

2025

Sustainability report



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Overview

Delivering safe and reliable energy transportation

RELATED SDGS



PICTURED

Our pump stations, like the Black Pines Pump Station shown here, maintain the system's 890,000 barrel per day capacity flowing at a speed of six to eight kilometres per hour.



Message from our Chief Executive Officer

2025 was an extraordinary year for Trans Mountain—one that underscored our purpose, our responsibility to Canadians and the critical role we play in connecting our country’s resources to the world. This report highlights the progress we’ve made at a time when both Canada and the world’s energy landscape is rapidly transforming.

Driving Canada’s prosperity in a changing global market

For more than 72 years, Trans Mountain has safely and reliably moved oil and refined petroleum products to customers in Western Canada and the western United States. We have contributed to Canada’s economic strength—with limited tidewater access and a constrained pipeline network, for decades, Canadian oil was largely sold to a single customer. This hindered Canadian competitiveness and negatively affected prices for Canadian oil.

67
per cent of shipments from Westridge Marine Terminal went to Asia in 2025

Trans Mountain has changed that story. We’ve increased access to tidewater, provided access to global markets and, in turn, unlocked significant value for Canada. In fact, in 2025, 67 per cent of shipments from Trans Mountain’s Westridge Marine Terminal went to Asia—a dramatic increase from before the expanded system was completed and a clear signal that Canada is asserting its place as a global energy superpower.

Beyond simply linking one of the world’s largest oil reserves with new markets, Trans Mountain now positions Canada at the heart of Asia’s accelerating energy demand—where rapidly expanding economies such as China, India, South Korea, Japan and Singapore require stable access to high-quality crude oil to fuel industrial growth, transportation systems and petrochemical manufacturing. In China in particular, Canadian oil is used by petrochemical manufacturers producing materials that we all rely on—from electronics to vehicle parts. Canada has what the world needs, and Trans Mountain is a strategic link connecting Canadian oil producers with rapidly growing Asian markets.

Our financial performance reinforces this impact. In 2025, we returned \$1.7 billion to Canada in the form of interest, dividends and guarantee fees. Simply put, we are doing what we promised and are contributing to the wealth of the nation.



Mark Maki, Chief Executive Officer

Providing safe transportation

We have a relentless focus on safety and operational excellence. In 2025, we recorded zero reportable pipeline spills and reached a major milestone at the Westridge Marine Terminal: the safe loading of our 400th vessel since completing the expansion in May 2024. These achievements demonstrate the effectiveness of the stringent standards we set not only for our own operations, but also for every ship calling at our terminal.

Safety also means protecting people. Guided by our 2025 Safety Strategy, we strengthened safety communication, leadership accountability and injury prevention practices across the organization. Our priority is unwavering: every worker returns home safely.

Deepening community relationships

Our work is grounded in the trust of the communities we operate in. Throughout 2025, we continued to strengthen these relationships by hosting open houses, enhancing local engagement and providing updates so community members could learn more about our operations and future plans. We also launched an employee donation matching and volunteerism program, giving employees a greater say in how we support communities and the ability to support the organizations that matter to them. Trans Mountain knows how to give back, and in 2025, we contributed more than \$800,000 to not-for-profit and charitable organizations that make our communities stronger.



Sumas Terminal, BC

Advancing reconciliation

We value the relationships we continue to build with Indigenous communities. This past year marked the first full year of our Reconciliation Action Plan, and we met our commitments under the plan. Our updated plan will shape the work ahead as we further embed reconciliation into our culture, strengthen relationships with Indigenous communities and support capacity building through training and business opportunities. Indigenous businesses remain important partners to Trans Mountain, and these partnerships reinforce the long-term, meaningful relationships we are committed to building.

Supporting our people

My leadership team and I are honoured to work alongside more than 700 dedicated employees across Trans Mountain. Our visits to the field and across the system this year reinforced how deeply our people care about the work they do for our countries by enabling the safe transport of Canadian oil beyond our borders. It matters to us that Trans Mountain continues to be a place where people can build meaningful careers and take pride in the role they play in delivering value to Canada.

Looking ahead

Our priorities remain clear: operate safely, maintain strong financial discipline and strengthen Canada's position as a global energy leader.

The world is entering a decisive period for energy security and economic resilience, and Canada is uniquely positioned to contribute in this new era. Trans Mountain will play a critical role in unlocking that potential. I am confident about the year ahead and the contribution we will make as Canada advances its ambition to be an even greater energy superpower in the future.

Mark Maki
Chief Executive Officer

Looking back: 2025 highlights

At Trans Mountain, we've advanced our sustainability performance. Key highlights from 2025 include:



>\$800,000

in financial and in-kind donations to organizations and community initiatives where we live and work

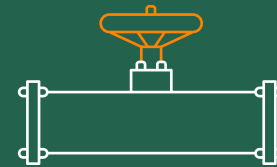


5

sessions on reconciliation as part of our Indigenous Awareness Speaker Series

0

reportable pipeline spills



>95,000

individuals reached through our Public Awareness Program



100%

of our employees completed our Code of Conduct training



>210

participants in our full-scale emergency response exercise at the Fraser River in British Columbia

472,007

tonnes of Expansion Project CO₂e emissions offset (43 per cent of our target)



100%

of vessels calling at Westridge Marine Terminal were loaded safely

>480

safety inspections conducted



About Trans Mountain

Trans Mountain operates Canada's only pipeline system transporting oil and refined products to the West Coast of Canada. We have the capacity to deliver approximately 890,000 barrels of products every day. Our assets also include four storage terminals and a three-berth marine terminal. Our pipeline system, which runs from Edmonton, Alberta (AB) to Burnaby, British Columbia (BC) and to Washington state, has been in operation since 1953.

Trans Mountain Corporation was incorporated in 2018 as a federal Crown corporation and we are accountable to Parliament through Canada Development Investment Corporation (CDEV). Trans Mountain is headquartered in Calgary, Alberta, and has regional offices along the pipeline system.

Land acknowledgment

Trans Mountain acknowledges and respects the Indigenous Peoples on whose Traditional Territory we operate, maintain and constructed our pipeline system. We recognize the unique histories, cultures and traditions of all those Indigenous groups within whose Territory Trans Mountain operates and that their relationship to the land continues to this day.

747
employees

\$3.0 billion
in revenue

\$36.7 billion
in assets

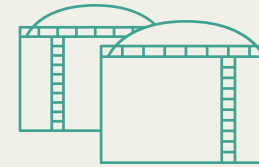
Storage terminals

Provide temporary storage for oil and refined products for customers.

4
terminals
(Edmonton,
Kamloops,
Sumas and
Burnaby)

16.2 million
barrels (storage
capacity)

80
tanks at
terminals



BRITISH
COLUMBIA

KAMLOOPS

ALBERTA



Pipeline system

Our pipeline system transports crude oil and refined products. We connect production areas with refineries in North America and with export capabilities to global markets.

Trans Mountain pipeline system (Canada)
Edmonton, AB to Burnaby, BC

~890,000
barrels per day
(nominal capacity)

1,180
linear
kilometres

25
active
pump
stations

Puget Sound pipeline system (U.S.)
Abbotsford, BC to Washington state

~240,000
barrels per day
(nominal capacity)

111
linear
kilometres

1
pump
station



BURNABY SUMAS

Westridge Marine Terminal

Handles export of crude oil and import of jet fuel on third-party marine vessels (barges and tankers).

~630,000
barrels per day
(export capacity)

3
berths (serves
Aframax tankers
and barges)

WASHINGTON

Trans Mountain's role in supporting Canadian prosperity

For more than 72 years, we have been safely and reliably operating our pipeline system. We create value for all Canadians by:

Connecting Canadian oil to global markets

Trans Mountain's pipeline system is vital infrastructure for Canada and the only pipeline route connecting oil and refined products from the Western Canadian Sedimentary Basin to the West Coast. Expanding Canada's ability to reach new markets for Canadian energy is essential for national prosperity. Our expanded loading facility, Westridge Marine Terminal, provides critical tidewater access to global markets beyond our land borders, including Asia, where 67 per cent of shipments were sent in 2025.

Our system provides a fast trade route to the Pacific Rim and Northern Asia and has significantly shorter transit times than other alternatives. Using our pipeline and terminal, it takes approximately 27–28 days for products to travel from Edmonton to Asia. Canada's other alternative runs through the U.S. before oil is loaded on a vessel at the Gulf Coast, which takes approximately 73–75 days to travel from Edmonton to Asia. Trans Mountain cuts this transportation time by more than half, making it an economically attractive route for Canadian oil and refined products to meet global markets.

Enabling an increased return on Canadian resources

Historically, Canada has sold crude oil into a single market, the U.S., often at a steep discount. Providing Canadian oil access to global markets helps Canadian companies receive a competitive price for their products. In the first year of operation, the price differential between Western Canada Select and West Texas Intermediate narrowed by more than \$10 per barrel, resulting in \$13 billion in extra revenue for producers following the completion of the Trans Mountain Expansion Project. In addition, the higher sale price resulted in a corresponding \$6.4 billion increase in corporate taxes and royalties paid to Canada's provincial and federal governments.

Generating wealth for Canada

Trans Mountain contributed to Canada's wealth directly and indirectly. Directly, we returned more than \$1.7 billion to the federal government through dividends, interest charges and guarantee fees in 2025. Indirectly, international exports are a substantial contributor to Canada's wealth. The total value of exports from Puget and the Westridge Marine Terminal in 2025 increased by \$11.9 billion compared to 2023. Trans Mountain's business will support a stronger, more resilient Canada.

Our economic contribution

In 2025, we directly contributed to the economy in the following ways:

\$1.7 billion
to the Government of Canada in dividends, interest charges and guarantee fees

\$132 million
to Indigenous communities through capacity building and business opportunities

\$705 million
to suppliers of goods and services

\$112 million
to governments in taxes

\$203 million
to employees in wages and benefits

\$62 million
to landowners in exchange for use of their land

\$48 million
to communities and non-profits through benefit agreements, donations and sponsorships

Approach

Managing ESG matters responsibly



PICTURED

The Trans Mountain pipeline system starts at the Edmonton Terminal. Twenty feeder lines from across Alberta bring oil and refined products to this terminal, where the products are temporarily stored before being delivered to their final destination.

Our approach to ESG

Managing environmental, social and governance matters responsibly is an important part of how Trans Mountain operates—shaping our past, guiding our work today and influencing our future.

This report outlines our ESG practices and progress across priority topics highlighted on this page. As our business and operating environment evolve, we regularly review and update the ESG issues that are most significant to our operations and stakeholders.

	OUR COMMITMENT	RELEVANT TOPICS
Environment	Our pipeline crosses some of the most rugged, mountainous terrain in the world as well as wetlands, waterways, parkland and urban areas. While we operate in a challenging environment, our pipeline has delivered safe and reliable oil transportation for more than 72 years. We are working to lower our greenhouse gas (GHG) emissions to help our customers and Canada meet their decarbonization goals.	<ul style="list-style-type: none"> – Asset integrity and emergency preparedness – Biodiversity, land and water stewardship – GHG emissions – Air quality – Mitigation of climate-related risks – Responsibility in marine operations
Social	We respect the communities where we operate and work hard to build and maintain these relationships. We operate in a manner consistent with Canada’s commitment to advance reconciliation with Indigenous Peoples. We are committed to operating safely and responsibly to protect our employees, contractors and the public. We also strive to foster a positive and inclusive work environment.	<ul style="list-style-type: none"> – Employee and contractor safety – Workplace inclusion and well-being – Relationships with Indigenous communities – Relationships with landowners – Relationships with communities
Governance	Our Board of Directors and leadership team work to set a positive example for all employees and contractors by demonstrating our corporate values—Safety, Integrity, Respect and Excellence. We adopt policies and practices to establish clear expectations and foster accountability at all levels of the organization. We train employees to give them the necessary tools to meet the commitments contained in our policies. Our decisions consider the long-term vision for our company and incorporate environmental and social factors. As societal expectations of corporations evolve, we remain attuned to shifts in risks and opportunities and adjust our business practices accordingly.	<ul style="list-style-type: none"> – Corporate governance – Governance for environmental and social matters – Ethics – Cyber security – Responsible procurement

Sustainable Development Goals

Considering the needs of future generations, Canada and more than 190 other countries and a large number of non-profit organizations and corporations support the UN Sustainable Development Goals (SDGs).

The SDGs are 17 global goals, set by the United Nations General Assembly in 2015 to be achieved by 2030. These goals aim to protect the planet, reduce inequality and ensure prosperity for all.

Trans Mountain supports this global and Canadian commitment and wants to contribute toward the achievement of the SDGs. This chart describes some of the important ways we work toward the SDGs in our operations.

TRANS MOUNTAIN ACTIVITIES	RELATED SDGS AND TARGETS	
Operating the Trans Mountain pipeline, a reliable and resilient infrastructure system that supports energy access	[9.1] Develop quality, reliable, sustainable and resilient infrastructure, including regional and transborder infrastructure, to support economic development and human well-being, with a focus on affordable and equitable access for all	
Providing employment opportunities and contributing to Indigenous businesses and economic development	[8] Promote sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all [8.5] Achieve full and productive employment and decent work for all women and men, including for young people and persons with disabilities and equal pay for work of equal value	
Offering education and training opportunities to help raise the standard of living in local and Indigenous communities	[4] Ensure inclusive and equitable quality education and promote lifelong learning opportunities for all [4.4] Substantially increase the number of youth and adults who have relevant skills, including technical and vocational skills, for employment, decent jobs and entrepreneurship	
Investing in asset integrity, preventing spills and minimizing releases to air, land and water	[12.4] Achieve the environmentally sound management of chemicals and all wastes throughout their life cycle, and significantly reduce their release to air, water and soil in order to minimize their adverse impacts on human health and the environment	
Protecting biodiversity across our operations and continuing to support the protection of marine life, including marine mammals, around Westridge Marine Terminal	[15.5] Take urgent and significant action to reduce the degradation of natural habitats and halt the loss of biodiversity [14.1] Prevent and significantly reduce marine pollution of all kinds, in particular from land-based activities, including marine debris and nutrient pollution	
Monitoring, reporting and managing our GHG emissions and providing funds to communities along the pipeline corridor to improve their resilience to extreme weather events	[13] Take urgent action to combat climate change and its impacts [13.1] Strengthen resilience and adaptive capacity to climate-related hazards and natural disasters in all countries	

About this report

At Trans Mountain, we are committed to being transparent about our ESG practices and performance.

The goal of this sustainability report is to communicate the environmental, social and governance initiatives and key metrics that demonstrate our progress to date and our commitment to continual improvement.

- Unless otherwise noted, this report covers quantitative and qualitative performance for the year ended December 31, 2025. When available, comparable and historical data is provided for the previous four years.
- Our reported environmental and social performance covers pipelines and terminals operated by Trans Mountain.
- Unless noted, data does not include service providers.
- Financial data is in Canadian dollars and environmental data is in metric units.
- The accuracy of this report is important to our company. Senior management and relevant staff have reviewed all information and believe it is an accurate representation of our performance.

- The terms “Trans Mountain,” “our,” “we,” “the company” and “the corporation” refer to Trans Mountain Corporation and its direct and indirect subsidiaries. “The Expansion Project,” “the Expansion” and “the Project” refer to the Trans Mountain Expansion Project.
- The term “product” in this report refers to oil and refined products transported by Trans Mountain.
- The terms “sustainability,” “ESG,” “decarbonization,” “net zero” and similar terms, taxonomies, methodologies, criteria and standards are evolving in terms of both meaning and scope. As a result, Trans Mountain’s use of such terms may vary over time to reflect such evolution. Any references to such terms in this document are intended as references to the internally defined criteria of Trans Mountain and not to any jurisdiction-specific regulatory definition or voluntary standard that may exist.

Limited assurance

The accuracy of this report is important to Trans Mountain. PricewaterhouseCoopers LLP (PwC) has performed limited assurance engagement for a select GHG indicators disclosed within this report. Read more about the scope of PwC’s work, including the indicators and data included in the assurance scope, on [page 59](#).

Aligning with ESG standards and frameworks

We continue to monitor recent developments in the sustainability reporting framework space, including the release of the proposed Canadian Sustainability Disclosure Standards (CSDS) by the Canadian Sustainability Standards Board (CSSB) in 2024. Our disclosures are aligned with the Task Force on Climate-Related Financial Disclosures, and while we do not fully meet all the requirements in accordance with other reporting standards, we cross-reference our disclosures with the recognized standards below:

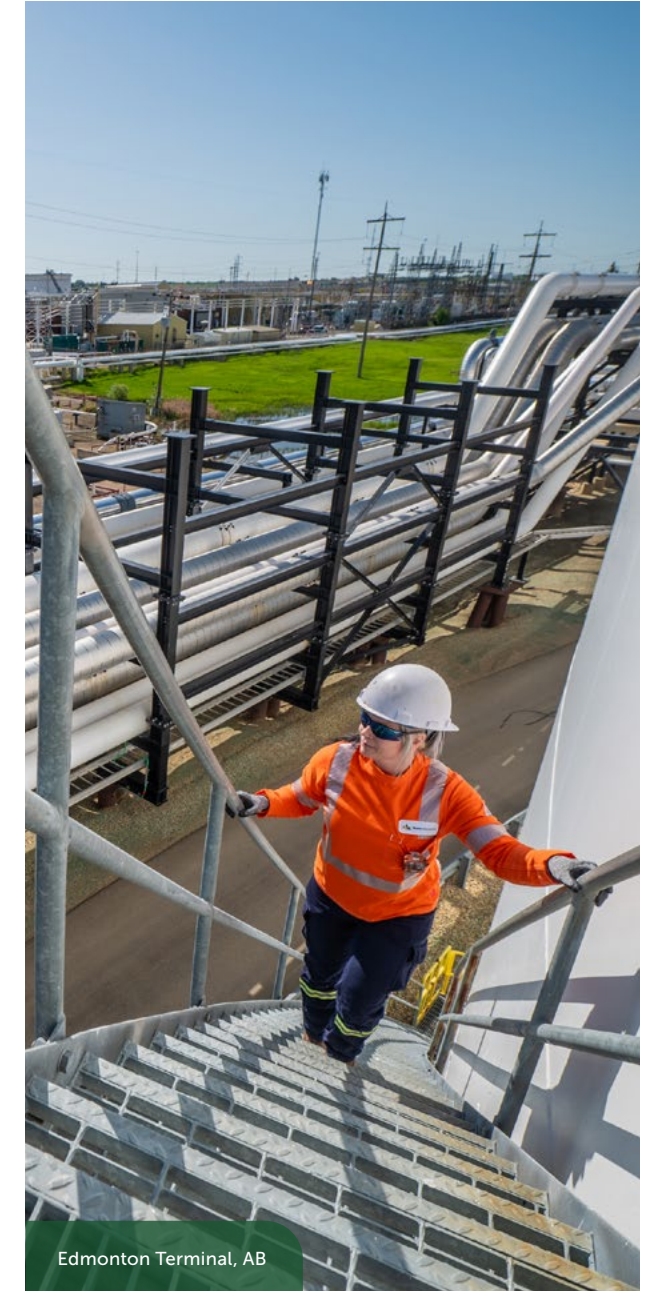
TCFD ————— [page 41](#)

SASB ————— [page 58](#)

We also outline our contributions to the SDGs.

