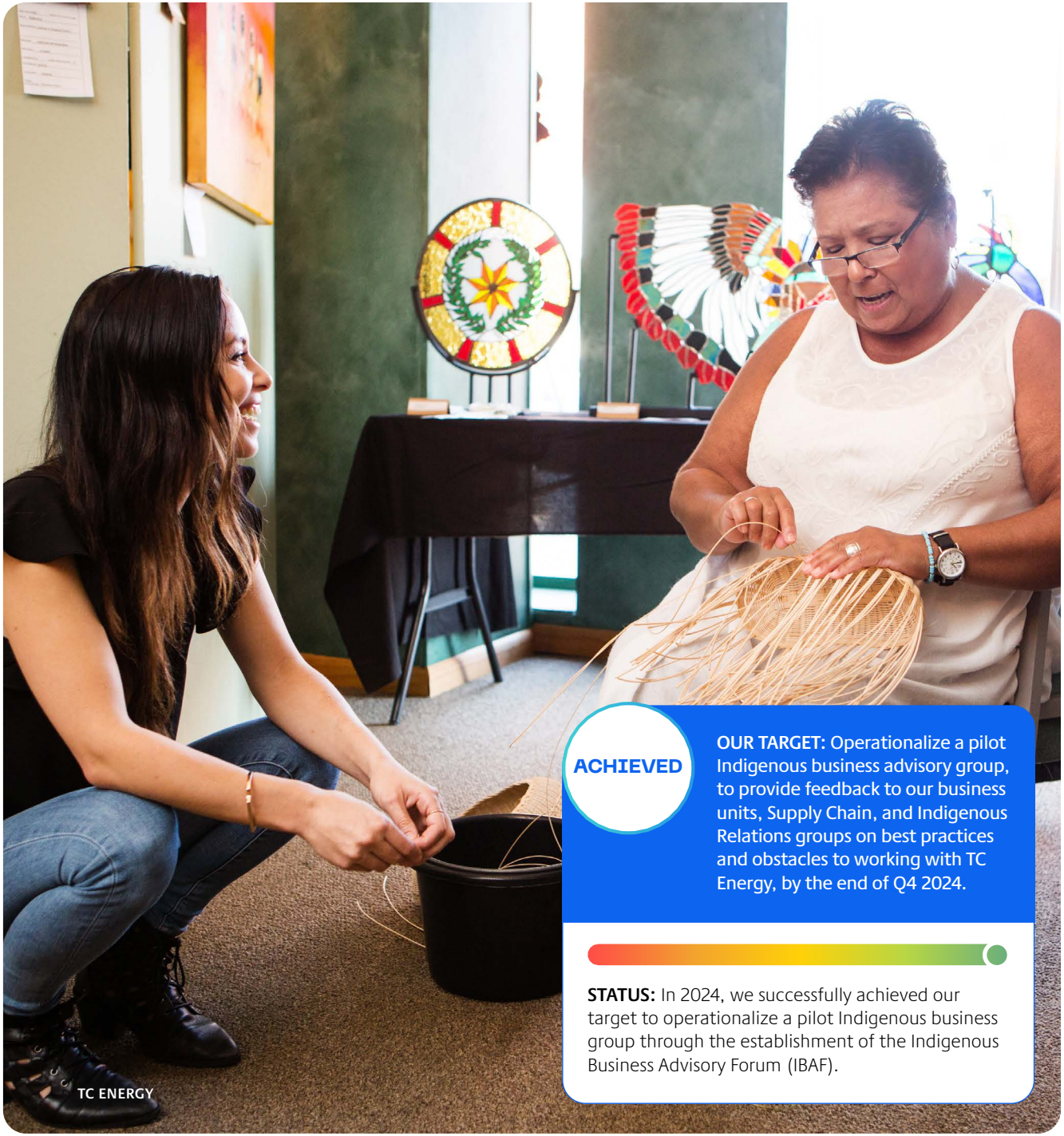
- Implemented changes to the organization's approach to Indigenous and local hiring and contracting via the Hire and Buy Local initiative that is incorporated into major projects
- Launched an Indigenous Business Advisory Forum to provide feedback on best practices and areas TC Energy can improve in to working with us
- Expanded and adjusted the use of co-developed Relationship Agreements to provide clarity on how TC Energy works with communities in support of mutually beneficial goals
- Developed a purpose-built Indigenous cultural space at the company's head office to build a sense of belonging for Indigenous members of our workforce. The Anitopisi (Blackfoot for "a spiders web") room was designed and furnished as a gathering space where we can celebrate Indigenous culture, create connections, share teachings, engage in ceremony and build relationships

INDIGENOUS AWARENESS TRAINING

As part of our commitment to fostering respectful relationships, deepening cultural and historical understanding, TC Energy has implemented corporate-wide mandatory Indigenous Awareness Training for employees and contractors in Canada and the U.S. Since 2021, 99 per cent of employees and contractors in Canada and 98.5 per cent in the U.S. have completed mandatory Indigenous awareness training. Additionally, 1,370 Canada-based personnel have participated in expanded module training sessions. In alignment with TC Energy's Reconciliation Action Plan, the Board of Directors has also successfully completed Indigenous awareness training.

In 2024, two new members joined our Indigenous Advisory Council (the Council). Chief Crystal Smith, Chief Councillor of the Haisla Nation, and Chief Roy Whitney of Tsuut'ina Nation, bring expertise in sustainable economic development, cultural preservation and community empowerment.

We extend our thanks to departing Council members Raylene Whitford, Council Chair from 2022-2024, and Krystal Abotossaway for their contributions to the Council and our reconciliation journey. Chief Smith and Chief Whitney join current members Chief Robert Louie, Karen Restoule (now serving as Chair), Bill Namagoose and Lee Ahenakew on the Council. We are grateful for their leadership and dedication to meaningful dialogue and collaboration as we work toward reconciliation and a strong shared future.



ACHIEVED

OUR TARGET: Operationalize a pilot Indigenous business advisory group, to provide feedback to our business units, Supply Chain, and Indigenous Relations groups on best practices and obstacles to working with TC Energy, by the end of Q4 2024.

STATUS: In 2024, we successfully achieved our target to operationalize a pilot Indigenous business group through the establishment of the Indigenous Business Advisory Forum (IBAF).

Creating opportunities

Fostering economic opportunities for Indigenous communities is a cornerstone of TC Energy's commitment to building long-term, respectful relationships and supporting economic reconciliation. It ensures that those most directly affected by TC Energy's projects and operations benefit from development initiatives. TC Energy achieves this through various efforts, including employment and contracting opportunities through the Hire and Buy Local program, capacity funding, Relationship Agreements on projects, potential equity participation in new developments, education and training programs, community investments and scholarships.

Hire and Buy Local (HBL) program - The HBL Program is TC Energy's strategic approach to prioritize employment, contracting and procurement opportunities for Indigenous and local communities impacted by our projects and operations. The HBL program provides a transparent, structured framework that ensures community participation through contractually binding commitments for hiring and local business engagement. This program strengthens community relationships, supports local economies and mitigates project risks. By aligning project execution with community benefit, HBL enhances trust and reinforces TC Energy's commitment to sustainable, inclusive development.

Indigenous Business Advisory Forum - The Indigenous Business Advisory Forum was established in 2024 to advise TC Energy on Indigenous hiring and contracting practices. Participants from Indigenous communities near our Canadian NGTL and Foothills pipeline systems met in November to share feedback and provide TC Energy with guidance to strengthen collaboration, Indigenous participation through employment and business opportunities, and increase procurement within our supply chains. We are incorporating the learnings from these sessions into go-forward plans and we will work with the group to determine future feedback opportunities using the Forum. The group plans to meet at least annually.

PARTNERSHIPS

TC Energy is dedicated to establishing and maintaining Indigenous support for our projects and operations through early, transparent, and continuous engagement. We are committed to mitigating potential impacts and fostering mutually beneficial partnerships that uphold trust and collaboration. Where appropriate, we formalize this support through agreements with Indigenous groups that acknowledge their unique governance, relationship to the land, and legal standing.

Relationship agreements

These agreements define our agreed-upon approach to communicating, working together, raising issues through the potential planning, regulatory approval and development process, and provide economic benefits to communities. TC Energy has 20 agreements on the Coastal GasLink project and over 40 with Indigenous communities across the NGTL and Foothills pipeline systems.

Equity opportunities

Through equity, Indigenous peoples are able to enhance the long-term prosperity of their communities by generating meaningful revenue while building alignment and shared long-term interests with TC Energy. In 2023, TC Energy released our Canadian Indigenous Equity Framework which outlines our values and principles for equity opportunities.

The Equity Framework demonstrates our commitment to exploring meaningful opportunities for equity ownership across our Canadian footprint to build greater alignment and share in benefits through partnership.

WANT TO LEARN MORE?

+ Canadian Indigenous Equity Framework

Expanding equity opportunities through Coastal GasLink

In March 2022, we announced the signing of option agreements to sell up to a 10 per cent equity interest in Coastal GasLink Limited Partnership (Coastal GasLink LP) to Indigenous communities across the project corridor, from our current 35 per cent equity ownership.

Coastal GasLink achieved commercial in-service in October 2024 and communities are now actively evaluating their intention to exercise the option.

WANT TO LEARN MORE?

+ CGL Phase 2

+ CGL Equity option agreement

Ontario Pumped Storage (OPS) Project equity partnership

As prospective partners on the Project, the Saugeen Ojibway Nation, will benefit directly through their equity ownership position, and have access to priority employment, training, and contracting opportunities for their members.

In 2024, we continued to seek out feedback from community members and Indigenous nations to align the project with community values. In response to community concerns, TC Energy continued to refine the design of the project to protect Georgian Bay, incorporating measures to help safeguard the aquatic environment. In 2025, the project will begin a provincial regulatory assessment to ensure compliance with safety and environmental standards. Subject to receipt of regulatory and corporate approvals, construction would begin in the latter part of this decade and be in service in the early 2030s.

EDUCATION AND TRAINING

We strive to build a strong Indigenous talent pipeline. To that end, TC Energy provided 329 Indigenous Legacy scholarships across Canada, the U.S. and Mexico in 2024 to support educational advancement of Indigenous peoples.

COMMUNITY INVESTMENT

As part of our efforts to build long-term, mutually beneficial relationships, we work directly with Indigenous communities to understand their priorities and fund initiatives that they identify in the areas of safety, education and training, environment and community. In 2024, TC Energy invested over $5 million across North America in Indigenous community-led initiatives.

Examples of 2024 activities include:

- **Building youths' confidence and business skills** - CGL sponsored the Bear's Lair Youth Entrepreneur Dream Camp for 54 British Columbia youth. Hosted by Kitselas Five Tier in Terrace, and by Lheidli T'enneh in Prince George, this three-day interactive training camp provides youths ages 12 to 18 opportunities to work with coaches and mentors, tackle team challenges, boost their confidence and develop business skills
- **Planting shelterbelts** - TC Energy sponsors the Project Forest Siksika Nation Community Shelterbelt Program. This five-year program funds the planting of shelterbelts, long lines of trees or shrubs, on the Siksika nation in southern Alberta.
- Shelterbelts can help mitigate the effects of climate change, enhance privacy from nearby roads and improve access to traditional plants and medicines. The program employs two community members to water the seedlings. Over 130,000 trees and shrubs were planted in 2023, or 93 kilometres of rows were strung end-to-end, in both community and agricultural areas. Over the next four years, the program plans to plant an additional 800,000 seedlings on the Nation
- **Putting recycling program proceeds to local use** - Coastal GasLink's recycling programs reduce the flow of waste to regional landfills. Donations to community organizations from the proceeds of cans and bottles recycled at workforce accommodations totaled more than $77,500. This recycling initiative has raised more than $644,500 since mid-2021 for local charitable and not-for-profit organizations in Northern B.C. communities

ONGOING

OUR TARGET: Identify and support community-led reconciliation initiatives through partnerships with Indigenous groups.

STATUS: TC Energy provided $5.47 million in support to initiatives identified by Indigenous communities in 2024.

HUMAN RIGHTS

TC Energy does not tolerate human rights abuses. We believe supporting fundamental human rights is a basic yet critical responsibility in how we conduct business.

We do not tolerate any activity that solicits or encourages abuse of human rights, such as forced labour, child labour or physical or mental abuse. When adopting best practices, TC Energy considers both the International Bill of Human Rights, which consists of the Universal Declaration of Human Rights, and the core International Labour Organization (ILO) Conventions.

As a committed participant in the UN Global Compact, TC Energy supports the Ten Principles of the UN Global Compact on human rights, labour, environment and anti-corruption. We take action against all forms of discrimination, stand firmly against forced labour and child labour, provide good quality working conditions and living wages for all employees, and require the same of our contractors.

WANT TO LEARN MORE?

+ Code of Business Ethics (COBE) webpage
+ Contractor Code of Business Ethics (COBE) Policy
+ The Ten Principles of the UN Global Compact
+ Embedding the United Nations Global Compact principles into TC Energy's strategy

TC Energy's Human Rights Practices

Employment policies and standards - We include topics related to diversity, equal opportunities, health and safety, labour conditions, discrimination and harassment.

Training - We reinforce our position in mandatory annual Code of Business Ethics (COBE) training and certification for personnel that we will not be complicit with, nor engage in, any business activity that supports or facilitates the abuse of human rights.

Contractor standards and audits - We utilize a risk-based model to manage human rights risks in our supply chain, leveraging various processes to screen and monitor contractors and our global supply chain. Contractors are also issued the Contractor Code of Business Ethics (COBE) Policy to clarify expectations and raise awareness of human rights topics.

Community engagement - We conduct environmental and socioeconomic impact assessments, when required, as well as support for community programs and initiatives that create positive societal impacts.

Indigenous Relations programs - We aim to build and sustain positive relationships through early, ongoing and honest communication, mitigating impacts, and establishing mutually beneficial partnerships.

Collective bargaining and union agreements - We focus on fair and respectful work conditions and recognize and respect our employees' and contractors' rights to join associations for the purpose of collective bargaining in a manner that is consistent with laws, rules, regulations and customs.

GOVERNANCE

Our commitment to the highest standards of ethics and corporate governance guides us. Our structure and policy framework, with its clear accountabilities and oversight, helps to integrate sustainability and innovation into our business. We believe incorporating sustainability into our governance behaviour is not only an ethical imperative but it also reduces our risk profile and contributes to our bottom line.

IN THIS SECTION

Relevant SDG's

CORPORATE GOVERNANCE

We believe strong corporate governance helps us maintain rights holder and stakeholder trust and leads to better decision making, supporting long-term value creation. TC Energy's Board oversees our sustainability strategy and practices, with primary accountabilities at the Board committee level. The Board has formally adopted and published a set of Corporate Governance Guidelines, Charters for the Board of Directors and each of its committees, and Terms of Reference for the Chair of the Board of Directors and the President and Chief Executive Officer (CEO). These guidelines and Charters describe the required structure and composition of the Board and its committees and clarifies their respective responsibilities.

Director qualifications

TC Energy's Board includes directors with a range of skills, experience, insights and perspectives to guide our business operations and our long-term strategy. Candidates are nominated as directors based on merit and their capacity to fulfil the fiduciary duties of a public company director. We consider a potential director's skills, industry experience, expertise, and diversity factors including gender, ethnic background and geographic residence. In 2024, TC Energy's Board participated in educational sessions covering topics such as GHG emission measurement methodologies, U.S. energy policy and energy diplomacy, cybersecurity, trends in the energy sector, cybersecurity strategy and North American economic integration.

Board diversity

We seek to maintain at least 30 per cent women and at least one racially and/or ethnically diverse[42] member on our Board of Directors. The Governance Committee may engage an independent third party to identify and assess candidates that meet the Board's skills and diversity criteria. For more information, see our 2025 Management Information Circular and our Board Diversity Policy.

Compensation

Our compensation plan reflects our desire to balance near-term financial performance with sustainable long-term development. Reflecting our pay-for-performance philosophy, performance against our internal corporate scorecard informs employee and executive allocations for our short-term incentive program. Sustainability goals are embedded in our corporate scorecard, with a 50 per cent weighting tied to safety and operational excellence targets. In 2024, we incorporated methane intensity reduction as a performance metric—weighted at 10 per cent—into the long-term, three-year vesting performance share units for senior leaders and executives across the organization. This alignment of senior leadership and executive incentives with our sustainability strategy, underscores our commitment to progressing and advancing our strategic priorities including growth and supporting the energy transition.

40%

OUR TARGET: 30 per cent women on our Board of Directors.

STATUS: As of December 31, 2024, six of 15, or 40 per cent, of director positions were held by women.

THREE

OUR TARGET: At least one member who identifies as racially and/or ethnically diverse[42] on our Board of Directors.

STATUS: As of December 31, 2024, three of 15, or 20 per cent, of the Board were composed of racially and/or ethnically diverse members, of which two are visible minorities[43] and one is Aboriginal[44].

WANT TO LEARN MORE?

+ Corporate Governance Guidelines
+ Terms of Reference for the Chair of the Board of Directors
+ Board Diversity Policy
+ 2025 Management Information Circular

[42] Racially and/or ethnically diverse members includes Aboriginal peoples (means persons who are Indigenous, Inuit or Métis) and members of visible minorities (means persons, other than Aboriginal peoples, who are non-Caucasian in race or non-white in colour).
[43] Visible minorities means persons, other than Aboriginal peoples, who are non-Caucasian in race or non-white in colour.
[44] Aboriginal peoples means persons who are Indigenous, Inuit or Métis.

SUSTAINABILITY GOVERNANCE

Sustainability governance is essential for maintaining our reputation as a responsible business and helps us manage risks in a way that contributes directly and indirectly to our bottom line.

Board oversight

TC Energy's Board of Directors maintains ultimate oversight over TC Energy's sustainability matters, including climate-related risks and opportunities, political and regulatory uncertainty, material capital project decisions and reputation and relationships with Indigenous communities.

Our Board of Directors' primary responsibilities are to foster TC Energy's long-term success and sustainability, oversee our business affairs and management, and to act honestly, in good faith and in the best interests of TC Energy. The Board's main objectives are to promote our best interests, to maximize long-term shareholder value and to enhance shareholder returns. The Board delegates some duties to its four standing committees and discharges others to management to manage the day-to-day affairs of the business.

The Board's four standing committees are composed of independent directors and receive regular updates from management. For details on the Committee's mandates, see page 74.

Audit Committee - oversees the integrity of our financial statements and our compliance with legal and regulatory requirements. It also oversees and monitors the accounting and reporting process and the process, performance and independence of our internal and external auditors.

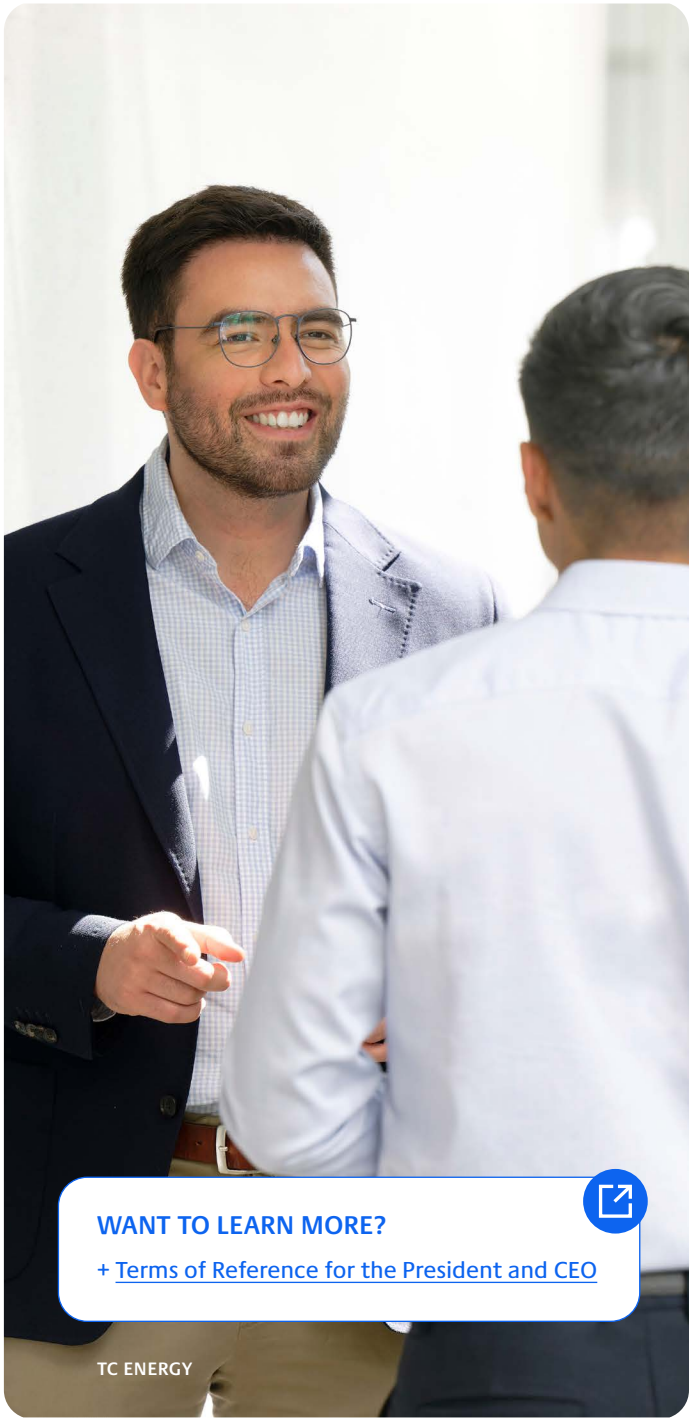
Governance Committee - oversees our strategic planning process and risk management activities, the composition, independence, skills and diversity of the Board as well as recruitment and compensation of directors, and matters related to the timing of our annual meeting.

Health, Safety, Sustainability and Environment (HSSE) Committee - oversees operational, major project execution, health, safety, sustainability and environmental risk, including climate change related risks. It monitors compliance, risk management and performance for these matters and oversees significant or complex capital projects, including the monitoring of prescribed performance criteria.

Human Resources Committee - oversees the compensation programs and assessed the performance of the CEO and each executive vice-president against pre-established objectives, and is responsible for assisting the Board with developing strong human resources policies and plans. It also approves and, as applicable, recommends to the Board executive incentive awards, and any major changes to the compensation programs and benefits plans for employees.

WANT TO LEARN MORE?

+ Charter of the Board of Directors
+ Audit Committee Charter
+ Governance Committee Charter
+ Health, Safety, Sustainability and Environment Committee Charter
+ Human Resources Committee Charter



Management oversight

President and CEO - The President and CEO position is the highest level of executive leadership with responsibility for sustainability-related risks and opportunities. This position is responsible for the company's overall leadership and vision in developing strategic direction, values and business plans and has overall responsibility for operating and growing our business while managing risk, including climate change risks, to create long-term sustainable value for our shareholders.

The President and CEO is supported by our ELT. The ELT includes our Chief Financial Officer, Chief Inclusion Officer and Chief Risk Officer. Our Chief Sustainability Officer reports to the CFO, with additional support provided by the Sustainability Management Committee.

Chief Financial Officer (CFO) - The CFO is responsible for financing decisions and aligning business and financial strategies. They maintain relationships with our investor base, including credit rating agencies, and collaborate with the CSO to provide transparent, reliable sustainability information to our rights holders and stakeholders.

Chief Inclusion Officer (CIO) - The CIO is responsible for fostering a culture of belonging within the organization by promoting openness, transparency, and inclusivity. The role emphasizes the importance of psychological safety, ensuring employees can express themselves and challenge ideas freely. Additionally, the CIO engages with community initiatives to drive meaningful change in diversity efforts and fosters trust while advocating for underrepresented groups. The CIO champions initiatives and provides guidance that fosters a more inclusive workplace.

Chief Risk Officer (CRO) - The CRO facilitates TC Energy's annual enterprise risk assessment and manages our enterprise risk register. They are responsible for ensuring the enterprise risk management (ERM) program governance model, framework and processes are established, properly documented and maintained in alignment with our culture and operating model.

The CRO reports quarterly to the Board on enterprise risks, including climate-related risks, and meets as needed with the Governance Committee.

Chief Sustainability Officer (CSO) - The CSO, reporting to our CFO, provides strategic leadership for sustainability-related matters, including climate change, energy and resource conservation and environmental stewardship. They coordinate activities and communicate our performance in sustainability matters. The CSO reports quarterly, or more often if necessary, to the Board's HSSE Committee. The CSO also chairs the Sustainability Management Committee (SMC).

Sustainability Management Committee (SMC) - Comprising senior leaders and heads of business units from across the company, the Committee develops cross-functional alignment on sustainability-related goals and commitments, and further integrates sustainability into company initiatives. Meeting regularly, members asses current and emerging environmental, social and governance matters, driving new initiatives that advance our sustainability strategy. The Committee operates under the oversight of the Board HSSE Committee.

Operating Committee - This Committee oversaw enterprise decisions in support of management system governance, strategic system enhancements and operational risk management related to safety and select environmental considerations. In December 2024, the committee's authority was delegated to VP-level leadership and the Safety and TOMS Advisory Committee (STAC), which has been meeting monthly since May 2024.

Safety and TOMS Advisory Committee (STAC) - STAC oversees governance and decision-making for TC Energy's Operational Management System (TOMS) and safety initiatives. This Committee is comprised of Senior Project and Operations leaders and endorses updates to select Corporate Governance Documents, including enterprise policies and standards, and provides decision updates to the SVP, Safety and Technical Services, and the COO Leadership team. STAC reviews quarterly reports submitted to the Board's HSSE Committee.

BOARD OF DIRECTORS AND BOARD COMMITTEES

The Board maintains ultimate oversight over TC Energy's sustainability matters, including risks and opportunities related to material capital project decisions and other matters not specifically covered in a committee mandates, such as Indigenous engagement strategy and risks and opportunities associated with material projects, including Indigenous equity opportunities. The Board also maintains oversight of business strategy alignment, progress against our most significant sustainability objectives and commitments and our overall sustainability communications strategy.

The Board delegates some duties to its four standing committees. Composed of independent directors, Board committees receive regular updates from management.

AUDIT COMMITTEE

Oversees:

- corporate compliance program requirements, structure and results, including foreign corrupt practices and anti-bribery statutes and policies
- financial reporting risks including issues relating to materiality and risk assessment

Monitors financial reporting, legal and regulatory developments affecting our financial reporting process, controls and disclosure, including climate-related financial disclosure.

Receives regular reports from management on compliance and cybersecurity controls, plans and initiatives.

GOVERNANCE COMMITTEE

Oversees:

- enterprise risk management program and activities
- the annual assessment of the Board, Committees and Chair
- our strategic planning process, including strategic issues to be considered throughout the year

Monitors updates to securities regulations and governance reforms (regulation and legal updates affecting our policies, procedures and disclosure practices).

Reviews the Board Diversity Policy, external governance assessments, and our lobbying policies, activities and expenditures.

Reviews the Report on Forced Labour and Child Labour, and information on climate-related management and shareholder proposals and voting trends.

HEALTH, SAFETY, SUSTAINABILITY AND ENVIRONMENT COMMITTEE

Oversees:

- risk management activities related to HSSE
- TC Energy's voluntary disclosure on HSSE sustainability matters, including the Report on Sustainability

Reviews and monitors the performance and activities of TC Energy's HSSE matters including compliance with applicable and proposed legislation, conformance with industry standards and best practices.

Reviews the progression of TC Energy's sustainability and Reconciliation Action Plan commitments.

Monitors the performance of actions and initiatives undertaken by TC Energy to prevent, mitigate and manage risks related to HSSE matters, including climate change-related risks and any critical incidents respecting our assets, operations, personnel and public safety.

Monitors developments in Canadian, U.S. and Mexico legislation on air emissions, greenhouse gas legislation, climate change initiatives and related compliance matters.

HUMAN RESOURCES COMMITTEE

Approves:

- changes to share ownership requirements
- the named executive officer compensation peer group, including amendments to the peer group for 2025
- the performance measures under the PSU Plan, including changes to performance measures post-spinoff of the Liquids Pipelines business
- long-term incentive grant awards and recommended payout of the 2021 grants

Reviews the risks associated with its compensation programs, and the targets under the annual corporate scorecard.

Reviews the benefits under our Canadian pension plans and share ownership requirements for executives.

CHIEF EXECUTIVE OFFICER (CEO)

Responsible for the company's overall leadership and vision in developing strategic direction, values and business plans and has overall responsibility for operating and growing our business while managing risk, including climate change risks, to create long-term sustainable value for our shareholders.

EXECUTIVE LEADERSHIP TEAM (ELT)

Responsible for developing and implementing TC Energy's strategy, including integration of sustainability matters into decision-making and financial plans and advancing strategic priorities including growth and energy transition.

CHIEF FINANCIAL OFFICER (CFO)

- Aligns financial and business strategies
- Maintaining relationships with our investor base and credit agencies
- Provides timely, complete and accurate financial information to external rights holders and stakeholders

CHIEF RISK OFFICER (CRO)

- Facilitates our annual enterprise risk assessment
- Manages our enterprise risk register
- Ensures the enterprise risk management (ERM) program governance model, framework and processes are documented and maintained in alignment with our culture and operating model

CHIEF INCLUSION OFFICER (CIO)

- Promotes openness, transparency, and inclusivity to foster a culture of belonging
- Emphasizes psychological safety
- Champions initiatives and provides guidance to create a more inclusive workplace

CHIEF SUSTAINABILITY OFFICER (CSO)

- Provides strategic leadership for sustainability matters
- Coordinates sustainability-related activities and communicating our performance
- Monitors and prepares for mandatory reporting requirements in jurisdictions in which we operate

MANAGEMENT AND MANAGEMENT COMMITTEES

Integrates our sustainability strategy and risk management into daily functional and operational accountabilities. Develops, oversees and implements corporate initiatives, policies, and processes, and measures the performance and success of programs.

EMPLOYEES

Contributes to organizational success through adherence to policies and upholding corporate values in a socially responsible and ethical manner.

ENTERPRISE RISK MANAGEMENT

We maintain rigorous oversight of enterprise risk management, leading to enhanced decision-making, improved business continuity, and strengthened corporate governance.

