

A Great Horned Owl
at the Wildlife Haven in Manitoba, Canada.



SAFEGUARDING BIODIVERSITY | OUR APPROACH

At TC Energy, we are [committed to protecting the environment](#), which means we work to safeguard habitat and biodiversity and reduce land use impacts, including restoring the environment to a condition equal to or better than we found it. This commitment, alongside our [Environment Principles](#) of stewardship, protection and performance, guide us as we build, maintain and operate energy infrastructure.

We continue to advance our approach to safeguarding biodiversity, focusing on several key areas of governance, strategy, risk, metrics and targets.

GOVERNANCE

Our commitment to the highest standards of ethics and corporate governance, affirmed in our [Corporate Governance Guidelines](#), as well as our Environment Principles, underline our accountability to landowners, Indigenous communities and governments. We have an established governance structure and comprehensive risk management practices in place.

Our approach to systematically managing environmental risks, including biodiversity, is based on a structured framework with clear accountabilities and oversight.

- The Board of Directors through its Health, Safety, Sustainability and Environment (HSSE) committee, oversees environmental-related performance and risks, including those related to biodiversity.
- The Chief Risk Officer is responsible to ensure the Enterprise Risk Management (ERM) program governance model is focused on prioritizing risks and improving board and management oversight.

- The Chief Sustainability Officer provides strategic leadership of sustainability-related issues such as climate change, energy and resource conservation, environmental stewardship, stakeholder issues and awareness at the highest level of TC Energy.
- Accountability for the suitability, adequacy and effectiveness of environmental risk management and compliance exists at the senior vice-president level.
- All our assets are subject to rigorous environmental laws and regulations that reduce cumulative effects on biodiversity.
- Our integrated management system establishes a framework for managing risks, including environmental, and is used to capture, organize, document, monitor and improve our related policies, standards and procedures. This management system governs environmental matters at TC Energy and is applicable throughout the lifecycle of all our assets.
- Our management system follows a Plan-Do-Check-Act cycle and outlines training requirements for applicable roles to raise awareness of environmental commitments and requirements and sets environmental performance goals that are regularly monitored.

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.

For more information on our commitment to reconciliation, see our [Reconciliation Action Plan](#).

STRATEGY

Potential impacts on biodiversity represent a business risk that can lead to project delays or cancellations, business interruption and increased regulatory costs. As part of our strategic planning process, we identify and assess biodiversity risks for all projects over the lifecycle of the asset.

In practice, our commitment to environmental protection shows up in our strategic objectives through decision-making and risk management processes, as well as performance against our nature-related metrics and target.

To reduce our impact on protected or high biodiversity value areas, comprehensive, project-specific environmental impact assessments consider factors such as:

- Collecting and sharing data on local biodiversity through site assessments;
- Analyzing land use, water use, waste management practices and emissions;
- Engaging with multiple knowledge partners including landowners, local and Indigenous communities, conservation organizations, academia and government agencies, as applicable, to inform environmental protection plans and best practices;
- Applying practical and effective mitigation measures to minimize impacts and support the protection and reclamation of natural ecosystems and biodiversity conservation; and
- Developing metrics and target to identify interactions with protected and high biodiversity value areas.



A Canebrake Rattlesnake identified during construction monitoring efforts in Virginia, United States.

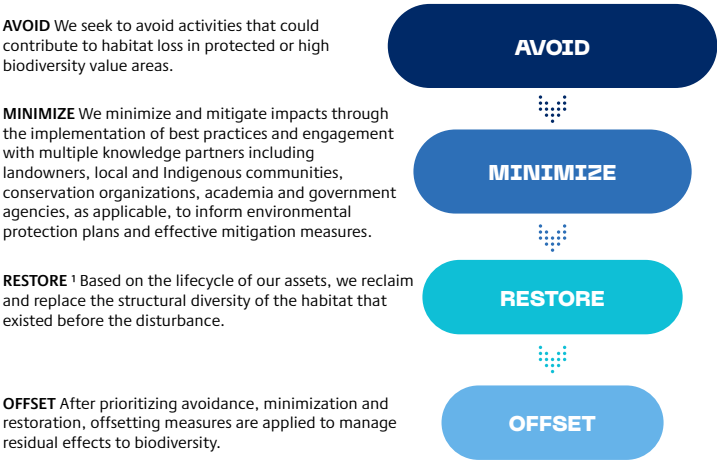
RISK AND IMPACT MANAGEMENT

Risk management is integral to achieving our strategic objectives. TC Energy operates in a highly regulated industry across North America. The regulatory landscape is complex and rapidly evolving, introducing uncertainty and risk when maintaining compliance. To address this regulatory risk, we have implemented several monitoring and mitigation strategies. This includes proactive efforts to monitor the evolving regulatory environment and cultivate trust and alignment with stakeholders and respond promptly to emerging issues and concerns.

Using our ERM helps us systematically identify, monitor and mitigate risks and informs how we make and implement decisions to avoid or minimize impacts on nature. Environmental risks associated with impacts on protected and high biodiversity value areas are monitored and escalated as needed to senior management through our ERM program to ensure leadership has visibility of environmental risks and opportunities and that prevention, mitigation, and management of those risks are applied consistently.

The assessment of biodiversity-related risks, for example, those related to cumulative impacts on protected or threatened habitats or valued species, aligns with this process using a hierarchy strategy of mitigating impacts. This risk-based approach focuses on the following mitigation hierarchy:

BIODIVERSITY MITIGATION HIERARCHY



¹ 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.

We develop environmental protection plans, habitat conservation plans, reclamation plans, monitoring plans and surveillance plans to control and monitor the effectiveness of the mitigation measures implemented, such as those used in replanting and vegetation management, soil conservation and wildlife monitoring. These plans are based on:

- A summary of the studies undertaken to identify sensitive environmental features;
- An assessment of risks and impacts that the site and its activities pose to the environment;
- A description of the measures to avoid, prevent, reduce and manage environmental impacts and risks;
- A process for monitoring, inspection and adaptive management;
- Indigenous and non-Indigenous community and stakeholder input and feedback.

METRICS AND TARGETS

Establishing clear metrics and targets for our environmental commitment is integral to monitoring our performance.

Our biodiversity-related target, and performance against this target, is disclosed annually in our [Report on Sustainability](#), including nature-related disclosures on:

- Biodiversity
- Releases in sensitive areas
- Water
- Land capability
- Waste

Biodiversity-related metrics are reported in alignment with the Sustainability Accounting Standards Board (SASB) Oil & Gas Midstream Standard and the Global Reporting Initiative (GRI) Biodiversity Standard, and we are evaluating evolving frameworks and guidance including the UN Convention on Biological Diversity (CBD) and the Kunming-Montreal Global Biodiversity Framework (GBF).

As a member of the Taskforce on Nature-related Financial Disclosures (TNFD) Forum, a global multi-disciplinary consultative group of institutions that support the work of the TNFD, we continue to build on our knowledge about the ongoing work of the TNFD to inform our approach for reporting on nature-related risks, impacts and dependencies.

We continue to ensure our approach is aligned with global, market-led standards and frameworks to report on the impacts and management of biodiversity and climate change.

A Mexican Burrowing Toad identified by Southeast Gateway Pipeline project staff in Mexico.

Want to learn more?

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→ [Sustainability](#)

→ [Environmental management](#)

→ [Reducing our environmental footprint](#)