SDGs ————— [page 11](#)

Read our caution regarding forward-looking statements on [page 63](#).



Edmonton Terminal, AB

Environment

Protecting land, water and ecosystems

RELATED SDGS



PICTURED

Operations personnel remotely monitor pump stations and conduct regular on-site inspections, as shown here at the Black Pines station.



Asset integrity

We have been operating our pipeline system safely and responsibly for more than 72 years. During this time, we have developed a mature suite of programs to maximize pipeline and facility safety. We maintain the integrity of our pipelines, terminals and pump stations through regular hazard identification, continuous monitoring and a variety of preventive activities.

Pipelines

Since our pipeline is underground, we rely on internal inspection technologies to assess and review the condition of the pipe. This helps us detect and monitor small features in the pipe before they pose a risk of failure. We also monitor external conditions around the pipe that can pose a risk to its safe operation.

Focusing on prevention

We employ a suite of programs and activities to maximize pipeline safety, with a focus on preventing issues before they occur. Our preventive activities include:

1 | CORROSION PREVENTION The exterior of the pipe has a coating to protect it from contact with the soil. Because corrosion is an electrochemical process, we also use cathodic protection to prevent oxidation where the pipe contacts the soil. The interior of the pipe is protected from corrosion by running scraper tools on a regular basis to move solids and water that have settled in the pipe and could potentially lead to corrosion.

2 | PIPELINE DEPTH OF COVER We regularly monitor our pipeline to verify adequate soil cover remains over top of the pipe to protect the pipe against damage. Areas with deficient cover are prioritized for remediation.

3 | RIGHT-OF-WAY MAINTENANCE We maintain the strip of land above and around the pipeline so large trees, shrubs and debris remain away from the pipe. This ongoing maintenance provides clear line of sight along the pipeline right-of-way and allows for access to conduct surveys and inspections, and to respond in emergency situations.

4 | ONGOING MONITORING We have installed a fibre optic sensing cable on or near the outside of the pipe along the expanded system as an additional measure to support leak detection. At our Control Centre in Edmonton, operators monitor this and other data from our pipelines and terminals 24 hours a day, seven days a week.

5 | INFRASTRUCTURE PROTECTION Our geohazard program involves identifying areas that may be exposed to natural stresses and events such as flooding or avalanches. In response, we may conduct additional monitoring for ground movements or other changes, and in cases of elevated risk, we may decide to reroute the pipeline.



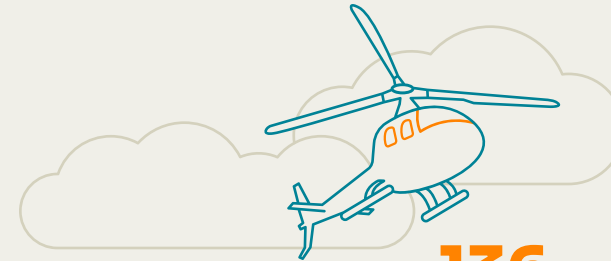
PIPELINE INTEGRITY

	2021	2022	2023	2024	2025
PIPELINE INTEGRITY					
Pipelines operated (km)	1,275	1,275	1,275	2,466	2,466
Aerial inspections	136	139	134	139	136
In-line inspections (total km of pipeline inspected)	1,191	1,135	1,233	4,531	1,529
Integrity digs (number)*	107	110	85	35	36
Cathodic protection surveys	4,117	3,975	4,137	4,946	5,447
Geohazard inspections	507	598	727	808	797
PIPELINE SPILLS					
Pipeline spills along the right-of-way (number)	0	0	0	0	0

* The number of integrity digs can vary year over year based on requirements and preliminary findings from tool runs.

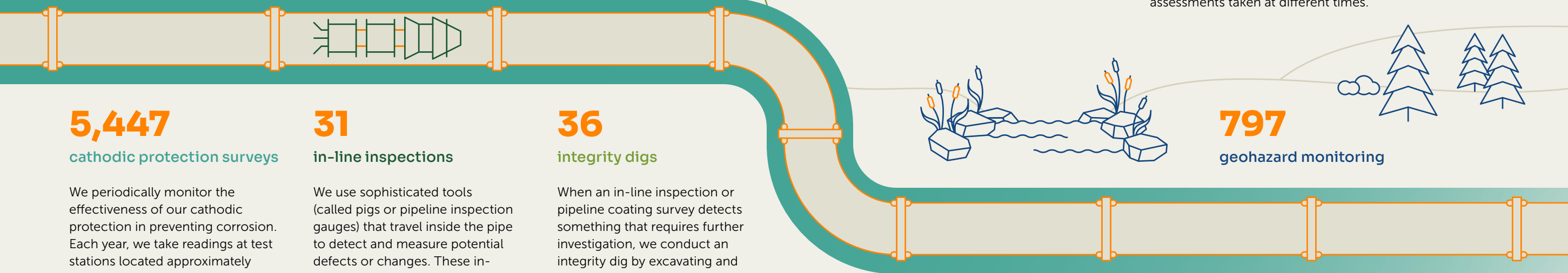
Protecting pipeline integrity

Our pipeline integrity and pipeline protection programs involve identifying potential hazards and vulnerabilities to our pipeline system and right-of-way. Our pipeline integrity activities in 2025 included:



136
aerial inspections

We fly over the pipeline to conduct a visual inspection of the right-of-way and monitor human-related activities around the pipeline, identify any observable leaks and look for new hazards that could affect the pipe's stability such as ground movement or other geohazard events. We also use light detection and ranging (LiDAR) technology mounted on aerial equipment to identify potential ground movement areas. LiDAR works by sending laser pulses to the ground and analyzing the reflection of the pulses. This creates 3D terrain models that can be used to look for changes in topography by overlaying the data from assessments taken at different times.



5,447
cathodic protection surveys

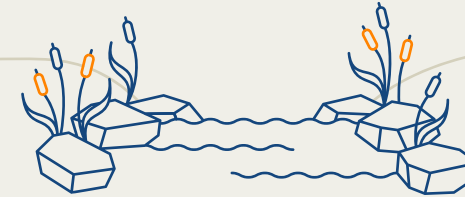
We periodically monitor the effectiveness of our cathodic protection in preventing corrosion. Each year, we take readings at test stations located approximately every two kilometres apart along the pipeline route to verify a minimum voltage is maintained. Every five years, we complete close interval surveys that provide us with voltage readings every three metres.

31
in-line inspections

We use sophisticated tools (called pigs or pipeline inspection gauges) that travel inside the pipe to detect and measure potential defects or changes. These in-line inspections are one of our most important tools because most of the pipeline is buried and cannot be visually inspected. We compare newly collected data from in-line inspections with data from previous inspections to track changes to the pipe's condition over time.

36
integrity digs

When an in-line inspection or pipeline coating survey detects something that requires further investigation, we conduct an integrity dig by excavating and examining the pipe at that location. We use non-destructive examination techniques and if necessary, repair or replace the pipe before restoring the excavated site to its prior condition.



797
geohazard monitoring

Our geohazard monitoring program documents inspections and maintenance work on geohazard sites along the pipeline route, including watercourse crossings and slopes or other areas of potential ground movement. Within our program we:

- Use real-time flow monitoring at watercourse crossings to assess any increased risk to the pipe during flood events.

- Maintain a geohazard database that includes detailed information for each potential geohazard site.
- Conduct detailed ground inspections and surveys to monitor the geohazard sites that are scheduled based on risk.
- Use instrumentation and radar/satellite imagery to monitor for potential ground movement around the pipe.
- Complete detailed assessments to prioritize mitigation where required.

Terminals

Trans Mountain owns 80 storage tanks located across terminals and two storage tanks outside of terminals. These tanks are used for product receipt and delivery in routine pipeline operations. In addition, Trans Mountain owns 10 relief tanks located outside of terminals that are used as part of overpressure protection systems to allow products to be released from the pipeline as physical protection in the event the pipeline's safe operating pressure is exceeded.

As part of our regular maintenance program, our operators conduct daily inspections to confirm normal operations around tanks. We also visually inspect the exterior of our tanks monthly to check the tank foundation, shell, roof, leak detection and secondary containment systems. These inspections help identify early signs of potential tank problems. In addition, we complete both external (in-service) inspections at least every five years, and a comprehensive internal (out-of-service) inspection at intervals not exceeding 20 years. Read more about a recent technology we trialled for tank inspections in the sidebar.

Enhancing process safety management

Process safety provides a framework to manage risks from hazardous materials with the goal of preventing large-scale incidents like fires, explosions and spills, which could be harmful to people and the environment. The concepts and tools suggested by process safety are relevant to our facilities, particularly terminals. In 2025, we completed a gap analysis of our process safety management framework to CSA Z767—a best-practice process safety standard—to identify opportunities to enhance the maturity of our program. We also began conducting a baseline process hazard analysis—a systematic method to identify and assess hazards—for our facilities with a focus on key risks associated with above-ground storage tanks.



Darfield Pump Station, BC

TERMINALS AND PUMP STATIONS – SPILLS AT FACILITIES

	2021	2022	2023	2024	2025
Federally reportable spills (number)	1	0	0	1	0
Volume of federally reportable spills (m ³)	7	0	0	3	0

We have adjusted our reporting approach for spills at facilities to align with spills reportable to the Canada Energy Regulator (commodity spills in excess of 1.5m³). For enhanced clarity, we are now using the term "federally reportable" instead of "reportable."

Pump stations

Pump stations, located at various intervals along the pipeline, keep the oil flowing. To support the safe operation of the stations, they are continually monitored remotely and visited regularly by operations personnel. Our pipeline must operate at varying pressures due to flow rate, product type and elevation. Our systems (Supervisory Control and Data Acquisition and other protective devices) maintain the pressures within safe operating limits and are monitored and controlled by our Control Centre operators in accordance with established procedures.

Monitoring vibration at pump stations

Experiencing some level of vibration is a normal part of the operation of rotating equipment, such as pumps. In 2024, we conducted screening-level vibration measurements at our new pump stations, as excessive vibration can be a driver of early failures. In 2025, we used these measurements to identify areas prone to vibration and installed additional bracing to help support equipment integrity. We will continue to monitor vibration levels at these pump stations and compare them against the baseline levels. This data helps us determine where additional bracing may be required to minimize the risk of vibration-induced failure on equipment components.

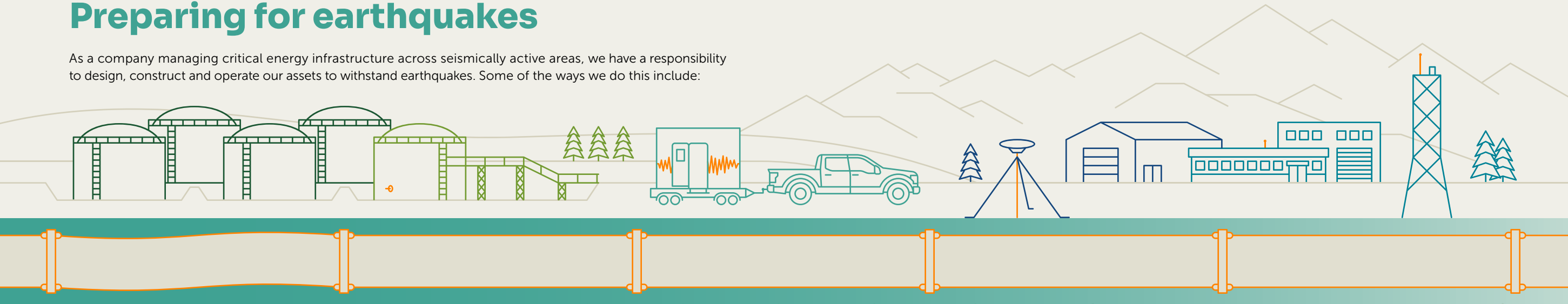
Measuring tank corrosion using acoustic testing

We regularly complete visual inspections of our tanks to look for any flaws or signs of wear, including corrosion, which could potentially lead to a release of the product being stored. At least every 20 years, the tanks are taken out of service and internally inspected to look for flaws that cannot be seen from the outside, including corrosion on the floor of the tanks.

New acoustic technology allows us to monitor for tank floor corrosion while the tank remains in service. Acoustic Emission Testing involves placing sensors on the tank shell that detect high-frequency sound waves to detect and locate flaws in the tank floor. Trans Mountain began testing this technology in 2025 and we are currently comparing results of this technology to out-of-service inspections to verify its performance. While Acoustic Emission Testing does not replace out-of-service inspections, it is another tool that can help us inspect the integrity of tanks without removing them from service.

Preparing for earthquakes

As a company managing critical energy infrastructure across seismically active areas, we have a responsibility to design, construct and operate our assets to withstand earthquakes. Some of the ways we do this include:



Designing resilient assets

An important part of preparing for a seismic event involves designing infrastructure that can resist stressors such as ground shaking.

Pipelines

Underground pipelines like Trans Mountain have a relatively low risk of rupture during ground shaking as the inherent flexibility allows the pipeline to shift and bend without breaking.

Tanks

The wide diameter and short height design of our storage tanks makes them resistant to toppling during seismic activity. Their steel construction also provides the flexibility needed to absorb shock waves. In addition, berms around our tanks offer an extra layer of protection by helping contain any product in the unlikely event of a release.

Modifying facilities and processes

While our assets have been constructed with resiliency in mind, we have completed seismic assessments for facilities located in higher-risk areas to identify opportunities for targeted equipment upgrades or process modifications.

In response to these assessments we:

- Installed more flexible tank nozzles (connection points where product enters the tank) to reduce the likelihood of breakage during a seismic event.
- Modified terminal gangways (ramps or bridges that provide access to tanks) so they can flex more effectively without failing.
- Reduced product volumes in tanks at higher-risk terminals to minimize product sloshing during ground movements.

Building internal capacity

Hands-on emergency preparedness activities help employees to be better equipped to respond to a major event.

In 2025, as part of our participation in the Great BC ShakeOut—an annual earthquake preparedness exercise—we brought a mobile earthquake simulator to our Burnaby Terminal. By entering the simulator, which uses a hydraulic system to recreate the shaking of an earthquake, our emergency response and operations teams experienced what a major seismic event might feel like.

Employees reported the simulator felt different from what they expected and highlighted the importance of securing items to protect safety and access routes.

Monitoring seismic activity

When an earthquake occurs, it's critical to have access to timely and accurate information to support a rapid and appropriate response.

We use unofficial open-source intelligence (such as social media platforms) to complement official sources (such as the United States Geological Survey real-time monitoring equipment) to provide early notifications and information before formal assessments are available. This information helps inform our response efforts and prioritize areas that may require immediate inspection.

Building redundancy in our communications

During a major seismic event, traditional communication channels such as phones and internet may be unavailable, and our ability to respond in-person may be impacted.

If primary communication networks fail, we have our own secondary communication channels that allow us to close pipeline valves remotely to shut off flow to the affected areas, and to communicate internally to coordinate our response.

Emergency preparedness and response

Our goal is to operate, manage and protect the pipeline system so that no incidents occur. However, we have emergency response capabilities in place so we can respond quickly and effectively should an incident occur.

Emergency response capabilities

We train our own personnel to be our first responders, and engage communities affected by our operations (firefighters, emergency crews, suppliers and community organizations) in emergency preparedness. In the event of an emergency, we use an Incident Command System (ICS) to manage our response. ICS is an internationally recognized and standardized incident management system that integrates facilities, equipment, personnel, procedures and communications to successfully manage emergency situations. Read more about Trans Mountain’s use of ICS [here](#).

As part of our proactive approach to emergency response, we have equipment in place to respond to a variety of potential incidents across our operations, including:

Spills

We estimate our equipment requirements and establish geographic spill response plans by modelling releases along the pipeline. Equipment and personnel are strategically maintained along the pipeline to allow a rapid response.

Fires

Our terminals are equipped with specialized on-site firefighting equipment, such as storage tank fire suppression systems and structure protection units, to enable a rapid response in the event of a fire. At some of our remote pump stations where access to water is limited, we have installed water tanks. If the wildfire risk increases, we can fill up those tanks and have water on hand to protect our facilities.

Planned exercises

We aim to conduct at least one full-scale emergency exercise each year to test the effectiveness of our response in real time. Full-scale exercises involve the deployment of equipment and personnel and require the participation of community stakeholders and local emergency response organizations. Read about the full-scale exercise we conducted in 2025 in Coquitlam, BC, in the sidebar. Each year, we also complete several emergency tabletop exercises and drills to practise the components of our response plans, strategies and equipment in varying environmental conditions or to work through different emergency scenarios.

Unannounced exercises

As part of our fire preparedness, we conduct regular unannounced tank fire simulation exercises at our terminals. Unannounced exercises allow us to realistically assess both our own response capabilities and the mobilization time of our third-party responders. In 2025, we completed three of these unannounced exercises.



Conducting a full-scale exercise in Coquitlam, BC

In 2025, we held a full-scale emergency response exercise on the Fraser River in Coquitlam, BC, simulating a release during high-flow conditions. More than 200 participants from 29 organizations, communities and agencies, including Kwikwetlem First Nation, Environment and Climate Change Canada and Western Canada Marine Response Corporation, took part.

An Incident Command Post was set up in Vancouver and field response crews conducted a hands-on, simulated response, deploying boats, response trailers and a containment boom.

These full-scale exercises strengthen our response readiness, enhance coordination with partners and help us respond rapidly and effectively to incidents.

35
 emergency response exercises completed in 2025

EMERGENCY RESPONSE EXERCISES	2021	2022	2023	2024	2025
Drills	18	17	21	19	24
Tabletop exercises	5	8	9	10	10
Full-scale exercises	3*	1	1	1	1
TOTAL	26	26	31	30	35

* Two exercises, plus our full-scale response to the BC floods.

Biodiversity, land and water stewardship

We see it as our responsibility to protect the land, water and ecosystems where we operate. Therefore, we conduct activities to be stewards of the environment near our operations.

Pre-work planning

Prior to starting maintenance activities, we take the time to identify potential environmental impacts and develop appropriate mitigation measures. These mitigations often address environmental concerns such as soil preservation, water management and protection, wildlife and habitat protection and biosecurity (measures to prevent the introduction or spread of viruses, bacteria or pests to humans, animals, plants or the environment).

Indigenous Monitoring

Indigenous Monitors continue to support our ongoing operations by taking part in post-construction environmental monitoring alongside Environmental Specialists and sharing their observations on the reclamation success of environmental features. Trans Mountain remains committed to incorporating Indigenous Monitors into our operations and maintenance work to support the continued protection of Indigenous interests and resources.

Vegetation management

Vegetation management is used to prevent the establishment and spread of noxious weeds and invasive plants, control problem vegetation to support system safety, integrity, reliability, comply with regulatory requirements, and promote the establishment of stable, low-growing, and/or self-sustaining plant communities in vegetated areas. Our Integrated Vegetation Management Program outlines our approach to problem vegetation. In 2025, we focused on weed management along the pipeline right-of-way, combining hand removal, brush cutting and, where appropriate, herbicide application, to help support the safety of the pipeline and allow indigenous species to thrive.