Oversight

Our Board of Directors retains general oversight over all enterprise risks. While the Board is accountable for overseeing risk in general, Board Committees are tasked with providing oversight for specific risks:

- The Governance Committee of our Board oversees our enterprise risk management (ERM) program, ensuring comprehensive oversight of our risk management activities
- The Human Resources Committee oversees executive resourcing, organizational capabilities and compensation risk
- The Health, Safety, Sustainability and Environment Committee oversees operational, health, safety, sustainability and environmental risk, including climate-related risks
- The Audit Committee oversees management's role in managing financial risk, including market risk, insurance risk, counterparty credit risk and cybersecurity

Management

Our ERM framework offers a comprehensive process for risk identification, analysis, evaluation and mitigation, including for sustainability-related risks. It also helps ensure ongoing monitoring and reporting to the Board of Directors, CEO, CRO and Executive Vice-Presidents.

Collaboratively, the ERM team, CRO and Management Risk Committee (MRC) work together to identify and validate both emerging and enterprise risks. Risks identified through this process are categorized into themes within the enterprise risk register: operational, regulatory, return on (and of) capital, financial, strategic, project execution, talent and enterprise security.

Risks are evaluated during the company's annual enterprise risk assessment, which involves the participation and input of business leaders and internal subject matter experts (SMEs) from various departments, leadership levels, and geographical locations across the organization.

Operational management system

TC Energy's proprietary management system, TOMS, is an integral part of TC Energy's de-risking strategy, incorporating industry best practices and standards, such as International Organization for Standardization (ISO) and Occupational Safety and Health Administration (OHSA), as well as undergoing periodic audits by the Canadian Energy Regulator (CER).

The enterprise-wide system covers health, safety, the environment, rights holder and stakeholder engagement and operational integrity across our asset lifecycle.

WANT TO LEARN MORE?

+ 2025 Management Information Circular

Risks are evaluated based on their likelihood of occurrence and potential impact if they materialize, considering both inherent and residual risk over a one- to three-year time horizon. Risk assessments are plotted on a heat map, included with scorecards detailing assessed change in risk, current and planned mitigations, and key risk indicators (KRIs). The consolidated assessment, including all identified enterprise risks, forms the Enterprise Risk Register (risk register).

TC Energy's Board reviews the risk register annually and receives quarterly updates on emerging risks and their management and mitigation in accordance with TC Energy's risk appetite and tolerances. Additionally, the Board receives an annual in-depth review of each enterprise risk theme. The Board's role in reviewing risk materials involves ensuring alignment with the organization's risk management framework and strategic objectives, understanding key risks and their mitigation strategies, and engaging with senior management to provide insights and guidance on risk management practices.

Our ELT is responsible for developing and implementing risk management plans and actions, with effective risk management reflected in their compensation. Each identified enterprise risk has a governance owner from the ELT. Risk execution is overseen by an accountable Business Unit President or Senior Vice-President. These risk owners provide in-depth risk reviews to the Board annually.

SOCIAL IMPACT MEASUREMENT

At TC Energy, we want to make a positive difference through our community giving. In 2024, we began implementing a social impact measurement framework to better understand and measure the impact of our community investments and workforce giving.

By measuring impact instead of dollars, we are moving our focus away from inputs in dollars towards the ultimate goal - improving people's lives. For example, our framework allows us to track not just the financial support provided to local food banks, but also the number of families served, their demographics and whether receiving food assistance will enable them to reallocate funds to other basic needs.

With key performance indicators (KPIs) for each focus area, the new framework provides transparency for community partners, supports their understanding of TC Energy's community giving strategy and helps jointly identify what is working so we can build on it together. In 2025, community partners began completing post-grant reporting to evaluate actual program outcomes against desired outcomes.

Our innovative use of this new framework will allow TC Energy to:

- Identify the most common community needs across our regions
- Measure social impacts with common metrics across programs
- Report internally and externally on the positive community impacts of our investments
- Set targets for social impact and track progress over time
- Direct investments to high-impact programming and those with high-impact potential

As we implement and evolve our new measurement framework, we look forward to demonstrating the real impact of our efforts, providing meaningful answers to key rights holder and stakeholder questions and supporting programming that maximizes our positive impact in the communities where we live and work.

PARTIALLY ACHIEVED

OUR TARGET: Adopt voluntary social impact measurement criteria and establish a 2024 baseline for metrics and targets. Launch social impact metrics and targets in 2025.

STATUS: We introduced the framework and started gathering metrics to guide our impact measurement. We are continuing to develop baselines that will serve as key performance indicators and targets.

ONGOING

OUR TARGET: Launch social impact metrics and targets in 2025.

INNOVATION

At TC Energy, sustainability drives innovation, helping us capitalize on emerging opportunities, overcome challenges and create value.

Investing in technology

TC Energy invested $8.4 million in our internal research and development (R&D) program in 2024. This program develops innovative technologies to drive efficiency, improve reliability and enhance safety in our businesses. We also continually monitor the market for innovative third-party technologies, frequently partnering to develop, test and validate high-potential options. TC Energy has three priority areas for research and development investment: asset integrity, cost competitiveness and supporting the energy transition. 2024 investments include:

MAINTAINING ASSET INTEGRITY

Advanced weld inspection - TC Energy continues to implement ultrasonic girth weld inspection technology for North American pipeline construction. This technology generates a 3D image of welds, allowing for improved visualization and assessment. Depending on project complexity, it also offers substantial cost savings by reducing the need for larger equipment and crew sizes during construction.

Damage prevention - We piloted a new sensor technology in Mexico designed to safeguard pipelines from mechanical damage and unauthorized connections. This technology leverages our existing cathodic protection system, detecting metal-to-metal contact or mechanical impacts on the pipeline and pinpointing their location. This allows our Operations teams to respond swiftly, minimizing potential damage and maintaining public safety.

Pipeline inspection - We continue to invest in ILI technology developments in 2024, partnering with vendors from around the world to develop or pilot enhanced ILI technologies.

$11M

OUR TARGET: Achieve $10 million to $15 million in capital and operating optimization and revenue opportunities by continuously improving our processes and systems in 2024.

STATUS: We achieved our cost avoidance target through digital and technological innovations, such as advanced algorithms that enable us to better predict and prevent mechanical failures before they occur. Reducing unplanned downtime, identifying declining equipment performance and improving operational reliability creates long-term value for our stakeholders.

$26M

OUR TARGET: $80 million per year engineering R&D value creation.[45]

STATUS: In 2024, our engineering research and development initiatives generated $26 million in value creation, falling short of our target. This is primarily due to the full value integration of key technological advancements that have become part of our standard operations.

NEW TARGET

NEW TARGET: Cumulative value creation[45] of $150M to $200M from 2025 to 2027.

[45] "Value creation" includes value realized through engineering research and development (R&D) initiatives implemented in TC Energy programs. Engineering R&D creates accuracy, precision, and efficiency in decision-making tools and processes which creates smarter and sharper decisions that enable both safety and economy leading to sustainability.

LEVERAGING THE POWER OF DATA INTEGRATION

- Our **Realtime Asset Monitoring Program (RAMP)** in Canada leverages advanced algorithms to analyze real-time asset data, predicting and preventing mechanical failures. This proactive approach minimizes downtime, enhances equipment performance and boosts operational reliability, creating lasting value for stakeholders
- Our **Autonomous Pipeline** tool uses data analytics and machine learning to provide our commercial teams with real-time operational insights, helping them identify, plan and execute daily and weekly asset strategies, capture incremental transportation and Park and Loan (PAL) opportunities, and enhance decision quality

TECHNICAL HIGHLIGHT

EMBEDDING SUSTAINABILITY IN ASSET INVESTMENT DECISIONS

TC Energy has embedded sustainability factors in our evaluation process for operational and maintenance projects.

Our Integrated Asset Investment Planning (IAIP) framework incorporates environmental and safety factors when planning future projects, helping to reduce potential safety and environmental risks, improve operational reliability and protect our assets and stakeholders.

Having established the sustainability factor contributions in our operational and maintenance portfolio, we have identified opportunities to improve execution efficiencies and increase our transparency on how the framework drives decisions to further deliver enhanced value to our customers and shareholders.

Partnering for impact

We are partnering and collaborating to advance technologies and engineering knowledge to continuously improve asset safety and reliability. These partnerships include:

- **Intelligent Pipeline Integrity Program (iPIPE)** - a collaboration of oil and gas operators along with the University of North Dakota Energy and Environment Research Center that aims to support the validation of new technology advancements specific to leak detection and leak prevention.
- **Pipeline Research Council International (PRCI)** – an international consortium of operators, vendors and consultants that drive research to enhance the safety, reliability and sustainability of the oil and gas pipeline industry.
- **PIPESAFE International Group (PSG)** - an international group of gas transmission companies studying the hazards and risks involved with gas transmission by pipelines.
- **Emerging Fuels Institute (EFI)** – a global organization leading strategic, industry-relevant research to advance the use of existing infrastructure for emerging fuels and energy sources.

[46] IAIP is our enterprise-wide Integrated Asset Investment Planning Framework, leveraged in program planning for existing assets.

ACHIEVED

OUR TARGET: Incorporate sustainability drivers and measures in our Integrated Asset Investment Planning (IAIP)[46] Framework and determine portfolio contributions by end of 2024

STATUS: We successfully achieved our target of determining portfolio sustainability contributions in our Integrated Asset Investment Planning (IAIP).

NEW TARGET

NEW TARGET: Integrate emissions reduction into the IAIP[46] framework, balancing operational excellence with environmental stewardship, for implementation by 2027.

NEW TARGET

NEW TARGET: Maximize the percentage of maintenance project spending that incorporates IAIP[46] risk-based sustainability value measures by 2028.

TC ENERGY

RESPONSIBLE SUPPLY CHAIN

As a major infrastructure company, TC Energy draws on a network of over 4,000 qualified suppliers. It is important to us that we establish working relationships with suppliers who share our commitment to ethical business conduct and safe and reliable operations.

Selecting and managing suppliers

Embedded in our supply chain function, our dedicated ESG & Policy team leverages our market presence to encourage responsible practices across our value chain and monitor supplier compliance with TC Energy policies and standards. Their work is guided by our Supply Chain Procurement Policy that outlines our expectations of ethical business conduct for procurement employees, along with meeting safety objectives, maximizing value and ensuring compliance with TC Energy and jurisdictional requirements.

We use digital third-party contractor management platforms to assess risk, screen and engage with suppliers that meet our minimum requirements for safety practices, quality management and environmental stewardship. Depending on the scope of work, we also screen suppliers for technical capability, labour practices, anti-corruption practices, and local, diverse and Indigenous contracting opportunities.

TC Energy contractors agree to abide by the terms of our Contractor COBE Policy at the time of hire. This policy lays out expectations for contractors' ethical conduct, health and safety practices, employment equity and rights holder and stakeholder relationships.

Issues identified through internal or external screening or submitted through our Ethics hotline are reviewed by senior management and subject to TC Energy's internal escalation procedure. Suppliers, materials and manufacturing sites deemed high risk may be subject to additional internal due diligence screening and risk controls including:

- enhanced contractual terms
- supplier certifications
- third-party inspections in the local jurisdiction and
- termination of the relationship

Multiple business and corporate functions are involved in assessing current suppliers in a variety of ways, including supplier performance against contract, business viability, restricted party screening, risk oversight and forced labour risks.

WANT TO LEARN MORE?

+ Contractor Code of Business Ethics (COBE) Policy
+ Doing business with us

Promoting supplier diversity

We are committed to enhancing opportunities for diverse, local, and Indigenous suppliers to participate in TC Energy projects and operations. We believe that promoting supplier diversity and supporting local businesses can increase access to competitive, innovative and qualified suppliers, and creates lasting social and economic benefits for our host communities.

Teams in our Supply Chain and Major Projects business functions are guided by our Supplier Diversity and Local Participation Business Policy as they work to strategically expand our supplier base. The policy lays out key internal and external activities that can promote supplier diversity at TC Energy.

Key internal activities include identifying viable contracting and procurement opportunities for local, diverse and Indigenous suppliers, and developing internal processes and tools that support their participation. Externally, we work to identify potential suppliers and help them qualify for contracts, making targeted investments in education and training to support successful bids for contracts.

WANT TO LEARN MORE?

+ Supplier Diversity and Local Participation Business Policy

Addressing modern slavery risks

TC Energy is an advocate for human rights across our business, including our supply chain. We screen suppliers during initial registration and onboarding for these risks and conduct quarterly screening through our Global Trade Management System (GTMS). The GTMS screens over 250 lists around the world for forced labour, child labour and sanctions risks.

TC Energy's Contractor COBE Policy outlines our expectations of suppliers and raises awareness of human rights. We also conduct specialized, in-person training sessions for supply chain employees to deepen their understanding of modern slavery risks. These activities underscore our dedication to fostering a culture that not only understands but also actively champions human rights across our operations and supply chain.

For further details on how we investigate and monitor suppliers for these risks and information on internal training and awareness, see our 2024 Forced Labour and Child Labour Report, published in compliance with Section 11 of the Fighting Against Forced Labour and Child Labour in Supply Chains Act in Canada.

WANT TO LEARN MORE?

+ 2024 Forced Labour and Child Labour in Supply Chains Report

–37%

OUR TARGET: Increase percentage of diverse influenceable procurement spend in Canada and the U.S. by 5% year-over-year through to 2027.[47]

STATUS: We did not achieve our target in 2024. Our diverse influenceable procurement spend with Tier 1 suppliers decreased by 37 per cent. This was primarily due to the completion of a number of our major construction projects, which historically provided significant opportunities for spending with Indigenous communities and diverse suppliers.

To highlight our many diverse suppliers, we featured select suppliers on TC Energy's intranet throughout the latter half of 2024.

[47] Influenceable procurement spend is defined as purchase order procurement spend and release order procurement spend of Tier 1 suppliers.

BUSINESS ETHICS AND COMPLIANCE

We are committed to doing business with integrity, every day. To meet this commitment, our workforce must act ethically, fairly, honestly and respectfully.

Ethics and Compliance Program

It is important that rights holders, stakeholders and the public are confident they can count on us to act with integrity no matter the circumstances. To fulfill this commitment, we rely on our people to embody our values consistently, helping TC Energy remain a company trusted to make the right choices and act with integrity.

Through our Ethics and Compliance Program we:

- promote compliance with applicable laws and regulations in all jurisdictions where TC Energy operates, as well as compliance with the COBE Policy and all other company policies, the Canadian Gas Pipelines Code of Conduct and Federal Energy Regulatory Commission Standards of Conduct for Transmission Providers
- manage ethics-related risks through our COBE Policy, which defines our expectations for ethical business conduct. This policy applies to all employees, directors, officers, and contingent workforce contractors[48] of TC Energy, as well as its wholly-owned subsidiaries and/or operated entities across all countries where TC Energy operates. Additionally, TC Energy has a Contractor COBE Policy, which outlines the same requirements as the COBE Policy, where applicable
- conduct an annual communications and training plan requiring TC Energy employees and contingent workforce contractors to read, understand and adhere to the principles and requirements outlined in the COBE Policy. This includes completing mandatory annual COBE Policy training and certifying their awareness, understanding, and compliance. Employees and contingent workforce contractors also have access to TC Energy's Ethical Decision-Making Guide and additional resources to assist with identifying when and how to raise a concern. Similarly, the Contractor COBE Policy offers excluded contractors guidance on raising concerns and accessing necessary resources

ENTERPRISE ETHICS AND COMPLIANCE COMMITTEE

TC Energy's Enterprise Ethics and Compliance Committee (EECC) plays a leading role in fostering a strong ethics and compliance culture across TC Energy's operations. The EECC, composed of senior leaders from corporate functions and business units, provides strategic guidance and oversight for the continuous improvement of our Ethics and Compliance Program. Members contribute insights and direction on compliance matters, emerging trends, and corporate policies that may affect TC Energy's compliance efforts. They align objectives, facilitate information sharing, and oversee the consistent allocation of resources and execution of the program, while maintaining compliance performance within their respective areas of responsibility.

RAISING ETHICAL CONCERNS

TC Energy requires employees and contractors to promptly report any actual or potential non-compliance with the COBE Policy, other TC Energy policies, or legal obligations to ensure appropriate investigation and resolution. Examples of suspected violations include conflicts of interest, harassment, and health, safety or environmental hazards, as well as potential hazards or incidents. Reporting obligations are outlined in the COBE Policy, incorporated into employee and contractor onboarding, and acknowledged annually by employees and contingent workforce contractors. Excluded contractors are also provided with reporting guidelines through the Contractor COBE Policy.

Personnel have several ways to report an issue, or ethical concerns, depending on the nature of the incident, including the use of TC Energy's Ethics Help Line. The Ethics Help Line is operated by an independent third-party service provider and reporting through the Ethics Help Line is confidential and may be done anonymously. All calls to the Ethics Help Line are free of charge and can be made in English, French or Spanish, 24 hours a day, seven days a week, 365 days a year. Regardless of the means used to report, all reports are confidential, taken seriously and are investigated and addressed appropriately including through improvements to company policy and practices. TC Energy provides immunity from disciplinary action for good faith reporting of a concern. All employees and contractors must report if they or someone they know is being or has been retaliated against for reporting a concern.

WANT TO LEARN MORE?

+ Our Governance
+ Code of Business Ethics (COBE) Policy
+ Canadian Gas Pipelines Code of Conduct
+ TC Energy's Ethics Help Line

[48] References and use of the terms "contingent workforce contractor", "excluded contractor", "contractor" and similar terms throughout this section are defined in our COBE Policy.

POLITICAL ENGAGEMENT AND LOBBYING

Achieving our vision to be the energy infrastructure leader in North America depends in part on the strength of our reputation. Transparent, fair engagement with rights holder and stakeholders helps us gain support for our activities, manage emerging risks and protect and enhance our brand.

Public policy engagement

TC Energy is dedicated to constructive engagement with our rights holder and stakeholders including lawmakers and regulatory bodies. We believe that greater collaboration between governments and businesses is essential to spur investment and innovation that can help address shared challenges.

We monitor changes to public policy that affect our business and advocate our position on key policy issues. When determining our advocacy priorities, we consider whether they: affect multiple lines of business and/or jurisdictions; have significant financial, operational or reputational implications to the company; are of significant relevance; or are politically sensitive within TC Energy's current business context.

Our Government Relations team works to maintain positive and constructive relationships with government contacts, officials and regulatory bodies and advances our business objectives by identifying key issues, opportunities, and risks. Our Public Policy and Insights team is responsible for the coordination, development, and advocacy of TC Energy's corporate positions on key public policy issues across North America.

TC Energy maintains registrations for in-house lobbyists where required by law. Our lobbying activities are registered in various jurisdictions in Canada and the U.S., many of which provide public disclosure with details of registrations. Links to each of the lobbyist registrations, where available, can be found in TC Energy's Lobbying Information Sheet. Our consultant lobbyists in all jurisdictions are expected to comply with all applicable laws and filing requirements.

Political contributions

Political contributions by corporations are not permitted in Canada, except in Saskatchewan where we contribute to political events.[49]

In the U.S., subsidiaries of TC Energy make corporate political contributions as permitted by law. Our U.S. employees can also make contributions to the TransCanada USA Services Inc. Political Action Committee (TC PAC)[50], a separate segregated fund supported only by contributions from U.S. employees. Participation in TC PAC is voluntary and allows employees to contribute to candidates for public office who support the energy industry and are aligned with our goals for a responsible, secure and affordable energy sector. TC PAC is only available to U.S. citizens and permanent legal residents.

WANT TO LEARN MORE?

+ Political Contributions and Activity Policy

WANT TO LEARN MORE?

+ Information Sheet: Oversight and policies on lobbying, political contributions and corporate memberships

[49] Details about our political contributions can be found in the Appendix: Performance data.
[50] TC PAC is officially registered as TransCanada USA Services, Inc. Political Action Committee. TransCanada USA Services, Inc. is the employer of all TC Energy Corporation personnel in the U.S. and is a subsidiary of TC Energy.

Trade associations

TC Energy is a member of trade associations focused on energy industry issues and the interests of our stakeholders. Our participation in these associations exposes us to differing views and enables us to obtain feedback, share our experience and inform the development of cohesive legislation and regulations. Some of these associations also engage in lobbying activities. We believe our indirect lobbying activities through these associations generally align with our positions on sustainability topics.

Trade association policies generally reflect a compromise of the membership. From time to time, the policy positions and lobbying activities of associations may not fully align with TC Energy's positions on a particular issue. In such cases, we dialogue with the association and work to mitigate risks of misalignment, including reconsidering TC Energy's participation or endorsement.

As a result of the spinoff of our Liquids Pipelines business, we no longer hold membership in the Liquid Energy Pipeline Association (LEPA), but we continue to participate in LEPA working groups. Additionally, we did not renew our agreement with the Ivey Business School at Western University. There have been no other changes to our association memberships[51] or alignment assessment.

[51] Memberships in which annual dues paid were $50,000 or greater and the organization is likely to take a position on climate change and/or energy advocacy.

2024 ACTIVITIES

TC Energy continued to support improved coordination on energy policy, including climate-related policy, across our jurisdictions. Harmonizing North American regulatory policies and improving cross-border cooperation are pivotal to the collective effort of decarbonizing our economies, while maintaining our pledge to deliver consistent, cost-effective, and reliable energy.

JURISDICTION	POLICY	STATUS	OUR POSITION
	**Oil & gas emissions cap**	**Draft regulations** | Awaiting direction from new government and cabinet.	The emissions cap would effectively result in a production cap on the oil and gas industry. We believe emissions reductions can be achieved without unnecessary and ineffective regulations that would impose further detriment to Canada's energy security and economic prosperity.
	Clean electricity regulations	**Implemented** | Final regulations released December 2024; current government may revisit/repeal.	The finalized regulations will remove power generation from the overall system at a time when Canadians need secure supplies of energy to meet demand. We continue to advocate for effective emissions reductions within the energy industry but it must be done without risking power supply to Canadians.
	Methane regulation amendments	**Draft amendments** | Awaiting direction from new government and cabinet.	We continue to strive toward reducing our methane emissions within our system, having successfully reduced our emissions by 12 per cent since 2019. The current amendments will result in marginal emissions reduction for the midstream sector. We are continuing to work with the government to demonstrate a best-in-class approach that will reduce emissions further, and at a much lower cost for Canada, than the current amendments propose.
	**Federal "methane rule"**	**Implemented** | New administration reconsidering policy/modifications of the rule.	We are pleased the U.S. EPA will reconsider the Methane Rule for Oil & Gas, on which we worked with INGAA to previously file a petition seeking corrections to certain unworkable aspects. We believe the agency is now positioned to make these much-needed changes, which should result in more clear and reasonable methane standards.
	Good neighbor rule	**Implemented** | Litigation has been placed in abeyance, allowing new administration to pursue modification or rescission of rule while nationwide implementation remains stayed.	We support the new administration's efforts to make environmental regulations workable, and the recent announcement to reconsider many burdensome regulations, including the Good Neighbor Rule. We look forward to working with the U.S. EPA to achieve practical and clear federal air regulations.
	**ENGAGEMENT STRATEGY**		
	In Mexico, we strategically engage with government officials, maintain key memberships in trade associations, and participate in public forums to advocate for transparent, responsible public policy development and regulatory processes that benefit all stakeholders. We promote natural gas access and support the displacement of higher emitting fuels. Through our role in North American energy integration, we support Mexico's broader energy goals while providing sustainable solutions that balance security, affordability and sustainability.		

TC Energy recognizes the rapidly evolving political and regulatory environments. We understand we may see significant changes to this landscape in the next 30 to 60 days. Our policy positions reflect those as of June 24, 2025.

ENTERPRISE SECURITY

As a leading North American energy infrastructure company, the protection of our physical and digital assets is one of TC Energy's highest priorities. To protect our assets, we employ robust cybersecurity and data privacy policies and processes, rigorous training and communication, and install technical and procedural guard rails for powerful new technologies such as AI.

Cybersecurity

Our cybersecurity program is designed to sustain safe, secure and resilient digital assets, safeguarding them from cyberattacks, which pose significant risks to TC Energy and the broader energy infrastructure industry.

GOVERNANCE

Our Board's Audit Committee maintains oversight over cybersecurity risks. Risk management activities are overseen by our Chief Security Officer who reports quarterly to the Audit Committee. The Chief Security Officer is responsible for assessing our vulnerabilities, testing our resilience and modifying our policies and technology systems to prevent breaches. Reports on cybersecurity are also received by both senior management and the Board as part of our enterprise risk management program.

Our cybersecurity strategy adheres to global best practices outlined in the National Institute of Standards and Technology's (NIST) Cybersecurity Framework. Our strategy is also aligned with the Government of Canada's Critical Cyber Systems Protection Act (CCSPA) and the U.S. Transportation Safety Administration's (TSA) Security Directive for pipelines, in addition to regulatory and industry standards from the TSA, CER, and North American Electric Reliability Corporation (NERC). We regularly review our strategy to validate the sustained safety, security and resilience of our digital assets.

TRAINING AND TESTING

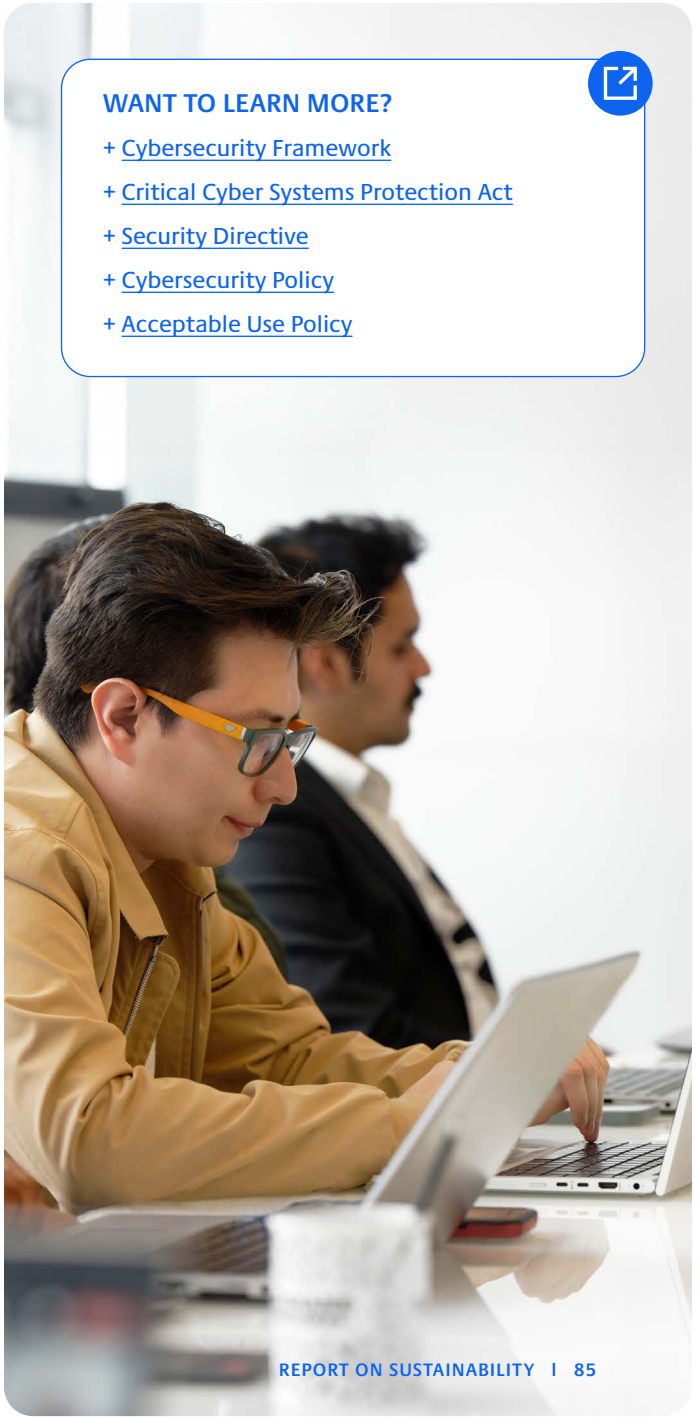
Our Acceptable Use and Cybersecurity Policies are designed to support the safe, reliable and confidential usage of TC Energy's digital assets. These policies outline TC Energy's required cybersecurity standards and reporting regimes for safeguarding TC Energy's digital assets, including a recent update prohibiting the transmission and storage of TC Energy's confidential information on non-approved generative artificial intelligence programs.

All employees and contractors are required to complete mandatory cybersecurity awareness training annually. This training includes how to identify and report cybersecurity-related incidents and threats, such as suspicious emails. Through simulated phishing exercises and a corrective discipline process, TC Energy strives to enhance our collective resilience against these persistent threats. Enterprise Security promotes awareness using safety moments, company-wide communications and periodic presentations across the organization. We routinely carry out exercises and tabletop simulations to evaluate and enhance the efficiency and ongoing improvement of our response processes.

We anticipate and address new threats by collaborating with governments, regulatory agencies and industry experts, and hold insurance coverage for various corporate risks, including a cybersecurity event. We monitor our networks for threats to the organization and maintain incident response plans and processes to respond to a cybersecurity incident. We engage third parties to conduct regular external assessments, audits and cybersecurity exercises including, penetration tests and red team exercises.

WANT TO LEARN MORE?

+ Cybersecurity Framework
+ Critical Cyber Systems Protection Act
+ Security Directive
+ Cybersecurity Policy
+ Acceptable Use Policy



Privacy and personal information security

We are committed to upholding confidentiality and protecting personal information through our robust information security practices.

Our Chief Privacy Officer (CPO) oversees our privacy practices and compliance with jurisdictional legislation. Together with our team of privacy advisors, the CPO works to foster a culture of privacy and maintain an honest and ethical approach to collecting, storing and using personal information. This includes setting policies and standards for handling personal data from our customers, employees, landowners and other stakeholders. Our enterprise-wide Privacy Committee, comprising business unit and corporate function volunteer representatives who have an interest in protecting personal information meets regularly to discuss emerging privacy issues, the evolution of the privacy program, and other associated matters related to privacy and the protection of personal information, and to stay informed on ever-evolving privacy law and training requirements.

TC Energy's approach to personal information security is "privacy-by-design", integrating stakeholders' privacy considerations into new systems and processes at the design phase. Our Privacy Statement and Protection of Personal Information Policy outline how we safeguard personal data and comply with privacy laws in the regions where we operate. This policy also guides us in assessing privacy risks when developing or modifying our systems, solutions, applications and surveys.

WANT TO LEARN MORE?