Spill prevention

We have a strong asset integrity program for the whole pipeline system. This program's primary focus is to prevent spills and we maintain a rapid emergency response program that reduces impacts if a spill were to occur. We have specialized watercourse response equipment to support our ability to respond to a spill near bodies of water.



Oregon Forestsnail

Monitoring our biodiversity protection and reclamation activities

Now that work on the Expansion Project is complete, we are conducting post-construction environmental monitoring to evaluate the effectiveness of completed reclamation activities. Some of the findings from our monitoring include:

- The results of a study on the relocation of Oregon Forestsnails suggest that short-distance relocation can be an effective way to reduce snail mortality risk.

- The rock reef installed at Westridge Marine Terminal is being inhabited by targeted aquatic species.
- Wildlife trees created as habitats for species-at-risk continue to be populated.

We plan to continue to conduct post-construction environmental monitoring to verify that protection and reclamation measures continue to function as intended.

Greenhouse gas emissions

We track and manage the GHG emissions generated by our daily operations. Most of our emissions from our operations are indirect (also known as Scope 2) since we use electrically driven pumps to move the fluid through the pipeline.

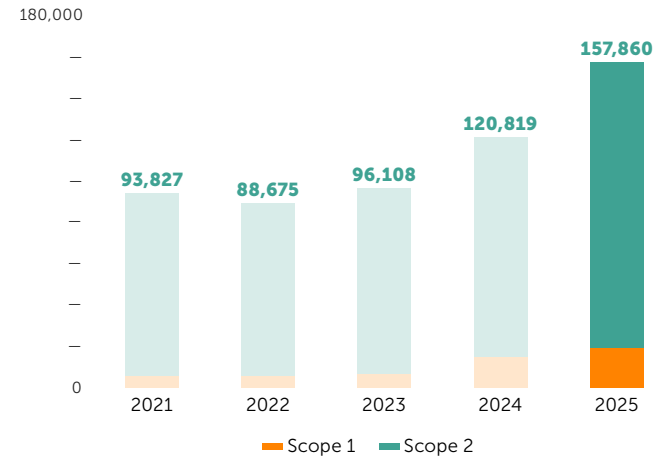
Re-evaluating our GHG emissions reduction targets

Our Scope 2 emissions are sensitive to the emissions intensity of the electricity grid, particularly in Alberta, where most of our emissions are generated. In this year's report, we have recalculated our 2021–2024 Scope 2 emissions using the latest emissions factors from Canada's [National Inventory Report 1990–2024: Greenhouse Gas Sources and Sinks in Canada](#), released in 2026. This latest version reflects significant changes to Alberta's grid as it decarbonizes in line with its 2030 target to phase out all coal-fired electricity in favour of lower-emitting generation sources.

The recalculation using these updated emissions factors has resulted in a material reduction to the total emissions from our operations, when compared to previously reported numbers. We are taking time to understand the impact of this change on our emissions target. We are reconsidering our previously disclosed GHG targets and plan to disclose further details in 2027. In the interim, we continue to evaluate ways to manage and reduce our GHG emissions.

¹ Data presented for comparative periods has been recalculated using updated annual emissions factors from Canada's [National Inventory Report 1990–2024: Greenhouse Gas Sources and Sinks in Canada](#). For more information, please see the Performance Table on [page 55](#).

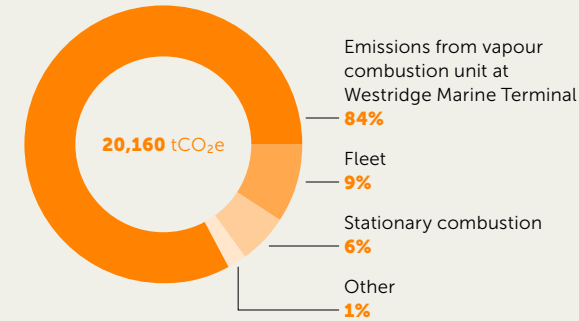
GHG EMISSIONS SOURCES FROM OPERATIONS¹
tonnes of CO₂e



Construction-related emissions offsets

As part of our regulatory approvals for the Expansion Project, we committed to offset the two main contributors to construction-related emissions: fuel used by vehicles and machinery during construction, and land clearing activities (specifically, areas permanently cleared along the pipeline easement). Construction of the Expansion Project generated approximately 1.1 million tonnes of CO₂e. We have now purchased offsets equating to 472,007 tonnes of CO₂e (43 per cent of our target) and we plan to purchase the remaining offsets in 2026, subject to availability and cost.

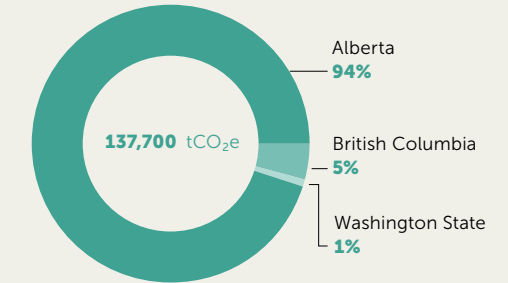
Scope 1 | 2025
Emissions by source



Scope 1 Emissions by source

The main source of our Scope 1 emissions is from the Marine Vapour Control System at Westridge Marine Terminal. These emissions are generated in the process of loading vessels. Read more about how we manage these emissions on [page 23](#). Our other significant sources of Scope 1 emissions are fleet vehicles and stationary combustion equipment (such as backup generators and fire pumps).

Scope 2 | 2025
Emissions by electricity generation location



Scope 2 Emissions by electricity generation location

Most of our Scope 2 emissions are generated in Alberta. We source electricity from the grid. In Alberta, most electricity is generated from natural gas* while in British Columbia, most electricity is generated from hydroelectric power.

* <https://www.cer-rec.gc.ca/en/data-analysis/energy-markets/provincial-territorial-energy-profiles/provincial-territorial-energy-profiles-alberta.html>

Air quality

Our main sources of non-GHG emissions are tank venting at terminals and fugitive emissions. We monitor our air emissions and work with the public to resolve any complaints or concerns about air quality and odours. Air emissions metrics from our terminals can be found in the performance table (see page 56).

Terminal air quality monitoring

Ambient air quality monitoring programs monitor the combined effect of air emissions from our terminals and other nearby emissions sources, including other pollutants unrelated to our operations but common to the airshed. To support airshed air quality monitoring, we have installed air monitoring systems at Westridge Marine Terminal, and at our Edmonton, Burnaby and Sumas Terminals. Each station measures its own performance and provides an alert if an air pollutant exceeds normal levels.

Public ambient air quality monitoring reporting is available online for Westridge Marine Terminal and our Edmonton, Burnaby and Sumas Terminals. Members of the public can access the reporting tool [here](#) (for Westridge, Burnaby and Sumas) and [here](#) (for Edmonton) to view current and past air quality conditions.

Fugitive emissions

Fugitive emissions are unintended gas or vapour releases from industrial processes or equipment, such as tanks, and can contribute to air pollution. To detect and monitor potential sources of fugitive emissions, we conduct annual surveys at Westridge Marine Terminal and our Edmonton, Sumas and Burnaby terminals, and we survey each pump station across the pipeline system once every three years. During these surveys, we scan equipment components with an infrared camera to detect hydrocarbon vapour leaks, which are our primary potential source of fugitive emissions. If we detect a leak, the source is physically tagged, the emissions are measured and documented, and the repair is scheduled.

Odour management

We work to minimize odours resulting from our operations. Where appropriate, we use technology such as scrubber systems and tank vapour absorption units to control odours. The public can report odour-related concerns through our toll-free, 24-hour emergency line. When a concern is raised, a field technician is dispatched to identify the source of the issue. If the concern is found to be related to our operations, we determine if corrective actions are required, and if so, we devise a plan to correct the issue. The member of the public who reported the concern receives an update on the source of the odour and is advised of any corrective actions that we have taken.



Laurel Pump Station, Washington

Responsibility in marine terminal operations

Westridge Marine Terminal in Burnaby, British Columbia, receives third-party vessels (tankers or barges) that either export oil and refined products from our pipeline or import jet fuel from offshore. While the number of vessels handled each month fluctuates depending on market conditions, our expanded terminal has been receiving approximately 23 Aframax tankers each month.

Westridge Marine Terminal features a three-berth dock complex and a utility dock for mooring tugs, boom boats and emergency response vessels. Our pipeline's nominal capacity is 890,000 barrels per day and Westridge Marine Terminal can export up to 630,000 barrels per day. This volume is equivalent to loading up to 34 partially laden Aframax class vessels per month.

Although we do not own or operate any of the vessels calling at Westridge Marine Terminal, we believe we can play a role in encouraging safe marine shipping. While the spillage of oil from a tanker is the ship owner's responsibility, as stipulated by the Canada Shipping Act, we recognize concerns about oil spills in marine waters. In addition to operating our terminal safely and responsibly, we have systems designed to verify the vessels calling at our terminal are in good physical condition, are properly maintained and follow international standards for marine operations. The next few pages explain how we approach safety, environmental protection, emergency readiness and community relations at Westridge Marine Terminal.

Responsibly operating our marine terminal

Westridge Marine Terminal has a long record of safe and reliable operations. We work to operate our terminal in accordance with regulations established by the Canada Energy Regulator, Transport Canada, other regulatory organizations and in line with industry best practices. The following activities help us manage the direct impacts of our terminal operations:

1 | Preventing spills during vessel loading

We have been safely loading third-party vessels with crude oil at Westridge Marine Terminal since 1956. Vessels calling at Westridge Marine Terminal must pass various inspections and meet the strict regulations established by the International Maritime Organization, in addition to our own standards.

At any given time, there is only a small amount of oil in the terminal piping and the integrity of this piping is regularly checked as part of our pipeline asset integrity program. For oil transfers between the terminal and vessels, we plan and carefully manage this procedure applying international best practices, under the close supervision of our operators, our Marine Interface Supervisor and the vessel officers and crew. We take special efforts to prevent any oil that might enter the water from spreading over a larger area by deploying an operational oil spill boom (a containment barrier) surrounding every tanker during loading.



Westridge Marine Terminal, BC

We have been safely loading third-party vessels at Westridge Marine Terminal since 1956



We commissioned an artist to create a mural at Westridge Marine Terminal to recognize the “people behind the pipeline” who supported safe operations during the Expansion Project.

2 | Planning for terminal emergencies

All employees are trained in safety and emergency response procedures. We perform regular field testing of our Westridge-specific emergency response plans, which include fire response plans and response measures for spills on land or in the marine environment.

We have oil spill response assets in place in the event of a spill, and fire suppression systems, which include a saltwater pump, foam blanket and a ‘fire shield’ water curtain to shield personnel and terminal assets from fire. In the event of a vessel fire, we have an emergency response system with automatic mooring hooks to release the vessel, raise the gangway and deploy the water curtain.

3 | Managing vapour emissions

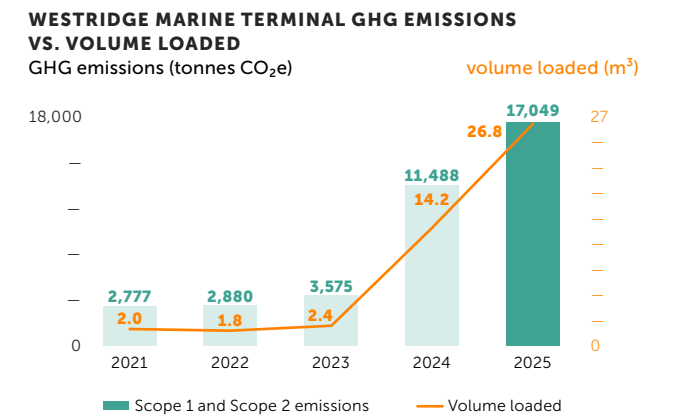
The process of filling a marine vessel with oil leads to the generation and displacement of hydrocarbon vapours or gases from within the vessel’s cargo tanks. As a direct release of those gases into the atmosphere would be detrimental, we capture and destroy them in our vapour management system. As part of the expansion at Westridge Marine Terminal, we installed a new Marine Vapour Control System. This system is designed to condense vapours back into hydrocarbon liquid and reinject it into the vessel loading delivery line.

We are taking steps to understand and manage noise-related impacts from the use of the Marine Vapour Control System. We have noise monitoring systems in place inside the terminal and at nearby homes. We continue to work with residents who live near Westridge Marine Terminal to address any issues related to the use of this system.

4 | Communicating with neighbours

We aim to minimize the impact of Westridge Marine Terminal’s operations on those living nearby. Our Community Impacts Mitigation and Management Plan outlines how we reduce these impacts. This plan also details the formal process to receive, track and respond to complaints regarding Westridge Marine Terminal’s operations so that community concerns are addressed promptly and effectively.

We share information with nearby residents about how we protect the health and safety of people and the environment. For example, we issue a regular newsletter to nearby residents to update them on our operations and improvements, and to promote the communication channels they can use to submit feedback and questions about our operations.



GHG emissions from Westridge Marine Terminal fluctuate with the volume of product we load onto vessels each year. The rise in emissions in 2024 and 2025 reflects increased operations at Westridge Marine Terminal.

Supporting the marine community

In addition to our commitment to the safe transportation of product through our system, we are advocates for safety and environmental protection in the marine community. Some of the activities we encourage to support the marine community are:



Verifying vessel requirements

Our Vessel Acceptance Standard outlines the criteria vessels must meet before they can call at Westridge Marine Terminal. Before arrival, all vessels undergo pre-screening to confirm criteria such as age, design, crew, vessel certificates and operating history. Upon arrival, vessels undergo a physical inspection.



Protecting marine life

During vessel acceptance, we request each vessel to obtain a copy of the Mariner's Guide to Whales, Dolphins and Porpoises of Western Canada and to become aware of the reporting requirements for mammals in the area. We also require vessels to have conducted hull cleaning no more than six months prior to arrival to reduce underwater noise caused by excessive fouling.



Promoting safe transit

We require a tug escort for all partially laden tankers between our terminal to the western entrance to the Juan de Fuca Strait, and local Canadian marine pilots are required to be on board each vessel as it enters and departs our terminal. At our request, the Pacific Pilotage Authority agreed to extend the distance the pilots must be onboard after leaving our terminal. Pilots now disembark via helicopter off the south coast of Vancouver Island near Race Rocks.

Providing advanced weather monitoring

Accurate weather forecasting is critical for tugs aiding the safe transit of vessels visiting Canada's West Coast. Swells can regularly reach five to eight metres in height, which can be challenging for smaller tugs. In 2025, we invested in a weather prediction tool in partnership with KOTUG Canada, the dedicated escort towage service provider for crude oil tankers that call at Westridge Marine Terminal. The tool helps KOTUG guide vessels safely by determining the appropriate size of tug to dispatch based on the forecast.



Communicating with vessel crews

Approximately five days before a vessel is scheduled to call at Westridge Marine Terminal, we email a reminder of our terminal criteria, Port of Vancouver requirements and details on traversing the Burrard Inlet safely.

If we notice safety practices or equipment that do not align with our standards, we educate vessel owners and crews on our expectations and work with them to improve performance.



Supporting spill prevention and response

As part of the Expansion Project, Trans Mountain provided funding to the Western Canada Marine Response Corporation (WCMRC) to expand its operations. WCMRC is the only Transport Canada-certified marine response organization on Canada's West Coast and specializes in on-water operations to respond to a marine spill. Shippers now fund the WCMRC directly.

Social

Doing the right thing for each other and our communities

RELATED SDGS



PICTURED

The Burnaby Terminal serves as a distribution point for products to local terminals, including Westridge Marine Terminal.

Employee and contractor safety

Protecting the health and safety of our employees, contractors and the public is of fundamental importance to us at Trans Mountain. With more than 740 employees and 460 individual contractors working on behalf of Trans Mountain, this is a critical and ongoing mission.

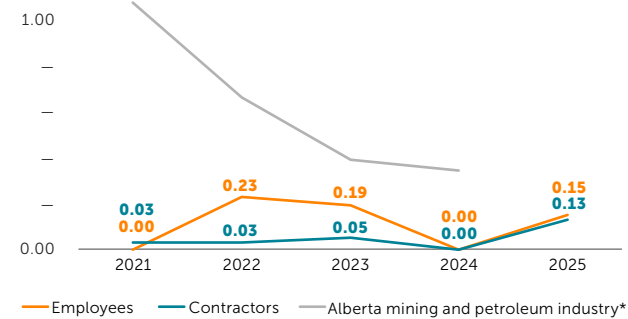
We regularly update our safety programs and annual strategy to reflect industry best practices and learnings from internal incident reviews and worker surveys. Our safety initiatives focus on the following areas:

Serious injury and fatality prevention

We place a significant emphasis on preventing incidents that could result in serious (life-threatening or life-altering) injuries or fatalities (SIF) across our operations. In 2025, we introduced our SIF Prevention Program, which aims to help each employee and contractor return home safely at the end of their shift.

Our SIF Prevention Program aims to help each employee and contractor return home safely at the end of their shift

LOST TIME INJURY RATES
injuries per 200,000 hours worked



Our lost-time employee and contractor injury rates are consistently lower than the provincial rates for mining and petroleum.

* Benchmark: [Workplace injury, illness and fatality statistics, Provincial summary 2024](#). Accessed February 18, 2026.

Focusing on Life Saving Rules

We use Energy Safety Canada’s Life Saving Rules, which are concise, easy-to-remember rules aimed at preventing serious injuries and fatalities. They remind workers of the most hazardous work situations in our industry (working at heights, confined spaces, hot work, line of fire, energy isolation and driving) and set mandatory expectations for having a work authorization, respecting safety controls and being fit for duty. In addition to these rules, we have added our own company-specific rule focused on damage prevention. These rules are embedded in all our safety standards and processes, and we provide corporate-wide online training to reinforce the program’s importance.



Reporting on SIF incidents

To help us understand our highest risk activities across our operations, we track and analyze all SIF and potential SIF incidents. We then identify and implement mitigation strategies to support worker safety during these activities. In 2025, we shifted our focus from reporting on our total recordable injury rate, which includes low-consequence injuries such as strains or sprains, to reporting lost-time injuries and, starting in 2026, SIF injuries—incidents that could have lasting impacts on people and their families.

Promoting SIF awareness

To keep workers focused on preventing high consequence incidents, in late 2025, we released a SIF awareness and training video to educate workers on the most common causes of SIFs, how our Life Saving Rules support SIF prevention and how critical controls mitigate high-risk hazards. We are also developing SIF prevention training which we will deliver to field employees in 2026.



Driving is one of the most hazardous tasks employees face each day. In response, we launched a safe driving campaign in late 2025 featuring three videos in which long-term field employees shared personal stories of serious vehicle incidents, along with practical tips to help prevent similar events.

Safety culture

We encourage all employees and contractors to take ownership of safety and align with our safety culture and expectations. Below are some of the ways we support a strong safety culture.

Incentivizing safe behaviour

Our safety recognition program rewards employees and contractors with gift certificates or corporate awards for good performance related to our safety program, rules and standards, or for positively impacting local safety performance and culture. We also recognize contractors who have made contributions to a safe workplace and best exemplified our commitment to upholding safety through annual contractor safety recognition awards that are presented to their management and employees.

Conducting safety culture surveys

We regularly solicit feedback from employees and contractors to better understand how they experience our safety culture and inform areas of improvement. In 2025, we conducted a contractor safety culture survey. Findings from this survey will help us develop targeted actions and promote safety culture alignment with our contractors.

Visible safety leadership

Our senior leaders regularly visit our field operations to reinforce good work practices and emphasize the importance of safe work. Our senior leaders (directors and above) completed 114 safety visits in 2025. During these safety visits, these leaders interact with employees and contractors, discuss safety procedures and identify what is working well and what can be improved.

We also provide opportunities for leaders to hone their safety management skills. In 2024 and 2025, we delivered safety leadership development training to all field supervisors and other roles responsible for safety supervision and oversight. This two-day training covered topics such as worker competency, safe work execution, job planning and the identification and resolution of performance issues. In 2026, we will deliver the training to leaders in our Integrity and Field Engineering departments and to newly promoted operational employees.

Safety communication

We provide workers with important and up-to-date safety-related information through our electronic Health and Safety Hub. We also have a safety portal for contractors, allowing them to access our safety resources quickly and easily while in the field.

We also regularly deliver targeted safety communications and campaigns to keep safe work practices for critical or high-risk tasks front of mind. Read about one campaign to the left.

Workplace inclusion and well-being

We strive to foster a workplace where people are respected, valued and supported in their well-being, and where barriers to participation are addressed. We are working to foster a welcoming, accessible and equitable workplace.

Our approach to inclusion and well-being

At Trans Mountain, we believe that valuing diversity of people, providing equity of opportunity, supporting employee well-being and promoting a culture of inclusion and belonging are vital to our continued success. Practices aimed at fostering inclusion and well-being include:

Understanding representation

We continue to better understand representation across our workforce for designated groups under the *Employment Equity Act*: women, Indigenous Peoples, members of racialized groups and persons with disabilities. In 2025, we invited employees to share feedback through an engagement survey to better understand their experience across the organization. This survey also provided employees with the opportunity to voluntarily self-identify across diversity dimensions, including gender, race and disability. We are analyzing the results to identify patterns in responses and inform future actions that support an inclusive and engaging workplace.

Supporting an accessible workplace

In 2025, we published our three-year Accessibility Plan in accordance with the *Accessible Canada Act*, outlining the actions taken to address accessibility barriers and our plans for continued progress. We have expanded our approach to accessibility to include non-visible disabilities, such as neurodivergence (differences in the ways people think, process information and interact). To support an understanding of non-visible disabilities, we hosted a company-wide virtual learning session facilitated by an accessibility expert on neurodivergence and inclusive workplace practices.

Encouraging supportive leadership

We believe that leaders play a key role in promoting a positive work culture and provide learning opportunities for leaders to enhance their management skills. In 2025, we offered leadership training, in partnership with SAIT, covering topics such as trust, psychological safety and productive conflict and conversations. Sixty-seven leaders attended these programs. We also offered training for leaders on how to address and support mental health in the workplace. Eighty leaders participated in this session

Preventing harassment and violence

We are committed to providing a work environment free from harassment, bullying, discrimination and violence. We provide respectful workplace training to new employees within three months of starting employment as part of onboarding and employees are required to complete this training at least once every three years.



Panel attendees at Trans Mountain's Calgary, AB office

Celebrating women in engineering

At Trans Mountain, engineers play a critical role in keeping our pipeline operating safely and efficiently. Despite the demand for this profession, women are still underrepresented in engineering professions in Canada.²

In June 2025, we celebrated International Women in Engineering Day, which recognizes the achievements of women in this field and highlights the need for more women to join the profession.

We hosted a panel discussion where Trans Mountain engineers shared their inspiration for becoming engineers and the challenges they have experienced during their careers, such as working in countries where cultural norms limited their opportunities. Panelists also discussed common misconceptions about their profession and provided tips to empower others to meet their professional goals. More than 100 people attended the panel discussion.

² Source: <https://engineerscanada.ca/diversity/women-in-engineering>

Our approach to Indigenous culture and history

We are committed to building and maintaining a workforce that embraces diversity, cultural awareness and inclusion. We seek to provide everyone at Trans Mountain the opportunity to strengthen their understanding of Indigenous culture and history to advance their journey toward reconciliation. Our efforts include:

Enhancing our cultural awareness

Our Indigenous cultural awareness training course—The Journey from Competency to Cultural Safety—aims to create an awareness of our own bias and beliefs, to understand Indigenous culture and to foster a non-discriminatory workforce. The course covers the foundations of cultural awareness, the ability to commit to cultural safety, Canada’s historical and changing relationship with Indigenous Peoples, and the calls to action and human rights as they relate to Canada’s Truth and Reconciliation Commission and the United Nations Declaration on the Rights of Indigenous Peoples. All new employees are required to complete this training and existing employees retake the training annually.

Celebrating Indigenous history

In honour of National Indigenous History Month, we shared articles with employees to celebrate First Nations, Métis and Inuit history, diversity, culture and resiliency, and hosted a speaker as part of our Indigenous Awareness Speaker Series. Read more on [page 32](#).



To celebrate National Indigenous History Month, Trans Mountain hosted speakers from All Nations Paddle Up—a grassroots movement supporting year-round access to tribal canoe culture—who spoke about the role canoe culture plays in community healing and identity.

Reflecting on reconciliation and colonialism

In recognition of the National Day for Truth and Reconciliation (September 30), we invited employees to attend a presentation as part of our Indigenous Awareness Speaker Series. To acknowledge the long-term impacts of residential schools in Canada and to honour the survivors and their communities, we participated in Orange Shirt Day across Trans Mountain. We provided pins for employees to wear symbolizing our shared commitment to reconciliation, and shared stories and resources.

Understanding and expressing land acknowledgments

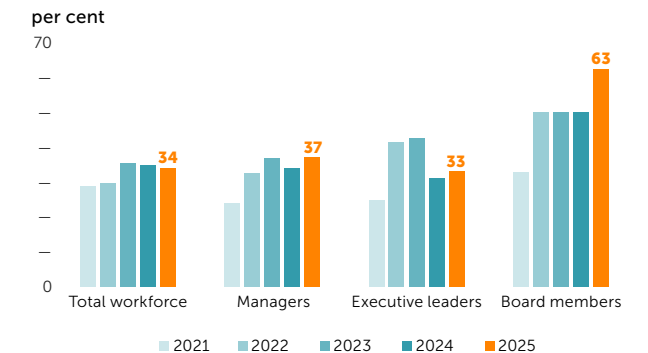
Land acknowledgments are a way for individuals to show their respect and express gratitude for a community or place. Acknowledging Indigenous Peoples and their traditional lands is an expression of respect and an act of reconciliation. Land acknowledgments are a vital part of conducting our business in a culturally appropriate way. We have adopted a Land Acknowledgment Policy and have provided training to employees and contractors to help them understand and implement the policy.

DESIGNATED GROUPS

	2021	2022	2023	2024	2025
Indigenous Peoples	2.7%	3.5%	4.5%	4.5%	4.4%
Persons with disabilities	1.1%	0.8%	1.1%	1.1%	0.9%
Members of racialized groups	15.3%	13.5%	18.9%	18.7%	17.1%
Women	29.0%	29.8%	35.4%	34.9%	34.1%

Employee-only data. Percentages are based on self-disclosed data.

WOMEN AT VARIOUS LEVELS



We aim to increase the representation of women across our company, particularly in leadership roles. While the percentage of women in our workforce and in managerial positions has increased since 2021, we continue to explore ways to improve our workforce practices to support representation.

Relationships with Indigenous communities

Trans Mountain respects the values, culture and rights of Indigenous Peoples within whose territory we operate, and we have formed relationships with numerous Indigenous communities and groups.

In Alberta, our pipeline system spans the traditional territories of Treaty 6, Treaty 8 and the Otipemisiwak Métis Government North Saskatchewan River Territory. In British Columbia, the system crosses many traditional territories and 15 First Nation reserves.

We aim to contribute to Indigenous business development, employment, education, capacity building and creating legacies for Indigenous communities in Western Canada. The following are some of the ways we strive to build strong relationships and provide long-term benefits for Indigenous communities.

Reconciliation Action Plan

Reconciliation with Indigenous Peoples requires ongoing dialogue and collaboration among governments, businesses, communities and individuals. Trans Mountain is playing a role by working to develop lasting and respectful relationships and improving economic opportunities for Indigenous communities.

In 2024, we released our inaugural [Reconciliation Action Plan](#). This plan is built on our long-term commitment to respectful partnerships with Indigenous Peoples along our pipeline and marine corridor. It outlines our reconciliation commitments under six pillars: governance, education, employment, community engagement, economic empowerment, and environmental and social impacts.

A key commitment under the governance pillar is the creation of an external Indigenous advisory council with a mandate to provide advice to our leadership team and guide reconciliation efforts. We have identified potential participants, established terms of reference for this council and plan to host the first meeting in 2026. Read more about the progress we have made on our reconciliation commitments on [page 32](#).

Intentional engagement

We seek to meaningfully engage with Indigenous people and their communities, tailoring our engagement to respect each community's diverse needs, governance principles and protocols. Our approach to engagement is to come from a place of openness and respect, to share mutual benefits and work toward mutual understanding. Our engagement efforts in 2025 included more than 150 Indigenous communities and groups, resulting in 5,500 points of engagement (meetings, open houses and informal conversations).



An Indigenous Monitor works on the Expansion Project



An Alexander First Nation company works on the Expansion Project

Building relationships with Indigenous businesses

Developing long-term relationships with Indigenous-owned businesses is one way we aim to contribute to economic reconciliation. An example of one of these relationships is with Alexander First Nation.

Alexander First Nation owns several businesses that supported Trans Mountain on the Expansion Project, providing services such as piling, land clearing and medical support.

Today, Alexander First Nation companies support our ongoing operations by providing safety services, conducting non-destructive testing and more.

Alexander First Nation aims to reinvest fifty per cent of revenue from these businesses back into the community, which helps support community self-sufficiency and prosperity.

Mutual Benefit Agreements

During the Expansion Project, Mutual Benefit Agreements (MBAs) were developed to help build long-term relationships based on shared interests. They are important not only for formally acknowledging our commitments for which we are accountable, but also present opportunities to work with partners and to build capacity. MBAs are tailored to community needs and provide different types of defined project benefits. As part of the Expansion Project, we entered into 69 MBAs with 81 Indigenous groups. These MBAs are valued at more than \$650 million, separate and apart from any value associated with contract opportunities. We continue to monitor compliance with MBAs over the duration of their terms to verify that we are meeting our commitments.

Employment and business opportunities

We aim to support Indigenous, local and regional communities along the pipeline and marine corridor through the creation of employment and business opportunities to support the safe operation of our system. Some of the ways we provide opportunities to Indigenous communities include:

Providing employment opportunities

We continue to explore opportunities to increase the representation of Indigenous individuals across our company. We provide job experience opportunities for Indigenous university students, share job opportunities weekly with Indigenous communities in our operating areas, attend Indigenous career fairs, open houses and other events, and work with Indigenous communities to advertise employment, training and capacity-building opportunities.

Contracting Indigenous businesses

We are also committed to providing business opportunities for Indigenous groups. In 2025, more than 50 per cent of the businesses represented in our request for proposals for products or services were Indigenous businesses.

Read more about one long-term business relationship to the left.

Capacity building

We strive to support Indigenous Peoples' long-term prosperity through direct and meaningful participation in the Canadian economy and in our operations activities. One way we build capacity is by helping individuals develop or strengthen valuable skills or expertise. Read more about some examples of capacity-building activities on the next page.

>50%

of businesses represented in our 2025 product or services request for proposals were Indigenous businesses

Making progress on our reconciliation commitments

Our Reconciliation Action Plan outlines the concrete actions we are taking to advance reconciliation at Trans Mountain. Some of the progress we made on our commitments in 2025 are highlighted below.



Our commitment

Continue professional development programs for Indigenous candidates.

Our 2025 progress

We continued to sponsor the online Project Management Extension Certificate program for Indigenous women through Mount Royal University in Calgary. Fifteen Indigenous women enrolled in this certificate program in 2025.



Our commitment

Review and update the Indigenous Relations Policy (IRP) to be relevant for an operational context.

Our 2025 progress

In March, we finalized our updated IRP, outlining our approach to working with Indigenous Peoples and affirming our commitment to respecting Indigenous rights.



Our commitment

Continue Indigenous youth engagement campaigns.

Our 2025 progress

Our sponsorship of the Outland Youth Employment Program (OYEP) provides opportunities for Indigenous youth to explore various work environments and receive training to support their future careers. In 2025, members of the Trans Mountain team visited the OYEP camp to discuss our industry and its environmental and social impacts, as well as to share information about our company to 21 participants.



Our commitment

Increase Trans Mountain's workforce awareness of local Indigenous knowledge by hosting culturally appropriate events.

Our 2025 progress

We introduced our Indigenous Awareness Speaker Series, focused on educating Trans Mountain employees on topics related to reconciliation. Throughout the year, we hosted five speaker sessions, including presentations on:

- The importance of economic reconciliation.
- The cultural significance of paddling.
- Amplifying Indigenous voices through storytelling.

Relationships with landowners

We are committed to building and maintaining positive relationships with landowners based on mutual respect and trust. We have relationships with landowners on approximately 3,400 private land parcels along the pipeline route. We value these continued interactions and know that every day the safe operation of our pipeline is dependent on these relationships. Our key objective is to treat each landowner fairly and equitably.

Our team

Our Land and Right-of-Way team has been working directly with landowners for decades. Land and Right-of-Way representatives communicate, negotiate, acquire and manage all land rights for Trans Mountain's right-of-way and properties for the operation, maintenance and construction of our assets.

Our approach

We welcome feedback and encourage landowners to raise any concerns with us through their designated land representative via email or phone. Complaints may also be filed through the Canada Energy Regulator. We proactively communicate with all landowners on a regular basis through in-person visits, mailouts, emails and Landowner Update newsletters.

Training

For employees and contractors who engage with landowners on a regular basis or conduct landowner visits, we provide two training modules. First, a base module to verify they understand their roles and responsibilities as outlined in our Landowner Engagement Procedure. Second, a supplemental module to verify Trans Mountain representatives are qualified to provide damage prevention and public awareness education to landowners. These two modules are based on our Landowner Engagement Procedure, which describes how to reach out to new landowners and provide pipeline safety information, including through direct contact, such as a scheduled face-to-face visit or door knock.

Our public safety programs

We work with landowners and others to help protect the pipeline and the environment through a variety of programs, including:

Our **Public Awareness Program** helps maintain the safety of the pipeline and the right-of-way by informing and educating people who live and work in the area. We deliver our public awareness communications in French and English. Additionally, we offer materials in six other languages to provide critical information to diverse communities along our pipeline and marine corridor. We also regularly present at industry and community events to raise awareness of damage prevention and pipeline safety.

For example, we participated in a panel on managing risk when working around underground utilities as part of the 2025 Public Works Association of British Columbia and BC Municipal Safety Association's Annual Conference. During the year, we held a total of 76 public awareness activities with more than 95,000 points of contact through our public awareness outreach program. This included 15 damage prevention seminars for more than 670 municipal staff, field crews and contractors, and three joint industry events.

Our **Depth of Cover Program** verifies sufficient cover over the top of the underground pipe, which is especially important in agricultural areas where tilling is practiced. Each year, different sites are assessed and remediated based on exposure and risk.

Our **Vegetation Management Program** supports clear access and line-of-sight along the right-of-way through the ongoing management of vegetation and weeds.

Our **Damage Prevention Program** reduces the potential for unsafe digging that may cause pipeline damage. Examples include pipeline markers along the right-of-way and creating awareness about the need to "Call or Click Before You Dig." We also use surveillance and monitoring (including ground patrols and an aerial patrol program) to assess potentially threatening activities in a 30-metre zone from the centreline of the pipeline.



Relationships with communities

The Trans Mountain pipeline system and marine corridor span approximately 55 communities, including major urban areas. To foster respectful, transparent and collaborative relationships with these communities and their residents, we prioritize regular engagement.

In 2025, we completed more than 1,275 points of engagement including meetings and events organized or attended by Trans Mountain, information shared about Trans Mountain initiatives that may impact community members and responses to inquiries through our public inquiry line.

1,275

points of engagement with communities in 2025

Our approach to relationship-building

Building on more than 72 years of operations, we meet with our neighbours and those impacted by, and interested in, our business to provide factual and relevant information. We encourage two-way communication and create opportunities and dedicated channels for individuals to share interests and raise concerns by hosting events and open houses, providing newsletters and updates, including safety and public awareness presentations and participating in community events and informal meetings. Community members can expect a timely and accurate response to their interests and concerns, which are considered and addressed to the extent practical and in compliance with regulatory requirements.

Leaving a positive legacy through Community Benefit Agreements

To recognize the effects of Expansion Project construction, we worked with communities throughout the Project to develop Community Benefit Agreements providing a range of benefits for residents, designed to foster economic and social well-being in communities where construction occurred. These Community Benefit Agreements designated funds for priority projects as unique as the communities themselves, from parks and bike paths to drinking water infrastructure. Trans Mountain signed 21 agreements with local governments to support projects identified by each community. The total value of Community Benefit Agreements was more than \$16 million. We are required to report on the outcomes of these agreements to the Canada Energy Regulator and monitor these agreements to verify we are meeting our commitments.



Since 2003, the Municipality of Jasper has hosted a weekly community dinner where businesses take turns preparing and serving the meal. After the devastating fires Jasper experienced in 2024, these community dinners became an important way to connect and support one another as the community rebuilds. In 2025, Trans Mountain sponsored and volunteered at one of these dinners, serving more than 500 community members.

Giving back to communities

We aim to have a positive impact in the communities where we live and work and continue to evaluate how we can meaningfully contribute to the communities where we operate. In 2025, we introduced our expanded Community Investment Program, deepening our impact, strengthening partnerships and providing more ways for employees to get involved.

This updated program introduced new initiatives under our Community Investment umbrella. The first is Trans Mountain Connects, which empowers local employees to help shape how community investment funds are allocated.

Under Trans Mountain Connects, we have established eight employee committees across our districts, each mandated to guide funding decisions that reflect the unique needs of their communities. In addition, we also introduced our employee giving and volunteerism program—Beyond the Line—which matches employee donations to registered Canadian or U.S. charities and provides volunteer time for employees to give back to causes that are meaningful to them. Read more about some of the organizations and initiatives we supported on the next page.

Supporting local communities

In 2025, we supported more than 170 organizations and community initiatives across more than 50 communities, contributing more than \$800,000 in financial assistance and in-kind donations, and hundreds of volunteer hours. Here are some of the ways we supported local communities in 2025:

>170
organizations

>50
communities

>\$800,000
in financial and
in-kind donations



6 | Burnaby, BC

We supported the Metro Vancouver Regional Parks Foundation and CTS Youth Society for ParksFest, which provides young people with hands-on opportunities to engage with and care for local parks while making a positive impact in their community.