+ Privacy Statement
+ Protection of Personal Information Policy

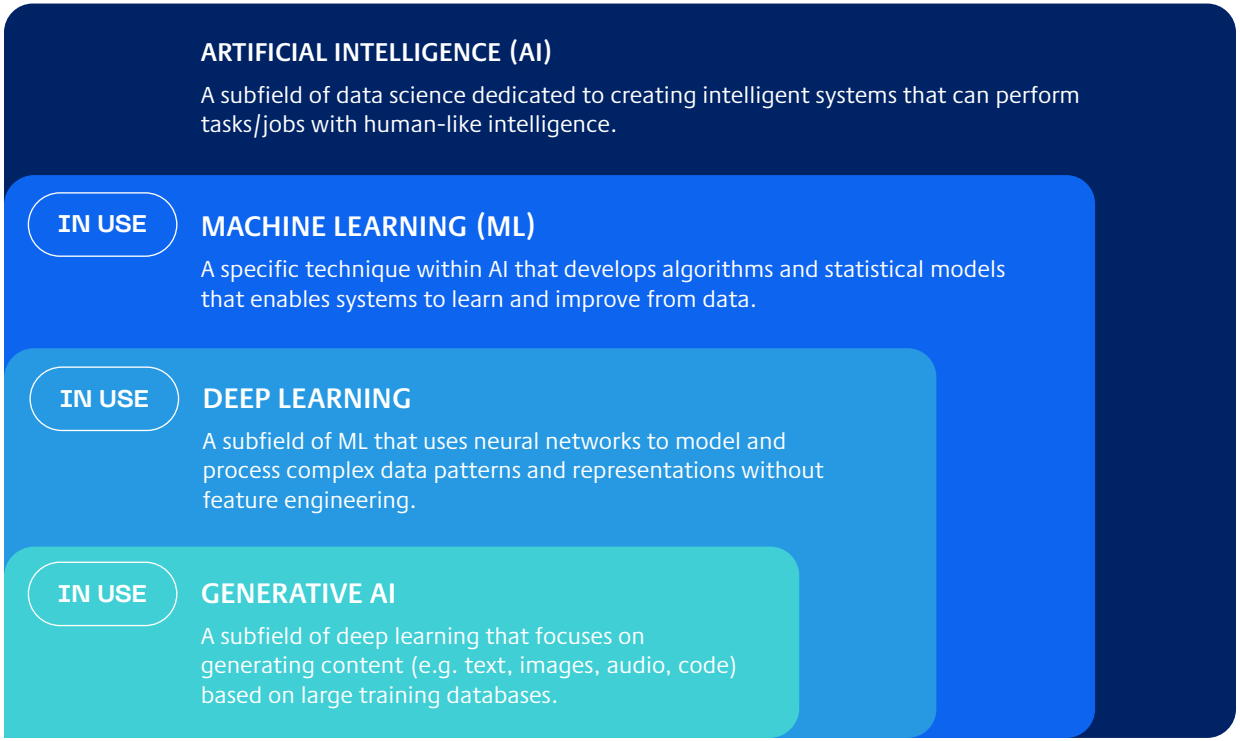
Artificial intelligence (AI)

TC Energy is taking a deliberate, measured approach to AI. We are committed to harnessing AI's transformative potential and minimizing AI-related risks as we evolve into a 'smart' energy infrastructure company.

STRATEGIC OPPORTUNITIES

Our enterprise AI strategy classifies opportunities into three categories:

1. **Smart office productivity** - To improve efficiency, we are leveraging existing technology, expanding the use of low-risk tools across the company. Examples include document processing, communications, software development and programming.
2. **Streamlined corporate processes** – To reduce manual effort, we are implementing third-party AI solutions in select business functions.
3. **Transformed business processes** – We are beginning to engage with potential partners to implement safe and secure solutions to transform select business processes.



AI GOVERNANCE AND RISK MANAGEMENT

As we grow our AI capability, we are refining our governance and risk processes to help ensure AI-specific risks are managed accordingly.

Our Board's Governance Committee seeks out directors with expertise in enterprise risk management, including AI. Currently, one member of the Board, Scott Bonham, has AI experience from his involvement in technology in the venture capital industry.

We are establishing a robust governance structure and framework for ethical, transparent and responsible use of AI technologies within TC Energy. Potential AI solutions go through a risk assessment during which cybersecurity, compliance and privacy teams review the proposed solution and identify potential information security, confidentiality, business continuity and operational integration risks. If the solution is implemented, we monitor these risks through our established Information Services Project Management Office governance process which includes instruments such as risk logs and issue and decision logs.

Any material AI-related risks are reported to the Board or the applicable committee as part of our ERM program.

We are also engaging with employees, communicating potential risks of AI and providing voluntary employee training on the effective and appropriate use of AI in the workplace.

APPENDIX

IN THIS SECTION

PERFORMANCE DATA

OUR GOAL IS TO ADDRESS THE INFORMATION NEEDS OF OUR RIGHTS HOLDERS, STAKEHOLDERS AND SHAREHOLDERS BY PROVIDING CLEAR AND USEFUL SUSTAINABILITY-RELATED DATA.

- Performance data represents the period of January 1 to December 31, 2024, or status as of December 31, 2024, whichever is applicable, unless otherwise noted.
- Performance data is included for the five years ending December 31, 2024, as available.
- Data reported in the performance data tables reflect all assets that we operate, unless otherwise noted. Operational control is defined as the authority to introduce and implement operating policies at the facility. Data reflects 100 per cent for facilities where TC Energy, or one of its subsidiaries, has operational control regardless of percentage of financial ownership.
- Full listings of the assets we operate are contained in the 2024 Annual Report; page 42 for our natural gas assets, and page 65 for our power and storage assets.
- Restatements have been made throughout the performance data tables as the result of structural changes (i.e. changes to operations or equity ownership of assets due to mergers/acquisitions, such as the spinoff of our Liquids Pipelines business), methodology changes (i.e. emission factor updates and regulatory changes in how we calculate, measure or categorize and aggregate emissions source data, such as Global Warming Potential (GWP) updates) and/or reporting inaccuracies (i.e. material errors or discrepancies found in historical activity data or processes including the calculation and aggregation of data metrics).
- Financial data is reported in Canadian dollars. Foreign currencies are converted based on the average exchange rates published in our 2024 Annual Report (1.37 Canadian to U.S. dollars, 20.87 Mexican pesos to U.S. dollars).
- Footnotes provide additional information on data boundaries, definitions and methodology where applicable.
- Totals may not add up due to rounding. In select instances, values have been reissued reflecting updated IS-based solution rounding rules and may differ slightly from values reported in previous years.
- GHG emissions are reported both on an equity share and operational control approach, defined in alignment with the World Resources Institute (WRI) and the World Business Council for Sustainable Development (WBCSD) GHG Protocol in order to illustrate the difference in GHG emission footprint between the two organizational boundaries of reporting. The equity share reporting boundary best reflects TC Energy's corporate GHG emission footprint in relation to the percentage of ownership held across our operated and non-operated assets and more closely aligns with our financial performance results. The operational control boundary data represents the GHG emission footprint from assets that are operated by TC Energy and therefore are influenced under TC Energy's operational practices.
- In 2024, all GHG emissions reported (2020 through 2024), have been recalculated and normalized to carbon dioxide equivalents (CO_2e) based on GWPs from the Intergovernmental Panel on Climate Change (IPCC) Fifth Assessment Report (AR5), based on the 100-year time horizon.

The indicators reported in our performance data tables reflect both external reporting frameworks and the interests of our rights holders, stakeholders and shareholders. Where we add indicators to align with new sustainability targets, for example, it may not be reasonable to calculate historical data points. Where historical data for a directly comparable scope is not available, this has been indicated as 'N/A'.

Report on Sustainability performance data tables

Governance characteristics

INDICATOR	UNIT	2020	2021	2022	2023	2024	RELATED FRAMEWORK INDICATOR ID
BOARD OF DIRECTORS							
Size of Board[1]	number	14	14	13	13	**15**	
Independent directors	per cent	86	93	92	92	**93**	GRI 2-9
Board diversity policy [1,2]	yes/no	yes + a target of 30% women	yes + a target of 30% women	yes + a target of 30% women	yes + a target of 30% women and at least one racially and/or ethnically diverse member	**yes + a target of 30% women and at least one racially and/ or ethnically diverse member [3]**	
Women on Board[1]	per cent	29	33	38	38	**40**	GRI 2-9
Racially and/or ethnically diverse Board members[1]	per cent	N/A	N/A	N/A	N/A	**20**	GRI 2-9
Board interlocks[1]	number	1	0	0	0	**1**	
External Board service limits for independent directors	number	4 public company boards in total	4 public company boards in total	4 public company boards in total	4 public company boards in total	**4 public company boards in total**	
Average Director age[1]	years	62	63	62	63	**64**	
All committees independent[4]	yes/no	yes	yes	yes	yes	**yes**	
Annual Director elections	yes/no	yes	yes	yes	yes	**yes**	
Individual Director elections	yes/no	yes	yes	yes	yes	**yes**	
Majority voting policy	yes/no	yes	yes	yes	yes	**yes**	
Independent executive compensation consultant	yes/no	yes	yes	yes	yes	**yes**	
Clawback policy[5]	yes/no	yes	yes	yes	yes	**yes**	

[1] As of December 31, 2024. See 2025 Management Information Circular and TC Energy's website for subsequent updates.
[2] Target achieved with 40 per cent women on the Board (six of 15 members) and 20 per cent racially and/or ethnically diverse members (three of 15 members) as of December 31, 2024. See our Board Diversity Policy and 2025 Management Information Circular for additional information.
[3] Racially and/or ethnically diverse means Aboriginal peoples (persons who are Indigenous, Inuit or Métis) and members of visible minorities (means persons, other than Aboriginal peoples, who are non-Caucasian in race or non-white in colour).
[4] Audit, Governance and Human Rights committees are entirely independent and the Health, Safety, Sustainability & Environment committee must be a majority independent.
[5] We maintain both a clawback policy triggered by financial restatement and a policy triggered by misconduct.

Governance characteristics continued

INDICATOR	UNIT	2020	2021	2022	2023	2024	RELATED FRAMEWORK INDICATOR ID
Double-trigger vesting on change of control	yes/no	yes	yes	yes	yes	**yes**	
Separate Chair and CEO	yes/no	yes	yes	yes	yes	**yes**	
Director retirement age	years	73	73	73	73	**73**[6]	
Director share ownership requirements	x retainer	4	4	4	4	**4**	
Executive share ownership requirements[7]	x base salary	5x CEO 3x EVP 2x SVP 1x VP	5x CEO 3x EVP 2x SVP 1x VP	5x CEO 3x EVP 2x SVP 1x VP	6x CEO 3x EVP 2x SVP 1x VP	**6x CEO** **3x EVP** **2x SVP** **1x VP**	GRI 2-9
CEO share ownership post-retirement hold period	years	1	1	1	1	**1**	
In-camera sessions at every Board and committee meeting	yes/no	yes	yes	yes	yes	**yes**	
Annual say on pay	yes/no	yes	yes	yes	yes	**yes**	
Code of business ethics	yes/no	yes	yes	yes	yes	**yes**	
Board, committee and director evaluations annually	yes/no	yes	yes	yes	yes	**yes**	
Board orientation and education program	yes/no	yes	yes	yes	yes	**yes**	
Board consisting of immediate family members of majority shareholders, executives, and former executives	per cent	N/A	N/A	N/A	N/A	**0**	

[6] The earlier of a director turning 73 or attaining 15 years of service. Notwithstanding age limits, a director is eligible to serve a term of five years.
[7] As of January 1, 2024, outstanding unvested RSUs granted to executives started counting towards share ownership holdings.

Operational overview

INDICATOR	UNIT	2020	2021	2022	2023	2024	RELATED FRAMEWORK INDICATOR ID
OPERATIONAL OVERVIEW							
NATURAL GAS PIPELINES							**SASB EM-MD-000.A**
Natural gas transmission network	kilometres	93,421	93,294	93,731	93,579	**93,687**	
Natural gas pipeline throughput - equity share	billion cubic feet	14,844	15,587	16,601	16,397	**17,254**	
Natural gas pipeline throughput - operational control	billion cubic feet	17,125	17,964	18,980	18,860	**19,675**	
POWER							
Power facilities	number	7	7	7	10	**10**	
Power generation capacity	megawatt	4,197	4,258	4,339	4,642	**4,652**	
Net power generation - equity share	megawatt hour	24,017,811[1]	24,241,704[1]	24,259,790	25,407,755[2]	**27,224,633**	
Net power generation - operational control	megawatt hour	3,292,281	3,823,799	3,790,201	4,951,940[2]	**5,016,293**	
STORAGE							
Natural gas storage capacity	billion cubic feet	653	653	650	650	**650**	
Natural gas volume injected and withdrawn - equity share	billion cubic feet	115	133	133	110	**83**[3]	
Natural gas volume injected and withdrawn - operational control	billion cubic feet	115	133	133	110	**83**[3]	

[1] Power generation data for the 2020 and 2021 reporting periods have been recalculated, and restated, to correct the equity held in the Bruce power facility to align with TC Energy's per cent ownership, as outlined in the 2024 Annual Report.
[2] Power generation data for the 2023 reporting period has been restated to include the production from Texas wind farms acquired in 2023, as well as the partial year production from the Aldersyde solar facility. These updates address previously unavailable data at the time of prior reporting.
[3] The decrease in natural gas storage volumes in 2024 is attributed to reduced injection and withdrawal volumes, driven by lower demand.

GHG emissions: Scope 1

INDICATOR	UNIT	2020	2021	2022	2023	2024	RELATED FRAMEWORK INDICATOR ID
ABSOLUTE SCOPE 1 GHG EMISSIONS[1]							
EQUITY SHARE APPROACH							
Total Scope 1 GHG emissions	**thousand tonnes CO_2e**	**16,678**	**18,210**	**19,429**	**19,122**	**20,013**	**GRI 305-1 SASB EM-MD-110a.1 SASB IF-EU-110a.1**
BREAKDOWN BY OPERATING SEGMENT							
Scope 1 GHG emissions: natural gas pipelines	thousand tonnes CO_2e	14,804	16,002	17,332	16,868	**17,876**	
Scope 1 GHG emissions: Canadian natural gas pipelines	thousand tonnes CO_2e	6,507	7,336	8,659	8,173	**9,001[2]**	
Scope 1 GHG emissions: U.S. natural gas pipelines	thousand tonnes CO_2e	8,208	8,591	8,567	8,574	**8,737**	
Scope 1 GHG emissions: Mexico natural gas pipelines	thousand tonnes CO_2e	89	75	106	122	**137[3]**	
Scope 1 GHG emissions: power and storage	thousand tonnes CO_2e	1,837	2,174	2,062	2,214	**2,100**	
Scope 1 GHG emissions: power	thousand tonnes CO_2e	1,824	2,161	2,050	2,202	**2,091**	
Scope 1 GHG emissions: storage	thousand tonnes CO_2e	13	13	12	12	**9[4]**	
Scope 1 GHG emissions: corporate	thousand tonnes CO_2e	37	34	35	40	**37**	

[1] The quantification of GHG emissions follows the methodologies prescribed by various regulations in the different jurisdictions in which we operate. We report our emissions to British Columbia, Alberta, Saskatchewan, Manitoba, Ontario, Québec, Environment and Climate Change Canada (ECCC), the U.S. Environmental Protection Agency (EPA), California, Oregon, Maryland, Washington and Mexico's Ministry of Environment and Natural Resources. These methods can include, but are not limited to, direct measurement, use of emissions factors in conjunction with activity data and mass balance calculations. We report greenhouse gases emitted to the atmosphere before accounting for offsets, credits, or other similar attributes that have reduced or compensated for emissions. In alignment with the World Research Institute GHG Protocol, Corporate Accounting and Reporting Standard, GHG emissions reported by TC Energy include those emissions from sources considered below regulatory reporting thresholds or from sources not required to be reported under regulatory methodologies.

[2] In 2024, Scope 1 emissions from our Canadian natural gas pipelines increased due to higher utilization of gas-fired compressors as compared to 2023.

[3] Increased volumes and maintenance activities on the Mexico natural gas pipeline systems led to increased emissions relative to 2023.

[4] The decrease in GHG emissions is attributed to reduced injection and withdrawal volumes from Canadian natural gas storage facilities, driven by lower demand.

GHG emissions: Scope 1 continued

INDICATOR	UNIT	2020	2021	2022	2023	2024	RELATED FRAMEWORK INDICATOR ID
BREAKDOWN BY SOURCE[5]							
Scope 1 GHG emissions: stationary combustion	thousand tonnes CO_2e	12,585	14,154	15,729	15,441	**16,228**	
Scope 1 GHG emissions: venting	thousand tonnes CO_2e	1,644	1,679	1,411	1,420	**1,686[6]**	
Scope 1 GHG emissions: fugitive	thousand tonnes CO_2e	2,403	2,153	2,198	2,194	**2,041**	
Scope 1 GHG emissions: flaring	thousand tonnes CO_2e	14	27	61	35	**27[7]**	
Scope 1 GHG emissions: transportation[8]	thousand tonnes CO_2e	31	29	30	33	**31**	
ADDITIONAL							
Scope 1 (direct) methane emissions[9]	thousand tonnes CO_2e	4,263	4,429	3,859	3,831	**3,951**	
Scope 1 GHG emissions from methane emissions[10]	per cent	26	23	20	20	**20**	SASB EM-MD-110a.1
Portion of Scope 1 GHG emissions covered by reduction regulations[11]	per cent	52	54	57	56	**57**	SASB EM-MD-110a.1

[5] GHG emissions by source category may not add up to the reported total Scope 1 GHG emissions as certain negligible emission sources have not been broken out to individual GHG constituents.
[6] Beginning in 2024, sources of vented and fugitive GHG emissions were defined and standardized across all jurisdictions to establish consistent categorization of methane-related emissions for corporate reporting. As a result of this realignment, certain GHG emissions previously reported as fugitives (e.g. USNG compressor seal emissions) are now categorized as vented GHG emissions.
[7] Flaring reductions in 2024 were attributed to recently implemented enterprise-wide definition changes which reclassified certain flaring- related emissions (e.g. incidents) as stationary combustion emissions.
[8] GHG emissions from transportation-related activities include corporately owned and operated aircraft as well as vehicle and small equipment operations.
[9] Total direct methane emissions encompasses all methane sources, including immaterial sources not associated with natural gas handling activities, such as power generation and corporate services.
[10] Newly-introduced indicator.
[11] This indicator represents the portion of total Scope 1 GHG emissions covered by reduction regulations based on provincial, state or federal GHG policies. The methodology used to determine this indicator is based on the inclusion of Scope 1 GHG emissions from all sources associated with natural gas pipelines and power and storage assets that are regulated under GHG reduction-based regulations or Emission Trading Schemes (ETS) in Canada and the U.S. asset emissions covered under legislation such as the former BC Carbon Tax or the Canadian federal Fuel Charge, are not included in the emission reduction regulation coverage.

GHG emissions: Scope 1 continued

INDICATOR	UNIT	2020	2021	2022	2023	2024	RELATED FRAMEWORK INDICATOR ID
OPERATIONAL CONTROL APPROACH							
Total Scope 1 GHG emissions	**thousand tonnes CO_2e**	**18,835**	**20,555**	**21,748**	**21,520**	**22,351[12^]**	**GRI 305-1 SASB EM-MD-110a.1 SASB IF-EU-110a.1**
BREAKDOWN BY OPERATING SEGMENT							
Scope 1 GHG emissions: natural gas pipelines	thousand tonnes CO_2e	16,963	18,349	19,652	19,267	**20,090**	
Scope 1 GHG emissions: Canadian natural gas pipelines	thousand tonnes CO_2e	6,516	7,350	8,682	8,182	**9,014[2]**	
Scope 1 GHG emissions: U.S. natural gas pipelines	thousand tonnes CO_2e	10,348	10,913	10,850	10,944	**11,047**	
Scope 1 GHG emissions: Mexico natural gas pipelines	thousand tonnes CO_2e	99	86	121	141	**154**	
Scope 1 GHG emissions: power and storage	thousand tonnes CO_2e	1,834	2,170	2,059	2,211	**2,097**	
Scope 1 GHG emissions: power	thousand tonnes CO_2e	1,821	2,157	2,046	2,200	**2,087**	
Scope 1 GHG emissions: storage	thousand tonnes CO_2e	13	13	12	12	**9[4]**	
Scope 1 GHG emissions: corporate	thousand tonnes CO_2e	38	36	37	41	**39**	
BREAKDOWN BY SOURCE[5]							
Scope 1 GHG emissions: stationary combustion	thousand tonnes CO_2e	14,391	16,134	17,748	17,548	**18,274**	
Scope 1 GHG emissions: venting	thousand tonnes CO_2e	1,874	1,949	1,606	1,603	**1,914[6]**	
Scope 1 GHG emissions: fugitive	thousand tonnes CO_2e	2,522	2,415	2,293	2,290	**2,093**	
Scope 1 GHG emissions: flaring	thousand tonnes CO_2e	16	27	71	47	**39[7]**	
Scope 1 GHG emissions: transportation[8]	thousand tonnes CO_2e	31	29	30	33	**31**	

[2] In 2024, Scope 1 emissions from our Canadian natural gas pipelines increased due to higher utilization of gas-fired compressors as compared to 2023.
[4] The decrease in GHG emissions is attributed to reduced injection and withdrawal volumes from Canadian natural gas storage facilities, driven by lower demand.
[5] GHG emissions by source category may not add up to the reported total Scope 1 GHG emissions as certain negligible emission sources have not been broken out to individual GHG constituents.
[6] Beginning in 2024, sources of vented and fugitive GHG emissions were defined and standardized across all jurisdictions to establish consistent categorization of methane-related emissions for corporate reporting. As a result of this realignment, certain GHG emissions previously reported as fugitives (e.g. USNG compressor seal emissions) are now categorized as vented GHG emissions.
[7] Flaring reductions in 2024 were attributed to recently implemented enterprise-wide definition changes which reclassified certain flaring- related emissions (e.g. incidents) as stationary combustion emissions.
[8] GHG emissions from transportation-related activities include corporately owned and operated aircraft as well as vehicle and small equipment operations.
[12] TC Energy has obtained independent limited assurance of operational control boundary Scope 1 GHG emissions for the year ended December 31, 2024.

GHG emissions: Scope 1 continued

INDICATOR	UNIT	2020	2021	2022	2023	2024	RELATED FRAMEWORK INDICATOR ID
ADDITIONAL							
Scope 1 (direct) methane emissions[9]	thousand tonnes CO_2e	4,671	4,635	4,192	4,156	**4,277**	
Scope 1 GHG emissions from methane emissions[10]	per cent	25	23	19	19	**19**	SASB EM-MD-110a.1
Portion of Scope 1 GHG emissions covered by reduction regulations[11]	per cent	46	48	51	50	**51**	SASB EM-MD-110a.1

[9] Total direct methane emissions encompasses all methane sources, including immaterial sources not associated with natural gas handling activities, such as power [generation] and corporate services).
[10] Newly-introduced indicator.
[11] This indicator represents the portion of total Scope 1 GHG emissions covered by reduction regulations based on provincial, state or federal GHG policies. The methodology used to determine this indicator is based on the inclusion of Scope 1 GHG emissions from all sources associated with natural gas pipelines and power and storage assets that are regulated under GHG reduction-based regulations or Emission Trading Schemes (ETS) in Canada and the U.S. asset emissions covered under legislation such as the former BC Carbon Tax or the Canadian federal Fuel Charge, are not included in the emission reduction regulation coverage.

GHG emissions: Scope 2

INDICATOR	UNIT	2020	2021	2022	2023	2024	RELATED FRAMEWORK INDICATOR ID
ABSOLUTE SCOPE 2 GHG EMISSIONS							
EQUITY SHARE APPROACH							
Total Scope 2 GHG emissions	**thousand tonnes CO_2e**	**452**	**403**	**466**	**484**	**361[1]**	**GRI 305-2**
BREAKDOWN BY OPERATING SEGMENT							
Scope 2 GHG emissions: natural gas pipelines	thousand tonnes CO_2e	314[2]	254[2]	321	354	**239[1]**	
Scope 2 GHG emissions: Canadian natural gas pipelines	thousand tonnes CO_2e	92	79	143	199	**103[1]**	
Scope 2 GHG emissions: U.S. natural gas pipelines	thousand tonnes CO_2e	220	173	177	153	**134[1]**	
Scope 2 GHG emissions: Mexico natural gas pipelines	thousand tonnes CO_2e	2	2	2	2	**3[3]**	
Scope 2 GHG emissions: power and storage	thousand tonnes CO_2e	133	145	140	126	**118**	
Scope 2 GHG emissions: power	thousand tonnes CO_2e	88	104	93	82	**92[4]**	
Scope 2 GHG emissions: storage	thousand tonnes CO_2e	44	41	47	44	**26[5]**	
Scope 2 GHG emissions: corporate	thousand tonnes CO_2e	4	4	4	4	**4**	

[1] The decrease in Scope 2 GHG emissions is attributed to lower power consumption across many Canadian and U.S. natural gas system electric drive compressors, due to lower utilization relative to 2023. General decreases in location-based regional and subregional grid carbon intensities also contributed to the overall reduction relative to prior reporting periods.
[2] To establish completeness and year-over-year comparability, missing GHG emissions data for the 2020 and 2021 reporting periods were backfilled using conservative estimates based on 2022 data.
[3] Increased operational activities on the Mexico natural gas pipeline systems resulted in increased power consumption and associated Scope 2 GHG emissions, relative to 2023.
[4] Increased Scope 2 GHG emissions in 2024 are attributed to the Saddlebrook solar facility completing its first full year of operations, contributing to a marginal rise in emissions. Additionally, increased heat energy consumption at the Bear Creek Cogeneration facility supported greater electricity generation from the steam turbine unit.
[5] The decrease in Scope 2 GHG emissions is attributed to reduced electric compressor activity, resulting from reduced injection and withdrawal volumes driven by lower demand.

GHG emissions: Scope 2 continued

INDICATOR	UNIT	2020	2021	2022	2023	2024	RELATED FRAMEWORK INDICATOR ID
OPERATIONAL CONTROL APPROACH							
Total Scope 2 GHG emissions	**thousand tonnes CO_2e**	**580**	**500**	**560**	**548**	**426[1,6^]**	**GRI 305-2**
BREAKDOWN BY OPERATING SEGMENT							
Scope 2 GHG emissions: natural gas pipelines	thousand tonnes CO_2e	444[2]	351[2]	417	420	**308[1]**	
Scope 2 GHG emissions: Canadian natural gas pipelines	thousand tonnes CO_2e	92	79	143	199	**103[1]**	
Scope 2 GHG emissions: U.S. natural gas pipelines	thousand tonnes CO_2e	350	270	272	219	**202**	
Scope 2 GHG emissions: Mexico natural gas pipelines	thousand tonnes CO_2e	2	2	2	2	**3[3]**	
Scope 2 GHG emissions: power and storage	thousand tonnes CO_2e	128	142	136	120	**112**	
Scope 2 GHG emissions: power	thousand tonnes CO_2e	84	101	89	76	**86[4]**	
Scope 2 GHG emissions: storage	thousand tonnes CO_2e	44	41	47	44	**26[5]**	
Scope 2 GHG emissions: corporate	thousand tonnes CO_2e	8	7	7	7	**7**	

[1] The decrease in Scope 2 GHG emissions is attributed to lower power consumption across many Canadian and U.S. natural gas system electric drive compressors, due to lower utilization relative to 2023. General decreases in location-based regional and subregional grid carbon intensities also contributed to the overall reduction relative to prior reporting periods.
[2] To establish completeness and year-over-year comparability, missing GHG emissions data for the 2020 and 2021 reporting periods were backfilled using conservative estimates based on 2022 data.
[3] Increased operational activities on the Mexico natural gas pipeline systems resulted in increased power consumption and associated Scope 2 GHG emissions, relative to 2023.
[4] Increased Scope 2 GHG emissions in 2024 are attributed to the Saddlebrook solar facility completing its first full year of operations, contributing to a marginal rise in emissions. Additionally, increased heat energy consumption at the Bear Creek Cogeneration facility supported greater electricity generation from the steam turbine unit.
[5] The decrease in Scope 2 GHG emissions is attributed to reduced electric compressor activity, resulting from reduced injection and withdrawal volumes driven by lower demand.
[6] TC Energy has obtained independent limited assurance of Operational Control boundary Scope 2 GHG emissions for the year ended December 31, 2024.

GHG emissions: Scope 3

INDICATOR	UNIT	2020	2021	2022	2023	2024	RELATED FRAMEWORK INDICATOR ID
ABSOLUTE SCOPE 3 GHG EMISSIONS							
Total Scope 3 GHG emissions 1[1]	**thousand tonnes CO_2e**	**2,826**	**3,121**	**4,218**	**4,182**	**4,178**	**GRI 305-3**
BREAKDOWN BY SCOPE 3 CATEGORY							
Fuel- and energy-related activities (category 3)[2]	thousand tonnes CO_2e	2,785	3,096	4,187	4,149	**4,142**	
Waste generated in operations (category 5)[3]	thousand tonnes CO_2e	30	15	19	20	**20**	GRI 306-3
Business travel (category 6)[4]	thousand tonnes CO_2e	5	4	6	7	**8**	
Employee commuting (category 7)[5]	thousand tonnes CO_2e	N/A	N/A	N/A	N/A	**3**	
Upstream leased assets (category 8)[6]	thousand tonnes CO_2e	6	6	6	7	**6**	

[1] Scope 3 GHG emissions cover 15 categories of which, we currently report on five relevant categories. Scope 3 emission categories reported are based on the operational control reporting boundary.
[2] Emissions reported in Category 3 fuel- and energy-related activities include emissions related to the upstream activities attributed to fuel supplied for combustion during operational activities that are not included in our Scope 1 or Scope 2 GHG emissions. This category also includes emissions attributed to the generation of purchased electricity, as well as associated transmission and distribution losses, consumed by TC Energy's operational activities.
[3] Scope 3 GHG emissions associated with waste are estimated using the spend-based method derived from the GHG Protocol Scope 3 Guidance and calculated emission factors. Spend data used to calculate waste-related emissions, excludes capital projects.
[4] Category 6 emissions reflect indirect emissions associated with commercial travel - such as air, rail, and commuter vehicle transportation - that not included in our Scope 1 emissions.
[5] Beginning in 2024, TC Energy introduced Category 7 emission, informed by an internal survey of a targeted employee sample regarding routine commuting practices. This category excludes emissions related to remote work, contract employees, and travel related activities already reported as Scope 1 emissions or other travel-related categories.
[6] Category 8 emissions are attributed to the utility energy (i.e. fuel and electricity) consumed within TC Energy's leased building/office spaces in which utilities are administered and controlled by third party building services or building property owners. In leased building spaces where the utility energy remains under TC Energy's operational control, the associated emissions are allocated to the Scope 1 and Scope 2 GHG emission profiles.