2 | Hinton, AB

Trans Mountain employees completed the 260-kilometre Banff-Jasper Relay, raising money for the Yellowhead Women's Emergency Shelter, which supports women and children experiencing domestic violence.

BRITISH COLUMBIA

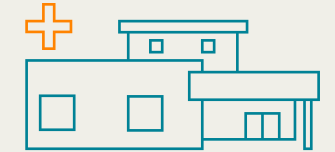


4 | Hope, BC

We provided a scholarship for students at Hope Secondary School pursuing education in energy-related fields, including STEM disciplines and environmental studies.

3 | Kamloops, BC

We volunteered at the local food bank, which serves approximately 7,000 individuals experiencing food insecurity.



ALBERTA



5 | Fraser Valley, BC and Washington State, U.S.

We provided financial and in-kind support to local organizations aiding lower mainland and Washington State flood relief, including the Archway Food Bank in Abbotsford, the Whatcom County Resilience Fund and the Skagit Community Foundation Disaster Relief Fund.

WASHINGTON

Governance

Conducting our business responsibly



PICTURED
Workers at the Edmonton Control Centre diligently maintain safe operating conditions across Trans Mountain's pipeline system.

Corporate governance

We see good corporate governance as critical to helping us achieve sustained success and create lasting benefits for all our stakeholders: our customers, employees, business partners, regulators and the communities along our pipeline and marine corridor.

Corporate structure

Trans Mountain Corporation (TMC) was incorporated in 2018 as a federal Crown corporation for the purpose of purchasing and managing assets related to the pipeline and Expansion Project. Our Board of Directors is ultimately accountable to Parliament through Canada Development Investment Corporation (CDEV), a federal parent Crown corporation, and the Minister of Finance. As Crown corporations, TMC and CDEV operate at arm's-length from the government and have a high degree of responsibility to maintain the public trust and account fully and openly for operations and decisions.

Board form and function

Our Board of Directors is appointed by CDEV and at the end of 2025, was composed of 10 members. Nine of our Directors are considered independent as they are not current Trans Mountain employees or, within the past three years, former employees of the Corporation.

The Board is responsible for the stewardship of our company with overall responsibility to oversee and supervise the management, businesses and activities, with the directors exercising their independent judgment to strengthen management and accountability. The Board carries out its mandate through three standing committees: the Audit, Finance and Risk Committee; the Environment, Health, Safety and Sustainability Committee; and the Human Resources, Compensation, Nominating and Governance Committee.

BOARD COMPOSITION AND INDEPENDENCE

Size of Board	10
Number of independent Directors	9
Separate Chair and CEO	Yes
Comprehensive board assessment process	Yes
Board meetings held in 2025	6
Average meeting attendance	91%

BOARD RENEWAL AND DIVERSITY

Mandatory retirement age	No
Average Director age	61
Average Director tenure	3 years
Women Board members	50%
Indigenous Board members	20%

ETHICS

Code of Conduct for Directors, officers and employees	Yes
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Workers in Trans Mountain's Calgary, AB office

Board diversity

We have a Board with qualified, knowledgeable and committed individuals who understand our business and the context in which we operate. At Trans Mountain, we value diverse points of view and believe that diversity of thoughts, experiences and perspectives can lead to better decision-making.

At the end of 2025, five of our Board members were women (representing 50 per cent of the Board) and two of our Board members were Indigenous (20 per cent). Indigenous Board members can play a role in ensuring we consider Indigenous perspectives and the Indigenous world view in our strategy and plans.

Governance for environmental and social matters

We believe that identifying and managing environmental and social risks and opportunities contributes to long-term value creation, protects our reputation and enhances our resilience. From the Board to individual contributors, many individuals are involved in overseeing and managing ESG matters across our company.

Role of the Board

The Board oversees the conduct of our business, directs management of the company and considers all major issues affecting the company, some of which include environmental and social matters. At Trans Mountain, the Board as a whole, assisted by the Environment, Health, Safety and Sustainability Committee, is responsible for providing oversight over critical environmental and social risks, including climate-related risks (read more on [page 45](#)). Specifically, this includes reviewing our targets and programs, overseeing the management of our ESG opportunities and risks, monitoring our ESG performance and reporting, and overseeing the allocation of resources needed to meet environment, health and safety, and other relevant requirements and regulations. The Board receives a quarterly update on corporate risks, which includes environmental and social risks.

Role of management

Our executive team reports environmental and safety-related performance and issues quarterly updates to the Environmental, Health, Safety and Sustainability Committee of the Board. Reporting includes key performance indicators, security updates, marine activity, developing issues in operations and any environmental or safety incidents or near misses. Our executive team sets our goals and strategy that are executed by our operations and subject matter expert teams.

Responsibility for ESG activities across the company

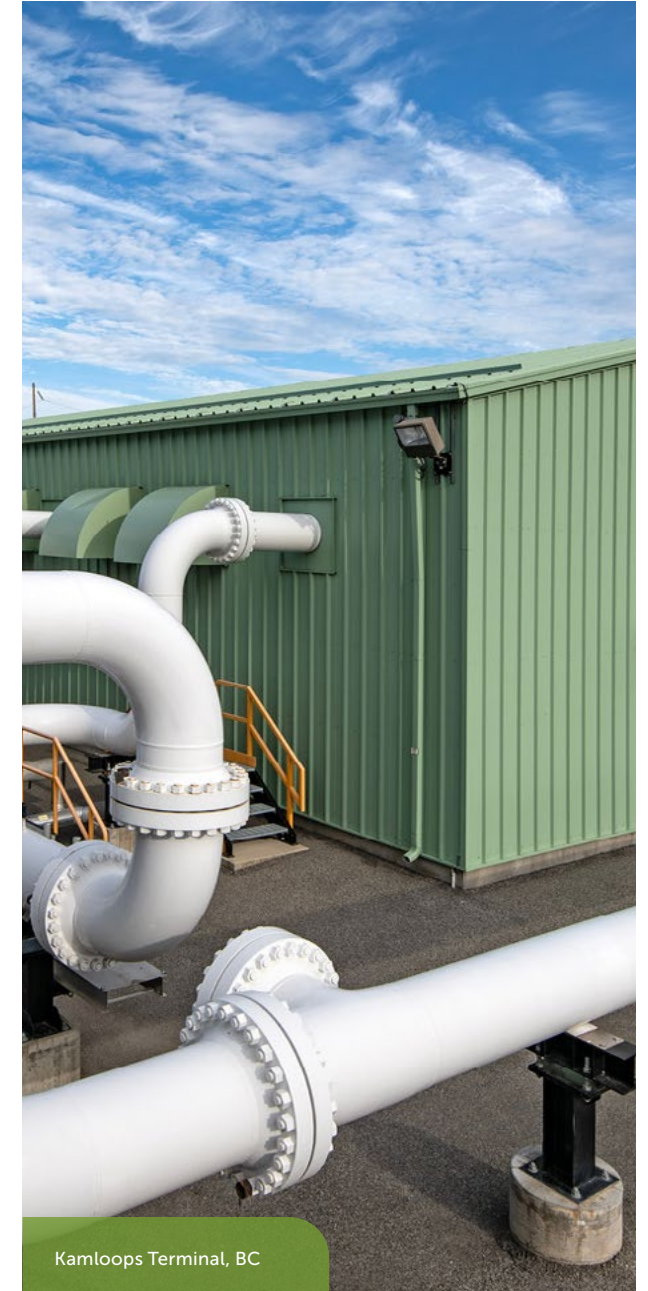
Many employees and business functions help us maintain accountability for ESG and support the implementation of ESG practices across our company. Our internal ESG subject matter experts provide guidance and information on ESG-related areas. This information is used to inform our sustainability reporting and our response to climate-related issues.

Our management systems

As required by the Canada Energy Regulator, we have an Integrated Safety and Loss Management System (ISLMS). Our ISLMS helps us conduct safe operations by consolidating and formalizing the methods we use to identify, mitigate and respond to risks across all business areas. It guides many business functions such as technological security and asset integrity. ISLMS covers the procedures, processes and guidelines employees are required to follow in conducting our operations in a safe, environmentally responsible and sustainable manner. The system is subject to regular review and routine audits to support continuous improvement throughout the pipeline's lifecycle.

Communicating to our owner

Trans Mountain provides information to CDEV on a quarterly basis about our risks and risk management strategies, and material health, safety and environmental matters. Any significant health and safety, security and environmental incidents would be promptly reported to CDEV and would not wait until our quarterly report.



Cyber security

Cyber security is a growing threat and is affecting organizations of all sizes and in all industries. Resilience to cyber threats is important for companies like ours that own and operate critical energy infrastructure. We maintain an advanced cyber security program designed to protect both our information and digital assets (Information Technology) and our physical assets and systems (Operational Technology) and keep our workforce informed of cyber security best practices.

Information Technology (IT)

We safeguard our digital assets and data by aligning our cyber security program with the [National Institute of Standards and Technology Cyber Security Framework](#). We proactively incorporate new threat intelligence sources and conduct regular maturity and risk assessments to verify that our cyber security program meets industry standards and best practices.

21
cyber awareness sessions offered

1,945
hours of cyber awareness training completed

Our risk assessments also cover vendors and suppliers who have access to Trans Mountain systems or networks. During these assessments, we evaluate their cyber security maturity, identify any areas of weakness that could impact Trans Mountain and, where appropriate, develop an action plan to remediate these issues.

Operational Technology (OT)

We place high priority on maintaining the cyber security of our Operational Technology systems as they directly impact the safe operation of our pipeline system and the delivery of product for our customers. Our network is divided into multiple risk-based segments to incrementally protect critical systems and assets from malicious software and actors, and, in the event of a cyber security incident, we can disconnect our IT and OT systems to isolate the threat and protect our pipeline.

Awareness

We promote cyber security awareness by educating our workforce on cyber security threats, as well as enacting and reinforcing company policies and best practices. In 2025, we released an AI policy to help staff understand where and how AI can be used safely, and blocked access to non-sanctioned AI tools. We also continued our company-wide efforts around cyber security awareness and training through:

Foundational training

Each Trans Mountain employee is required to take our mandatory foundational training when they join the company and to complete a refresher course annually.

Cyber security awareness

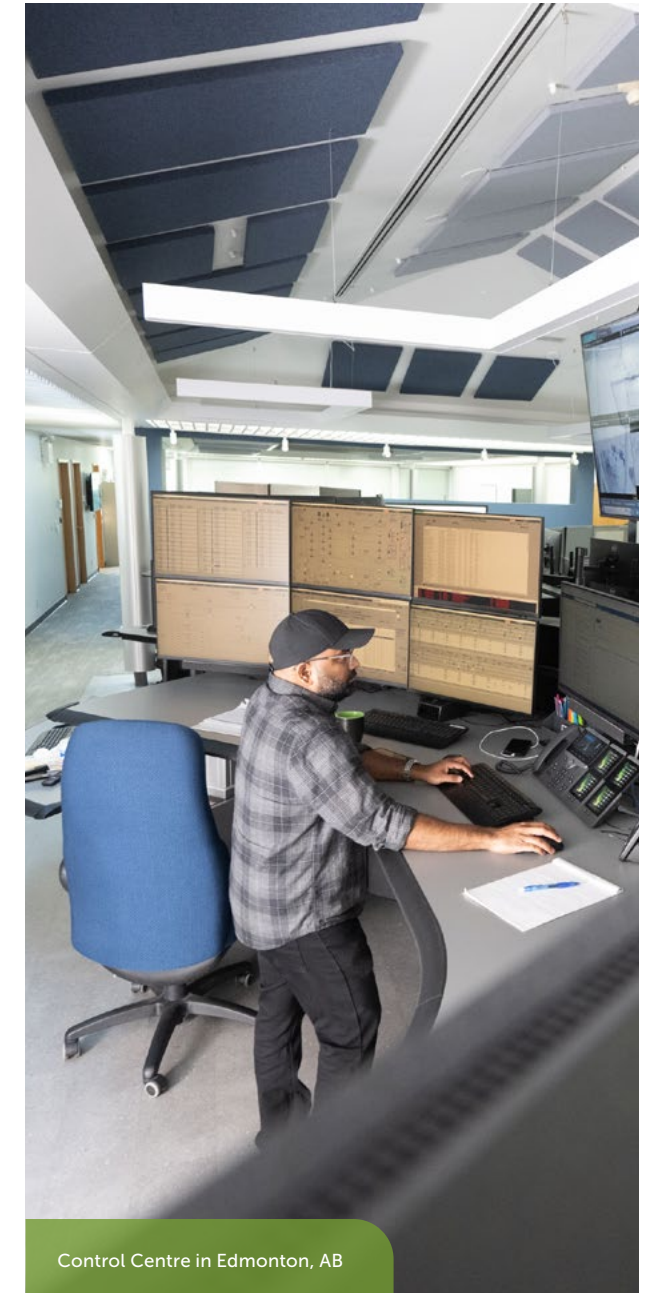
Our company-wide program includes monthly awareness bulletins and educational sessions on topics such as safe and unsafe practices with respect to wireless network connectivity, phishing and spear phishing, and personal cyber security beyond the workplace. As new threats or types of attacks emerge, we offer specialized training to educate our employees and strengthen our defence, focusing on high-risk roles and business areas. To observe Cyber Security Awareness Month in October, we provided training on the acceptable use of AI, distributed articles and hosted a speaker who presented on social engineering (manipulating, pressuring or tricking users into doing something that is against the best interest of the organization).

Phishing testing

We conduct monthly phishing tests in which team members receive simulated phishing emails from a seemingly trustworthy source. Employees who fail to respond correctly to a phishing test are required to complete remedial training to review examples and help them better understand the increased level of sophistication used in phishing attempts.

Simulations

As cyber incidents increase worldwide, we are continually improving the technology and tools available to our security operations centre, where events are analyzed, correlated and investigated to identify and prevent real security threats. We continue to perform simulation testing and activities such as risk assessments, penetration testing and incident simulations.



Control Centre in Edmonton, AB

Ethics

At Trans Mountain, we believe ethical and honest behaviour is essential for building trust. We reinforce our commitment to high standards of business conduct through our corporate policies and practices.

Policies and Ethics Hotline

We are dedicated to conducting our business ethically and responsibly, and to upholding our core values of safety, integrity, respect and excellence in all we do. Our [Code of Business Conduct and Ethics](#) outlines how our values translate into everyday behaviour, establishes high standards of ethical conduct and incorporates company policies and the laws and regulations we follow. Our Whistleblower Policy states that there will be no retaliation (discipline, loss of job or any other type of retaliation) against anyone who, in good faith, reports a compliance or ethics concern. We also maintain an Ethics Hotline and online reporting tool through a third-party company, which provides a confidential and anonymous way to report potential unethical behaviour or wrongdoing that is not in compliance with the Code of Business Conduct and Ethics. All reports are dealt with expeditiously, investigated and resolved as appropriate. Ethics matters are presented to the Audit, Finance and Risk Committee quarterly.

Code of Conduct training

All personnel must complete annual awareness training of the Code of Conduct. The training module provides an overview of the Code of Conduct, reviews key areas in plain language and ends with a knowledge evaluation to verify accountabilities are understood. One hundred per cent of our employees completed our 2025 Code of Conduct training.

Responsible procurement

As an extension of Trans Mountain, it is important that all contracted companies embody our values of safety, integrity, respect and excellence. We expect all contracted companies to work to the high standards of safety and environmental protection we set for ourselves, adhere to our Code of Business Conduct and Ethics and to assist us in fulfilling our commitments to Indigenous communities. We use the following processes and programs to select and manage the service providers that work on our behalf.

Choosing safe contractors

As part of the evaluation and selection process, contractors engaged to perform safety-sensitive or field-based work must be registered with ISNetworld, the contractor and supplier management platform we use to support contractor qualification and ongoing monitoring. All contracted companies must meet our requirements appropriate to the scope of work, including demonstrating technical capability, maintaining effective safety practices and carrying appropriate insurance.

Monitoring environmental practices

All contracted companies are required to meet our environmental commitments, respect heritage resources and report any environmental incident in the course of the work. To monitor adherence with our policies, we have a team of Trans Mountain employees and environmental inspectors who work alongside each contracted company.

Verifying that contractors help us meet our social commitments

We have relied on our contracted companies to help us meet our commitments to Indigenous communities. Read more about how we create Indigenous employment and contracting opportunities at Trans Mountain, [here](#).

Following our contract closeout process

Closing out contracts is an important part of the supply chain lifecycle. Our supply chain team is supporting the closeout of Trans Mountain Expansion Project contracts as they come to an end. We developed a multi-step closeout process to verify all requirements are met. This process includes disposing of any assets bought by the contractor on behalf of the Project, having contractors complete a statutory declaration confirming they have paid any financial obligations owing to applicable Indigenous companies and having our legal department perform lien checks. On December 31, 2025, we had completed 95 per cent of the administrative closeout of tasks of our prime contractors' contracts. This work will continue into 2026.

Supporting the fight against forced labour and child labour in supply chains

We are committed to promoting responsible, ethical business practices across our organization and supply chain. This includes taking measures to combat potential forced and child labour across our supply chain. In June 2023, the Government of Canada passed the *Fighting Against Forced Labour and Child Labour in Supply Chains Act*, to ratify several international conventions and enshrine them into domestic policy. As a Crown corporation, we are required to adhere to the measures outlined within the Act, which includes producing an annual disclosure document on the steps we have taken during the year to prevent forced labour and child labour in our supply chain. Read our 2025 report in the appendices, [here](#).

TCFD

Understanding the impacts of climate and the energy transition

RELATED SDGS



PICTURED

We require all employees and contractors to uphold high standards of ethical conduct. Shown here are two operators at the Edmonton Terminal.



Advancing climate disclosures

Climate change is an important issue requiring global action across countries and industries. We remain committed to working with governments and stakeholders to advance strategies to reduce emissions along the energy value chain now and in the future.

In Canada, Canadian Crown corporations with assets of \$1 billion or more, like Trans Mountain, are required to report in alignment with the Task Force on Climate-related Financial Disclosures (TCFD) framework and publish annual disclosures. We first reported climate-related content to meet these requirements in our 2021 ESG report. Although the TCFD has disbanded as the International Financial Reporting Standards (IFRS) has assumed responsibility of monitoring companies' climate-related disclosures, Canada has not yet adopted the new IFRS reporting requirements. Therefore, we continue to align our disclosures with the TCFD framework. The following section of the report outlines our responses to the TCFD recommendations.

At Trans Mountain, we took a phased approach to identifying and managing climate-related risks. We are focusing on understanding risks and opportunities, developing plans, building internal capacity and contributing to climate resiliency in communities along our pipeline corridor. The table to the right illustrates our progress around the four thematic areas contained in the TCFD framework—governance, risk management, strategy and metrics and targets. In the next few pages, we provide information related to the four recommendations, including scenario analysis.

	PHASE 1 2020	PHASE 2 2021	PHASE 3 2022–2024	ONGOING ACTIVITIES
Governance	<ul style="list-style-type: none"> ✓ Disclose the role of the Board and management in overseeing risks, including climate-related risks 	<ul style="list-style-type: none"> ✓ Disclose current governance structure for climate-related risks ✓ Create a sustainability working group 	<ul style="list-style-type: none"> ✓ Review our governance structure in 2022 to support improved governance over our most relevant ESG topics at the Board committee level, including climate 	<ul style="list-style-type: none"> ⇨ Board reviews climate-related risks and opportunities
Risk management	<ul style="list-style-type: none"> ✓ Identify and manage risks in alignment with our Enterprise Risk Management (ERM) program 	<ul style="list-style-type: none"> ✓ Enhance and disclose risk management processes 	<ul style="list-style-type: none"> ✓ Formally classify climate-related risks and opportunities and enhance our climate-related risk analysis within our ERM program 	<ul style="list-style-type: none"> ⇨ Monitor physical risks and adjust asset integrity program and emergency response plans, if needed
Strategy	<ul style="list-style-type: none"> ✓ Disclose key physical risks 	<ul style="list-style-type: none"> ✓ Identify and disclose energy transition-related risks and opportunities ✓ Evaluate and disclose the qualitative impact of transition-related risks and opportunities and associated timeframes ✓ Conduct qualitative scenario analysis using the IEA's Net Zero by 2050 scenario and the Announced Pledges Scenario³ 	<ul style="list-style-type: none"> ✓ Conduct physical scenario analysis (RCP 2.6, 4.5 and 8.5) ✓ Conduct transition scenario analysis using the IEA World Energy Outlook and Canada's Energy Future report 	<ul style="list-style-type: none"> ⇨ Monitor changes in policy and legal (laws, rules, regulations), market and technology trends related to the energy transition ⇨ Update transition scenario analysis using the latest IEA World Energy Outlook and Canada's Energy Future report
Metrics and targets	<ul style="list-style-type: none"> ✓ Disclose Scope 1 and Scope 2 emissions 	<ul style="list-style-type: none"> ✓ Engage a third-party to conduct pre-assurance of our Scope 1 and Scope 2 GHG emissions 	<ul style="list-style-type: none"> ✓ Develop and publish a Scope 1 and Scope 2 emissions reduction plan by the end of 2022 ✓ Develop an Expansion Project construction emission offset plan 	<ul style="list-style-type: none"> ⇨ Review GHG targets ⇨ Obtain limited assurance of Scope 1 and Scope 2 GHG emissions

³ Scenarios available at the time of publication.

I. Governance

Board oversight of climate-related risks and opportunities

The Board acknowledges that climate change and the energy transition are creating risks and opportunities for our business, our shippers (customers) and society as a whole. The Board oversees the conduct of our business, directs the management of the company and considers all major issues affecting the company, which include environmental and social matters.

At Trans Mountain, the Board as a whole is responsible for overseeing critical environmental and social risks, including climate-related risks, as this reflects our company-wide approach to addressing these risks. The Audit, Finance and Risk Committee assists the Board in evaluating and overseeing Trans Mountain's principal risks. The Board receives a quarterly update on corporate risks, which includes environmental and social risks, and separately identifies and assesses climate-related risks. Our Board committee charters include oversight of ESG matters such as reporting, disclosures, internal controls, risks and opportunities.

The Board's responsibilities related to ESG oversight include:

- Receiving reports on enterprise risks, including physical, market, policy, legal and technological risks.
- Considering the results of climate-related scenario analysis for energy transition risks and opportunities that may impact our strategy.
- Reviewing and approving the climate-related disclosures in our sustainability report and other ESG plans.
- Providing oversight and ongoing review of the GHG emissions reduction targets and plans.
- Considering climate-related issues when reviewing and guiding strategy, major plans of action and risk management policies.

Management's role in assessing climate-related issues

Our executive management team reports environmental and safety-related performance quarterly to the Environment, Health, Safety and Sustainability Committee of the Board. Reporting includes key performance indicators, GHG emissions, management systems, security updates, marine activity, developing issues in operations and any environmental or safety incidents.



Our executive management team sets the goals and strategy executed by our teams. Our executive management team is directly responsible for:

- Directing the development and implementation of ESG programs and activities, including climate-related actions.

- Oversight of progress, performance and reporting on ESG and climate-related matters.
- Leading external engagement and advocacy on climate-related matters.

II. Risk management

Risk identification

We have a formal Enterprise Risk Management (ERM) program to identify, evaluate, manage and communicate our risk exposures in a manner consistent with our business objectives and risk tolerance. Our ERM program helps us monitor and evaluate financial, operational, strategic and compliance risks. Some of these risks are environmental and social in nature. Management critically reviews and updates our risk registry every quarter. Material risks are reported to the Board of Directors quarterly.

Risk assessment and management

We use a common risk matrix across the company to evaluate risks to our operations. Using the risk matrix, risk owners, management and the risk group determine the consequences and likelihood of the identified risk by examining the effect the risk may have on our financial position, reputation, environmental impact and/or the safety and health of employees, contractors or communities. Once assessed, risks are then prioritized based on their likelihood, anticipated severity, anticipated time horizon and the impact level on our strategy. Our ERM program helps us identify risks, allocate resources, track progress, monitor trends and mitigate risks, including ESG and climate-related risks.

Climate-related risks integration into risk management

We provide a quarterly ERM update to our executive management team and Board of Directors with any new observations or issues related to any of our key risk areas and an overall assessment of each of those risks. Areas where we are incorporating climate-related risks into our business include:

- 1 | RISK ASSESSMENT** Climate-related risks are a component of our ERM program.
- 2 | CAPITAL ALLOCATION** We consider climate-related financial risks and the GHG impact of proposed projects.
- 3 | STRATEGIC PLANNING** We are enhancing our consideration of the impact of climate-related risks and opportunities in our long-term strategy.

Our ERM program separately identifies and assesses climate-related risks and connects the results of our climate-related scenario analysis to our risk management activities. We continue to review our risk assessment quarterly.



Westridge Marine Terminal Control Centre, BC

III. Strategy

Risks and opportunities

The TCFD recommends organizations examine climate through two lenses: the physical impacts of climate and the implications of the transition to a lower carbon economy. Both lenses help us identify risks and opportunities for our company and assets.

Climate-related physical risks

To conduct a physical risk assessment, we engaged a third-party consultant to examine the physical impacts of climate change along our pipeline system and at our pump stations, terminals and Westridge Marine Terminal.

The physical risk assessment evaluated relevant climate-related hazards (see sidebar) that were each categorized as either an acute or a chronic hazard.

- **ACUTE HAZARDS** are extreme weather events that unfold over short periods of time (days to weeks), such as avalanches, floods or wildfires.
- **CHRONIC HAZARDS** are longer-term shifts in climate patterns that take years to decades to manifest as physical hazards, such as sea level rise.

For Trans Mountain, climate-related physical risks would result from the interaction of hazard, exposure and vulnerability (see sidebar).

In the assessment, each facility location and pipeline segment received a risk “score” for each of the climate-related hazards on a 0 to 10 risk scale, with lower scores indicating greater exposure to the risk. Indices such as these encapsulate complex concepts in a simple score that allow us to compare risks across locations and time.

Figure 1 illustrates the average risk scores for various pipeline segments for three key climate-related hazards. This is a sample of the full assessment. The full set of risk scores can help inform decision-making and appropriate resource allocation for pipeline integrity activities and/or improvements.

Climate-related hazards evaluated

Acute

- Coastal flood
- Drought
- Extra tropical cyclone
- Flood
- Severe storm
- Tropical storm and cyclone
- Wildfire

Chronic

- Cooling degree days
- Heating degree days
- Heat stress
- Sea level rise
- Water stress

Climate hazards vs. climate risks

According to the Intergovernmental Panel on Climate Change (IPCC):

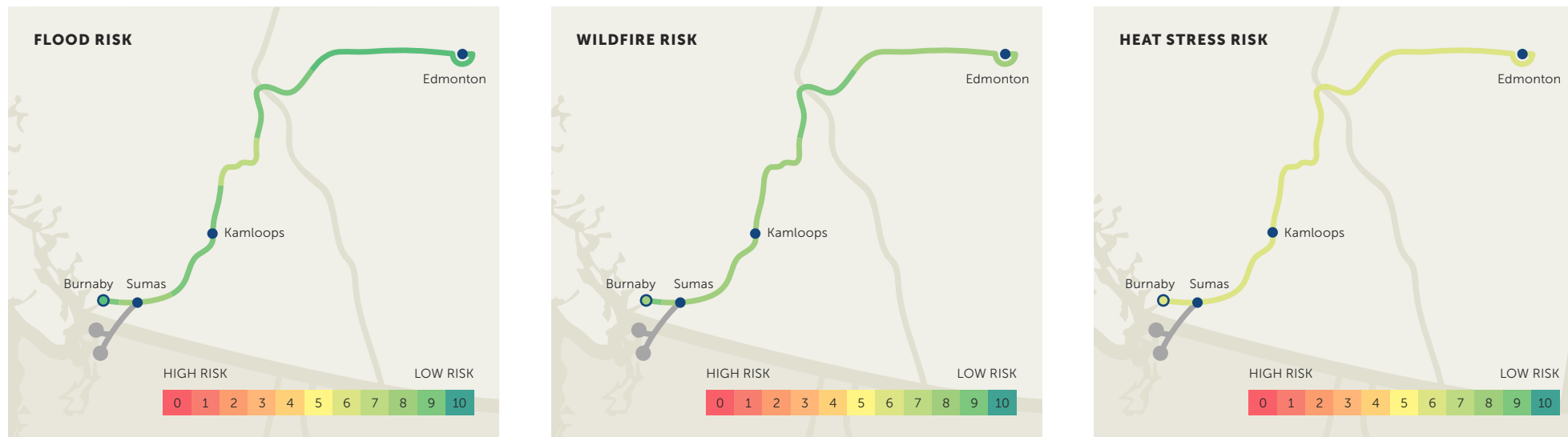
“**CLIMATE RISK**” results from the interaction of hazard, exposure and vulnerability.

“**HAZARD**” refers to the potential occurrence of climate-related physical events or trends that may cause damage and loss.

“**EXPOSURE**” indicates the presence of assets, services, resources and infrastructure that could be adversely affected.

“**VULNERABILITY**” is the propensity or predisposition to be adversely affected. [Source](#)

FIGURE 1
Average risk scores for various pipeline segments for floods, wildfires and heat stress risk.



Corporate physical risks

Although our physical risk scores vary at different points along the pipeline, our overall risk profile for the pipeline system is low. The most pronounced acute risks are storms, flooding and drought; and the key chronic risks are heat stress and water stress, which are heavily influenced by heating degree days (read more below). Although sea level rise has a very low risk score, it is relevant for areas near the Fraser River and at Westridge Marine Terminal and is therefore described below. Unmitigated impacts from any of these risks could cause direct damage to the pipeline, temporary pipeline shutdowns, negative impacts on workers and/or indirect business interruptions (e.g., impacts on critical infrastructure, such as power and communications, in the surrounding area).

	SEVERE STORMS	LAND FLOODING	DROUGHT	WILDFIRE	SEA LEVEL RISE	HEATING DEGREE DAYS	HEAT STRESS	WATER STRESS
Potential implications	Extreme storms may cause localized impacts including power outages, large hail (causing damage to assets), localized flooding, heavy snowfalls, avalanche, rockfall and increased risk of vehicle accidents.	As weather patterns change, flooding events may increase in frequency or severity. Heavier rainfall will elevate flood risk. Flooding can damage pipelines and associated infrastructure and potentially cause loss of product.	A prolonged drought event may limit access to water for operations activities and may increase the related risk of wildfire.	Our pipeline is buried, therefore the potential impact to our assets from wildfires or forest fires is relatively low across the full route.	Sea level rise is only relevant at Westridge Marine Terminal.	Longer heatwaves (albeit from a low number of days) may make outdoor work more difficult and may impact worker health and safety.	Rising heat and humidity can cause fatigue and heat exhaustion for those working in outdoor environments, while also impacting infrastructure.	Extreme pressure on water supplies can impact employees or potentially create challenges in relations with adjacent communities.
Estimated risk level	<div style="display: flex; width: 100px; height: 10px; border: 1px solid black;"><div style="width: 33%; background-color: #c8e6c9;"></div><div style="width: 33%; background-color: #fff9c4;"></div><div style="width: 33%; background-color: #fff9c4;"></div></div> LOW MED HIGH	<div style="display: flex; width: 100px; height: 10px; border: 1px solid black;"><div style="width: 33%; background-color: #c8e6c9;"></div><div style="width: 33%; background-color: #fff9c4;"></div><div style="width: 33%; background-color: #fff9c4;"></div></div> LOW MED HIGH	<div style="display: flex; width: 100px; height: 10px; border: 1px solid black;"><div style="width: 33%; background-color: #c8e6c9;"></div><div style="width: 33%; background-color: #fff9c4;"></div><div style="width: 33%; background-color: #fff9c4;"></div></div> LOW MED HIGH	<div style="display: flex; width: 100px; height: 10px; border: 1px solid black;"><div style="width: 33%; background-color: #c8e6c9;"></div><div style="width: 33%; background-color: #fff9c4;"></div><div style="width: 33%; background-color: #fff9c4;"></div></div> LOW MED HIGH	<div style="display: flex; width: 100px; height: 10px; border: 1px solid black;"><div style="width: 33%; background-color: #bbdefb;"></div><div style="width: 33%; background-color: #fff9c4;"></div><div style="width: 33%; background-color: #fff9c4;"></div></div> LOW MED HIGH	<div style="display: flex; width: 100px; height: 10px; border: 1px solid black;"><div style="width: 33%; background-color: #bbdefb;"></div><div style="width: 33%; background-color: #fff9c4;"></div><div style="width: 33%; background-color: #fff9c4;"></div></div> LOW MED HIGH	<div style="display: flex; width: 100px; height: 10px; border: 1px solid black;"><div style="width: 33%; background-color: #bbdefb;"></div><div style="width: 33%; background-color: #fff9c4;"></div><div style="width: 33%; background-color: #fff9c4;"></div></div> LOW MED HIGH	<div style="display: flex; width: 100px; height: 10px; border: 1px solid black;"><div style="width: 33%; background-color: #bbdefb;"></div><div style="width: 33%; background-color: #fff9c4;"></div><div style="width: 33%; background-color: #fff9c4;"></div></div> LOW MED HIGH
Risk mitigation	We design and maintain our pipeline system to be resilient. Our Geohazard Monitoring program helps us monitor for ground movement or water-related hazards. We design our system to be able to withstand a 1 in 200-year flood. We maintain our pipeline through a regular inspection and maintenance program and perform hardening in areas we determine are at-risk for future flooding (read about our asset integrity program on page 14). To prepare and respond quickly in case of a flood event, we continually monitor the weather and the flow rates in the watercourses crossed by our pipeline and conduct additional aerial and ground inspections of the right-of-way when flow rates reach a certain level. These additional inspections verify that the integrity of the pipeline is not compromised in a flood event. Some flood events may result in a temporary pipeline shutdown which can be completed remotely for all segments. We also monitor our pipeline for geohazard threats, such as avalanches and rockfalls. In 2024, we rerouted a 900-metre section of our pipeline in an area that we identified as being vulnerable to avalanches or rockfalls.		Our ongoing operations do not require water and therefore the estimated long-term impact is low. The actions listed for wildfire cover any extreme impacts resulting from drought.	We protect our above-ground assets (storage terminals and pump stations) through procedures, training, detailed wildfire response planning and by maintaining an inventory of response equipment. Our pump stations are within gravelled, fenced-in industrial sites, with no equipment against the fence line. As well, we have the ability to remotely turn off pump stations along the line, if required, due to an approaching fire.	We have prepared for possible long-term impacts by accounting for the potential sea level rise in the design of the terminal. In particular, the design is intended to ensure that the deck elevation of the structures is set high enough to avoid flooding or wave damage should the sea level rise occur. The elevation is higher than the rise levels projected for 2070 in the IPCC's rising emissions scenario (RCP8.5).	Because heating degree days and heat stress are interrelated, our actions are designed to address both. To protect equipment and materials, we: <ul style="list-style-type: none"> – Consider maximum design temperatures expected for the life of our pipeline system. – Have adequate cooling systems for facilities to protect equipment. For the safety and well-being of our workers, we: <ul style="list-style-type: none"> – Have a standard to mitigate the potential impacts of heat stress on workers. – Provide access to climate-controlled environments (permanent facilities or temporary facilities such as jobsite trailers) and/or vehicles for workers to mitigate heat stress. – Monitor wildfire hazard conditions and plan/execute work accordingly. 	Our ongoing operations do not require water and therefore the estimated long-term impacts from water stress are low.	

Acute

Chronic

Climate-related physical scenarios

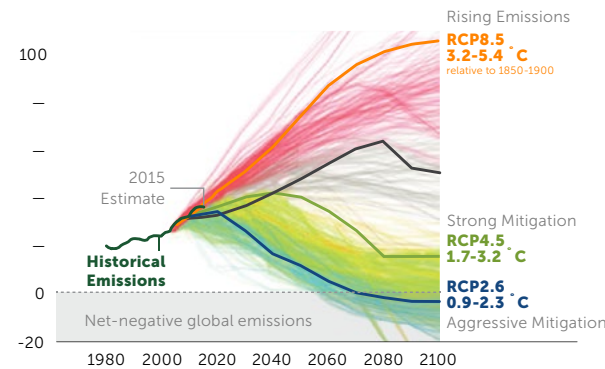
Climate-related physical scenarios refer to models of emissions concentrations that result in different chronic and acute changes to the climate. In addition to the physical risk profile (described on the previous page), we assessed projected changes in specific climate variables across our pipeline system for three different emissions scenarios for 2045 and 2070. Climate variables are the factors that exacerbate each of the climate hazards, e.g., extreme rainfall increases flood hazard, heatwave duration increases heat stress. The three emissions scenarios we used were developed by the IPCC and cover a range of climate outcomes (Figure 2). Although the IPCC released a Sixth Assessment Report, we continue to use the IPCC Fifth Assessment Report as the basis for our scenario analysis at this time.

Scenario analysis helps us understand how climate impacts already assessed may vary by severity and timing under different emissions scenarios. The findings indicate:

- The vast majority of our pipeline assets are underground; as a result, the overall exposure to physical climate-related risks is low.
- The climate-related risks vary across the length of the pipeline system and with this understanding we can target mitigation activities to where they will have the greatest impact.
- An area of focus for mitigation activities across our system over the long term should be key chronic risks that are influenced by changes in heating degree days typical of the Canadian climate.
- Even in the rising emissions scenario in which annual emissions double current levels by 2100 (RCP8.5, Figure 2), the elevation of Westridge Marine Terminal is designed to protect our assets from the projected sea level rise.



FIGURE 2 | IPCC CLIMATE-RELATED PHYSICAL SCENARIOS
 emissions from fossil fuels and cement (GtCO₂/year)



We analyzed three scenarios from the Intergovernmental Panel on Climate Change, covering a range of outcomes.