GHG emissions: Scope 1 and 2 emissions intensities

INDICATOR	UNIT	2020	2021	2022	2023	2024	RELATED FRAMEWORK INDICATOR ID
ABSOLUTE SCOPE 1 AND 2 GHG EMISSIONS							
OPERATIONAL CONTROL APPROACH							
GHG emissions total	**Scope 1+2 thousand tonnes CO_2e**	**19,415**	**21,055**	**22,308**	**22,068**	**22,777**	
SCOPE 1 AND 2 GHG EMISSIONS INTENSITIES							**GRI 305-4**
EQUITY SHARE APPROACH[1]							
GHG emissions intensity: Canada natural gas pipelines[2]	Scope 1+2 tonnes CO_2e / throughput Bcf	863	913	1,014	988	**1,013**	
GHG emissions intensity: U.S. natural gas pipelines[2]	Scope 1+2 tonnes CO_2e / throughput Bcf	1,254	1,259	1,186	1,210	**1,182**	
GHG emissions intensity: Mexico natural gas pipelines[2]	Scope 1+2 tonnes CO_2e / throughput Bcf	193	152	196	173	**184**	
GHG emissions intensity: power[3]	Scope 1 + 2 tonnes CO_2e / net generation MWh	0.0796	0.0934	0.0883	0.0899	**0.0802[4]**	
GHG emissions intensity: storage[5]	Scope 1 +2 tonnes CO_2e / total volume injected + withdrawn Bcf	496	407	448	511	**425[6]**	

[1] Equity share GHG emission intensity calculations are based on Scope 1 and Scope 2 GHG emissions net to TC Energy, divided by the net production (generation or throughput) metrics. Net emissions and production metrics are based on the total gross values multiplied by TC Energy's per cent ownership of assets as of December 31, 2024, and as published in the 2024 Annual Report. All historical indicators have been recalculated to reflect the changes to Scope 1 and Scope 2 emissions, previously referenced.

[2] Calculated GHG emission intensities for natural gas business segments are based on a volume throughput denominator. Throughput volumes from the natural gas pipelines are predominately based on measured (allocated) delivery volumes for each pipeline system and nominated (scheduled) delivery volumes on select pipeline systems.

[3] Many of TC Energy's power generation assets generate both electricity and heat. The intensity calculations specific to the power business segment do not account for heat generated and therefore, represent only a conservative estimation of emissions intensity for power generation.

[4] The improvement to the 2024 Power and Energy Solutions business segment emissions intensity was driven by reduced GHG emissions from cogeneration facilities due to lower production, partially offset by increased electricity output from renewable and nuclear sources compared to 2023.

[5] Calculated GHG emission intensity for the Canadian natural gas storage segment is based on the total Scope 1 and Scope 2 GHG emissions divided by the total volume injected and withdrawn from the storage reservoirs.

[6] Lower emission intensity in the storage business segment is attributed to reduced gas injection volumes and moderately lower product withdrawals compared to 2023. This decrease in natural gas flow led to reduced Scope 1 and Scope 2 GHG emissions.

GHG emissions: Scope 1 and 2 emissions intensities continued

INDICATOR	UNIT	2020	2021	2022	2023	2024	RELATED FRAMEWORK INDICATOR ID
OPERATIONAL CONTROL APPROACH[7]							
GHG emissions intensity: total corporate[8]	**Scope 1+2 kg CO_2e / GJ**	**1.03**	**1.07**	**1.07**	**1.07**	**1.05[9^]**	
Methane emissions intensity[10]	Scope 1 tonnes CH_4 / throughput Bcf	9.66	9.14	7.82	7.81	**7.72**	
GHG emissions intensity: Canada natural gas pipelines[2]	Scope 1+2 tonnes CO_2e / throughput Bcf	852	903	1,002	974	**997**	
GHG emissions intensity: U.S. natural gas pipelines[2]	Scope 1+2 tonnes CO_2e / throughput Bcf	1,220	1,232	1,175	1,194	**1,174**	
GHG emissions intensity: Mexico natural gas pipelines[2]	Scope 1+2 tonnes CO_2e / throughput Bcf	168	134	173	158	**165**	
GHG emissions intensity: power[3]	Scope 1 + 2 tonnes CO_2e / net generation MWh	0.5785	0.5904	0.5634	0.4595	**0.4333**	
GHG emissions intensity: storage[5]	Scope 1 +2 tonnes CO_2e / total volume injected + withdrawn Bcf	496	407	448	511	**425[6]**	

[2] Calculated GHG emission intensities for natural gas business segments are based on a volume throughput denominator. Throughput volumes from the natural gas pipelines are predominately based on measured (allocated) delivery volumes for each pipeline system and nominated (scheduled) delivery volumes on select pipeline systems.
[3] Many of TC Energy's power generation assets generate both electricity and heat. The intensity calculations specific to the power business segment do not account for heat generated and therefore, represent only a conservative estimation of emissions intensity for power generation.
[5] Calculated GHG emission intensity for the Canadian natural gas storage segment is based on the total Scope 1 and Scope 2 GHG emissions divided by the total volume injected and withdrawn from the storage reservoirs.
[6] Lower emission intensity in the storage business segment is attributed to reduced gas injection volumes and moderately lower product withdrawals compared to 2023. This decrease in natural gas flow led to reduced Scope 1 and Scope 2 GHG emissions.
[7] Operational control GHG emission intensity calculations are based on gross Scope 1 and Scope 2 GHG emissions from assets operated by TC Energy, divided by gross production (generation or throughput) metrics of those operated assets. Assets partially owned but not operated by TC Energy are excluded from the Scope 1, Scope 2 and production/throughput values that determine the emission intensity, under this reporting boundary. All historical indicators have been recalculated to reflect the changes to Scope 1 and Scope 2 emissions, previously referenced.
[8] TC Energy's corporate GHG emissions intensity is based on an operational control reporting boundary. The production data from operational business segments are converted to a common unit of energy (GJ) to calculate this corporate intensity value. The production metrics from the Power and Energy Solutions cogeneration facilities include the generation of heat exported to customers. Business segment emission intensities are not directly comparable to the corporate emissions intensity value without the conversion of production and throughput metrics to a common unit of measure, gigajoules (GJ).
[9] TC Energy has obtained independent limited assurance of this indicator for the year ended December 31, 2024.
[10] Newly-introduced indicator. Our methane target addresses Scope 1 methane emissions associated with our natural gas transmission and gas storage assets, expressed in tonnes of CH_4 per billion cubic feet (Bcf) throughput. For planning purposes, target progress is measured under the operational control reporting boundary, relative to the 2019 baseline year intensity of 10.07 tonnes CH_4/Bcf, which has been recalculated to align with the structural and methodological changes noted for the 2020 through 2023 reporting periods.

Air quality

INDICATOR	UNIT	2020	2021	2022	2023	2024	RELATED FRAMEWORK INDICATOR ID
AIR QUALITY[1, 2]							**GRI 305-7 SASB EM-MD-120A.1 SASB IF-EU-120A.1**
Nitrogen oxide (NO_x)	metric tonnes	40,259	39,821	40,973	35,267	**36,023**	
Sulfur oxides (SO_x)	metric tonnes	98	165	143	195	**175[3]**	
Volatile organic compounds (VOCs)	metric tonnes	1,565	1,503	1,324	1,301	**1,279**	
Particulate matter 10 micrometers (PM_{10})	metric tonnes	727	716	693	694	**696**	

[1] Air quality emissions data is calculated based on the regulatory requirements in jurisdictions in which we operate. The data reported within includes emissions at, or above, regulatory reporting thresholds.
[2] Air quality emissions data reflects all operated assets, including our U.S. and Mexico operations.
[3] The year-over-year decrease is primarily attributed to the availability of measured gas composition data at two Canadian cogeneration facilities, which indicated lower sulphur content in select waste and raw gas streams used as fuel.

Ecological impacts

INDICATOR	UNIT	2020	2021	2022	2023	2024	RELATED FRAMEWORK INDICATOR ID
BIODIVERSITY							
Total land owned, leased and/or operated[1]	hectares	145,648	146,214	146,818	146,726	**147,270**	
Land owned, leased and/or operated within areas of protected conservation status or endangered species habitat[2]	hectares	19,035	22,609	18,649	18,667	**20,370**	GRI 304-3 SASB EM-MD-160a.2
	per cent	13	15	13	13	**14**	SASB EM-MD-160a.2
LAND CAPABILITY							
Cumulative total of disturbed land[3]	hectares	1,822	3,735	7,095	3,838	**11,692[4]**	SASB EM-MD-160a.2
Land restoration completed[5]	hectares	991	2,574	6,271	2,790	**9,473[6]**	SASB EM-MD-160a.3
Disturbed area restored within five years[7]	per cent	100	99	98	99	**98[8]**	SASB EM-MD-160a.3

[1] Our biodiversity indicator currently reflects most of the land TC Energy owns, leases and/or operates that is associated with our pipeline rights-of-way, compressor stations, meter stations, and power plants in Canada, Mexico and the U.S. This footprint also includes abandoned assets. The footprint does not include temporary workspaces or proposed projects. Valve sites are assumed to be contained within the right-of-way footprint.

[2] TC Energy considers land to be an area of protected conservation status or endangered species habitat if it is identified as such in one or more of the publicly available datasets we use. While not an exact match, in 2024 we selected multiple publicly available datasets that included conservation status and habitat information that most closely aligned to the intent of SASB indicator EM-MD-160a.2. We continue to identify critical habitat for endangered species.

[3] The cumulative total of disturbed land currently includes land disturbed by natural gas pipeline and maintenance projects that underwent post-construction monitoring in the reporting year to determine restoration success. The cumulative total of disturbed lands includes land disturbed from projects constructed in preceding years that have not yet achieved restoration and are being monitored annually for restoration status. We do not include operating facilities that are above ground (fenced and graveled sites) in our disturbed lands or restoration reporting until they undergo decommissioning and abandonment. Projects are typically monitored annually following final clean-up after construction is completed, for five years, until restoration has been achieved.

[4] In 2024, growth and maintenance projects across the United States increased the total hectares of land disturbed and restored during the reporting year.

[5] Restoration is defined as the process of returning disturbed land to equivalent land capability, which is the ability of the land to support various land uses similar to the ability that existed prior to disturbance. This includes ensuring stable, non-hazardous, non-erodible soil conditions and seeding or enabling the re-establishment of vegetation, as appropriate and in accordance with applicable regulatory requirements and permit conditions.

[6] In 2024, we were unable to begin reforestation beyond the right-of-way of select projects in Mexico; however, we continue to work with the appropriate agencies to validate compliance with our restoration commitments. While reforestation of these projects has not yet begun, the right-of-way is stable, and regrowth is occurring naturally. We intend to reforest beyond the right-of-way and anticipate commencing monitoring activities in 2025. We remain committed to maintaining compliance and restoring these lands to their equivalent land capability.

[7] While the cumulative total of land disturbed and restored in acres reflects projects monitored in the reporting year, the percentage of land restored has been defined using a five-year timeframe to better reflect the longer-term nature of our restoration activities. Although much of the land is restored by the fifth year following construction, localized issues may arise that do not achieve restoration success within that five-year timeframe. We are committed to monitoring these issues until they are resolved. This means our data may reflect restoration activities beyond the fifth year.

[8] In 2024, we restored 98 per cent of disturbed lands. The remaining two per cent was not achieved due to additional repair work required in localized sites due to lack of access, challenging terrain and weather conditions. Some projects where repairs were completed in the preceding growing season warrant additional monitoring beyond the five-year period to verify success of the mitigation. These sites will be restored when conditions permit, and we will continue active engagement with landowners until restoration is achieved.

Ecological impacts continued

INDICATOR	UNIT	2020	2021	2022	2023	2024	RELATED FRAMEWORK INDICATOR ID
WATER							**SASB IF-EU-140A.1**
Water withdrawal: fresh surface water	million cubic metres	2.91	2.04	1.84	1.94	**1.42**[9]	GRI 303-3
Water withdrawal: fresh groundwater	million cubic metres	0.00	0.00	0.00	0.00	**0.00**	GRI 303-3
Water withdrawal: municipal/utility	million cubic metres	0.37	0.27	0.33	0.37	**0.37**	GRI 303-3
Water discharge[10]	million cubic metres	0.14	0.16	0.20	0.74	**0.33**[11]	GRI 303-4
Water consumption[12]	million cubic metres	3.15	2.15	1.97	1.57	**1.46**	GRI 303-5
WASTE							
Hazardous waste generated[13]	metric tonnes	9,125	12,897	5,711	9,405[14]	**1,830**[15]	GRI 306-3
Waste; recycled/reused[16]	metric tonnes	N/A	N/A	N/A	89,427[17]	**1,369**[18]	GRI 306-4

[9] In 2024, we had a decrease in pipeline hydrotests in Canada, as well as a decrease in water withdrawn for select Power & Energy Solutions assets, resulting in less fresh surface water withdrawal.
[10] Starting in 2023, we improved our water discharge reporting to include water discharged or dispersed over land in or near the same watershed from which it was withdrawn in accordance with permitting requirements and applicable water quality standards.
[11] In 2024, we had a decrease in water discharge due to fewer pipeline hydrotests in Canada.
[12] Water consumption volume reflects management's best estimate. TC Energy considers water consumed unless it is either discharged directly to the same source at equal or higher quality or dispersed over land in or near the same watershed from which it was withdrawn, in accordance with permitting requirements and applicable water quality standards. The volume reported includes water used for power asset operations (excluding once-through cooling water) and water used during hydrostatic testing of pipelines and liquids storage tanks that could not be discharged. Water used during construction or operational activities (e.g. for dust control on access roads, construction of winter access or to assist in hydrovac operations) is excluded.
[13] We have chosen to focus reporting on the generation of hazardous wastes for 2020 onward. Most of TC Energy's hazardous wastes consist of recyclable hydrocarbons from our storage operations, recovered from the natural gas in our gas pipelines or used lube oils and glycols from turbines, pumps and engines. Any hazardous wastes that cannot be recovered or recycled are disposed of at licensed, secure disposal facilities. Requirements for tracking and reporting of waste as well as the waste classifications and types themselves vary by jurisdiction. TC Energy also relies on multiple third-party vendors and/or government databases for tracking of hazardous waste. Internal subject matter experts familiar with our waste streams review and reconcile waste data often using assumptions and/or estimations to consolidate the data into a single, corporate-wide value.
[14] During a comprehensive review of historical records, we identified and corrected two data classification errors: approximately 1,051 tonnes of non-hazardous waste was previously categorized as hazardous, and approximately 6,870 tonnes of hazardous waste was not initially included in our reporting. The value has been updated to reflect this correction.
[15] 2024 data includes operations, project and remediation waste for TC Energy operated assets across Canada, the U.S. and Mexico. The decrease in 2024 hazardous waste generation is due primarily to less construction activities.
[16] Reuse and recycling are vital to our waste management. While our practices encompass reuse and recycling of waste, when possible, across all our operations, 2024 data includes hazardous and non-hazardous waste recycled or reused from our Canada Gas and Power & Energy Solutions operations.
[17] This value has been updated to reflect a correction of a rounding error in the original calculation.
[18] The decrease in 2024 waste recycling/reuse is due primarily to less construction activities.

Asset integrity and process safety

INDICATOR	UNIT	2020	2021	2022	2023	2024	RELATED FRAMEWORK INDICATOR ID
PIPELINE INSPECTION							
Natural gas pipelines inspected[1]	per cent	24	26	32	26	**31**	SASB EM-MD-540a.2
In-line inspections[2]	number	323	288	335	362	**376**	
	kilometres	30,895	23,019	31,927	28,520	**28,796**	
Completed integrity digs[3]	number	865	841	957	978	**923**	
COMPLETED INTEGRITY DIGS							
Investment in pipeline integrity programs	dollars (billions)	1.5	1.4	1.6	2.0	**2.0**	

[1] The pipeline integrity inspection program may vary year-to-year based on several factors, including performing inspections based on annual system-wide risk assessments of our pipeline system as well as performing prescribed regulatory inspections. The regulatory inspection intervals vary depending on jurisdiction.
[2] The number and length of inline inspections at TC Energy varies yearly due to factors like pipeline age, regulatory changes, operational adjustments, technological advancements, incident history, and environmental conditions.
[3] The number of excavations or digs at TC Energy can vary year over year due to several factors, including the need for pipeline maintenance and repairs, the results of inline inspections, changes in regulatory requirements, new projects and expansions, environmental and external factors, and operational changes. These elements collectively influence the frequency and extent of excavations required to ensure the safety and efficiency of the pipeline infrastructure.

Asset integrity and process safety incidents

INDICATOR	UNIT	2020	2021	2022	2023	2024	RELATED FRAMEWORK INDICATOR ID
PROCESS SAFETY INCIDENTS							**SASB EM-MD-540A.1**
Significant process safety incidents[1]	number	0	0	1	1	**0**	
Tier 1 process safety incidents[2]	number	12	6	16	17	**12**	
Tier 2 process safety incidents[3]	number	16	11	14	12	**12**	
REPORTABLE GAS RELEASES[4]							
Reportable gas releases	number	69	59	58	44	**42**	
	cubic metres	16,771,363	4,674,919	10,055,790	5,259,447	**13,372,137[5]**	
HYDROCARBON SPILLS[6]							**SASB EM-MD-160A.4**
Hydrocarbon spills	number	2	1	2	1	**1**	
	barrels[7]	83	4	2	2	**66[8]**	
Hydrocarbon spills: in sites of high biodiversity significance[9]	barrels	0	0	0	0	**0**	
Hydrocarbon spills: recovered[10]	barrels	77	4	2	2	**66[8]**	

[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. In evaluating the severity of the incident, we also consider the potential risk of legal, financial or reputational impacts to our company.
[2] Tier 1 process safety incidents are unplanned or uncontrolled releases that result in either greater consequences and/or higher release volumes. These incidents may result in a serious injury to a person, an officially declared community evacuation or shelter in place order, a fire or an explosion. Our reporting of Tier 1 incidents is guided by CSA Z260, an industry-wide standard.
[3] Tier 2 process safety incidents are unplanned or uncontrolled releases with lesser consequences. These incidents may result in a recordable injury to a person, a fire or explosion that can be contained and extinguished with little to no damage, or localized environmental damage. Our reporting of Tier 2 incidents is guided by CSA Z260, an industry wide standard.
[4] A reportable gas release is defined as one that is reportable to an external agency or authority, such as a federal, provincial or state regulator. Thresholds for reporting of gas releases vary depending on the jurisdiction and therefore releases are not wholly comparable by jurisdiction or year-over-year.
[5] The year-over-year increase in reportable gas release volume can be attributed to select events in Canada and Mexico.
[6] Hydrocarbon spills are defined as an unintentional release of liquid hydrocarbons, in excess of one barrel, to the environment and that is reportable to an authority. Releases from the company's operating assets (e.g. pipeline, storage tank, process facility) are included in this disclosure while releases from construction equipment and vehicles are excluded.
[7] Hydrocarbon spill volume represents the total estimated amount spilled that reached the environment and is not reduced by the amount of such hydrocarbon subsequently recovered, evaporated or otherwise lost.
[8] The year-over-year variance can be attributed to one event in the U.S. that resulted in the release of a combined total of approximately 66 barrels of hydrocarbons to the environment. All materials were recovered and sent for proper disposal.
[9] TC Energy considers land to be an area of protected conservation status or endangered species habitat if it is identified as such in one or more of the publicly available datasets we use. While not an exact match, in 2024 we selected multiple publicly available datasets that included conservation status and habitat information that most closely aligned to the intent of SASB indicator EM-MD-160a.2. We continue to identify critical habitat for endangered species.
[10] The volume of spill recovered represents the spilled hydrocarbons removed from the environment through short-term spill response activities, excluding amounts recovered during longer term remediation at spill sites and amounts that evaporated, burned or were dispersed.

Asset integrity and process safety incidents continued

INDICATOR	UNIT	2020	2021	2022	2023	2024	RELATED FRAMEWORK INDICATOR ID
THIRD-PARTY INCIDENTS							
One-Calls per 1,000 km of right-of-way[11]	number	4,790	4,865	4,926	4,912	**4,340**[12]	
Unauthorized pipeline encroachments per 1,000 km of right-of-way[13]	number	3.97	3.32	3.85	3.93	**3.81**	
Unauthorized excavations per 1,000 km of right-of-way[14]	number	1.56	1.33	1.36	1.18	**1.52**[15]	

[11] TC Energy defines unauthorized excavations as those that include more serious activities than other encroachments, with greater potential to cause impact or exposure that would result in a need to repair an underground facility.
[12] The number of one-calls can vary year over year due to fluctuations in construction activity, public awareness campaigns, regulatory changes, seasonal variations, and economic conditions. These factors combined can lead to variations in the number of requests for line locates.
[13] TC Energy defines unauthorized encroachments as those that include activities carried out without authorization from local One-Call centres.
[14] TC Energy defines unauthorized excavations as those that include more serious activities than other encroachments, with greater potential to cause impact or exposure that would result in a need to repair an underground facility.
[15] The number of unauthorized excavations at TC Energy varies year over year due to factors like public awareness, construction activity, enforcement and monitoring changes and economic conditions influencing construction levels.

Emergency preparedness and response

INDICATOR	UNIT	2020	2021	2022	2023	2024	RELATED FRAMEWORK INDICATOR ID
EMERGENCY PREPAREDNESS AND RESPONSE EXERCISES							
Total exercises completed[1]	number	171	211	196	199	**192**	
EMERGENCY PREPAREDNESS AND RESPONSE TRAINING							GRI 404-1
First responder training[2]	number	1,429	1,999	2,001	1,876	**1,809**	
Incident Command System training[3]	number	4,321	4,107	3,657	2,412	**2,302**	

[1] In an effort to streamline our disclosures, we have combined all types of emergency preparedness exercises into one indicator.
[2] Personnel that could be the first on the scene of an emergency event are profiled to complete the First Responder Training course. This is a specialized training course on how to assess, respond and activate the emergency management system in an emergency event as the first company representative on site.
[3] The Incident Command System (ICS) is a standardized on-site management system designed to enable effective and efficient emergency response. This system is used across North America and is the standard response system within multiple industries and public safety response organizations.

A thriving economy

INDICATOR	UNIT	2020	2021	2022	2023	2024	RELATED FRAMEWORK INDICATOR ID
DIRECT ECONOMIC VALUE GENERATED AND DISTRIBUTED							**GRI 201-1**
Direct economic value generated	dollars (millions)	12,999	13,387	12,309	13,267	**13,771**	
Economic value distributed: operating costs	dollars (millions)	3,876	4,092	4,057	4,151	**4,436**	
Economic value distributed: employee wages and benefits	dollars (millions)	1,450	1,441	1,518	1,471	**1,614**	
Economic value distributed: payments to providers of capital	dollars (millions)	5,643	5,779	5,512	5,820	**7,251**[1]	
Economic value distributed: payments to government	dollars (millions)	1,205	1,282	1,263	1,697	**1,449**	
Economic value distributed: payments to governments in Canada	dollars (millions)	555	438	424	452	**455**	
Economic value distributed: payments to governments in U.S.	dollars (millions)	625	758	607	1,208	**915**[2]	
Economic value distributed: payments to governments in Mexico	dollars (millions)	25	86	232	37	**79**[3]	
Economic value distributed: community investments	dollars (millions)	27	23	24	30	**26**	
Economic value retained	dollars (millions)	2,275	2,234	1,477	1,599	**635**[4]	
TECHNOLOGY AND INNOVATION SPEND							
R&D program spend	dollars (millions)	7	10	11	13	**8**[5]	
Capital and operating optimization and revenue opportunities achieved[6]	dollars (millions)	23	47	5	7	**11**[7]	
Engineering R&D value creation	dollars (millions)	N/A	N/A	228	141	**26**[8]	

[1] The year-over-year increase is primarily due to the net effect of long-term debt issuances and maturities and the foreign exchange impact from a stronger U.S. dollar on translation of U.S. dollar-denominated interest expense and reduced levels of short-term borrowing as well as increased dividends on common shares.
[2] The year-over-year decrease is primarily due to lower income tax payments as a result of the sale of a 40 per cent non-controlling equity interest in Columbia Gas Transmission LLC and Columbia Gulf Transmission LLC in October 2023.
[3] The year-over-year increase is primarily due to increased withholding tax payments as a result of higher interest payments from TGNH to TCPL.
[4] The year-over-year decrease is due to increases to tax payments and payments to providers of capital.
[5] Organizational changes led to a delay in kicking off a portion of R&D projects, thus reducing the year-over-year program spend.
[6] The capital and operating optimization indicator includes cost avoidance, savings and incremental revenue gains realized within the reporting period for our RAMP program in Canada. Our Canadian Natural Gas Pipelines business unit has an optimization initiative called RAMP that leverages data and algorithms to identify compression equipment operational issues and fix them before they cause an equipment failure. The cost avoidance dollars are from avoiding spend on equipment failure repairs by fixing issues before they cause a failure.
[7] This value includes $10M in cost avoidance via early detection of failure indicators and $1M in gas cost and carbon tax savings.
[8] The majority of 2024 engineering R&D value creation can be attributed to In-line-inspection (ILI) technology advancements. The year-over-year decrease stems from projects completing their value creation tracking period, with new projects still in early development stages.

A thriving economy continued

INDICATOR	UNIT	2020	2021	2022	2023	2024	RELATED FRAMEWORK INDICATOR ID
POLITICAL CONTRIBUTIONS							**GRI 415–1**
Political contributions made by TC Energy Corporation in Canada[9]	dollars	5,000	0	14,250	8,495	11,300	
Political contributions made by TC Energy U.S. subsidiaries[10]	U.S. dollars	0	194,544	433,750	262,450	889,975[11]	
Political contributions made by TC PAC, a separate segregated fund in the U.S.[12]	U.S. dollars	302,930	240,650	398,225	266,275	294,600[13]	
COMPETITIVE BEHAVIOUR							
Total monetary losses that relate to violations of regulations governing competitive behaviours[14]	dollars	0	0	0	0	0	SASB EM-MD-520a.1
SIGNIFICANT ENVIRONMENTAL FINES[15]							
Significant environmental fines	number	1	2	3	4	**10[16]**	
	dollars	210,549	916,421	317,958	957,137	**590,000[16]**	

[9] Political contributions by corporations are not permitted in most Canadian jurisdictions. Corporate political contributions are permissible in Saskatchewan. TC Energy participated in political events in Saskatchewan in 2024.
[10] Political contributions in the U.S. were made by U.S. subsidiaries of TC Energy or the TC PAC.
[11] The year-over-year variance for political contributions made by U.S. subsidiaries of TC Energy is attributed to select contributions intended for the 2023 calendar year being made in the 2024 calendar year. Additionally, U.S. subsidiaries of TC Energy contributed funds to participate in the major party nominating conventions related to the 2024 presidential election.
[12] The TransCanada USA Services Inc. Political Action Committee (TC PAC) is a separate segregated fund (SSF) established under U.S. federal election law by TransCanada USA Services Inc., a U.S. subsidiary of TC Energy. The TC PAC is funded solely through contributions from U.S. employees. In many cases, amounts such as receipts, disbursements and cash on hand differ from what we report internally to what is found on FEC. This is because the FEC also records disbursements that include bank fees, registration fees, and voided checks from the prior year. The PAC is directed entirely out of the United States, by U.S. residents.
[13] Due to a successful solicitation campaign, there was an increase in PAC membership in 2024.
[14] The total amount of monetary losses incurred during the reporting period because of legal proceedings associated with alleged breaches of regulations governing competitive behaviour.
[15] A significant environmental fine is a fine or penalty of >$5,000 CAD that is paid to a regulatory agency within the reporting year. In some cases, the year the fine was paid may differ from the year the fine was issued.
[16] A total of 10 environmental regulatory fines were paid by the company in Canada related to construction activities.

Supplier diversity

INDICATOR	UNIT	2020	2021	2022	2023	2024	RELATED FRAMEWORK INDICATOR ID
SUPPLIER DIVERSITY[1]							
TIER 1 DIVERSE SPEND[2]	**DOLLARS (MILLIONS)**	**301**	**530**	**1,312**	**1,495**	**572**	
Canadian diverse spend: Tier 1[3]	dollars (millions)	201	409	1,185	1,347	**451[4]**	
Canadian Indigenous spend: Tier 1	dollars (millions)	189	398	1,174	1,333	**424[4]**	
U.S. diverse spend: Tier 1[5]	dollars (millions)	100	121	127	147	**122[6]**	
U.S. Native American spend: Tier 1	dollars (millions)	6	4	6	8	**0[6]**	
Year-over-year change in diverse influenceable procurement spend	per cent	N/A	N/A	132	12	**-37[4]**	GRI 204-1
TIER 2 DIVERSE SPEND[7]	**DOLLARS (MILLIONS)**	**705**	**907**	**718**	**480**	**68[4]**	
Canadian diverse spend: Tier 2[3]	dollars (millions)	566	840	714	479	**63[4]**	
Canadian Indigenous spend: Tier 2	dollars (millions)	503	701	705	466	**59[4]**	
U.S. diverse spend: Tier 2[5]	dollars (millions)	99	66	4	1	**5[8]**	
U.S. Native American spend: Tier 2	dollars (millions)	27	4	0	0	**0**	

[1] We continue to explore opportunities to expand our supplier diversity program to Mexico.
[2] Tier 1 spend represents a classification of expenditure data that TC Energy spends directly with prime suppliers and/or general contractors and is directly linked to contractual agreement(s) or purchases.
[3] Our diverse spend in Canada includes spend with suppliers who self-identify as Indigenous, visible minorities, women, LGBTQ+ and/or veterans.
[4] As several major construction projects reached completion, our overall spending naturally declined—reflecting their progression from construction into operational phases.
[5] Our diverse spend in the U.S. includes spend with suppliers who self-identify as Native American, Asian-American, Hispanic-American, African-American, women and/or veterans.
[6] Our diverse spend strategy in the U.S. is focused on local spend and therefore that spend is not captured in our diverse spend reporting.
[7] Tier 2 spend represents expenditures that TC Energy's prime suppliers and/or general contractors spend for services and/or products that directly support TC Energy's business needs. Indirect expenditures may consist of labour, subcontractors, materials and/or expense spend.
[8] The year-over-year increase can be attributed to an increase in Tier 2 spend reporting from our suppliers.