IPCC SCENARIO OUTCOMES

	AGGRESSIVE MITIGATION	STRONG MITIGATION	RISING EMISSIONS
IPCC SCENARIO	IPCC RCP2.6	IPCC RCP4.5	IPCC RCP8.5
PREMISE	Global annual GHG emissions peak between 2010-2020, with emissions declining substantially thereafter	Emissions peak around 2040, then decline	Emissions continue to rise throughout the 21st century and annual emissions double current levels by 2100
TEMPERATURE RISE BY 2100 SOURCE	1.8°C	2.7°C	4.4°C
GLOBAL MEAN SEA LEVEL RISE BY 2100 SOURCE	0.26-0.54 m	0.32-0.62 m	0.45-0.82 m

Transition-related risks and opportunities

Transition-related risks are regulatory, market, technological and reputational risks arising from the energy transition. The table below outlines our current understanding of the most important transition-related risks that can impact Trans Mountain. Each year we revisit this list and re-evaluate our risk assessment based on our evolving understanding of the energy transition, policy changes and market dynamics.

The words “Low,” “Medium” and “High” in the Estimated Impact column indicate relative impact, for example “Low” means lower relative to other risks.

For timeframes, we have used 1 to 3 years as short-term, which aligns with our financial planning time horizons; 3 to 10 years as mid-term, which aligns with our strategy development; and 10 to 30 years as long-term, which aligns with our take-or-pay contracts with our shippers and with the life of our assets.

TRANSITION-RELATED RISKS	ESTIMATED IMPACT	TIMEFRAME	RISK MITIGATION
SUSTAINED LOWER OIL PRICES The energy transition is anticipated to have an impact on oil prices. If lower prices materialize and remain low for an extended period of time, shippers may default on their contracts.	HIGH		Maintain cost advantage compared to other modes of transport. In the future, enhance access to global markets and potentially leverage commercial tools to deal with a price environment that challenges customers (shippers).
CARBON COMPETITIVENESS OF CANADIAN OIL The cost to further reduce the carbon intensity of Canadian oil to competitive levels might not be economic during low oil price periods.	HIGH		Analyze and communicate the Scope 1 and Scope 2 emissions of our pipeline transportation service in the Canadian oil supply chain. In the future, further decarbonize our operations and increase flexibility. Read more on page 20 .
REDUCED DEMAND FOR OIL Accelerated adoption of electric vehicles in advanced economies and increased use of biofuels may lead to faster declines in oil demand. Over the longer term, Asian petrochemical demand is expected to remain robust compared to transport fuel demand. Trans Mountain’s market positioning provides it with a comparative advantage.	MEDIUM		Operational integrity and safety preserve access to Asia Pacific (and other) markets where market fundamentals support crude oil demand longer term, especially in the petrochemical sector. In the future, leverage commercial tools to compete in an environment with excess takeaway capacity.
INCREASED DEMAND FOR ALTERNATIVE FUELS The IEA expects demand for biofuels (ethanol, renewable diesel, green methanol and others) to grow over the next few years. This demand might be further supported by the <i>Clean Fuel Regulations</i> that came into effect in July 2023.	MEDIUM		In the near term, work with shippers to facilitate shipment of products that are aligned with demand. In the future, consider optimizing our operations and investing, where necessary, to increase flexibility to ship increased volumes of lower-carbon intensity fuels.

TRANSITION-RELATED RISKS	ESTIMATED IMPACT	TIMEFRAME	RISK MITIGATION
GHG REGULATION – LARGE EMITTERS Regulations for large emitters might become more stringent to align with Canada’s commitment to net zero by 2050. Although these regulations do not affect Trans Mountain, they do affect our customers. The Memorandum of Understanding between the Government of Alberta and the Government of Canada confirms that the Oil and Gas Emissions Cap will not be implemented. However, uncertainty remains regarding the technical details associated with carbon regulations in the Province.	MEDIUM		In the near term, stay informed about GHG reduction efforts from our customers and industry. In the future, remain focused on the needs of shippers. We believe that access to global markets and prices can help maintain production in a potentially higher-cost environment.
REPUTATION AND PERCEPTIONS AROUND PIPELINES Negative perceptions around pipelines, direct (environmental impacts of pipeline operations) or indirect (as enablers of fossil fuels) can impact our ability to access capital, secure insurance coverage or continue to operate.	LOW		In the near term, continue current environmental and social performance, while promoting the benefits of secure conventional energy in a volatile geopolitical environment. In the future, continue to engage with Indigenous and local communities regarding opportunities that align with our environmental and social priorities.
TRANSITION-RELATED OPPORTUNITIES	ESTIMATED IMPACT	TIMEFRAME	HOW CAN WE TAKE ADVANTAGE OF THIS OPPORTUNITY?
STRATEGIC SUPPLY (NORTH AMERICA/GLOBAL) Increased awareness and importance of energy security drives changes in global oil markets.	HIGH		In the near term, there are constraints in the ability of the Canadian energy sector to respond to geopolitical-driven changes in supply and demand. In the future, we can support and pursue changes to regulatory and economic drivers that enhance the ability of Canadian producers to respond to global events.
VOLATILITY IN OIL MARKETS Canadian oil production, especially oil sands, is more resilient to volatile prices, since less capital is required to maintain production levels.	MEDIUM		In the mid-term, support Canadian oil by enhancing access to global markets. In the future, maximize throughput, especially where Canadian oil can provide stability in periods of volatility and global supply disruptions.
ADVANCEMENT IN CARBON-RELATED TECHNOLOGIES Advancements in technology present great opportunities for us to further reduce the GHG emissions intensity of our operations or generate new sources of revenue.	MEDIUM		In the near term, continue monitoring developments in technology. In the future, invest in technologies that help us meet our environmental and business goals. Furthermore, the potential to deploy carbon capture and storage technology in the upstream sector combined with Scope 2 emissions reduction initiatives may provide the opportunity to export emissions-managed conventional energy to key petrochemical markets in Asia.



Sumas Pump Station, BC

Transition scenario methodology

Climate-related transition scenarios refer to a set of policy, market and macroeconomic conditions associated with different energy transition rates of progression. We believe scenario analysis is a valuable tool to challenge our assumptions about the future, spark meaningful conversations about our long-term strategy and enable more informed decision-making. However, it is important to note that scenarios are hypothetical constructs using assumptions and estimates to highlight key features of a possible future and are not a forecast or prediction. Each year, we conduct a transition scenario modelling exercise using the following inputs:

IEA scenarios

To provide global context and comparability, we use data from the International Energy Agency's (IEA) [World Energy Outlook](#) scenarios. Although we have been using the Announced Pledges Scenarios for several years, the IEA removed this scenario from its analysis in the World Energy Outlook 2025 (WEO 2025). For this year, we used data from the following two IEA scenarios:

- **CURRENT POLICIES SCENARIOS (CPS).** This scenario models the future based on existing regulations enacted into law. Global energy demand rises steadily, especially in emerging markets. Society continues to use traditional fuels, resulting in higher energy demand and prices.
- **STATED POLICIES SCENARIO (STEPS).** This scenario models formally announced government policies (even if they are not yet enacted into law). The scenario shows a moderate acceleration in the deployment of clean energy and energy efficiency measures. Fossil fuel use and emissions begin to decline modestly after 2030. STEPS shows a pace of the energy transition similar, albeit slower, than recent years.

The newly released scenarios in WEO 2025 illustrate a vastly different picture of demand for fossil fuels and oil prices than we have seen in previous iterations (see table on the next page). While both scenarios provide data on oil and carbon prices, we focused on modelling supply and demand because they are more directly linked to demand for pipeline transportation.

These two scenarios contain the level of data granularity required to conduct an effective analysis. The IEA also provides a normative scenario that shows what would be required from the global energy system to meet a 1.5°C temperature target and net-zero carbon emissions, called the Net Zero Emissions (NZE) by 2050 scenario. At present, the IEA's NZE by 2050 scenario does not include sufficient regional data to effectively conduct this type of analysis. We provide qualitative commentary related to NZE on [page 52](#).

Canada's Energy Future report

To provide Canadian context, we are also using assumptions from the most recent CER [Canada's Energy Future](#) report. To model the Western Canadian Sedimentary Basin supply, we are using the Current Measures scenario and the Higher scenario. The Current Measures acts as a baseline, modelling Canada's energy future assuming only policies in place as of early 2026 continue, with no new climate actions implemented. The Higher scenario outlines what might happen if key drivers of Canada's energy system (such as GDP growth, LNG growth and oil prices) trend higher than in the Current Measures scenario.

Pipeline capacity expansions

Given recent announcements by other pipeline companies of expanding pipeline capacity to the U.S. and our own optimization plans, we modelled two different versions that change the egress capacity of pipelines to the U.S. Note that at this point, Trans Mountain is the only pipeline in Canada with the ability to directly export to Asia Pacific. The modelled expansions increase export capacity to Asia and the U.S.

- **MODERATE EXPANSIONS** assumes an expansion to Trans Mountain's pipeline proceeds, as well as sanctioned expansions such as Enbridge Mainline and Express-Platte.
- **SIGNIFICANT EXPANSIONS** assumes an expansion to Trans Mountain pipeline proceeds, as well as sanctioned expansions and projects coming online that have been paused for many years, like Keystone XL.

Timeline

We modelled impacts through 2045. Trans Mountain has 15- to 20-year contract commitments (take-or-pay contracts) with our shippers that cover approximately 80 per cent (~710,000 bpd) of the system's capacity. While these contracts provide robust revenue support in the short- to medium-term, we modelled impacts to 2045 to explore the potential impacts in years beyond the term of the contracts.

Climate-related transition scenarios and results

The table below shows key assumptions and results from our scenario analysis.

TRANS MOUNTAIN SCENARIOS ANALYZED

	1 Oil-Supportive Environment	2 Balanced Environment	3 Overbuilt Environment
REFERENCE SCENARIOS			
IEA scenario	CPS	STEPS	STEPS
CER scenario	Higher	Current Measures	Current Measures
Pipeline capacity expansions	Significant expansions	Moderate expansions	Significant expansions
Temperature by 2100	+2.9°C	+2.5°C	+2.5°C
2045 ASSUMPTIONS			
IEA crude oil price ⁴	\$100.5/barrel	\$78.5/barrel	\$78.5/barrel
Global oil demand (from 100 mb/d in 2024)	110 mb/d	97.5 mb/d	97.5 mb/d
Oil demand in North America (from 22 mb/d in 2024)	21.8 mb/d	18.5 mb/d	18.5 mb/d
Oil demand in Asia (from 34.9 mb/d in 2024)	40.3 mb/d	35.5 mb/d	35.5 mb/d
WCSB supply ⁵ (from 5.2 mb/d in 2024)	7.3 mb/d	6.2 mb/d	6.2 mb/d
LEARNINGS	In an oil-supportive environment, high demand can support several pipeline expansions with little to no risk.	In this scenario, the expansions and the pace of the transition are evenly matched.	In this scenario, pipeline expansions outpace demand as the regulatory environment speeds up the energy transition.
RESULTS	In all tested scenarios, the pipeline (even with expanded capacity), remains at a utilization rate higher than 90%.		

⁴ The IEA crude oil price is a weighted average import price among IEA member countries.

⁵ CER scenarios report on production levels; however, Trans Mountain reports on supply to reflect pipeline demand. The difference between production and supply is due to the addition of diluents.



Laurel Pump Station, Washington



Burnaby Terminal, BC

Sources of resilience to 2045

In the scenarios we modelled, which include including additional approved or constructed capacity in our and other pipelines, Trans Mountain’s pipeline is expected to operate at more than 90 per cent capacity until at least the year 2045. The following four characteristics contribute to the resiliency of our business:

1 | Access to global markets

We operate Canada’s only pipeline system transporting oil and refined products to the West Coast with access to tidewater. Completion of the Expansion Project created a significant increase in the capacity of Westridge Marine Terminal, allowing Canadian energy to reach global markets, particularly the Asia Pacific region. Sixty-seven per cent of the product that left the terminal in 2025 was shipped to the Asia Pacific region and the remainder went to destinations on the west coast of the U.S. This supports our resilience in the Balanced Environment and Overbuilt Environment scenarios, where, despite less global oil demand than in the Oil-Supportive Environment scenario, the Asia Pacific region remains a robust and growing source of oil refinery demand through 2040, declining slowly thereafter and at a much slower pace than North America (Figure 3).

2 | Our carbon competitiveness

We use electrically driven pumps to move products through the pipeline and a significant portion of our electricity load is generated in British Columbia with a low-carbon electricity grid.

3 | System flexibility

At Trans Mountain, we have extensive experience transporting a broad range of products, from diluted heavy oil to synthetic, light and refined products. As the world energy mix evolves, this expertise can be applied to other products such as liquid biofuels and other lower-carbon hydrocarbons. After contracts expire, we can optimize our operations to address changes in the type and/or proportion of commodities transported to meet shippers’ needs and global demand without requiring significant changes to existing infrastructure.

4 | Our environmental and social performance

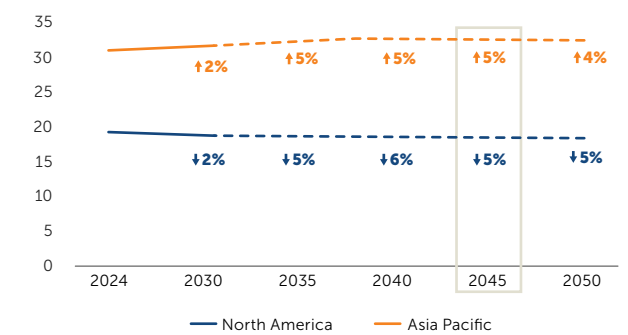
Canada has stringent regulatory requirements, a high degree of regulatory oversight and strong climate change policies.

Companies involved in Canada’s energy system, like Trans Mountain, must have robust environmental, social and governance practices to continue operating in Canada. Additionally:

- Trans Mountain has made significant investments in environmental protection systems, asset integrity, leak monitoring, spill response and biodiversity protection on land and water. Read more on [pages 14, 18 and 19](#). We have an impressive track record and have loaded oil onto marine vessels in BC with no spill incidents from tankers in more than 72 years of operation.
- Trans Mountain makes concerted efforts to build strong relationships with Indigenous communities along the pipeline corridor ([page 30](#)). We continue to strengthen those relationships and contribute to the prosperity of communities.

All these practices contribute to safe and reliable operations, and are critical to our resiliency to societal, political and regulatory changes.

FIGURE 3 | REFINERY DEMAND BY REGION
 (from 2024 levels in IEA WEO 2025 Stated Policies Scenario)
 million barrels per day



In the WEO’s Stated Policies Scenario, a key input for our Balanced Environment and Overbuilt Environment Scenario, demand in Asia Pacific remains higher and increases modestly while demand in North America declines slightly.

Source: [WEO 2025](#)

2045

The pipeline is expected to operate at more than 90% capacity until at least the year 2045 in all scenarios tested



Notes on a Net-Zero Emissions by 2050 Scenario

Climate change is an important issue requiring global action across countries and industries. We remain committed to working with governments and stakeholders to advance strategies that will reduce emissions along the energy value chain now and in the future. We believe that Canada, with its fourth⁶ largest proven oil reserves in the world, will continue to play a leading role in the global energy landscape.

Neither of the modelled scenarios is a 1.5°C or lower scenario; however, the newly released version of the NZE scenario contains even less data than in previous years, especially when it comes to oil demand. The lack of data for this scenario makes it difficult to model the effects to our system. What we do know about the NZE scenario is that oil prices fall to around \$25 USD⁷ per barrel in 2050. Although this scenario is not a forecast, we believe that in order to compete in a world experiencing this low oil price environment and severe oil demand contraction, we would need to make substantial changes to how we operate our business. Some of the factors we could use in a NZE Scenario are:

1 | LEVERAGE COMMERCIAL TOOLS Although we rely on long-term contracts with our shippers, we can use a variety of commercial tools to align our offering with evolving upstream and downstream drivers. We would need to use these tools in a way that is commensurate with the regulatory and market changes we observe, and which may include changes to tolls, risk allocation, return expectations, incentives and other mechanisms related to carbon.

2 | INVEST IN INCREASED FLEXIBILITY In an NZE Scenario, demand for liquid fuels for transportation would be severely contracted and the remaining demand would be driven by non-combustion uses. We would evaluate taking a portion of the pipeline out of service or repurposing a portion of the line to transport alternatives such as ammonia, natural gas liquids or others. To increase our resiliency, we would need to invest in technology to further increase the flexibility of our pipeline system and enable the continued transportation of new or different products. If we see signposts of a NZE Scenario, we would start by implementing technical and administrative changes to facilitate shipment of other products.

3 | FURTHER DECARBONIZE OUR OPERATIONS We already have a low GHG intensity but in an NZE Scenario we would need to maintain our leadership and outcompete our peers on the basis of carbon. We plan to continue to make investments to further decarbonize our operations. This would help differentiate our offering in a world increasingly focused on carbon and contribute overall to the reduced lifecycle carbon intensity of Canadian crude oil.

⁶ <https://natural-resources.canada.ca/energy-sources/fossil-fuels/crude-oil-industry-overview>
⁷ Oil price is a weighted average import price among IEA member countries

IV. Metrics and targets

We track the GHG emissions generated by our daily operations. Most of our emissions are Scope 2 since we use electrically driven pumps to move products through the pipeline (see page 16). In 2025, we obtained limited assurance for our Scope 1 and Scope 2 GHG emissions (see Limited Assurance letter on page 59).

Scope 3 emissions

Scope 3 GHG emissions are those generated upstream (including when the oil we transport is extracted) and downstream (including when the oil is used) of our business. At present, we are focusing on managing our Scope 1 and Scope 2 emissions and have not yet begun work on quantifying our Scope 3 emissions from our operations.

However, building the Expansion Project also generated GHG emissions. As part of our regulatory approvals, we have committed to offsetting the two main contributors to construction-related emissions: fuel consumed by trucks and heavy machinery during construction, and land clearing activities (specifically, areas permanently cleared along the pipeline easement). In line with our emissions offset plan, which outlines our approach and criteria to purchasing high-quality offsets, we have now purchased offsets equating to 472,007 tonnes of CO₂e emissions offset (43 per cent of our target).

Scope 1 and 2 emissions

We have recalculated our 2021–2024 Scope 2 emissions using the latest emissions factors from Canada’s National Inventory Report 1990–2024: Greenhouse Gas Sources and Sinks in Canada, released in 2026. The recalculation using these updated emissions factors has resulted in a material reduction to the total emissions from our operations, when compared to previously reported numbers. We are taking time to understand the impact of this change on our emissions target. We are reconsidering our previously disclosed GHG targets and plan to disclose further details in 2027. Read more on page 20.