Thriving communities

INDICATOR	UNIT	2020	2021	2022	2023	2024	RELATED FRAMEWORK INDICATOR ID
COMMUNITY INVESTMENT							
Direct community investment	dollars (millions)	27	23	24	30	**26**[1]	GRI 201-1
Indirect community investment[2]	dollars (millions)	3	3	3	4	**4**	
Total community investment	dollars (millions)	30	26	27	33	**30**	
Community investment directed towards the environment[3]	dollars (millions)	1	2	3	4	**5**[4]	
External resources leveraged[5]	dollars (millions)	3	2	2	3	**3**[6]	
Total value of investment in the community[7]	dollars (millions)	33	28	30	37	**33**[1]	
EMPLOYEE GIVING & VOLUNTEERING							
Workforce donations[8]	dollars (millions)	2	1	1	1	**1**	
Total corporate donations through the workforce giving program[9]	dollars (millions)	4	3	3	3	**4**[10]	
Total volunteer hours logged by employees and contractors	hours	22,567	24,186	32,037	38,491	**45,901**[11]	
Volunteer hours logged during paid time	hours	1,413	1,714	4,249	4,868	**7,314**[11]	
Volunteer hours logged during unpaid time	hours	21,154	22,471	27,788	33,623	**38,587**[11]	
Overall participation in workforce giving program	per cent	84	55	61	60	**73**	

[1] The year-over-year decrease is due to the separation of our liquids business, which led to a reduction of our Community Investment budget for 2024. Also, a significant decrease to projects in Canada and associated community investment spend.
[2] This includes in-kind giving, the value of volunteer hours during paid work time and program management costs.
[3] TC Energy is focusing on increasing our environmental spend across Canada, the U.S. and Mexico and on building partnerships that have a positive environmental impact on species and habitats at risk.
[4] The year-over-year increase is a result of our focus to grow environmental investments in Canada, the U.S. and Mexico to $10 million by the end of 2025.
[5] External resources leveraged include community contributions from outside sources that can be directly linked to our involvement such as workforce donations and time volunteered during non-working hours or funds matched from governments or other partners.
[6] The year-over-year decrease in external resources is attributed to the decreased data submissions from partner organizations this year as compared to the previous year.
[7] The total value of TC Energy's investments in the community includes cash investments, in-kind giving, volunteering during paid working hours, program management costs and community contributions from outside sources that can be directly linked to our involvement.
[8] Funds donated to causes through the employee participation program are dependent on personal donations from our employee base and naturally fluctuate year-over-year based on various internal and external factors.
[9] Total corporate donations through our employee giving program includes company matching donations, employee participation campaigns, donation credits from TC Energy and corporate donations from Empower directly to causes.
[10] The employee participation program saw a year-over-year increase in overall participation, leading to a higher amount of workforce donations qualifying for matching by TC Energy.
[11] The year-over-year increase can be attributed to an increase in administrative support and training provided to employees to ensure all employee participation was successfully captured, as well as an increase in the use of incentive rewards during employee campaigns.

Thriving communities continued

INDICATOR	UNIT	2020	2021	2022	2023	2024	RELATED FRAMEWORK INDICATOR ID
LOCAL COMMUNITY ENGAGEMENT PLANS							
Operations with local community engagement, impact assessments and development programs[13]	per cent	100	100	100	100	**100**	GRI 413-1

[13] Reflective of engagement in support of projects and assets across our North American footprint.

Workforce demographics

INDICATOR	UNIT	2020	2021	2022	2023	2024	RELATED FRAMEWORK INDICATOR ID
WORKFORCE DEMOGRAPHICS							
CORE WORKFORCE							
Total	**number**	**7,358**	**7,083**	**6,745**	**6,965**	**6,658**	**GRI 2-7**
Canada	number	3,677	3,587	3,279	3,263	**3,039**	GRI 2-7
U.S.	number	3,355	2,993	2,924	2,992	**2,982**	GRI 2-7
Mexico	number	326	503	542	710	**637**	GRI 2-7
Employees represented by independent trade union or covered by collective bargaining agreements	per cent	5	4	5	4	**5**	GRI 2-30
LEADERSHIP[1]							
Total	**number**	**936**	**944**	**970**	**1,009**	**943**	
Executive leadership team	number	9	9	6	7	**7**	
CONTRACTOR WORKFORCE							**GRI 2-8**
Total	**number**	**3,515**	**3,466**	**3,546**	**3,084**	**2,669**	
Canada	number	2,223	2,409	2,624	2,220	**1,806**	
U.S.	number	1,081	1,057	922	864	**863**	
Mexico	number	211	0	0	0	**0**	
NEW HIRES (CORE WORKFORCE)							**GRI 401-1**
Total	**number**	**663**	**884**	**892**	**906**	**537**	
Canada	number	364	336	395	328	**213**	
U.S.	number	257	326	378	302	**237**	
Mexico	number	42	222	119	259	**87**	
Women	per cent	32	32	30	33	**31**	

[1] Our leadership includes core workforce employees classified as leaders and above.

Workforce demographics continued

INDICATOR	UNIT	2020	2021	2022	2023	2024	RELATED FRAMEWORK INDICATOR ID
CORE WORKFORCE TURNOVER							**GRI 401-1**
OVERALL TURNOVER RATE	**PER CENT**	**10**	**16**	**9**	**9**	**11**	
Canada	per cent	11	11	8	10	**12**	
U.S.	per cent	8	22	9	8	**8**	
Mexico	per cent	9	10	13	12	**22**	
Women	per cent	9	14	11	10	**13**	
Men	per cent	10	16	8	9	**10**	
Voluntary turnover rate[2]	per cent	4	11	7	6	**5**	
Involuntary turnover rate[3]	per cent	6	4	2	3	**6**	
TRAINING AND DEVELOPMENT							
Full Time Employee (FTE) Training and Development; Average Time	hours	N/A	N/A	39	34	**33**	
Full Time Employee (FTE) Training and Development; Average spend	currency	N/A	N/A	4,671	4,104	**4,010**	

[2] Voluntary turnover includes employees who retired or resigned from employment at TC Energy.
[3] Involuntary turnover includes divestitures, severances, discharges and layoffs.

Workforce diversity

INDICATOR	UNIT	2020	2021	2022	2023	2024	RELATED FRAMEWORK INDICATOR ID
INCLUSION AND DIVERSITY[1]							**GRI 405-1**
GENDER							
Women: core workforce	per cent	29	30	28	29	**28**	
Women: leadership	per cent	30	32	30	31	**32**	
Women: leadership positions in our corporate locations[2]	per cent	34	36	35	36	**38**	
VISIBLE MINORITIES IN LEADERSHIP							
Visible minorities in leadership positions across our Canadian and U.S. workforce	per cent	13	14	17	17	**17**	
PROTECTED GROUPS BY JURISDICTION							**GRI 405-1**
CANADIAN CORE WORKFORCE							
Women	per cent	38	38	37	37	**37**	
Indigenous[3]	per cent	3	3	3	3	**4**	
Persons with disabilities	per cent	3	3	3	2	**2**	
Visible minorities[3]	per cent	23	24	24	25	**25**	
U.S. CORE WORKFORCE							
Women	per cent	19	19	19	19	**19**	
Minorities[4]	per cent	14	14	15	16	**16**	
Individuals with disabilities	per cent	3	2	1	1	**1**	
Veterans	per cent	6	5	5	11	**11**	
MEXICAN CORE WORKFORCE							
Women	per cent	28	31	29	30	**29**	

[1] Diversity data is categorized by protected groups as defined by regional compliance requirements: in Canada under the Employment Equity Act and in the U.S. as a condition of the Office of Federal Contract Compliance Programs. There are no such compliance requirements in Mexico, however, we track and voluntarily report Mexico gender workforce representation.
[2] Leadership positions in our corporate locations of Calgary, Houston, Charleston and Mexico City.
[3] In Canada, Indigenous peoples are reported separately from visible minorities.
[4] In the U.S., American Indians and Alaska Natives are included in minorities reporting.

Occupational safety, health and industrial hygiene

INDICATOR	UNIT	2020	2021	2022	2023	2024	RELATED FRAMEWORK INDICATOR ID
CORE WORKFORCE							**GRI 403-9**
Employee fatalities	number	1	1	0	4	**0**	SASB IF-EU-320a.1
Employee recordable case rate[1]	recordable cases per 200,000 hours worked	0.45	0.40	0.73	0.39	**0.37**	GRI 403-10 SASB IF-EU-320a.1
Employee away-from-work case rate[2]	away from work cases per 200,000 hours worked	0.08	0.14	0.24	0.17	**0.10**	GRI 403-10
Employee vehicle incident frequency[3]	vehicle incidents per 1,000,000 km driven	1.37	1.50	1.41	1.71	**1.26**	
CONTRACTOR WORKFORCE							**GRI 403-9**
Contractor fatalities	number	0	0	1	0	**0**	SASB IF-EU-320a.1
Contractor recordable case rate[1]	recordable cases per 200,000 hours worked	0.64	0.84	0.90	0.65	**0.44**	GRI 403-10 SASB IF-EU-320a.1
Contractor away-from-work case rate[2]	away from work cases per 200,000 hours worked	0.10	0.10	0.08	0.08	**0.07**	GRI 403-10
Contractor vehicle incident frequency[3]	vehicle incidents per 1,000,000 km driven	1.28	1.14	1.58	1.12	**0.55**	

[1] Consistent with industry best practice, TC Energy defines total recordable case rate as the number of recordable cases related to a common exposure base of 200,000 hours (100 full-time employees). Recordable cases are all work-related deaths and illnesses and those work-related injuries that result in a loss of consciousness, restriction of work or motion, transfer to another job or require medical treatment beyond first aid.

[2] TC Energy defines away-from-work case rate as an incident resulting in an injury or illness that prevents an employee from returning to work on the next scheduled shift. The number of away-from-work cases, where the employee would have worked but could not because of an occupational injury or illness, is related to a common exposure base of 200,000 hours (100 full-time workers).

[3] TC Energy defines vehicle incident frequency rate as the number of recordable vehicle incidents related to a common exposure base of 1,000,000 km driven. A recordable vehicle incident is any incident (regardless of fault) involving a fleet, rental motor vehicle, or a personal vehicle being used for TC Energy business which results in an injury to any person or damage to any vehicle or property, unless the vehicle was safely and properly parked at the time of the incident.

Occupational safety, health and industrial hygiene continued

INDICATOR	UNIT	2020	2021	2022	2023	2024	RELATED FRAMEWORK INDICATOR ID
COMBINED (EMPLOYEE AND CONTRACTOR) WORKFORCE							
Combined (employee and contractor) recordable case rate[1]	recordable cases per 200,000 hours worked	0.58	0.71	0.85	0.58	**0.57**	GRI 403-9 GRI 403-10 SASB IF-EU-320a.1
Combined (employee and contractor) high energy serious injury and fatality rate[4]	high-energy serious injury and fatality incidents per 100 million hours worked	14.82	14.15	30.70	26.20	**11.60**	
EMPLOYEE ABSENCES							
Casual absence rate[5]	average number of days absent per employee per year	1.40	0.99	1.03	1.66	**1.53**	
Short-term disability absence rate[6]	average number of days absent per employee per year	2.20	2.66	2.23	1.47	**1.80**[7]	
Workers compensation absence rate[8]	average number of days absent per employee per year	0.03	0.03	0.03	0.05	**0.05**	
Total employee absence rate[9]	average number of days absent per employee per year	3.63	3.68	3.29	3.19	**3.25**	

[1] Consistent with industry best practice, TC Energy defines total recordable case rate as the number of recordable cases related to a common exposure base of 200,000 hours (100 full-time employees). Recordable cases are all work-related deaths and illnesses and those work-related injuries that result in a loss of consciousness, restriction of work or motion, transfer to another job or require medical treatment beyond first aid.
[4] TC Energy defines high-energy serious injury and fatality (HSIF) as an incident involving a release of high energy (greater than 500 ft-lbs of physical energy) without direct control, resulting in a life-threatening or life-altering injury.
[5] TC Energy defines casual absence as when an employee is unfit for work for up to five consecutive work shifts due to a non-work related illness or injury.
[6] TC Energy defines short term disability as a medical absence lasting longer than five consecutive work shifts away from work due to a non-occupational illness or injury.
[7] Our utilization of short term disability over the course of 2024 has not changed significantly from 2023 but we have observed an increase in duration of cases. This was due to a increase in the average duration, specifically with regards to mental health, neoplasms and musculoskeletal cases.
[8] TC Energy defines Workers' Compensation (WC) absences as a work-related illness or injury requiring medical aid and/or medical absence of more than a day, involving a provincial or state company-sponsored income replacement program operated through the various provincial or state workers' compensation boards or U.S. insurance carriers.
[9] TC Energy defines the average number of days absent per employee as the sum of the casual absence rate, short-term disability (STD) absence rate and WC absence rate.

CONTENT INDICES

Global Reporting Initiative alignment

The concordance table below demonstrates the relationship between TC Energy's sustainability reporting and the Global Reporting Initiative (GRI).

Applicable GRI Sector Standard: GRI 11: Oil and Gas Sector 2021

DISCLOSURE	DESCRIPTION	TC ENERGY REFERENCE MATERIAL	GRI SECTOR STANDARD REFERENCE NUMBER
GRI 2: GENERAL DISCLOSURES 2021			
2-1	Organizational details	Contact Us 2024 Annual Report 2024 Annual Information Form Annual CDP Corporate Questionnaire response	
2-2	Entities included in the organization's sustainability reporting	In this report > Reporting scope and boundaries, Performance Data Annual CDP Corporate Questionnaire response	
2-3	Reporting period, frequency and contact point	Publication date: July 2025, annual frequency In this report > Invitation for feedback, Performance data Annual CDP Corporate Questionnaire response	
2-4	Restatements of information	Included in footnotes In this report > Performance data Annual CDP Corporate Questionnaire response	
2-5	External assurance	In this report > Assurance Limited assurance report Annual CDP Corporate Questionnaire response	
2-6	Activities, value chain and other business relationships	In this report > About this report 2024 Annual Report Annual CDP Corporate Questionnaire response	
2-7	Employees	In this report > Workforce demographics	
2-8	Workers who are not employees	In this report > Workforce demographics	
2-9	Governance structure and composition	In this report > Corporate governance, Sustainability governance, Governance characteristics 2025 Management Information Circular Annual CDP Corporate Questionnaire response	
2-10	Nomination and selection of the highest governance body	2025 Management Information Circular	

DISCLOSURE	DESCRIPTION	TC ENERGY REFERENCE MATERIAL	GRI SECTOR STANDARD REFERENCE NUMBER
2-11	Chair of the highest governance body	2025 Management Information Circular	
2-12	Role of the highest governance body in overseeing the management of impacts	2025 Management Information Circular Annual CDP Corporate Questionnaire response	
2-13	Delegation of responsibility for managing impacts	2025 Management Information Circular Annual CDP Corporate Questionnaire response	
2-14	Role of the highest governance body in sustainability reporting	In this report > Message from the CEO & Board Chair, Q&A with the CSO	
2-15	Conflicts of interest	2025 Management Information Circular	
2-16	Communication of critical concerns	2025 Management Information Circular	
2-17	Collective knowledge of the highest governance body	2025 Management Information Circular Annual CDP Corporate Questionnaire response	
2-18	Evaluation of the performance of the highest governance body	2025 Management Information Circular Annual CDP Corporate Questionnaire response	
2-19	Remuneration policies	2025 Management Information Circular	
2-20	Process to determine remuneration	2025 Management Information Circular	
2-21	Annual total compensation ratio	2025 Management Information Circular	
2-22	Statement on sustainable development strategy	In this report > Our sustainability strategy	
2-23	Policy commitments	2025 Management Information Circular Code of Business Ethics (COBE) Policy	
2-24	Embedding policy commitments	In this report > Our sustainability strategy Embedding the United Nations Global Compact principles into TC Energy's strategy	
2-25	Processes to remediate negative impacts	In this report > Forward-looking information 2024 Annual Report Annual CDP Corporate Questionnaire response	
2-26	Mechanisms for seeking advice and raising concerns	In this report > Business ethics and compliance 2025 Management Information Circular Embedding the United Nations Global Compact principles into TC Energy's strategy	
2-27	Compliance with laws and regulations	In this report > Business ethics and compliance 2025 Management Information Circular Code of Business Ethics (COBE) Policy Contractor Code of Business Ethics (COBE) Policy Embedding the United Nations Global Compact principles into TC Energy's strategy	

DISCLOSURE	DESCRIPTION	TC ENERGY REFERENCE MATERIAL	GRI SECTOR STANDARD REFERENCE NUMBER
2-28	Membership associations	Annual CDP Corporate Questionnaire response Oversight and policies on lobbying, political contributions and corporate memberships Report on Climate-related Lobbying	11.2.4
2-29	Approach to stakeholder engagement	In this report > Our sustainability strategy 2025 Management Information Circular Annual CDP Corporate Questionnaire response	
2-30	Collective bargaining agreements	In this report > Workforce demographics	
GRI 3: MATERIAL TOPICS 2021			
3-1	Process to determine material topics	In this report > Our sustainability strategy	
3-2	List of material topics	In this report > Sustainability topics	
200	**ECONOMIC TOPICS**		
201	**ECONOMIC PERFORMANCE 2016**		
3-3	Management of material topics	In this report > Our sustainability strategy, Enterprise risk management 2024 Annual Report	11.2.1, 11.14.1, 11.21.1
201-1	Direct economic value generated and distributed	In this report > A thriving economy, Thriving communities	11.14.2, 11.21.2
201-2	Financial implications and other risks and opportunities due to climate change	In this report > Climate change strategy and the energy transition, Climate-related disclosures > Climate-related risks and opportunities 2024 Annual Report 2025 Management Information Circular 2024 Annual Information Form Annual CDP Corporate Questionnaire response	11.2.2
201-3	Defined benefit plan obligations and other retirement plans	2024 Annual Report	
201-4	Financial assistance received from government	2024 Annual Report	11.21.3
202	**MARKET PRESENCE 2016**		
3-3	Management of material topics	In this report > People and culture, External relationships, Indigenous engagement	11.11.1, 11.14.1
202-2	Proportion of senior management hired from the local community	Supplier Diversity and Local Participation Business Policy Supplier Diversity and Indigenous Reporting Requirements (Canada)	11.11.2, 11.14.3
203	**INDIRECT ECONOMIC IMPACTS 2016**		
3-3	Management of material topics	In this report > Community investment priorities	11.14.1
203-1	Infrastructure investments and services supported	2024 Annual Report	11.14.4
203-2	Significant indirect economic impacts	2024 Annual Report	11.14.5

DISCLOSURE	DESCRIPTION	TC ENERGY REFERENCE MATERIAL	GRI SECTOR STANDARD REFERENCE NUMBER
204	**PROCUREMENT PRACTICES 2016**		
3-3	Management of material topics	In this report > Indigenous engagement, Responsible supply chain Embedding the United Nations Global Compact principles into TC Energy's strategy	11.14.1
204-1	Proportion of spending on local suppliers	In this report > Supplier diversity Supplier Diversity and Local Participation Business Policy	11.14.6
205	**ANTI-CORRUPTION 2016**		
3-3	Management of material topics	In this report > Business ethics and compliance, Human rights, Enterprise risk management 2025 Management Information Circular Code of Business Ethics (COBE) Policy Contractor Code of Business Ethics (COBE) Policy Embedding the United Nations Global Compact principles into TC Energy's strategy	11.20.1
205-1	Operations assessed for risks related to corruption	Avoiding Bribery and Corruption Policy Embedding the United Nations Global Compact principles into TC Energy's strategy	11.20.2
205-2	Communication and training about anti-corruption policies and procedures	Code of Business Ethics (COBE) Policy Contractor Code of Business Ethics (COBE) Policy Avoiding Bribery and Corruption Policy	11.20.3
206	**ANTI-COMPETITIVE BEHAVIOR 2016**		
3-3	Management of material topics	In this report > Business ethics and compliance, Enterprise risk management Code of Business Ethics (COBE) Policy Contractor Code of Business Ethics (COBE) Policy	11.19.1
207	**TAX 2019**		
3-3	Management of material topics	In this report > Sustainability governance, Business ethics and compliance	11.21.1
207-1	Approach to tax	Tax information	11.21.4
207-2	Tax governance, control, and risk management	Tax information	11.21.5
207-3	Stakeholder engagement and management of concerns related to tax	Tax information	11.21.6
207-4	Country-by-country reporting	Tax information	11.21.7
300	**ENVIRONMENTAL TOPICS**		
302	**ENERGY 2016**		
3-3	Management of material topics	In this report > Climate change strategy and the energy transition Embedding the United Nations Global Compact principles into TC Energy's strategy	11.1.1
302-1	Energy consumption within the organization	Annual CDP Corporate Questionnaire response	11.1.2

DISCLOSURE	DESCRIPTION	TC ENERGY REFERENCE MATERIAL	GRI SECTOR STANDARD REFERENCE NUMBER
302-2	Energy consumption outside of the organization	Annual CDP Corporate Questionnaire response	11.1.3
302-3	Energy intensity	Annual CDP Corporate Questionnaire response	11.1.4
302-4	Reduction of energy consumption	Annual CDP Corporate Questionnaire response	
302-5	Reductions in energy requirements of products and services	Annual CDP Corporate Questionnaire response	
303	**WATER AND EFFLUENTS 2018**		
3-3	Management of material topics	In this report > Environmental management, Water Embedding the United Nations Global Compact principles into TC Energy's strategy	11.6.1
303-1	Interactions with water as a shared resource	In this report > Water Protecting water	11.6.2
303-2	Management of water discharge-related impacts	In this report > Water Protecting water	11.6.3
303-3	Water withdrawal	In this report > Ecological impacts, Water Protecting water	11.6.4
303-4	Water discharge	In this report > Ecological impacts, Water Protecting water	11.6.5
303-5	Water consumption	In this report > Ecological impacts, Water Protecting water	11.6.6
304	**BIODIVERSITY 2016**		
3-3	Management of material topics	In this report > Environmental management, Ecological impacts, Environmentally-focused community giving Safeguarding Biodiversity | Our Approach Embedding the United Nations Global Compact principles into TC Energy's strategy	11.4.1, 11.16.1
304-1	Operational sites owned, leased, managed in, or adjacent to, protected areas and areas of high biodiversity value outside protected areas	In this report > Habitat, biodiversity and land Land and wildlife Annual CDP Corporate Questionnaire response	11.4.2
304-2	Significant impacts of activities, products and services on biodiversity	In this report > Habitat, biodiversity and land Land and wildlife Safeguarding Biodiversity | Our Approach Fact sheet: Protecting biodiversity Fact sheet: Reducing our environmental footprint Annual CDP Corporate Questionnaire response	11.4.3

DISCLOSURE	DESCRIPTION	TC ENERGY REFERENCE MATERIAL	GRI SECTOR STANDARD REFERENCE NUMBER
304-3	Habitats protected or restored	In this report > Habitat, biodiversity and land Land and wildlife Annual CDP Corporate Questionnaire response	11.4.4
305	**EMISSIONS 2016**		
3-3	Management of material topics	In this report > Climate change strategy and the energy transition	11.1.1, 11.2.1, 11.3.1
305-1	Direct (Scope 1) GHG emissions	In this report > Greenhouse gas emissions, GHG emissions: Scope 1 (equity share, operational control) Annual CDP Corporate Questionnaire response	11.1.5
305-2	Energy indirect (Scope 2) GHG emissions	In this report > Greenhouse gas emissions, GHG emissions: Scope 2 Annual CDP Corporate Questionnaire response	11.1.6
305-3	Other indirect (Scope 3) GHG emissions	In this report > Greenhouse gas emissions, GHG emissions: Scope 3 Annual CDP Corporate Questionnaire response	11.1.7
305-4	GHG emissions intensity	In this report > GHG emissions: Scope 1 and 2 emissions intensities Annual CDP Corporate Questionnaire response	11.1.8
305-5	Reduction of GHG emissions	In this report > Greenhouse gas emissions Climate-related disclosures > Climate-related metrics and targets 2024 Annual Report 2025 Management Information Circular Annual CDP Corporate Questionnaire response	11.2.3
305-7	Nitrogen oxides (NO_x), sulfur oxides (SO_x), and other significant air emissions	In this report > Air quality	11.3.2
306	**WASTE 2020**		
3-3	Management of material topics	In this report > Operational management, Environmental management, Waste	11.5.1, 11.8.1
306-1	Waste generation and significant waste-related impacts	In this report > Waste	11.5.2
306-3	Waste generated	In this report > Ecological impacts, Waste, GHG emissions: Scope 3	11.5.4, 11.8.2
306-4	Waste diverted from disposal	In this report > Ecological impacts, Waste	11.5.5
308	**SUPPLIER ENVIRONMENTAL ASSESSMENT 2016**		
3-3	Management of material topics	In this report > Responsible supply chain	
400	**SOCIAL TOPICS**		
401	**EMPLOYMENT 2016**		
3-3	Management of material topics	In this report > People and culture, Indigenous engagement	11.10.1
401-1	New employee hires and employee turnover	In this report > People and culture, Workforce demographics	11.10.2

DISCLOSURE	DESCRIPTION	TC ENERGY REFERENCE MATERIAL	GRI SECTOR STANDARD REFERENCE NUMBER
401-2	Benefits provided to full-time employees that are not provided to temporary or part-time employees	2024 Annual Report	11.10.3
402	**LABOR/MANAGEMENT RELATIONS 2016**		
3-3	Management of material topics	In this report > People and culture, Indigenous engagement Embedding the United Nations Global Compact principles into TC Energy's strategy	11.7.1, 11.10.1
402-1	Minimum notice periods regarding operational changes	Equal Employment Opportunity and Non-Discrimination Policy	11.7.2, 11.10.5
403	**OCCUPATIONAL HEALTH AND SAFETY 2018**		
3-3	Management of material topics	In this report > Employee and contractor safety Embedding the United Nations Global Compact principles into TC Energy's strategy	11.9.1
403-1	Occupational health and safety management system	In this report > Management system transformation 2025 Management Information Circular 2024 Annual Report	11.9.2
403-2	Hazard identification, risk assessment, and incident investigation	In this report > Management system transformation Safety 2025 Management Information Circular 2024 Annual Report	11.9.3
403-3	Occupational health services	Protection of Personal Information Policy 2025 Management Information Circular	11.9.4
403-4	Worker participation, consultation, and communication on occupational health and safety	In this report > Management system transformation Safety Commitment Statement 2025 Management Information Circular 2024 Annual Report	11.9.5
403-5	Worker training on occupational health and safety	In this report > Emergency preparedness and response, Employee and contractor safety	11.9.6
403-6	Promotion of worker health	In this report > Wellbeing Embedding the United Nations Global Compact principles into TC Energy's strategy	11.9.7
403-7	Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	In this report > Management system transformation Safety 2025 Management Information Circular 2024 Annual Report	11.9.8
403-8	Workers covered by an occupational health and safety management system	In this report > Emergency preparedness and response, Management system transformation, Employee and contractor safety	11.9.9

DISCLOSURE	DESCRIPTION	TC ENERGY REFERENCE MATERIAL	GRI SECTOR STANDARD REFERENCE NUMBER
403-9	Work-related injuries	In this report > Occupational safety, health and industrial hygiene	11.9.10
403-10	Work-related ill health	In this report > Occupational safety, health and industrial hygiene	11.9.11
404	**TRAINING AND EDUCATION 2016**		
3-3	Management of material topics	In this report > People and culture	11.10.1, 11.11.1
404-1	Average hours of training per year per employee	In this report > Emergency preparedness and response, Emergency preparedness and response, Workforce diversity	11.10.6, 11.11.4
405	**DIVERSITY AND EQUAL OPPORTUNITY 2016**		
3-3	Management of material topics	In this report > People and culture, Human rights, Board diversity Code of Business Ethics (COBE) Policy Contractor Code of Business Ethics (COBE) Policy Equal Employment Opportunity and Non-Discrimination Policy Diversity, Equity and Inclusion Action Plan Embedding the United Nations Global Compact principles into TC Energy's strategy	11.11.1
405-1	Diversity of governance bodies and employees	In this report > People and culture, Human rights, Board diversity, Governance characteristics, Workforce diversity Board Diversity Policy	11.11.5
406	**NON-DISCRIMINATION 2016**		
3-3	Management of material topics	In this report > People and culture, Human rights, Business ethics and compliance Code of Business Ethics (COBE) Policy Contractor Code of Business Ethics (COBE) Policy Equal Employment Opportunity and Non-Discrimination Policy Diversity, Equity and Inclusion Action Plan Embedding the United Nations Global Compact principles into TC Energy's strategy	11.11.1
406-1	Incidents of discrimination and corrective actions taken	In this report > Business ethics and compliance	11.11.7
407	**FREEDOM OF ASSOCIATION AND COLLECTIVE BARGAINING 2016**		
3-3	Management of material topics	Equal Employment Opportunity and Non-Discrimination Policy	11.13.1
407-1	Operations and suppliers in which the right to freedom of association and collective bargaining may be at risk	Equal Employment Opportunity and Non-Discrimination Policy	11.13.2
408	**CHILD LABOR 2016**		

DISCLOSURE	DESCRIPTION	TC ENERGY REFERENCE MATERIAL	GRI SECTOR STANDARD REFERENCE NUMBER
3-3	Management of material topics	In this report > Corporate governance, Sustainability governance, Human rights, Responsible supply chain 2024 Forced Labour and Child Labour Report Code of Business Ethics (COBE) Policy Contractor Code of Business Ethics (COBE) Policy Embedding the United Nations Global Compact principles into TC Energy's strategy	11.12.1
409	**FORCED OR COMPULSORY LABOR 2016**		
3-3	Management of material topics	In this report > Corporate governance, Sustainability governance, Human rights, Responsible supply chain 2024 Forced Labour and Child Labour Report Code of Business Ethics (COBE) Policy Contractor Code of Business Ethics (COBE) Policy Embedding the United Nations Global Compact principles into TC Energy's strategy	11.12.1
409-1	Operations and suppliers at significant risk for incidents of forced or compulsory labor	2024 Forced Labour and Child Labour Report Embedding the United Nations Global Compact principles into TC Energy's strategy	11.12.2
410	**SECURITY PRACTICES 2016**		
3-3	Management of material topics	In this report > Human rights Code of Business Ethics (COBE) Policy Contractor Code of Business Ethics (COBE) Policy	11.18.1
411	**RIGHTS OF INDIGENOUS PEOPLES 2016**		
3-3	Management of material topics	In this report > Indigenous engagement 2025 Management Information Circular Code of Business Ethics (COBE) Policy Contractor Code of Business Ethics (COBE) Policy Indigenous Relations Policy	11.16.1, 11.17.1
413	**LOCAL COMMUNITIES 2016**		
3-3	Management of material topics	In this report > External relationships, Indigenous engagement	11.15.1
413-1	Operations with local community engagement, impact assessments, and development programs	In this report > Community investment priorities, Thriving communities 2024 Annual Report	11.15.2
413-2	Operations with significant actual and potential negative impacts on local communities	In this report > External relationships	11.15.3
414	**SUPPLIER SOCIAL ASSESSMENT 2016**		
3-3	Management of material topics	In this report > Responsible supply chain	11.10.1, 11.12.1
415	**PUBLIC POLICY 2016**		

DISCLOSURE	DESCRIPTION	TC ENERGY REFERENCE MATERIAL	GRI SECTOR STANDARD REFERENCE NUMBER
3-3	Management of material topics	In this report > Political engagement and lobbying	11.2.4, 11.22.1
415-1	Political contribution	In this report > A thriving economy Political Contributions and Activities Policy Oversight and policies on lobbying, political contributions and corporate memberships	11.22.2
416	**CUSTOMER HEALTH AND SAFETY 2016**		
3-3	Management of material topics	In this report > Climate change strategy and the energy transition	11.3.1
418	**CUSTOMER PRIVACY 2016**		
3-3	Management of material topics	In this report > Privacy and personal information security Cybersecurity Policy Protection of Personal Information Policy	

Sustainability Accounting Standards Board alignment

The concordance table below demonstrates the relationship between TC Energy's sustainability reporting and the Sustainability Accounting Standards Board (SASB) Oil & Gas - Midstream industry standard (Version 2023-06) and SASB Electric utilities & power generators standard (Version 2023-06). For a limited number of metrics, non-standard measures are required and we have disclosed similar indicators in alignment with internal standards.

TOPIC AND ACCOUNTING METRIC	INDICATOR ID	TC ENERGY REFERENCE MATERIAL
OIL & GAS — MIDSTREAM		
GREENHOUSE GAS EMISSIONS		
Gross global Scope 1 emissions, percentage methane, percentage covered under emissions-limiting regulations	EM-MD-110a.1	In this report > GHG emissions: Scope 1 (equity share, operational control) Annual CDP Corporate Questionnaire response
Discussion of long- and short-term strategy or plan to manage Scope 1 emissions, emissions reduction targets, and an analysis of performance against those targets	EM-MD-110a.2	In this report > Climate change strategy and the energy transition, Climate-related disclosures > Climate-related strategy Annual CDP Corporate Questionnaire response
AIR QUALITY		
Air emissions of the following pollutants: (1) NO_x (excluding N_2O), (2) SO_x, (3) volatile organic compounds (VOCs), and (4) particulate matter (PM_{10})	EM-MD-120a.1	In this report > Air quality
ECOLOGICAL IMPACTS		
Description of environmental management policies and practices for active operations	EM-MD-160a.1	In this report > Environmental management, Operational management, Climate-related disclosures > TC Energy's Operational Management System Commitment Statement Safeguarding Biodiversity | Our approach Environment principles 2024 Annual Report
Percentage of land owned, leased, or operated within areas of protected conservation status or endangered species habitat	EM-MD-160a.2	In this report > Ecological impacts Annual CDP Corporate Questionnaire response
Terrestrial acreage disturbed, percentage of impacted area restored	EM-MD-160a.3	In this report > Ecological impacts
Number and aggregate volume of hydrocarbon spills, volume in Arctic, volume in Unusually Sensitive Areas (USAs), and volume recovered	EM-MD-160a.4	In this report > Asset integrity and process safety incidents

TOPIC AND ACCOUNTING METRIC	INDICATOR ID	TC ENERGY REFERENCE MATERIAL
COMPETITIVE BEHAVIOUR		
Total amount of monetary losses as a result of legal proceedings associated with pipeline and storage regulations	EM-MD-520a.1	In this report > A thriving economy *Note: TC Energy interprets this indicator as representing the total amount of monetary losses incurred during the reporting period as a result of legal proceedings associated with alleged breaches of regulations governing competitive behaviour.*
OPERATIONAL SAFETY, EMERGENCY PREPAREDNESS & RESPONSE		
Number of reportable pipeline incidents, percentage significant	EM-MD-540a.1	In this report > Asset integrity and process safety incidents *Note: this indicator requests information on pipeline incidents only. To transparently communicate integrity incidents related to our diverse asset base, including our power and storage facilities, we have chosen to publicly report on Tier 1 and Tier 2 process safety incidents guided by industry standard CSA Z260. TC Energy believes this approach is congruent with the intent of SASB EM-MD-540a.1 to promote increased, comparable reporting of integrity incidents.*
Percentage of (1) natural gas and (2) hazardous liquid pipelines inspected	EM-MD-540a.2	In this report > Asset integrity and process safety
Number of (1) accident releases and (2) non-accident releases (NARs) from rail transportation	EM-MD-540a.3	Not applicable to TC Energy's operations
Discussion of management systems used to integrate a culture of safety and emergency preparedness throughout the value chain and throughout project lifecycles	EM-MD-540a.4	In this report > Operational management, Employee and contractor safety, People and culture Commitment Statement
ACTIVITY METRIC		
Total metric tonne-kilometres of: (1) natural gas, (2) crude oil, and (3) refined petroleum products transported, by mode of transport	EM-MD-000.A	In this report > Operational overview *Note: TC Energy does not report activity in these units.*
ELECTRIC UTILITIES & POWER GENERATORS		
GREENHOUSE GAS EMISSIONS & ENERGY RESOURCE PLANNING		
(1) Gross global Scope 1 emissions, percentage covered under (2) emissions-limiting regulations and (3) emissions-reporting regulations	IF-EU-110a.1	In this report > GHG emissions: Scope 1 (equity share, operational control) Annual CDP Corporate Questionnaire response

TOPIC AND ACCOUNTING METRIC	INDICATOR ID	TC ENERGY REFERENCE MATERIAL
Greenhouse gas (GHG) emissions associated with power deliveries	IF-EU-110a.2	Under evaluation for applicability and future disclosure.
Discussion of long- and short-term strategy or plan to manage Scope 1 emissions, emissions reduction targets, and an analysis of performance against those targets	IF-EU-110a.3	In this report > Climate change strategy and the energy transition, Climate-related disclosure > Climate-related strategy Annual CDP Corporate Questionnaire response
AIR QUALITY		
Air emissions of the following pollutants: (1) NO_x (excluding N_2O), (2) SO_x, (3) particulate matter (PM_{10}), (4) lead (Pb), and (5) mercury (Hg); percentage of each in or near areas of dense population	IF-EU-120a.1	In this report > Air quality
WATER MANAGEMENT		
(1) Total water withdrawn, (2) total water consumed; percentage of each in regions with High or Extremely High Baseline Water Stress	IF-EU-140a.1	In this report > Ecological impacts, Water Protecting water
WORKFORCE HEALTH & SAFETY		
(1) Total recordable incident rate (TRIR), (2) fatality rate, and (3) near miss frequency rate (NMFR)	IF-EU-320a.1	In this report > Occupational safety, health and industrial hygiene

Task Force on Nature-related financial disclosures (TNFD) alignment

TC Energy recognizes the Task Force on Nature-Related Financial Disclosures (TNFD) recommendations, as well as the Sustainability Accounting Standards Board (SASB), International Sustainability Standards Board's (ISSB) IFRS S1 'General Requirements for Disclosure of Sustainability-related Financial Information' (IFRS S1), Global Reporting Initiative (GRI) 101: Biodiversity 2024 and the European Sustainability Reporting Standards (ESRS) as useful frameworks for assessing and reporting on nature-related risks and opportunities. We are also evaluating evolving frameworks and guidance including the UN Convention on Biological Diversity (CBD) and the Kunming-Montreal Global Biodiversity Framework (GBF).

The concordance table below demonstrates preliminary correlations between TC Energy's sustainability reporting and the TNFD recommendations.

TOPIC AND RECOMMENDED CONTENT		TC ENERGY REFERENCE MATERIAL
GOVERNANCE [RECOMMENDED DISCLOSURE]		
Disclose the organization's governance of nature-related dependencies, impacts, risks and opportunities.		
A	Describe the board's oversight of nature-related dependencies, impacts, risks and opportunities.	In this report > Sustainability governance 2025 Management Information Circular 2024 Annual Report Annual CDP Corporate Questionnaire response Enterprise Risk Management Policy Charter of the Board of Directors Charter of the Health, Safety, Sustainability and Environment Committee Safeguarding Biodiversity | Our approach
B	Describe management's role in assessing and managing nature-related dependencies, impacts, risks and opportunities.	In this report > Sustainability governance 2025 Management Information Circular 2024 Annual Report Annual CDP Corporate Questionnaire response Enterprise Risk Management Policy Safeguarding Biodiversity | Our approach
C	Describe the organization's human rights policies and engagement activities, and oversight by the board and management, with respect to Indigenous Peoples, Local Communities, affected and other stakeholders, in the organization's assessment of, and response to, nature-related dependencies, impacts, risks and opportunities.	In this report > Indigenous engagement, Human rights, Corporate governance, Sustainability governance Code of Business Ethics (COBE) Policy Contractor Code of Business Ethics (COBE) Policy Environment Principles Safeguarding Biodiversity | Our Approach Reconciliation Action Plan 2022 Reconciliation Action Plan Update Embedding the United Nations Global Compact principles into TC Energy's strategy

	TOPIC AND RECOMMENDED CONTENT	TC ENERGY REFERENCE MATERIAL
STRATEGY [RECOMMENDED DISCLOSURE]		
Disclose the effects of nature-related dependencies, impacts, risks and opportunities on the organization's business model, strategy and financial planning where such information is material.		
A	Describe the nature-related dependencies, impacts, risks and opportunities the organization has identified over the short, medium and long term	In this report > Environmental management, Corporate governance, Sustainability governance, Enterprise risk management 2024 Annual Report Annual CDP Corporate Questionnaire response Enterprise Risk Management Policy Fact sheet: Reducing our environmental footprint Lifecycle of a pipeline Safeguarding Biodiversity | Our Approach
B	Describe the effect nature-related dependencies, impacts, risks and opportunities have had on the organization's business model, value chain, strategy and financial planning, as well as any transition plans or analysis in place	In this report > Environmental management, Corporate governance, Sustainability governance, Enterprise risk management, Climate-related disclosures 2024 Annual Report Annual CDP Corporate Questionnaire response Enterprise Risk Management Policy Fact sheet: Reducing our environmental footprint Lifecycle of a pipeline Safeguarding Biodiversity | Our Approach Environment Principles
D	Disclose the locations of assets and/or activities in the organization's direct operations and, where possible, upstream and downstream value chain(s) that meet the criteria for priority locations	In this report > Environmental management, Ecological impacts Annual CDP Corporate Questionnaire response Safeguarding Biodiversity | Our Approach
RISK AND IMPACT MANAGEMENT [RECOMMENDED DISCLOSURES]		
Describe the processes used by the organization to identify, assess, prioritize and monitor nature-related dependencies, impacts, risks and opportunities.		
A(i)	Describe the organization's processes for identifying, assessing and prioritizing nature-related dependencies, impacts, risks and opportunities in its direct operations	In this report > Environmental management, Corporate governance, Sustainability governance, Enterprise risk management 2025 Management Information Circular 2024 Annual Report Annual CDP Corporate Questionnaire response Enterprise Risk Management Policy Safeguarding Biodiversity | Our Approach

TOPIC AND RECOMMENDED CONTENT		TC ENERGY REFERENCE MATERIAL
A(ii)	Describe the organization's processes for identifying, assessing and prioritizing nature-related dependencies, impacts, risks and opportunities in its upstream and downstream value chain(s)	Annual CDP Corporate Questionnaire response
B	Describe the organization's processes for managing nature-related dependencies, impacts, risks and opportunities.	In this report > Environmental management, Corporate governance, Sustainability governance, Enterprise risk management 2025 Management Information Circular 2024 Annual Report Annual CDP Corporate Questionnaire response Enterprise Risk Management Policy
C	Describe how processes for identifying, assessing, prioritizing and monitoring nature related risks are integrated into and inform the organization's overall risk management processes.	In this report > Corporate governance, Sustainability governance, Enterprise risk management 2025 Management Information Circular 2024 Annual Report Annual CDP Corporate Questionnaire response Enterprise Risk Management Policy
METRICS AND TARGETS [RECOMMENDED DISCLOSURES]		
Disclose the metrics and targets used to assess and manage material nature-related dependencies, impacts, risks and opportunities.		
A	Disclose the metrics used by the organization to assess and manage material nature-related risks and opportunities in line with its strategy and risk management process	In this report > Environmental management, Ecological impacts Annual CDP Corporate Questionnaire response Safeguarding Biodiversity | Our Approach
B	Disclose the metrics used by the organization to assess and manage dependencies and impacts on nature	In this report > Environmental management, Ecological impacts Annual CDP Corporate Questionnaire response Safeguarding Biodiversity | Our Approach
C	Describe the targets and goals used by the organization to manage nature-related dependencies, impacts, risks and opportunities and its performance against these	In this report > Our sustainability strategy, Our sustainability performance, Environmental management, Ecological impacts Annual CDP Corporate Questionnaire response Commitment Statement Safeguarding Biodiversity | Our Approach Embedding the United Nations Global Compact principles into TC Energy's strategy

CLIMATE-RELATED DISCLOSURES

TC Energy's climate-related disclosures outline our organization's evaluation and integration of climate considerations into our business. They highlight our approach to identifying climate-related risks and opportunities and demonstrate how these factors are embedded into our governance practices, strategic planning and risk management processes. Additionally, we include specific metrics and targets that transparently track our progress toward achieving our climate commitments.

Our climate-related disclosures are informed by best practices, including the voluntary guidance and requirements outlined in:

- the Task Force on Climate-Related Financial Disclosures (TCFD)[1];
- the International Sustainability Standards Board's (ISSB) International Financial Reporting Standards (IFRS) General Requirements for Disclosure of Sustainability-related Financial Information (IFRS S1) and Climate-related Disclosures[2] (IFRS S2); and
- the Canadian Sustainability Standards Board's (CSSB) Canadian Sustainability Disclosure Standard (CSDS) General Requirements for Disclosure of Sustainability-related Financial Information (CSDS 1) and Climate-related Disclosures (CSDS 2).

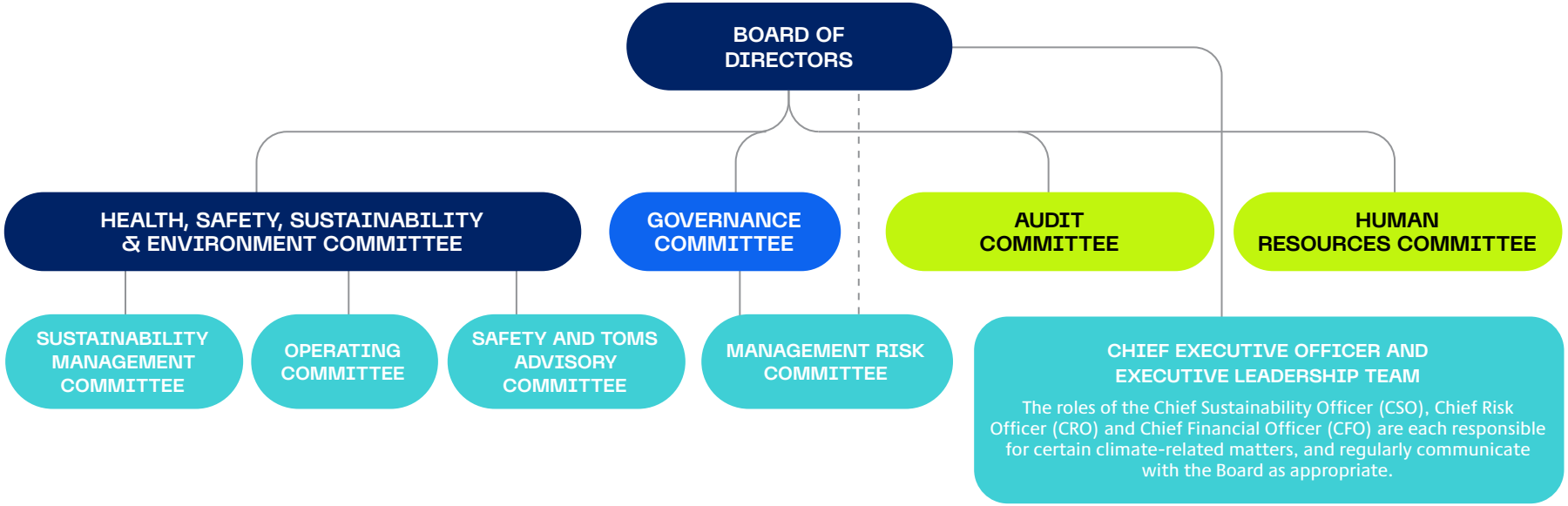
Supplementary climate-related information can be found in our annual CDP Corporate Questionnaire response.

[1] Following the publication of IFRS S1 and IFRS S2, the TCFD itself has been subsumed into the ISSB with the standard-setter taking over the monitoring of the progress on companies' climate-related disclosures from 2024.
[2] The requirements outlined in IFRS S2 integrate and align with the four core TCFD elements and 11 recommended disclosures.

CLIMATE-RELATED GOVERNANCE

TC Energy has an established governance structure with comprehensive risk management practices in place. This framework promotes accountability and transparency in how we identify, assess, and mitigate risks and opportunities facing the company. This includes topics related to sustainability matters, including climate-related impacts, risks and opportunities. As an energy infrastructure company, we understand the critical importance of meeting the growing demand for affordable, reliable and secure energy. We recognize that effectively managing climate-related risks and opportunities is fundamental to our long-term resilience.

Our governance structure is designed to effectively address our responsibilities to capital markets, rights holders, shareholders and stakeholders, supporting the achievement of our long-term strategic priorities. Our 2025 Management Information Circular (MIC) provides comprehensive information about our governance structure and its features. It outlines the responsibilities of the Board of Directors (Board) and the Board Committees in overseeing the processes, controls and procedures used to monitor and address climate-related risks, opportunities, and other sustainability-related matters.



Board oversight of climate-related risks and opportunities

Oversight of sustainability matters, including climate-related matters, is embedded within the responsibilities and accountabilities of the Board and its standing committees, all four of which are comprised entirely of independent directors. While the Board provides overall oversight of our sustainability practices, the primary accountability resides at the committee level. Below, we outline details of the four committees responsible for overseeing the effectiveness of TC Energy's strategy and performance in managing climate-related risks and opportunities. For more information, see accountability and decision-making in the Governance section of this report.

Board oversight

ROLE	ACCOUNTABILITIES
Board of Directors[3]	The Board comprises 13 voting members as of May 8, 2025. The Board provides oversight and direction in the strategic planning process to establish a robust strategy that supports TC Energy's vision of safely and efficiently moving, generating and storing the critical energy that North America and the world rely on. To achieve this, we have a strategic plan which we reaffirm or update annually. Additionally, we hold strategy sessions with the Board throughout the year to consider specific and emerging issues. As part of annual strategic planning, management assesses energy fundamentals, the competitive environment, and the stakeholder landscape to identify opportunities and threats to our business strategy. This informs our strategic priorities and executive performance measures. The Board and its committees are responsible for risk oversight, including climate-related risks, and oversee the management systems and other organizational processes that identify, evaluate, prioritize, mitigate, and monitor risks. The Board reviews the enterprise risk register annually and is informed quarterly on emerging risks and how these risks are being managed and mitigated in accordance with TC Energy's risk appetite and tolerances. Additionally, the Board receives detailed presentations on enterprise risks with specific themes addressed during regular financial updates and strategy sessions. Board candidates are recommended based on their qualifications, independence, and how these attributes balance the skill set of the current Board. This assessment helps the Board determine the optimal combination of skills and experience - spanning operations, health, safety, sustainability, and environmental matters - to effectively guide our business operations and long-term strategic direction.
Health, Safety, Sustainability & Environment (HSSE) Committee	The HSSE Committee comprises six voting members as of May 8, 2025. This Committee oversees various risks, including operational and major project execution risk, occupational and process safety, sustainability, security of personnel, and social, environmental and climate-related risks and opportunities. This Committee's responsibilities include reviewing the company's health, safety, sustainability, security and environmental performance, activities, and compliance. The Committee is also responsible for monitoring adherence to applicable and proposed HSSE-related legislation, industry standards and best practices, including the potential impact of proposed climate-related laws and regulations. This Committee provides oversight on TC Energy's actions and initiatives to prevent, mitigate, and manage HSSE and climate-related risks and opportunities. This includes reviewing critical incidents, monitoring the environmental management program, tracking progress towards greenhouse gas (GHG) emissions reduction targets and reviewing public sustainability disclosures including the annual Report on Sustainability. The HSSE Committee typically meets six times year. The Sustainability Management Committee (SMC) reports to the HSSE Committee.

[3] Our Corporate Governance Guidelines, Board of Directors Charter and the Charter for each committee can be found on our website.

ROLE	ACCOUNTABILITIES
Governance Committee	The Governance Committee comprises six voting members as of May 8, 2025. This Committee oversees the Enterprise Risk Management (ERM) program, providing comprehensive oversight of our risk management activities. To maintain proper Board oversight of the program, the Governance Committee meets with management annually. Both this Committee and the Board contribute recommendations regarding the assignment of specific risk responsibilities and improvements to our risk management program and policies. This Committee also has accountability for overseeing our strategic planning process and works with management to identify and discuss emerging strategic issues. If an emerging risk, such as changes in climate policy, escalates to an enterprise-level risk, the Governance Committee, with input from management, evaluates its potential impact and reports the findings directly to the Board. We engage with governments, trade associations and other stakeholders to promote balanced policies supporting a net-zero emissions economy while addressing energy security, affordability and sustainability. The Board's Governance Committee provides oversight of these activities through annual reporting. The Governance Committee also develops the continuing education program. In 2024, our education program included several educational sessions covering topics such as GHG emission measurement methodologies, U.S. energy policy and diplomacy, nuclear power trends and North American economic integration. For a comprehensive overview of the continuing education seminars and professional development programs attended by Board members, please refer to the Director Education Program section in the 2025 MIC.
Audit Committee	The Audit Committee comprises six voting members as of May 8, 2025. This Committee oversees management's role in managing financial risk, including market risk, counterparty credit risk and enterprise security risk (physical and cybersecurity). The Committee monitors financial reporting processes, along with legal and regulatory developments impacting our financial controls and disclosure. This includes reviewing climate and sustainability-related information in our financial disclosure documents and tracking regulatory developments affecting the broader financial disclosure landscape. The Audit Committee also oversees the corporate compliance program requirements, structure and results, including foreign corrupt practices and anti-bribery statutes and policies.
Human Resources Committee	The Human Resources Committee comprises six voting members as of May 8, 2025. This Committee oversees executive resourcing, organizational capabilities, and compensation, focusing on aligning human and labour policies and remuneration practices with our overall business strategy. This Committee is also responsible for developing strong human resources policies and plans, overseeing the compensation programs and assessing the performance of the CEO and each executive vice-president against pre-established objectives and recommending their compensation to the Board. The Committee reviews and recommends the targets under the annual corporate scorecard, which in 2024 had a 50 per cent weighting tied to achieving personal and process safety and operational excellence targets.

Management's role in assessing and managing climate-related risks and opportunities

Climate-related risks and opportunities are considered within TC Energy's corporate strategy as developed and implemented by our President and Chief Executive Officer (CEO) and our Executive Leadership Team (ELT). Our strategy ensures that risks and related exposures are aligned with our business objectives and risk tolerances. In late 2024, we launched a corporate-wide qualitative climate scenario analysis initiative, with the results discussed in the climate-related scenario analysis section below.

The Chief Sustainability Officer (CSO), Chief Risk Officer (CRO) and Chief Financial Officer (CFO) each hold specific responsibilities for climate-related matters and regularly communicate with the Board ensuring these matters are addressed at the highest levels of the company.

For further details on management's role in assessing and managing climate-related risks and opportunities, as well as our organizational structure, please refer to our 2025 MIC and the Governance section of this report.

Management oversight

ROLE	ACCOUNTABILITIES
President and CEO	The President and CEO position is the highest level of executive leadership with responsibility for climate-related risks and opportunities. This position is responsible for the company's overall leadership and vision in developing strategic direction, values, and business plans, and includes overall responsibility for operating and growing our business while managing risks, including climate-related risks, to create long-term sustainable value for our shareholders. Our CEO is a member of the Board of Directors, and the corresponding accountabilities also apply. For more information, please refer to the Terms of Reference for the President and CEO.
ELT[4]	The CEO and ELT are responsible for developing and executing TC Energy's corporate strategy. As part of our ERM program, the ELT develops and implements risk management plans and actions. Each enterprise-level risk is assigned an ELT governance owner, who conducts detailed annual risk reviews for the Board. Additionally, ELT members fulfill the roles outlined below and participate in relevant management committees.
CFO	The CFO is responsible for the accuracy and integrity of our financial statement disclosures, including those reflecting the financial impact of climate-related risks and opportunities. The CFO oversees TC Energy's financing decisions and maintains relationships with our investor base, including credit rating agencies. This includes proactive engagement with the investment community to gather feedback and share updates on business developments. Sustainability matters remain a consideration in shaping strategy, capital allocation and engagement with capital markets. The CFO group conducts annual research to understand evolving sustainability preferences among shareholders, including investors and financial partners. These insights inform the company's decision-making processes.

[4] Our ELT members are named on our website.

ROLE	ACCOUNTABILITIES
CRO	The CRO oversees TC Energy's centralized approach to risk management, facilitating the annual enterprise risk assessment and managing the enterprise risk register. Their role involves prioritizing risks, defining roles and responsibilities, enhancing Board and management oversight, and delivering quarterly, detailed presentations to the Board on the enterprise risks. Additionally, the CRO ensures that the ERM program's governance model and processes are established, well-documented, and maintained. They periodically report on enterprise and emerging risks to the Board and the Governance Committee, while engaging with the Board to gather insights for identifying enterprise risks.
CSO	The CSO has accountability for TC Energy's sustainability initiatives and is responsible for TC Energy's climate strategy and GHG emissions targets. Reporting to the CFO, the CSO supports embedding sustainability throughout our organization. The CSO oversees the coordination, communication, and management of sustainability-related matters, particularly those related to the intersection of climate-related risks and opportunities, governance, strategy, and environmental and social issues. As chair of the SMC, the CSO facilitates alignment on sustainability strategy among senior leadership, providing regular updates to the HSSE Committee to support Board-level engagement on climate and other sustainability matters. The CSO oversees the preparation of transparent and reliable qualitative and quantitative climate-related disclosures. This includes developing and maintaining controls for sustainability-related information, including climate data, in sustainability disclosures. They also monitor evolving mandatory sustainability reporting requirements across our operating jurisdictions. The CSO is among the members of management responsible for reviewing and certifying our continuous disclosure documents, as required by securities law. Their participation in the public disclosure review process plays a key role in aligning our voluntary sustainability reporting with our mandatory continuous disclosure documents.
Sustainability Management Committee (SMC)	The SMC brings together senior leaders from our business units and corporate functions. This Committee provides strategic direction on sustainability-related matters and fosters cross-functional collaboration across the organization. With its diverse representation of business and functional expertise, the SMC serves as a catalyst for strategic advancement in our sustainability strategy.
Operating Committee	This Committee oversaw enterprise decisions in support of management system governance, strategic system enhancements and operational risk management related to safety and select environmental considerations. In December 2024, the Committee's authority was delegated to VP-level leadership and the Safety and TOMS Advisory Committee (STAC), which has been meeting monthly since May 2024.
Management Risk Committee (MRC)	Chaired by the CRO and comprised of ELT members, the MRC is responsible for the management of emerging and enterprise risks. While primary oversight resides with the Governance Committee, the MRC provides comprehensive risk assessments directly to the Board. This process enables the Board to be fully informed on the interrelationships between the business environment and its associated risks. The updates to the Board are intended to facilitate robust discussions about our key business risks.

CLIMATE-RELATED STRATEGY

We face an era of unprecedented expansion in global energy demand as we navigate through the immense and complex challenge of managing climate change and transitioning to a lower-carbon economy. And we recognize that this lower-carbon economy cannot come at the expense of affordable, reliable and secure energy systems.

Access to secure, reliable and affordable energy is essential to a sustainable future. This fundamental belief underpins our climate strategy and aligns with our mission to safely and efficiently move, generate, and store the critical energy that North America and the world rely on.

Our climate strategy is built on three verticals important to the energy transition: supporting broader decarbonization, investing in low-carbon energy systems, and reducing operational emissions. Across each of these verticals, we prioritize realistic, cost-efficient measures to promote tangible progress, without compromising operational reliability and financial performance. We are making strategic investments in low-carbon energy projects and technologies that are complementary to our core businesses, consistent with our risk profile.

Informed by climate-related scenario analysis, our understanding of the physical risks posed by climate change forms the basis of our adaptation strategy: ongoing preparedness measures, risk mitigation actions, and ecosystem protection initiatives. Together, these efforts enhance the resilience of our assets against climate impacts. Our mitigation efforts address transition risks and opportunities as global energy markets evolve, while our adaptation efforts help us manage physical climate-related risks and opportunities. This approach enables our business to evolve along with global energy expansion and the pace and direction of the energy transition.

Details on potential climate-related risks and opportunities, including potential mitigants and realization examples, are provided on page 145.

Climate change mitigation verticals

Supporting broader decarbonization

Our natural gas transmission infrastructure supports the transition to a lower-carbon future, both domestically and globally. By ensuring safe, reliable and efficient access to natural gas across North America, we facilitate the ongoing displacement of higher-emitting fuels such as coal, diesel and fuel oil for electricity generation.

We play an essential role in connecting natural gas sources to LNG export terminals, allowing North America's abundant supply to reach global markets. This serves as a crucial driver for reducing global emissions, particularly in regions still heavily dependent on carbon-intensive coal for their energy needs.

Investing in low-carbon energy

TC Energy is driving a sustainable energy future through strategic investments in low-carbon energy. Our power business forms the foundation of this initiative, with a portfolio of owned and operated assets that generate approximately 4,650 megawatts of power — with over 75 per cent coming from low-carbon sources.

Anchored by our 48.3 per cent ownership, we're committing approximately $1 billion annually to support Bruce Power's life extension and capacity expansion initiatives. In addition to nuclear power, we're advancing the Ontario Pumped Storage Project, an innovative energy storage solution designed to deliver 1,000 MW of flexible, clean energy to Ontario's electricity system. Our strategy also includes continued market engagement and investment in the low-carbon venture ecosystem, piloting new technologies as appropriate for our gas business, allowing us to stay ahead of technological adoption trends and maintain our competitive advantage.

Focusing on reducing operational emissions

We remain committed to reducing our direct operational emissions, prioritizing realistic and cost-efficient measures to ensure tangible progress without compromising energy reliability and financial performance.

To support our commitment, we are introducing a methane-intensity target and collaborating with partners on advancing and piloting decarbonization technologies. This approach allows us to continue to progress emissions reductions in the short term while we evaluate the potential of a broader GHG interim target.

Capital allocation strategy

Over 60 per cent of our capital expenditure supports the transition to a lower-carbon economy. Our roughly $28 billion sanctioned capital program includes $10.1 billion supporting broader decarbonization, $4.9 billion in investing in lower-carbon energy (primarily Bruce Power), and $2.3 billion for projects increasing the reliability and emissions performance of our assets[5].

Portions of our modernization and maintenance capital, which primarily focuses on system safety and reliability, contributes indirectly to reducing GHG emissions intensity. Additionally, our maintenance capital directly supports GHG emissions reductions through leak detection and repair programs and venting mitigation activities.

Our capital allocation process incorporates the impact of incremental GHG emissions on our overall corporate emissions profile. We have also strengthened policy alignment assessments and our stakeholder and rights holder engagement to reinforce business resilience amid shifting political administrations. For information on policy engagement, please see the Political engagement and lobbying section of this report.

	SECURED CAPITAL PROGRAM[6]	TOTAL SPEND (~$28B[7])	% OF TOTAL SPEND
 **Natural Gas Pipelines** **VR project, WR project, VNBR project**	**Reducing operational emissions** Reliability and electrification projects	$2.3B	8%
 **Heartland, Pulaski, Maysville, Gillis access – extension, East Lateral XPress, Villa de Reyes, Tula, Southeast Gateway**	**Enabling broader decarbonization** Facilitating access to natural gas; supporting potential to displace higher emitting fuels	$10.1B	36%
 **Bruce Power** **Bruce Power Unit 3 MCR, Unit 4 MCR, life extension**	**Investing in low-carbon energy** Non-emitting nuclear power generation	$4.9B	18%
 **Maintenance capital and other growth**	**Maintaining access to safe, reliable and affordable energy**	$10.5B	38%

[5] 2025 Q1 Management's discussion and analysis (MD&A) – Includes non-recoverable maintenance capital of $0.4 billion and reflects average foreign exchange rate of 1.44 U.S. to Canadian dollars.
[6] Based on first quarter 2025 Quarterly Report. Includes non-recoverable maintenance capital of $0.4 billion. Reflects foreign exchange rate of USD/CAD: 1.44.
[7] Net capital expenditures is adjusted for the portion attributed to non-controlling interests and is a supplementary financial measure.

CLIMATE-RELATED SCENARIO ANALYSIS

The dynamics of the North American energy market will continue to evolve as the energy transition progresses, potentially impacting the demand for our assets and the resilience of our business strategy. Taking a long-term view to a wide spectrum of energy outlooks – including those that show declines in natural gas use over time – is foundational to our strategic planning process.

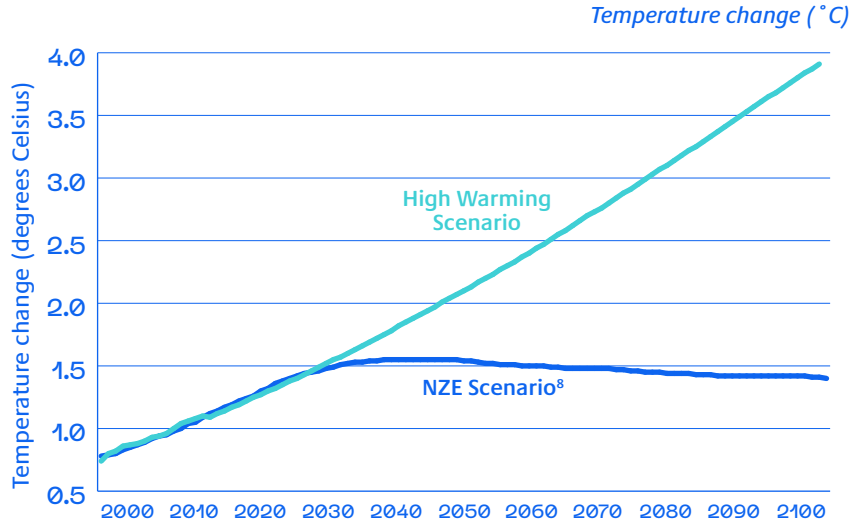
We develop detailed internal forecasts of energy market fundamentals spanning multiple sectors. These forecasts integrate valuable insights from our internal subject matter experts across business development, commercial, and regulatory and policy functions. We further enhance our forecasts by incorporating outlooks and analysis from reputable third-party energy experts. While our business strategy is anchored in our internal forecasts, we continually monitor signposts such as market, technological, and regulatory developments to adapt our strategy as the future unfolds.

In the context of climate scenario analysis, resilience refers to our ability to maintain long-term financial strength by leveraging our existing assets while shifting our portfolio to align with future energy needs.

Climate scenario analysis serves as a complementary tool in our strategic planning process. We periodically conduct climate scenario analysis to test the resiliency of our strategy across a wide range of energy transition pathways in order to strengthen our understanding of potential climate-related risks and opportunities. In 2024, we engaged a third-party consultant to perform a thorough qualitative climate scenario analysis using globally recognized scenarios from the International Energy Agency (IEA) and the Intergovernmental Panel on Climate Change (IPCC). The analysis focused on two primary scenarios:

- **Net-Zero Emissions (NZE) Scenario[8]:** An accelerated energy transition scenario aligned with the ambitious goal of reaching net-zero global emissions by 2050 and to limit global warming to 1.5°C above pre-industrial levels by 2100. This scenario aligns with the 2015 Paris Agreement adopted under the United Nations Framework Convention on Climate Change (UNFCCC), which represents the latest international agreement on climate change. Transition risks and opportunities are more pronounced under this scenario.
- **High Warming Scenario:** A scenario with significant challenges to adopting new climate policies to reduce emissions, resulting in a continued rise in emissions and temperatures. Physical climate risks are more pronounced under this scenario.

Global temperature change, relative to 1850-1900



Sources: IPCC Sixth Assessment Report, IEA World Economic Outlook 2021 scenarios

In addition to the two primary scenarios, we also evaluated a more gradual energy transition scenario (Gradual Transition Scenario) characterized by medium-term growth in fossil fuel demand, followed by a long-term transition towards lower-carbon energy sources. Transition risks and opportunities are less pronounced under this scenario, providing a different perspective on transition impacts compared to the NZE Scenario. Details on the potential financial impacts of climate-related risks and opportunities under both the Gradual Transition and NZE scenarios are provided on page 144.

The following summarizes the type of risk and opportunity being assessed, along with the scenario(s) used for stress testing.

PURPOSE	CLIMATE SCENARIOS
Assessing Transition Risks and Opportunities	NZE Scenario and Gradual Transition
Assessing Physical Risks	High Warming

[8] The IEA NZE Scenario is a normative scenario that is designed to achieve a specific outcome (net-zero emissions by 2050) and works backward to identify what would be needed to achieve the outcome.

Time horizons

These climate scenarios were evaluated across three distinct time horizons: the short-term (1-5 years), the medium-term (6-15 years), and the long-term (16-25 years).

These climate scenarios include a variety of standardized assumptions about future energy market fundamentals, including the impact of climate policies on the energy mix and the rate of technological change to support the transition to lower-carbon energy systems. While these theoretical views of the energy future are informative for strategic planning and risk management purposes, we do not assign probabilities to these scenarios and do not consider them to be forecasts or expected outcomes.

SCENARIO OUTCOMES

NZE Scenario

To reach net-zero GHG emissions by 2050, the NZE Scenario assumes a reduction in global energy consumption and a shift in the energy mix away from fossil fuels and towards lower-carbon energy. Accordingly, this scenario models a steep decline in North American natural gas demand as well as an exponential increase in demand for many different forms of lower-carbon energy.

A decline in natural gas demand of this magnitude would pose a substantial medium- to long-term risk to our existing natural gas pipeline infrastructure. A more stringent regulatory environment would create significant challenges in securing approvals for new natural gas pipeline projects and would increase GHG compliance costs. Furthermore, access to capital for fossil fuel-related investments could be substantially constrained, potentially limiting our ability to fund growth opportunities.

These risk factors could significantly affect future earnings and asset values for our existing natural gas pipeline infrastructure, as well as hinder future growth projects. In the medium-term, these risks would be partially mitigated by our business model and low-risk preferences; 97 per cent of our comparable EBITDA[9] is underpinned by rate-regulated or long-term take-or-pay contracts, providing a degree of financial stability.

A rapid energy transition would also present substantial investment opportunities in emerging energy markets and technologies. The NZE Scenario assumes adequate capital market capacity to support investment in lower-carbon energy technologies and infrastructure, coupled with supportive policies and streamlined permitting processes to facilitate rapid deployment of proven, scalable lower-carbon energy solutions.

Under these favorable conditions, we would be well-positioned to strategically realign our asset portfolio and capture a significant share of the growing lower-carbon energy opportunities through:

- Our existing capabilities in lower-carbon energy generation, including nuclear power and energy storage technologies, that would enable us to capitalize on new lower-carbon opportunities.
- Our extensive pipeline network across North America that provides an unparalleled footprint of linear infrastructure that can be leveraged to transport emerging clean fuels like hydrogen and renewable natural gas, as well as to facilitate the transportation of captured carbon emissions for sequestration.

High Warming Scenario

The High Warming Scenario forecasts a significant increase in global GHG emissions and temperatures, substantially elevating the long-term risk of physical climate hazards. The climate scenario analysis included a climate hazard assessment to evaluate the potential risks and impacts across our operations. The analysis involved modeling diverse climate hazards and their potential effects on a representative sample of 54 locations from across our natural gas pipelines and power generation assets, spanning diverse geographic locations across North America.

The climate hazard modeling indicated that under a High Warming Scenario absent mitigation, we could have an elevated risk exposure to wildfires, extreme heat and landslides at certain asset sites. The simulation also revealed moderate risk exposure to water stress, flooding and tropical cyclones in the absence of mitigations. A detailed discussion of the potential implications, financial impacts and mitigating measures for these risks can be found on pages 145 to 152.

[9] Comparable EBITDA is a non-GAAP measure. Refer to Non-GAAP measures section of the 2024 Annual MD&A for more information about non-GAAP measures and for a reconciliation to the U.S. GAAP equivalent.

CLIMATE-RELATED RISKS AND OPPORTUNITIES

A summary of the climate-related risks and opportunities that may affect our company, including potential risk mitigants and realization measures, are detailed in the following pages. This summary does not represent all climate-related risks and opportunities nor does it reflect the order of importance. These are a subset of the risks identified through our ERM program, which are regularly monitored and revised annually. The climate-related risks and opportunities that follow may not be material under securities law. Information on the material risks for TC Energy can be found in the 2024 Annual Report and our most recent quarterly report, available on our website, SEDAR and EDGAR.

Transition risk mitigant examples

ENERGY MARKETS, PRODUCTS & SERVICES

REDUCED DEMAND FOR NATURAL GAS

- Shifting our asset portfolio mix to align with the direction and pace of the energy transition
- Diversified business strategy provides resilience against potential market shifts
- Established expertise in nuclear power, renewable power and energy storage solutions
- Extensive North American pipeline network with unparalleled footprint for transporting emerging clean fuels and supporting carbon capture, utilization and sequestration (CCUS)

OTHER

REDUCED ACCESS TO CAPITAL

- Disciplined approach to capital allocation
- Capital program to be financed through combination of internal cash flows and diversified funding options
- Candid and proactive investor engagement on climate-related matters

ADVERSE POLICY & LEGAL IMPACTS

- Rate-regulated business allows us to pursue cost recovery for certain climate-related regulatory compliance costs

REPUTATIONAL DAMAGE

- Carefully manage relationships with customers, suppliers, communities, regulators and other rights holders and stakeholders and offer clear, candid communication to build trust and support.

Transition opportunity realization examples

INCREASED DEMAND FOR NATURAL GAS

- Incumbency in markets across North America, expanding our pipeline capacity and extending our footprint to serve growing market demand
- Southeast Gateway pipeline will provide access to 1.3 Bcf a day of natural gas to Mexico's Yucatán Peninsula, that will displace high-sulfur diesel and fuel oil
- Developing new projects to capture next wave LNG export growth off coastlines in Canada and Mexico

LOWER-CARBON PRODUCTS & SERVICES

- Investing, on average, over $1 billion annually to extend the life and increase the output of Bruce Power, providing non-emitting baseload generation
- Advancing the Ontario Pumped Storage Project, designed to provide 1,000 MW of reliable, on-demand clean energy storage
- U.S. natural gas pipeline network provides centralized pipeline access to a growing number of RNG customers

CLIMATE CHANGE RESILIENCY

- Perform climate scenario analysis to test the resiliency of our strategy and monitor signposts for the pace and direction of the energy transition
- Support our customers' decarbonization goals and climate resilience by providing access to safe, reliable, secure and affordable energy across multiple platforms

LOWER-CARBON ENERGY SOURCES

- Replacing gas-powered turbines at compressor stations with hybrid or electric motors
- Using solar arrays to power meter stations at some of our renewable natural gas facilities

TRANSITION RISKS

Short Term (S/T): 1-5 years **Medium Term (M/T): 6-15 years** **Long Term (L/T): 16-25 years**

POLICY AND LEGAL RISK

DESCRIPTION

TC Energy operates in a highly regulated industry across North America. Our ability to operate our existing assets and develop growth projects requires various permits and governmental approvals and is impacted by evolving policies and regulations. Complex and divergent regulatory frameworks at different levels of government can increase compliance challenges, and changes in government administrations or policy approaches can further introduce uncertainty and delays in obtaining necessary permits. Opposition groups can also influence regulatory decisions through organized protests, legal challenges and negative media campaigns. In addition, there are a variety of existing and evolving initiatives and policies in development at the federal, regional, state and provincial levels aimed at reducing GHG emissions.

Climate-related litigation is also evolving and becoming increasingly common, which could impact our ability to operate our assets.

POTENTIAL FINANCIAL IMPACTS[10]

	S/T	M/T	L/T
Gradual Transition Scenario	Low	Low	Low
NZE Scenario		Medium	Medium

Complying with more stringent climate-related regulations may result in higher operating costs or higher capital expenditures or may impact our ability to develop new projects and meet our growth targets. Similarly, climate-related litigation may result in legal costs or affect our ability to execute on growth projects.

We own assets in a number of regions subject to GHG emissions management regulations and carbon pricing policies. In 2024, we incurred $141 million of expenses under existing carbon pricing programs.

MITIGATION MEASURES

We actively monitor emerging policies and regulations, participate in the regulatory review processes, and submit formal comments to regulators as appropriate. Material risks associated with evolving regulatory and government decisions are identified through our ERM program and are reported quarterly to the Board. Potential regulatory and policy risks are also considered in our capital allocation framework and strategic planning processes. Our rate-regulated business allows us to pursue cost recovery and earn a return on certain climate-related regulatory compliance costs.

[10] Potential financial impacts are directional, order-of-magnitude estimates based on the inherent risk exposures - absent the effects of potential risk mitigants - under two climate scenarios. Refer to the Climate-related Scenario Analysis on page 143 for more information.

TRANSITION RISKS CONTINUED

Short Term (S/T): 1-5 years **Medium Term (M/T): 6-15 years** **Long Term (L/T): 16-25 years**

DESCRIPTION	POTENTIAL FINANCIAL IMPACTS[10]	MITIGATION MEASURES
TECHNOLOGY RISK		
The transition to a lower-carbon economy may give rise to technological advancements that support developing and scaling alternative forms of lower-carbon energy or improve energy efficiency. The development and deployment of new technologies inherently bears financial risks and uncertain outcomes.	<table><tr><th></th><th>S/T</th><th>M/T</th><th>L/T</th></tr><tr><td>Gradual Transition Scenario</td><td rowspan="2">Low</td><td>Low</td><td>Medium</td></tr><tr><td>NZE Scenario</td><td>Medium</td><td>Medium</td></tr></table> Exploring, developing and implementing new technologies may require increased expenditures in research and development (R&D). Capital projects relying on new technologies may have an increased risk of cost overruns, project delays, and cash flow uncertainty.	We are strategically positioned to capitalize on lower-carbon energy opportunities through our proven expertise in nuclear power, renewable power, low-carbon fuels, and energy storage solutions. We continue to build additional expertise in emerging lower-carbon technologies through pilot projects and small strategic investments. Our approach to investing in emerging technology is to develop capabilities that are complementary to our core businesses, and we can support their commercialization through demonstration and piloting.
MARKET RISK		
ACCESS TO CAPITAL		
We require access to substantial amounts of capital at a competitive cost to fund our portfolio of growth projects and replace maturing debt obligations. Investors and lenders are increasingly considering climate-related risks and opportunities in their decision-making, which might affect their willingness to provide capital to the energy industry, reducing the amount of capital available and increasing capital costs.	<table><tr><th></th><th>S/T</th><th>M/T</th><th>L/T</th></tr><tr><td>Gradual Transition Scenario</td><td rowspan="2">Low</td><td>Low</td><td>Low</td></tr><tr><td>NZE Scenario</td><td>Medium</td><td>Medium</td></tr></table> Reduced access to capital could inhibit our ability to execute on growth prospects or refinance existing debt. A higher cost of capital could negatively impact future earnings, asset values, and our ability to deliver returns on our investments in excess of our cost of capital. Significant increases in interest rates could result in higher interest expenses.	We take a disciplined approach to capital allocation, staying within our capital spending target while maximizing the expected returns of the projects that we sanction. Our capital program is expected to be financed through a combination of internally generated cash flows, capital markets, portfolio management activities and other funding options. A portion of interest expense related to our natural gas pipelines is recovered through regulated tolls, which helps to mitigate the impacts of rising interest rates. We have candid and proactive engagement with the investment community to solicit feedback and keep them apprised of our prospects, risks and challenges as well as sustainability-related updates. We conduct research regularly around the evolving sustainability preferences of our investors and financial partners which we consider in our decision-making.

[10] Potential financial impacts are directional, order-of-magnitude estimates based on the inherent risk exposures - absent the effects of potential risk mitigants - under two climate scenarios. Refer to the Climate-related Scenario Analysis on page 143 for more information.

TRANSITION RISKS CONTINUED

Short Term (S/T): 1-5 years **Medium Term (M/T): 6-15 years** **Long Term (L/T): 16-25 years**

DESCRIPTION	POTENTIAL FINANCIAL IMPACTS[10]	MITIGATION MEASURES
NATURAL GAS SUPPLY/DEMAND		
A long-term shift in the global energy mix away from fossil fuels and towards lower-carbon energy could result in a decline in North American natural gas demand and LNG exports, decreasing demand for our natural gas pipeline assets.	<table><tr><th></th><th>S/T</th><th>M/T</th><th>L/T</th></tr><tr><td>Gradual Transition Scenario</td><td rowspan="2">Low</td><td>Medium</td><td>Medium</td></tr><tr><td>NZE Scenario</td><td>High</td><td>High</td></tr></table> Declining natural gas demand could significantly impact future earnings and impair asset values for our existing natural gas pipeline infrastructure, as well as hinder future growth projects.	We continue to view natural gas and LNG as playing a critical role in the global energy mix across various energy transition scenarios, displacing higher-carbon fuels and providing essential grid stability to support renewable power generation. As part of our strategic planning process, we develop comprehensive projections of energy market fundamentals informed by internal analysis, third-party research, and advice from external experts. We continuously monitor signposts and market developments to inform our views on the pace and direction of the energy transition. While we maintain strong confidence in long-term natural gas demand, our diversified strategy provides resilience against potential market shifts. Our established expertise spans nuclear power, renewable power, low-carbon fuels, and energy storage solutions, complemented by small strategic investments and pilot projects in emerging clean technologies. Our expertise is enhanced by our extensive North American pipeline network, which has the potential to serve as an unparalleled infrastructure footprint for transporting emerging clean fuels such as hydrogen and renewable natural gas, while also supporting CCUS initiatives. In the medium-term, declining natural gas demand would be mitigated by our portfolio of highly contracted assets with creditworthy counterparties, enabling us to continue achieving solid growth, low risk and repeatable performance.

[10] Potential financial impacts are directional, order-of-magnitude estimates based on the inherent risk exposures - absent the effects of potential risk mitigants - under two climate scenarios. Refer to the Climate-related Scenario Analysis on page 143 for more information.

TRANSITION RISKS CONTINUED

Short Term (S/T): 1-5 years **Medium Term (M/T): 6-15 years** **Long Term (L/T): 16-25 years**

DESCRIPTION	POTENTIAL FINANCIAL IMPACTS[10]	MITIGATION MEASURES

REPUTATIONAL RISK

As concerns around the effects of climate change continue to grow, there is increasing pressure on energy companies to reduce GHG emissions, enhance climate disclosures and manage climate-related risks. Our operations and growth prospects require strong relationships with rights holders and stakeholders. Inadequately managing stakeholder expectations and concerns about climate-related risks can have a significant impact on the operations of our current assets and our ability to develop new projects on time and on budget.

	S/T	M/T	L/T
Gradual Transition Scenario	Low	Low	Medium
NZE Scenario		Medium	Medium

Reputational risk could result in increased capital costs, delayed project completion or impeded earnings growth.

Our Indigenous Advisory Council guides the ELT on integrating Indigenous perspectives into decision-making. Indigenous communities bring valuable traditional ecological knowledge that enhances our climate adaptation approaches, while we recognize these same communities often face disproportionate vulnerability to climate-related impacts.

As we work to be the trusted leader in North American energy infrastructure, we recognize the importance of working together, in common cause, with our rights holders and stakeholders, including customers, Indigenous communities, landowners, suppliers, investors, governments and government agencies, regulators, financial institutions and environmental non-governmental organizations. We cultivate these relationships through transparent, accountable engagement to build enduring and trusting relationships and create mutually beneficial outcomes for our stakeholders.

We have specific stakeholder programs and policies that shape our interactions, clarify expectations and assess risks. We maintain detailed documentation of stakeholder and rights holder engagements, tracking issues raised and resolution measures implemented. Our approach emphasizes:

- Open, proactive dialogue and meaningful consultation
- Active solicitation and incorporation of feedback
- Timely, transparent communication through regulatory processes and operations
- Direct, respectful resolution of concerns through collaborative discussion

In 2024, TC Energy's CEO, CFO, other members of management, and our Investor Relations team participated in approximately 500 meetings with shareholders and bondholders, including over 50 meetings on sustainability- and ESG-related topics. We continue to enhance and refine our climate-related disclosures to provide information that is clear, relevant, comparable and decision-useful to investors. We take into consideration input and feedback from investors and stakeholders and rely on guidance from existing and emerging climate disclosure standards and frameworks.

[10] Potential financial impacts are directional, order-of-magnitude estimates based on the inherent risk exposures - absent the effects of potential risk mitigants - under two climate scenarios. Refer to the Climate-related Scenario Analysis on page 143 for more information.

PHYSICAL RISKS (ACUTE AND CHRONIC)

Physical climate hazards[11] can be either event driven (acute) with immediate, severe impacts, or gradual (chronic) leading to persistent long-term shifts in climate patterns. The frequency and severity of climate hazards, particularly acute weather events, is difficult to predict. Climate hazards vary greatly across different geographical regions depending on weather patterns, topography, and proximity to bodies of water.

To assess the potential exposure and impacts of these physical climate hazards on our business, we engaged a third-party service provider to conduct a comprehensive climate hazard analysis. Details of the scenarios and approach for this simulation are included in the Climate-Related Scenario Analysis section.

The climate hazard analysis indicated that, in the High Warming Scenario, we may have an elevated risk exposure (without considering potential mitigants) to wildfires, extreme heat and landslides for certain assets. The analysis also showed a more moderate risk exposure (absent mitigants) to water stress, flooding and tropical cyclones. These risks, along with their potential mitigants and financial impacts, are discussed below.[12]

DESCRIPTION	POTENTIAL FINANCIAL IMPACTS	POTENTIAL MITIGATION MEASURES
WILDFIRES		
Wildfire risk can be exacerbated by extreme heat and drought conditions caused by climate change. In the High Warming Scenario, an increased risk of wildfires in Western Canada, Texas, and Mexico could impact our natural gas pipelines, renewable energy, and cogeneration assets.	Wildfires could cause asset damage or operational disruptions, resulting in lost revenues and costly repairs.	• Proactive vegetation management • Use of fire-resistant materials • Early warning systems for rapid response • Comprehensive emergency response plans
EXTREME HEAT		
Extreme heat is characterized by an increase in average temperatures or increase in number of days with extremely high temperatures. In the High Warming scenario, extreme heat is the climate hazard with the most widespread impact across our operations, with the most severe impacts on our operations in Mexico and the southern United States.	Prolonged extreme heat may impact the efficiency and reliability of our operations, resulting in increased maintenance costs and decreased revenues due to reduced output.	• More frequent maintenance to address the heightened stress on equipment • Use of more heat-resistant materials • Upgrading cooling systems to operate more efficiently in higher temperatures • Designing future facilities with greater cooling capacity
LANDSLIDE SUSCEPTIBILITY		
Landslide susceptibility is generally caused by unstable terrain, often as a result of heavy rainfall or flooding. The majority of our assets are in areas with negligible landslide susceptibility. In the High Warming Scenario, some of our natural gas pipeline assets in mountainous regions of Western Canada, the U.S. and Mexico could face higher landslide risks.	Landslides could potentially cause asset damage or operational disruptions, resulting in lost revenues and costly repairs.	• Slope monitoring program to identify areas prone to instability for proactive risk assessments and early intervention

[11] Climate hazard refers to the potential occurrence of climate-related physical events or trends that may cause damage and loss.
[12] Given the difficulty in predicting climate hazards, the magnitude of potential annualized financial impacts (low/medium/high) has not been estimated.

DESCRIPTION	POTENTIAL FINANCIAL IMPACTS	POTENTIAL MITIGATION MEASURES
FLOODING		
Flooding can be caused by extreme rainfall, river flooding, or inundation from rising sea levels. In the High Warming Scenario, most of our assets would only have a slight increase in flooding risk, with the exception of a small number of assets located closer to rivers and coastal areas that may be more vulnerable to flooding.	Flooding could potentially cause asset damage or operational disruptions, resulting in lost revenues and costly repairs.	• Use of flood barriers, reinforced foundations or elevating assets to reduce vulnerability • Use predictive modeling and risk assessments in the design of new infrastructure to locate assets above projected flood zones • Real-time monitoring of river conditions to adjust operations during flooding events, minimizing operational disruptions.
WATER STRESS		
Water stress arises from potential water scarcity and unpredictable water availability. This risk is particularly pronounced in areas where water is sourced from renewable supplies that depend on consistent precipitation and surface runoff for replenishment. In the High Warming Scenario, some of our cogeneration power plants that use water from renewable sources for cooling and steam generation may experience increased long-term water stress. In contrast, our Bruce Power nuclear facility, which relies on access to significant volumes of water for cooling, would be expected to face minimal water stress due to its access to the Great Lakes system – a vast and stable water supply that is less reliant on renewable water sources.	Water stress could disrupt operations or reduce operational efficiency, resulting in lost revenues and increased costs.	• Use of closed-loop and hybrid cooling systems for power generation to minimize water consumption • Incorporate water risk assessments into asset planning processes to ensure new projects have access to sustainable water resources or efficient water-use systems
TROPICAL CYCLONES		
Tropical cyclones, commonly known as hurricanes, produce extremely high wind speeds, significant rainfall and potential flooding. In the High Warming Scenario, some of our assets located in the Southeast United States and in Northern Mexico could have an increased long-term risk of exposure to tropical cyclones.	Tropical cyclones could cause operational disruptions, resulting in lost revenues and costly repairs.	• Implement emergency response plans • Proactively procure critical spare parts • Having maintenance crews on standby to respond quickly to address damage

OTHER GENERAL MITIGATION MEASURES FOR PHYSICAL CLIMATE-RELATED RISKS

Our engineering standards are regularly reviewed to confirm assets remain designed and operated to withstand the potential impacts of climate change. Our emergency response plans are focused on quickly and effectively responding to emergencies and mitigating impacts in a timely manner. We also maintain insurance to mitigate the financial impact of asset damage caused by extreme weather events. However, insurance does not cover all events in all circumstances. Should an event occur, our Emergency Management Program (within TOMS) would manage our response to severe weather events.

Additional mitigations to address the risk of physical climate hazards include:

- Enhanced inspection and maintenance of assets and pipeline rights-of-way (including on, and in the vicinity of, pipeline crossings at watercourses), emergency and crisis response planning and training, and business continuity planning including recovery, risk mitigation and restoration
- Utilization of historical weather data and systems to forecast weather events to design more resilient sites and facilities
- Alignment on contingency planning with other parties in broadly based logistics networks, which enables us to coordinate shutdowns in advance of severe weather events and make resumption of energy supply a priority following a storm
- Planning for extreme weather events in operational response plans, including the installation of on-site emergency generators at many of our operational facilities to provide power in the event of extended outages
- We also partner with research organizations and industry groups to monitor the resilience of assets to physical risks, including severe weather events such as 100- and 200-year rainfall events. This helps determine maintenance needs or replacement of company assets, including existing pipelines. To better support geohazard risk management, TC Energy implemented a customized web-based geohazard platform (GeoForce) to identify, inventory, and track geohazards across our U.S. pipeline system. The platform was built within the Environmental Systems Research Institute (ESRI) ArcGIS Enterprise environment and leverages a diverse amount of ESRI products.

TRANSITION OPPORTUNITIES

Short Term (S/T): 1-5 years **Medium Term (M/T): 6-15 years** **Long Term (L/T): 16-25 years**

RESOURCE EFFICIENCY

DESCRIPTION	POTENTIAL FINANCIAL IMPACTS[13]	REALIZATION EXAMPLES
Improving resource efficiency enables us to reduce the consumption of resources such as natural gas and electricity required in our operations.	By improving resource efficiency, we can lower operating costs, reduce our GHG emissions intensity, and potentially minimize exposure to GHG regulatory compliance costs.	We are investing in modernizing our natural gas pipeline assets with advanced technologies such as gas recovery and recompression systems to drive operational efficiencies.

	S/T	M/T	L/T
Gradual Transition Scenario	Low	Low	Low
NZE Scenario		Low	Low

ENERGY SOURCES

DESCRIPTION	POTENTIAL FINANCIAL IMPACTS[13]	REALIZATION EXAMPLES
Shifting our energy consumption to lower emissions-intensive energy sources, such as electricity, helps to reduce our GHG emissions intensity.	These opportunities can reduce our exposure to GHG regulatory compliance costs while also reducing operating costs.	• In Canada, our Valhalla North and Berland River (VNBR) project will add incremental capacity to the NGTL system utilizing non-emitting electric compression, contributing to lowering our GHG emissions intensity. Construction on the VNBR project commenced in 2024 and it is expected to be placed into service in 2026. • Our Virginia Electrification project, placed into service in 2024, replaced and upgraded certain facilities to electric compression, reducing GHG emissions intensity along portions of our Columbia Gas system in the U.S. • In the U.S., our VR and WR electrification projects will include upgrading compressor stations to hybrid drive horsepower, reducing our GHG emissions intensity. These projects are expected to be placed into service in 2025. • We are using solar arrays to power meter stations at some of our RNG interconnects in the U.S. The solar power generated at each location will help decrease TC Energy's GHG emissions impact by using 100 per cent renewable energy.

	S/T	M/T	L/T
Gradual Transition Scenario	Low	Low	Low
NZE Scenario		Medium	Medium

[13] Potential financial impacts are directional, order-of-magnitude estimates based on the inherent opportunities under two climate scenarios. Refer to the Climate-related Scenario Analysis on page 143 for more information.

TRANSITION OPPORTUNITIES CONTINUED

Short Term (S/T): 1-5 years **Medium Term (M/T): 6-15 years** **Long Term (L/T): 16-25 years**

PRODUCTS AND SERVICES

DESCRIPTION

The long-term evolution of the energy mix will create demand for new lower-carbon technologies that could generate growth opportunities for TC Energy.

POTENTIAL FINANCIAL IMPACTS[13]

	S/T	M/T	L/T
Gradual Transition Scenario	Low	Medium	Medium
NZE Scenario		High	High

Opportunities related to new products and services could lead to increased capital investment, revenues and earnings.

REALIZATION EXAMPLES

We are strategically positioned to capitalize on lower-carbon energy opportunities through our proven expertise in nuclear power, renewable power, and energy storage solutions. We continue to build additional expertise in emerging lower-carbon technologies through pilot projects and small strategic investments. Our disciplined approach allows us to pursue growth initiatives that align with our risk management framework and return expectations as new energy technologies mature.

Some examples of current and potential opportunities include:

- **Nuclear:** Bruce Power delivers approximately 6,500 MW of safe, affordable, reliable and emissions-free baseload generation capacity. Through our 48.3 per cent ownership stake, we are investing approximately $1 billion annually to support Bruce Power's life extension programs and Project 2030, which aims to increase site output to 7,000 MW by 2033.
- **Pumped hydro storage:** we continue to advance the proposed Ontario Pumped Storage Project, an energy storage facility designed to provide 1,000 MW of flexible, clean energy to Ontario's electricity system.
- **RNG:** Our U.S. natural gas pipeline network provides centralized pipeline access to a growing number of RNG customers.
- **Renewable power generation:** we own approximately 380 MW of wind and solar power generation assets and have 750 MW of wind and solar generation power purchase agreements (PPAs) and associated environmental attributes. This enables us to offer innovative renewable power products to our customers, helping them to decarbonize their operations.
- **Transportation of clean fuels:** Our extensive North American pipeline network could potentially provide valuable infrastructure for transporting emerging clean fuels and captured carbon for sequestration. Through strategic pilot projects and targeted investments, we are developing expertise in hydrogen and carbon capture technologies to advance these emerging opportunities.

[13] Potential financial impacts are directional, order-of-magnitude estimates based on the inherent opportunities under two climate scenarios. Refer to the Climate-related Scenario Analysis on page 143 for more information.

TRANSITION OPPORTUNITIES CONTINUED

Short Term (S/T): 1-5 years **Medium Term (M/T): 6-15 years** **Long Term (L/T): 16-25 years**

MARKETS

DESCRIPTION

Global demand growth for various forms of lower-carbon energy can create new market opportunities for natural gas and LNG.

POTENTIAL FINANCIAL IMPACTS[13]

	S/T	M/T	L/T
Gradual Transition Scenario	Medium	Medium	Medium
NZE Scenario		Low	Low

New market growth opportunities could drive increased capital investment, revenues and earnings.

REALIZATION EXAMPLES

We continue to view natural gas and LNG as a cornerstone of the global energy transition, supporting the displacement of coal and other carbon-intensive fuels, and providing essential grid stability for renewable power generation.

- **North American markets:** Through approximately 93,700 km of pipelines, we are the only energy infrastructure company with strategic natural gas pipeline corridors connecting low-cost basins to high-demand markets in each of Canada, the U.S. and Mexico. We currently move roughly 30 per cent of North America's natural gas demand and are expanding our pipeline capacity and extending our footprint to serve growing industrial and electric power generation markets. In Mexico, our Southeast Gateway will provide access to 1.3 Bcf a day of natural gas to Mexico's Yucatán Peninsula that will displace high-sulfur diesel and fuel oil.
- **LNG export markets:** Growing global demand for natural gas is translating into substantial growth opportunities for North American LNG exports. We transport approximately 30 per cent of the natural gas destined for LNG export out of the U.S. and are developing new projects to capture next wave LNG growth off coastlines in Canada and Mexico.

[13] Potential financial impacts are directional, order-of-magnitude estimates based on the inherent opportunities under two climate scenarios. Refer to the Climate-related Scenario Analysis on page 143 for more information.

TRANSITION OPPORTUNITIES CONTINUED

Short Term (S/T): 1-5 years **Medium Term (M/T): 6-15 years** **Long Term (L/T): 16-25 years**

RESILIENCY

DESCRIPTION

Proactively assessing climate-related impacts across various energy transition scenarios can strengthen business resilience by mitigating potential risks while positioning ourselves to capture emerging opportunities.

POTENTIAL FINANCIAL IMPACTS[13]

	S/T	M/T	L/T
Gradual Transition Scenario	Low	Medium	Medium
NZE Scenario		Medium	Medium

Building resiliency can drive revenue growth, reduce costs and generate capital investment opportunities.

REALIZATION EXAMPLES

We take a thoughtful and proactive approach to identifying and mitigating climate-related risks and positioning ourselves to capture emerging opportunities. We recently performed a detailed climate scenario analysis that provided valuable insights into the resiliency of our business strategy against a wide range of climate scenarios and identified possible physical climate hazards and potential mitigants. We continuously monitor signposts and market developments to inform our views on the pace and direction of the energy transition and adjust our business strategy as needed.

We also actively support our customers' decarbonization goals and climate resilience by providing access to safe, reliable, secure and affordable energy across multiple platforms, including:

- Our integrated natural gas pipeline network facilitates North American gas transmission and LNG exports, supporting the transition from more carbon-intensive fuels while providing crucial grid stability for renewable power integration.
- Bruce Power, the world's largest operating nuclear facility, delivers 6,500 MW of emissions-free baseload generation.
- Our renewable power assets and PPAs enable us to offer innovative clean energy solutions tailored to customer needs.
- We are advancing the proposed Ontario Pumped Storage Project, which will add 1,000 MW of reliable, on-demand clean energy storage to Ontario's electricity system, enhancing grid reliability and supporting the integration of renewable resources.

[13] Potential financial impacts are directional, order-of-magnitude estimates based on the inherent opportunities under two climate scenarios. Refer to the Climate-related Scenario Analysis on page 143 for more information.

CLIMATE-RELATED RISK MANAGEMENT

Risk management is integral to the successful operation of our business. Our risk management strategy is designed to ensure that risks and related exposures are aligned with our business objectives and risk tolerances. We achieve this through a centralized ERM program, which systematically identifies and assesses risks that could materially impact the achievement of our strategic objectives. These risks are communicated to key stakeholders, such as the Board, CEO, Executive Vice-Presidents, and the CRO, ensuring comprehensive oversight. This approach enables the organization to better anticipate, prepare for, and respond to climate-related risks to safeguard business operations, financial condition, and overall performance.

The ERM program provides a thorough process for risk identification, analysis, evaluation, and mitigation. Key components of this program include:

- **an enterprise risk register**: each of the company's enterprise risks, detailing governance and execution ownership, Board and/or Committee accountability, and inherent and residual risk ratings for each risk plotted on a heat map. The register is formally updated during the company's annual Enterprise Risk assessment, which the Board reviews annually.
- **quarterly emerging risk reports**: the program includes a network of emerging risk liaisons strategically positioned across the organization, responsible for identifying potential emerging risks and reporting on their management and mitigation quarterly to the Board.
- **quarterly deep dive presentations**: the Board receives detailed presentations on each enterprise risk, with specific themes addressed during regular financial updates and strategic meetings. Special presentations are also delivered as required or requested.

Our 2024 Annual Report contains information on the risks applicable to TC Energy and is publicly available in the Reports and filings section of the investors page on our website. For more information about the company's processes for identifying and managing risk, including climate-related risks, please refer to the risk oversight and enterprise risk management section of the 2025 MIC.

TOMS: our operational management system

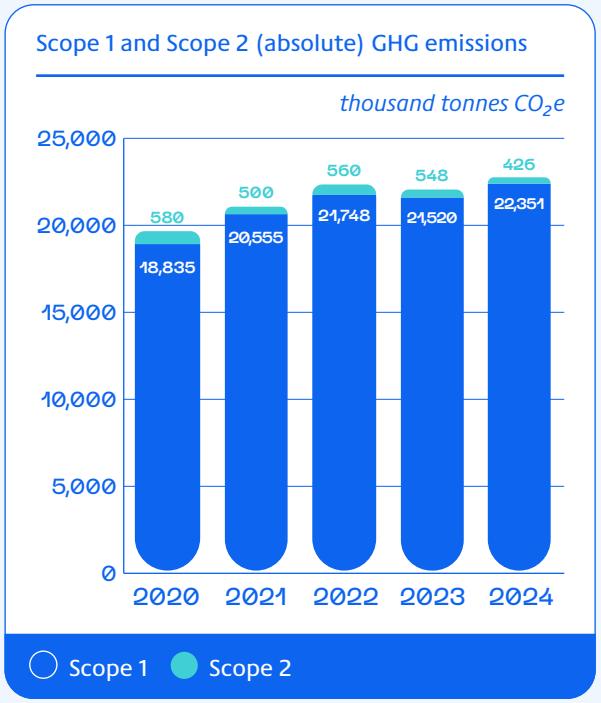
Our overarching management system, TOMS, enables operational excellence through an interconnected set of standards, processes and procedures that describes the requirements to manage risk and continually improve through the plan, do, check, act cycle.

These requirements drive our approach to identify, analyze, evaluate, manage, monitor, and communicate risks and implement mitigation strategies for the asset lifecycle, including climate-related risks. Operational risks are communicated annually through the corporate ERM process.

CLIMATE-RELATED METRICS AND TARGETS

TC Energy tracks year-over-year performance of several metrics to monitor climate-related risks and opportunities. These include Scope 1, Scope 2, and certain Scope 3 categories of GHG emissions as well as Scope 1 (direct) methane emissions, corporate and business segment emissions intensity, energy consumption, environmental compliance and water use.

Please refer to the Performance Tables in this report as well as our annual CDP Corporate Questionnaire response for details.



TC Energy's Scope 1 emissions include direct emissions from combustion, venting, flaring and fugitive emissions from pipelines and facilities, and transportation. Methane currently represents approximately 19 per cent of our total Scope 1 GHG emissions.

For Scope 2 emissions, we monitor indirect emissions from purchased electricity and steam across our operations. Our calculation methodology uses standardized emission factors applied to measured electrical consumption data. We have enhanced measurement accuracy through AI technology that extracts consumption details from utility invoices, significantly strengthening our ability to create a comprehensive emissions profile.

Regarding Scope 3 emissions, we are currently reporting five of ten relevant categories and actively assessing the remaining categories against reporting guidance and quantification methodologies. We are contributing to industry-specific quantification standards through the International Petroleum Industry Environmental Conservation Association (Ipieca) to improve value chain reporting, recognizing the inherent complexity in quantifying emissions that rely on data from value chain partners.

In 2024, we reassessed our interim emission reduction target and major components of our longer-term reduction plan in light of various criteria, including policy, regulatory, commercial and economic developments and the impacts related to the completion of our capital rotation program and the spinoff of our Liquids Pipelines business. We remain committed to our long-term target of positioning to achieve net-zero emissions from our operations and while the broader GHG target development work continues, we have set a methane intensity reduction target as the milestone in this multi-step process.

Setting a methane intensity target enables us to systematically pursue the most cost-efficient and impactful abatement opportunities, and assess optionality within the marginal abatement curve as prospects arise.

By prioritizing methane emissions management in the near term, we are optimizing the balance between protecting and enhancing asset value through proactive climate risk management, maintaining competitive tolls for our customers, and delivering strong returns for our shareholders. TC Energy's long-term incentives include performance share units (referred to as PSUs) that includes a 10 per cent weighted methane intensity reduction performance metric.

We are improving the quality and transparency of our methane emissions disclosures through a variety of approaches, including leading-edge technology to manage methane emissions data, allowing TC Energy to more reliably validate measured and calculated methane emissions and fill previous data gaps. In 2024, TC Energy committed to performing a reassessment of joining OGMP 2.0, or a similar reporting framework, and whether joining would improve accuracy and transparency of our methane emissions data. The reassessment facilitated an in-depth review of current methane emissions measurement and quantification practices, providing valuable insight and increased confidence in our data.

The reassessment also confirmed that our methane practices align well with OGMP's guiding principles and have a strong foundation of measurement-informed methane emission data. To that end, we have determined that joining OGMP 2.0 does not make sense for our organization at this time. Regulatory misalignment and uncertainty present considerable challenges to reach and maintain OGMP 2.0 gold standard across all three operating jurisdictions.

WANT TO LEARN MORE?

+ OGMP 2.0 Reassessment Report

By enhancing the rigor and assurance of our GHG emissions reporting, we can continue to deliver reliable data that guides investor decisions and holds us accountable to transparent, credible disclosure of our GHG emissions. Our Roadmap to Reasonable Assurance outlines TC Energy's progress in maturing our GHG data management systems, shares results from the 2025 readiness assessment, and identifies the enhancements needed and steps required to support readiness for obtaining a reasonable assurance opinion on our corporate GHG emissions.

We continue our efforts to provide a clear, factual and balanced overview of our progress against our targets annually in our Report on Sustainability.

WANT TO LEARN MORE?

+ Roadmap to Reasonable Assurance on GHG Emissions

TCFD and IFRS S2 Climate-related Disclosures Alignment

TC Energy's climate-related disclosures are consistent with the four core recommendations and eleven recommended disclosures of the TCFD framework. The TCFD recommendations have been fully incorporated into IFRS S2, which also requires additional detailed disclosures above and beyond the TCFD recommendations. We are taking a phased approach to enhancing our reporting capabilities to align with IFRS S2. During this transition period, our climate-related disclosures are partially compliant with IFRS S2 while remaining aligned with the TCFD recommendations.

The table below illustrates how our climate-related disclosures align with the TCFD recommendations, and includes a high-level comparison of the TCFD recommendations and IFRS S2 reporting requirements.

Supplementary information to our climate-disclosures can also be found in our annual CDP Corporate Questionnaire response.

TCFD TOPIC	TCFD RECOMMENDATION	IFRS S2 COMPARISON[14]	TC ENERGY CLIMATE-RELATED DISCLOSURES SECTION
GOVERNANCE	Disclose the organization's governance around climate-related risks and opportunities.	Disclose the organization's governance processes, controls and procedures used to monitor, manage and oversee climate-related risks and opportunities.	In this report > Climate-related governance
	a) Describe the board's oversight of climate-related risks and opportunities.	Broadly consistent with TCFD + more detailed information on, for example, how responsibilities are reflected in mandate, terms of reference, role description	In this report > Board oversight of climate-related risks and opportunities
	b) Describe management's role in assessing and managing climate-related risks and opportunities.	Broadly consistent with TCFD	In this report > Management's role in assessing and managing climate-related risks and Opportunities
STRATEGY	Disclose the actual and potential impacts of climate-related risks and opportunities on the organization's businesses, strategy, and financial planning where such information is material.	Disclose the organization's strategy for managing climate-related risks and opportunities.	In this report > Climate-related strategy, Climate-related risks and opportunities

[14] Refer to the Comparison of IFRS S2 Climate-related Disclosures with the TCFD recommendations published by the IFRS Foundation for full details.

TCFD TOPIC	TCFD RECOMMENDATION	IFRS S2 COMPARISON[14]	TC ENERGY CLIMATE-RELATED DISCLOSURES SECTION
	a) Describe the climate-related risks and opportunities the organization has identified over the short, medium, and long term.	Broadly consistent with TCFD + refer to and consider the applicability of industry-based disclosure topics in its industry-based guidance in identifying climate-related risks and opportunities. + more detailed information about where in the company's business model and value chain risks and opportunities are concentrated.	In this report > Climate-related strategy, Climate-related risks and opportunities
	b) Describe the impact of climate-related risks and opportunities on the organization's businesses, strategy, and financial planning.	Broadly consistent with TCFD + more detailed information describing the effects of climate-related risks and opportunities. For example, how a company has responded to, and plans to respond to, the identified risks and opportunities, any transition plans it has and how it plans to achieve its climate-related targets. + in the current and anticipated effects of climate-related risks and opportunities on a company's financial position, financial performance and cash flows, IFRS S2 sets out criteria for circumstances in which quantitative and qualitative information is required. Companies are permitted to disclose only qualitative information in some circumstances—for example, if a company cannot separately identify the effects of the risk or opportunity or if the level of measurement uncertainty involved is too high. + requirement for disclosures on the anticipated financial effects of climate-related risks and opportunities to use all reasonable and supportable information that is available at the reporting date without undue cost or effort. IFRS S2 also provides that a company use an approach that is commensurate with the company's circumstances in preparing disclosures about the anticipated financial effects of a climate-related risk or opportunity.	In this report > Climate-related strategy, Climate-related risks and opportunities
	c) Describe the resilience of the organization's strategy, taking into consideration different climate-related scenarios, including a 2°C or lower scenario.	Broadly consistent with TCFD. However, IFRS S2 does not specify particular scenarios for a company to use in its climate-related scenario analysis. + additional information regarding resilience on: significant areas of uncertainty the company has considered in its assessment; the company's capacity to adjust and adapt its strategy and business model over time; and how and when the company has carried out its climate-related scenario analysis. IFRS S2 provides that a company carrying out climate-related scenario analysis use an approach that is commensurate with the company's circumstances and consider all reasonable and supportable information that is available at the reporting date without undue cost or effort.	In this report > Climate-related scenario analysis, Climate-related risks and opportunities

[14] Refer to the Comparison of IFRS S2 Climate-related Disclosures with the TCFD recommendations published by the IFRS Foundation for full details.

TCFD TOPIC	TCFD RECOMMENDATION	IFRS S2 COMPARISON[14]	TC ENERGY CLIMATE-RELATED DISCLOSURES SECTION
RISK MANAGEMENT	Disclose how the organization identifies, assesses, and manages climate-related risks.	Disclose the processes used to identify, assess, prioritize and monitor climate-related risks and opportunities, including whether and how those processes are integrated into and inform the company's overall risk management process.	In this report > Climate-related risk management
	a) Describe the organization's processes for identifying and assessing climate-related risks.	Broadly consistent with TCFD + more detailed information on, for example, what input parameters a company uses to identify risks (such as data sources, the scope of operations covered and the detail used in assumptions); whether and how the company uses climate-related scenario analysis to inform its identification of risks; and whether the company has changed the processes used to identify, assess, prioritize and monitor risks compared with the prior reporting period. IFRS S2 also requires additional disclosures on the processes a company uses to identify, assess, prioritize and monitor opportunities.	In this report > Climate-related risk management
	b) Describe the organization's processes for managing climate-related risks.	Broadly consistent with TCFD + additional information about the processes used to identify, assess, prioritize and monitor risks and opportunities	In this report > Climate-related risk management, Climate-related risks and opportunities
	c) Describe how processes for identifying, assessing, and managing climate-related risks are integrated into the organization's overall risk management.	Broadly consistent with TCFD + additional disclosures on the extent to which, and how, the processes used to identify, assess, prioritize and monitor opportunities are integrated into the company's overall risk management process	In this report > Climate-related risk management
METRICS AND TARGETS	Disclose the metrics and targets used to assess and manage relevant climate-related risks and opportunities where such information is material.	Disclose the company's performance in relation to its climate-related risks and opportunities, including progress towards any climate-related targets it has set, and any targets it is required to meet by law or regulation.	In this report > Climate-related metrics and targets
	a) Disclose the metrics used by the organization to assess climate-related risks and opportunities in line with its strategy and risk management process.	Same categories of cross-industry metrics as TCFD + industry-based metrics relevant to the company's business model and activities. The Industry-based Guidance on Implementing IFRS S2 is required to be considered in providing this information.	In this report > Climate-related metrics and targets

[14] Refer to the Comparison of IFRS S2 Climate-related Disclosures with the TCFD recommendations published by the IFRS Foundation for full details.

TCFD TOPIC	TCFD RECOMMENDATION	IFRS S2 COMPARISON[14]	TC ENERGY CLIMATE-RELATED DISCLOSURES SECTION
	b) Disclose Scope 1, Scope 2, and, if appropriate, Scope 3 greenhouse gas (GHG) emissions, and the related risks.	Broadly consistent with TCFD. However, whereas the TCFD recommendations include the disclosure of Scope 1 and Scope 2 GHG emissions 'independent of materiality', and Scope 3 GHG emissions 'as appropriate', ISSB Standards require a company to disclose information only if it is material. + additional disclosures related to GHG emissions, including: • separate disclosure of Scope 1 and Scope 2 GHG emissions for (1) the consolidated accounting group, and (2) associates, joint ventures, unconsolidated subsidiaries or affiliates not included in the consolidated accounting group; • disclosure of Scope 2 GHG emissions using a location-based approach and providing information about any contractual instruments that are necessary to inform users' understanding; • disclosure of Scope 3 GHG emissions, including additional information about the company's financed • emissions if the company has activities in asset management, commercial banking or insurance; and • information about the measurement approach, inputs and assumptions the company has used in measuring Scope 3 GHG emissions. IFRS S2 also sets out a Scope 3 measurement framework to provide guidance for preparing Scope 3 GHG emissions disclosures. IFRS S2 does not require a company to disaggregate its GHG emissions disclosures by the constituent gases. However, IFRS S1 includes requirements on disaggregation that would result in the disclosure of the constituent gases being required if such disaggregation provides material information.	In this report > Climate-related metrics and targets
	c) Describe the targets used by the organization to manage climate-related risks and opportunities and performance against targets.	Broadly consistent with TCFD. + how the latest international agreement on climate change has informed the target and whether the target has been validated by a third party + more detailed information on GHG emissions targets, including additional information about the planned use of carbon credits to achieve a company's net GHG emissions targets + additional requirements to disclose information about the approach to setting and reviewing each target, and how the company monitors progress against each target, including whether a sectoral decarbonization approach was used to derive the target.	In this report > Climate-related metrics and targets

[14] Refer to the Comparison of IFRS S2 Climate-related Disclosures with the TCFD recommendations published by the IFRS Foundation for full details.

United Nations Sustainable Development Goals alignment

We support the United Nations Sustainable Development Goals (UN SDGs) and have identified the SDGs that are most relevant to our business and where we can make our greatest contributions. These global goals serve as a framework to orient our sustainability commitments, targets and progress. We consider it essential to cooperate with other organizations and to align our efforts behind UN SDG 17.

COMMITMENT	UN SDG
ENVIRONMENT	
Enable the energy transition	UN SDG 7 – Affordable and Clean Energy UN SDG 8 – Decent Work and Economic Growth UN SDG 9 – Industry, Innovation and Infrastructure UN SDG 12 – Responsible Consumption and Production UN SDG 13 – Climate Action UN SDG 17 – Partnerships for the Goals
Leaving the environment as we found it	UN SDG 6 – Clean Water and Sanitation UN SDG 14 – Life Below Water UN SDG 15 – Life on Land
Committed to safe, reliable, sustainable operations	UN SDG 9 – Industry, Innovation and Infrastructure UN SDG 12 – Responsible Consumption and Production UN SDG 14 – Life Below Water UN SDG 15 – Life on Land
SOCIAL	
Continuous safety improvement	UN SDG 3 – Good Health and Well-being UN SDG 8 – Decent Work and Economic Growth
Advancing an empowered workplace	UN SDG 3 – Good Health and Well-being UN SDG 4 – Quality Education UN SDG 5 – Gender Equality UN SDG 8 – Decent Work and Economic Growth UN SDG 10 - Reduce inequality UN SDG 16 – Peace, Justice and Strong Institutions
Fostering mutually beneficial relationships	UN SDG 3 – Good Health and Well-being UN SDG 4 – Quality Education UN SDG 8 – Decent Work and Economic Growth UN SDG 11 – Sustainable Cities and Communities UN SDG 17 – Partnerships for the Goals

COMMITMENT	UN SDG
Fostering enduring, mutually beneficial relationships with Indigenous groups	UN SDG 1 – No Poverty UN SDG 3 – Good Health and Well-being UN SDG 8 – Decent Work and Economic Growth UN SDG 10 – Reduce Inequalities UN SDG 16 – Peace, Justice and Strong Institutions
GOVERNANCE	
Further integrate and contribute to sustainability	UN SDG 10 – Reduce Inequalities UN SDG 13 – Climate Action UN SDG 16 – Peace, Justice and Strong Institutions UN SDG 17 – Partnerships for the Goals

FORWARD-LOOKING INFORMATION

This document contains certain information that is forward-looking and is subject to important risks and uncertainties (such statements are usually accompanied by words such as “anticipate”, “expect”, “believe”, “may”, “will”, “should”, “estimate”, “intend” 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 document. Our forward-looking information in this document includes, but is not limited to statements on our financial and operational performance, including the performance of our subsidiaries, statements relating to our expectation of natural gas’ role in facilitating access to reliable and affordable energy and potential displacement of higher emitting sources of energy, expected energy demand levels, statements on our sustainability commitments, including interim intensity, methane reduction and net-zero emission targets, expectations and timelines relating to our re-assessment of our GHG targets, statements on our methane emission management and climate strategy, statements on our methane emissions detection and reporting maturity, statements regarding our future plans and prospects overall, including those statements relating to our focus on reducing operational emissions, investment in low-carbon energy and supporting broader decarbonization, statements on the installation, adoption and integration of new technologies into our business, including hybrid drive technologies, enhanced inline inspection technologies, leak detection systems, improved imaging and monitoring systems, compression technology, methane reduction, recapture and destruction technologies, AI and machine learning technologies, carbon capture technologies and renewable energy storage solutions, expectations about strategies and goals for growth and expansion, expectations regarding the size, structure, timing, conditions and outcome of ongoing and future transactions, expected costs and schedules for planned projects and restoration/remediation initiatives, including projects under construction and in development, our anticipated capital program and spending, including spending related to reducing operational emissions, investing in low carbon and supporting broader decarbonization, our expected emission reductions and other benefits from planned projects, our ability to leverage carbon offsets and credits, expected opportunities for cost recovery, our expected use of internationally recognized methodologies to quantify potential emissions reductions along our supply chain, regulatory and policy developments, anticipated impacts from our community giving programs, future-orientated financial information or financial outlook, statements on biodiversity and land impacts, safety and continuous improvement, enhancing mental health and psychological safety, fostering relationships with Indigenous groups and external stakeholders, maintaining mutually beneficial partnerships with our landowners, furthering inclusion and diversity across our organization and supply chain and further integration of sustainability into strategy, decision-making, performance-tracking and assessment, R&D and innovation investments to contribute to sustainability, among other things.

Our forward-looking information is based on certain key assumptions and is subject to risks and uncertainties, including but not limited to 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 and methane emission targets and ambitions, the commercial viability and scalability of GHG and methane emission reduction strategies and related technology and products, the development and execution of implementing strategies to meet our sustainability commitments, our ability to implement a capital allocation strategy aligned with maximizing shareholder value, the operating performance of our pipeline and power generation and storage assets, amount of capacity sold and rates achieved in our pipeline businesses, the amount of capacity payments and revenues from our power generation assets due to plant availability, production levels within supply basins, construction and completion of capital projects, cost and availability of, and inflationary pressure 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, cybersecurity and technological developments, sustainability-related risks, including climate-related risks and the 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 unexpected impacts related thereto. In addition, there are risks that the effect of actions taken by us in implementing targets, commitments and ambitions for sustainability may have a negative impact on our existing business, growth plans and future results from operations.

For additional information about the assumptions made, and the risks and uncertainties which could cause actual results to differ from the anticipated results, refer to the most recent Quarterly Report to Shareholders and Annual Report filed under TC Energy’s profile on SEDAR+ and with the U.S. Securities and Exchange Commission. 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.

This document may contain statistical data, market research and industry forecasts that were obtained from third party sources, industry publications, and publicly available information. We believe that the market and industry data presented throughout this presentation is accurate and, with respect to data prepared by us or on our behalf, that our estimates and assumptions are reasonable, but there can be no assurance as to the accuracy or completeness thereof. The accuracy and completeness of the market and industry data presented throughout this presentation is not guaranteed and we make no representation as to the accuracy of such information. Although we believe it to be reliable, we have not independently verified any of the data from third-party sources referred to in this presentation or analyzed or verified the underlying studies or surveys relied upon or referred to by such sources, or ascertained the underlying economic and other assumptions relied upon by such sources and we make no representation as to the accuracy of such data. Actual outcomes may vary materially from those forecast in such reports or publications, and the prospect for material variation can be expected to increase as the length of the forecast period increases. Market and industry data is subject to variations and cannot be verified due to limits on the availability and reliability of data inputs, the voluntary nature of the data gathering process and other limitations and uncertainties inherent in any statistical survey.

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