Sumas Pump Station, BC

GHG EMISSIONS (TONNES CO ₂ E) ⁸	2021	2022	2023	2024	2025
Scope 1 GHG emissions	5,685	5,471	6,164	15,049	20,160
Scope 2 GHG emissions	88,142	83,204	89,944	105,770	137,700
TOTAL GHG EMISSIONS	93,827	88,675	96,108	120,819	157,860

⁸ Data presented for comparative periods has been recalculated using updated annual emissions factors from Canada’s National Inventory Report 1990–2024: Greenhouse Gas Sources and Sinks in Canada. For more information, please see the Performance Table on page 55.

Appendices

Reporting on our progress transparently



PICTURED
The Edmonton Terminal has approximately 9.02 million barrels of storage tank capacity to hold products prior to pipeline shipment.

Performance table

CONTEXT	UNITS	2021	2022	2023	2024	2025
PRODUCT THROUGHPUT						
BC deliveries	barrels/day	75,000	83,000	76,000	80,000	94,000
Puget Sound Pipeline	barrels/day	189,000	209,000	231,000	234,000	208,000
Westridge Marine Terminal	barrels/day	35,000	31,000	41,000	241,000	459,000
Trans Mountain Pipeline	barrels/day	299,000	323,000	348,000	555,000	761,000
ENVIRONMENT						
ASSET INTEGRITY						
Pipelines operated	km	1,275	1,275	1,275	2,466	2,466
Total inspections conducted	count	4,742	4,704	4,982	5,956	6,447
Kms of liquid pipeline inspected (all types of inspections not just in-line inspections)	km inspected	1,477	1,438	1,281	5,503	2,232
Percentage of liquid pipelines inspected	per cent	73	113	100	223	91
SPILLS FROM PIPELINES						
Number of pipeline incidents	count	0	0	0	0	0
SPILLS AT FACILITIES¹						
Total number of federally reportable spills	count	1	0	0	1	0
Volume of federally reportable spills	m ³	7	0	0	3	0
CONSTRUCTION-RELATED SPILLS						
Total number of reportable spills	count	34	29	62	3	0
Volume of reportable spills	m ³	40.7	59.2	85.2	0.2	0.0

¹ Federally reportable spills include commodity spills in excess of 1.5 m³. To enhance clarity, we have stopped using the label “reportable” and replaced it with “federally reportable.”

ENVIRONMENT	UNITS	2021	2022	2023	2024	2025
LAND						
Total land owned, leased and/or operated	acres	21,506	21,556	21,719	17,235	19,285
Land owned, leased and/or operated within sensitive areas	per cent	35	35	40	58	62
Land owned, leased and/or operated within sensitive areas	acres	7,605	7,620	8,626	9,951	11,867
Total surface disturbance	acres	5,970	7,511	7,505	1,479	87
Impacted area reclaimed or restored ²	acres	424	2,770	6,135	1,379	1
CLIMATE CHANGE AND GHG EMISSIONS³						
Scope 1 GHG emissions (direct)	tonnes CO ₂ e	5,685	5,471	6,164	15,049	20,160
Scope 2 GHG emissions (indirect) ⁴	tonnes CO ₂ e	88,142	83,204	89,944	105,770	137,700
Total GHG emissions	tonnes CO ₂ e	93,827	88,675	96,108	120,819	157,860
Construction-related fuel emissions ⁵	tonnes CO ₂ e	148,991	236,764	237,566	20,121	N/A

² Land reclaimed during the calendar year. Land is considered reclaimed once final clean-up is completed.

³ Trans Mountain’s GHG emissions are presented as tonnes of carbon dioxide equivalents (CO₂e). CO₂e is used to compare the emissions from various GHG sources based on their global warming potential (GWP). Trans Mountain adopted the GWPs published by Environment and Climate Change Canada (EPCC), which references the International Panel on Climate Change (IPCC) Fifth Assessment Report. Trans Mountain’s most significant source of direct (Scope 1) GHG emissions are generated by the vapour control system (vapour combustion units and vapour recovery units) used to manage marine vapour vessels at Westridge Marine Terminal. Emission factors for vapour control system emissions are developed based on Western Climate Initiative (WCI) methodology. Other significant sources of direct emissions include fuel consumption. Fuel consumption emission factors are taken from Alberta Greenhouse Gas Quantification and WCI methodologies. Indirect GHG emissions (Scope 2) are calculated by applying a location-based emission factor to the amount of electricity purchased from that area, which is determined through utility invoices.

⁴ Scope 2 GHG emissions for the years 2021–2024 have been recalculated using the latest annual emissions factors from Canada’s National Inventory Report 1990–2024: Greenhouse Gas Sources and Sinks in Canada, and differ from those previously reported in our 2024 ESG Report. For comparative purposes, the resulting differences from those previously reported are: a decrease from 99,360 to 88,142 tonnes of CO₂e for 2021, from 103,556 to 83,204 tonnes of CO₂e for 2022, from 106,301 to 89,944 tonnes of CO₂e for 2023 and from 144,055 to 105,770 tonnes of CO₂e for 2024. These updates to Scope 2 GHG emissions had a corresponding effect on the Total GHG emissions (Scope 1 and Scope 2 GHG emissions) figures presented.

⁵ Includes only contracted companies’ fuel-related emissions.

ENVIRONMENT	UNITS	2021	2022	2023	2024	2025
DIRECT EMISSIONS BY SOURCE						
Stationary combustion emissions	tonnes CO ₂ e	680	988	899	1,231	1,165
Emissions from Westridge VCU/flaring	tonnes CO ₂ e	2,746	2,829	3,544	11,325	16,888
Fugitive emissions ⁶	tonnes CO ₂ e	77	0	0	37	29
Venting/tank vapours ⁷	tonnes CO ₂ e	620	0	0	403	298
Fleet	tonnes CO ₂ e	1,561	1,634	1,721	2,054	1,780
AIR EMISSIONS						
Volatile organic compounds (VOCs)	tonnes	90	225	264	172	127
Particulate matter (PM ₁₀)	tonnes	78	82	54	17	7
Nitrous oxides (NOx)	tonnes	149	152	290	101	17
Sulphur oxides (SOx)	tonnes	10	10	19	7	2
ENVIRONMENTAL AND INDIGENOUS MONITORING						
Technical field studies and monitoring by third-party consultants	person days	20,443	40,165	23,087	1,803	207
Indigenous Monitoring	person days	5,038	6,430	5,726	2,088	1,371
Environmental inspection	person days	15,474	18,781	7,260	5,867	5,040

⁶ Upon further analysis, these numbers have been deemed negligible.

⁷ Crude oil analysis collected in 2022 and 2023 indicated non-detectable methane concentrations; therefore, methane emissions from venting and fugitives were deemed negligible and numbers for these years have been reported as zero. Updated crude analysis in 2024 indicated trace concentrations methane present in crude oil products, resulting in reportable methane emissions.

SOCIAL	UNITS	2021	2022	2023	2024	2025
SAFETY						
Fatalities	count	0	0	0	0	0
Lost time injuries – employees	count per 200,000 exposure hours	0	0.23	0.19	0.00	0.15
Lost time injuries – contractors	count per 200,000 exposure hours	0	0.03	0.05	0.00	0.13
Avoidable motor vehicle incidents – employees	count	1	0	1	0	0
Avoidable motor vehicle incident rate	count per 1,000,000 kilometres driven	0.30	0.00	0.20	0.00	0.00
LEADING INDICATORS						
Near misses reported ⁸	count	416	584	465	154	198
Inspections conducted ⁸	count	8,543	12,561	8,368	582	482
WORKFORCE NUMBERS AND RETENTION						
Total number of employees	count	439	513	663	711	747
Total number of contractors	count	1,582	1,760	784	534	462
Turnover rate, voluntary and involuntary	per cent	6	10	6	7	8
Turnover rate, voluntary	per cent	5	8	4	5	5

⁸ Near misses and inspections conducted are considered leading indicators, for which benchmarks are in place and reporting is encouraged. These numbers are not normalized and reflect improved safety culture and increased exposure hours.

SOCIAL	UNITS	2021	2022	2023	2024	2025
DIVERSITY AND INCLUSION						
Women, total workforce	per cent	29	30	35	35	34
Women, managers	per cent	24	33	37	34	37
Women, Executive Leaders	per cent	25	42	43	31	33
Women, Board members	per cent	33	50	50	50	63
OTHER DESIGNATED GROUPS						
Indigenous Peoples	per cent	3	4	5	5	4
Members of racialized groups	per cent	15	13	19	19	17
Persons with disabilities	per cent	1	1	1	1	1
EMPLOYEE AGE CATEGORIES						
30 Years and Under	per cent	5	8	11	8	5
30 to 50	per cent	62	62	62	63	64
50 Plus	per cent	33	30	27	29	31

SOCIAL	UNITS	2021	2022	2023	2024	2025
ECONOMIC CONTRIBUTION						
Value generated ⁹	\$ million	5,425	9,017	9,763	4,004	2,980
Value distributed to:						
Suppliers and contractors	\$ million	4,248	5,956	6,586	1,265	705
Indigenous communities ¹⁰	\$ million	506	2,187	2,110	821	132
Providers of capital (Government of Canada) ¹¹	\$ million	304	529	733	1,062	1,707
Employees (wages and benefits)	\$ million	122	151	143	187	203
Landowners	\$ million	75	102	121	69	62
Governments ¹²	\$ million	52	54	52	89	112
Communities and non-profits	\$ million	22	34	19	139	48
GOVERNANCE						
ETHICS						
Employees/contractors who completed Code of Conduct training	per cent	100	100	100	100	100
CYBER SECURITY						
Individuals attended cyber awareness sessions ¹³	count	537	1,120	755	3,915	3,724
Number of system-wide phishing tests ¹⁴	count	3	5	4	5	12

⁹ Value generated includes revenue, realized gains and losses and liquidity provided by capital contributions from Trans Mountain's owner and Trans Mountain's credit facilities.

¹⁰ Payments to Indigenous communities includes direct purchases and royalties paid to Indigenous communities.

¹¹ Payments to providers of capital include dividends paid to our shareholders and interest paid.

¹² Payments to governments include corporate taxes, property taxes, local and federal taxes, as well as Crown leases, rentals and land acquisitions.

¹³ Many individuals attended more than one cyber awareness session, therefore this number is higher than our workforce count.

¹⁴ We now aim to complete one phishing test per month. Previously this was once per quarter; however, the fourth test scheduled for Q4 2021 was delayed due to the BC flood response and was conducted in January 2022.

SASB index

Below are the metrics and reference to qualitative description in this report in alignment with the Sustainability Accounting Standards Board standard for oil and gas midstream companies.

REFERENCE	SASB INDICATOR	2025 DATA OR PAGE
GHG EMISSIONS		
EM-MD-110a.1	Gross global Scope 1 emissions	20,160 tonnes CO ₂ e
EM-MD-110a.1	Percentage methane	23
EM-MD-110a.1	Percentage covered under emissions-limiting regulations	Not applicable
EM-MD-110a.2	Description of long-term and short-term strategy or plan to manage Scope 1 emissions, emissions reduction targets, and an analysis of performance against those targets	Page 20
AIR QUALITY		
EM-MD-120a.1	Nitrous oxides (NOx [excluding N ₂ O])	17 tonnes
EM-MD-120a.1	Sulphur oxides (SOx)	2 tonnes
EM-MD-120a.1	Volatile organic compounds (VOCs)	127 tonnes
EM-MD-120a.1	Particulate matter (PM ₁₀)	7 tonnes
ECOLOGICAL IMPACTS		
EM-MD-160a.1	Description of environmental management policies and practices for active operations	Page 19
EM-MD-160a.2	Percentage of land owned, leased and/or operated within areas of protected conservation status or endangered species habitat	62
EM-MD-160a.3	Terrestrial acreage disturbed	87 acres
EM-MD-160a.3	Percentage of impacted area reclaimed	1
EM-MD-160a.4	Number of hydrocarbon spills ¹	1
EM-MD-160a.4	Volume of hydrocarbon spills	0.37 m ³
EM-MD-160a.4	Volume in Arctic	Not applicable, we do not operate in the Arctic
EM-MD-160a.4	Volume in Unusually Sensitive Areas (USAs)	Not reported
EM-MD-160a.4	Volume of spills recovered	0.37 m ³

REFERENCE	SASB INDICATOR	2025 DATA OR PAGE
COMPETITIVE BEHAVIOR		
EM-MD-520a.1	Total amount of monetary losses as a result of legal proceedings associated with federal pipeline and storage regulations	Not reported
OPERATIONAL SAFETY, EMERGENCY PREPAREDNESS AND RESPONSE		
EM-MD-540a.1	Number of reportable pipeline incidents	0
EM-MD-540a.1	Number of reportable pipeline incidents that are significant	0
EM-MD-540a.2	Percentage of natural gas inspected	We do not have natural gas pipelines
EM-MD-540a.2	Percentage of liquid pipelines inspected	91
EM-MD-540a.3	Number of accident releases from rail transportation	Not applicable, we do not use rail transportation
EM-MD-540a.3	Number of non-accident releases (NARs) from rail transportation	
EM-MD-540a.4	Discussion of management systems used to integrate a culture of safety and project lifecycles	Pages 26–27

¹ In 2025, we had one spill where a diesel tank released 0.37 m³ of fuel. This spill did not meet the CER's threshold for reportable spills; however, it did meet SASB's definition of spills and is therefore reported here. We recovered all the diesel released.

Limited assurance report

Independent practitioner's limited assurance report on Trans Mountain Corporation's greenhouse gas (GHG) performance metrics

To the Directors of Trans Mountain Corporation (the Corporation)

We have undertaken a limited assurance engagement on the GHG performance metrics detailed in Schedule 1 (the subject matter) presented within the Corporation's 2025 Sustainability Report for the year ended December 31, 2025 (the 2025 Sustainability Report).

Responsibility for the subject matter

Management of the Corporation is responsible for preparation of the subject matter in accordance with the GHG Protocol Corporate Accounting and Reporting Standard, applied as detailed in Schedule 1 (the applicable criteria). The Corporation is also responsible for the design, implementation and maintenance of internal control relevant to the preparation of the subject matter that is free from material misstatement, whether due to fraud or error.

Inherent limitations in preparing the subject matter

Non-financial data are subject to more limitations than financial data, given both the nature and the methods used for determining, calculating, sampling or estimating such data. Qualitative interpretations of relevance, materiality and the accuracy of data are subject to individual assumptions and judgments.

Greenhouse gas emissions quantification is subject to inherent uncertainty because of incomplete scientific knowledge used to determine emissions factors and the values needed to combine emissions of different gases.

Our independence and quality management

We have complied with independence and other ethical requirements of the relevant rules of professional conduct / code of ethics applicable to the practice of public accounting and related to assurance engagements, issued by various professional accounting bodies, which are founded on fundamental principles of integrity, objectivity, professional competence and due care, confidentiality and professional behaviour.

The firm applies Canadian Standard on *Quality Management 1, Quality Management for Firms that Perform Audits or Reviews of Financial Statements, or Other Assurance or Related Services Engagements*, which requires the firm to design, implement and operate a system of quality management, including policies or procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.



Darfield Pump Station, BC

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"PwC" refers to PricewaterhouseCoopers LLP, an Ontario limited liability partnership.



Practitioner’s responsibilities

Our responsibility is to express a limited assurance conclusion on the subject matter based on the procedures we have performed and the evidence we have obtained. We conducted our limited assurance engagement in accordance with Canadian Standard on Assurance Engagements (CSAE) 3410, *Assurance Engagements on Greenhouse Gas Statements* issued by the Auditing and Assurance Standards Board. This standard requires that we plan and perform this engagement to obtain limited assurance about whether the subject matter is free from material misstatement.

A limited assurance engagement undertaken in accordance with CSAE 3410 involves assessing the suitability in the circumstances of Corporation’s use of the applicable criteria as the basis for the preparation of the subject matter, assessing the risks of material misstatement of the subject matter whether due to fraud or error, responding to the assessed risks as necessary in the circumstances and evaluating the overall presentation of the subject matter. A limited assurance engagement is substantially less in scope than a reasonable assurance engagement in relation to both the risk assessment procedures, including an understanding of internal control, and the procedures performed in response to the assessed risks.

The procedures we performed were based on our professional judgment and included inquiries, observation of processes performed, inspection of documents, analytical procedures, evaluating the appropriateness of quantification methods and reporting policies and agreeing or reconciling with underlying records.

Given the circumstances of the engagement, in performing the procedures listed above we:

- obtained an understanding of the process for collecting and reporting the data included in the subject matter by:
 - inquiring with management to obtain an understanding of the overall governance and internal control environment and risk management processes relevant to the subject matter;
 - reviewing process diagrams to understand the subject matter reporting process;
- evaluated whether all material information identified by management has been considered for reporting on the subject matter;
- performed inquiries of relevant personnel and analytical procedures on selected information in the subject matter;
- performed substantive assurance procedures on selected information in the subject matter;
- compared selected information in the subject matter with the corresponding disclosures in the 2025 Sustainability Report;
- evaluated the methods, assumptions, and data for developing estimates and forward-looking information; and
- considered the disclosure and presentation of the subject matter.

The procedures performed in a limited assurance engagement vary in nature and timing from, and are less in extent than for, a reasonable assurance engagement. Consequently, the level of assurance obtained in a limited assurance engagement is substantially lower than the assurance that would have been obtained had we performed a reasonable assurance engagement. Accordingly, we do not express a reasonable assurance opinion about whether the subject matter has been prepared, in all material respects, in accordance with the applicable criteria.

SCHEDULE 1 – THE SUBJECT MATTER

GHG PERFORMANCE METRICS	APPLICABLE CRITERIA	PERIOD	2025 VALUE	UNIT
Scope 1 GHG emissions (direct)	The GHG Protocol Corporate Accounting and Reporting Standard	For the year ended December 31, 2025	20,160	tonnes of CO ₂ equivalent (tCO ₂ e)
Scope 2 GHG emissions (indirect)	The GHG Protocol Corporate Accounting and Reporting Standard	For the year ended December 31, 2025	137,700	tCO ₂ e

Limited assurance conclusion

Based on the procedures we have performed and the evidence we have obtained, nothing has come to our attention that causes us to believe that the subject matter for the year ended December 31, 2025 is not prepared, in all material respects, in accordance with the applicable criteria.

Restriction on use

Our report has been prepared solely for the Directors of the Corporation for the purpose of assisting management in reporting to the Directors on its GHG performance metrics. The subject matter therefore may not be suitable, and is not to be used, for any other purpose. Our report is intended solely for the Corporation.

We neither assume nor accept any responsibility or liability to any third party in respect of this report.

Chartered Professional Accountants
Calgary, Alberta
June 24th, 2026



Fighting against forced labour and child labour in supply chains report 2026

This report is provided in accordance with the *Fighting Against Forced Labour and Child Labour in Supply Chains Act* (“the Act”) for the year ending December 31, 2025.

Our business

Trans Mountain Corporation is a federal Crown corporation and a wholly owned subsidiary of Canada TMP Finance Ltd., which in turn is a wholly owned subsidiary of the Canada Development Investment Corporation (CDEV). We conduct our operations through four entities (read more in the sidebar). This report covers Trans Mountain Corporation and these four entities.

We are **committed** to addressing and combating risks of forced labour and child labour in our operations and supply chain

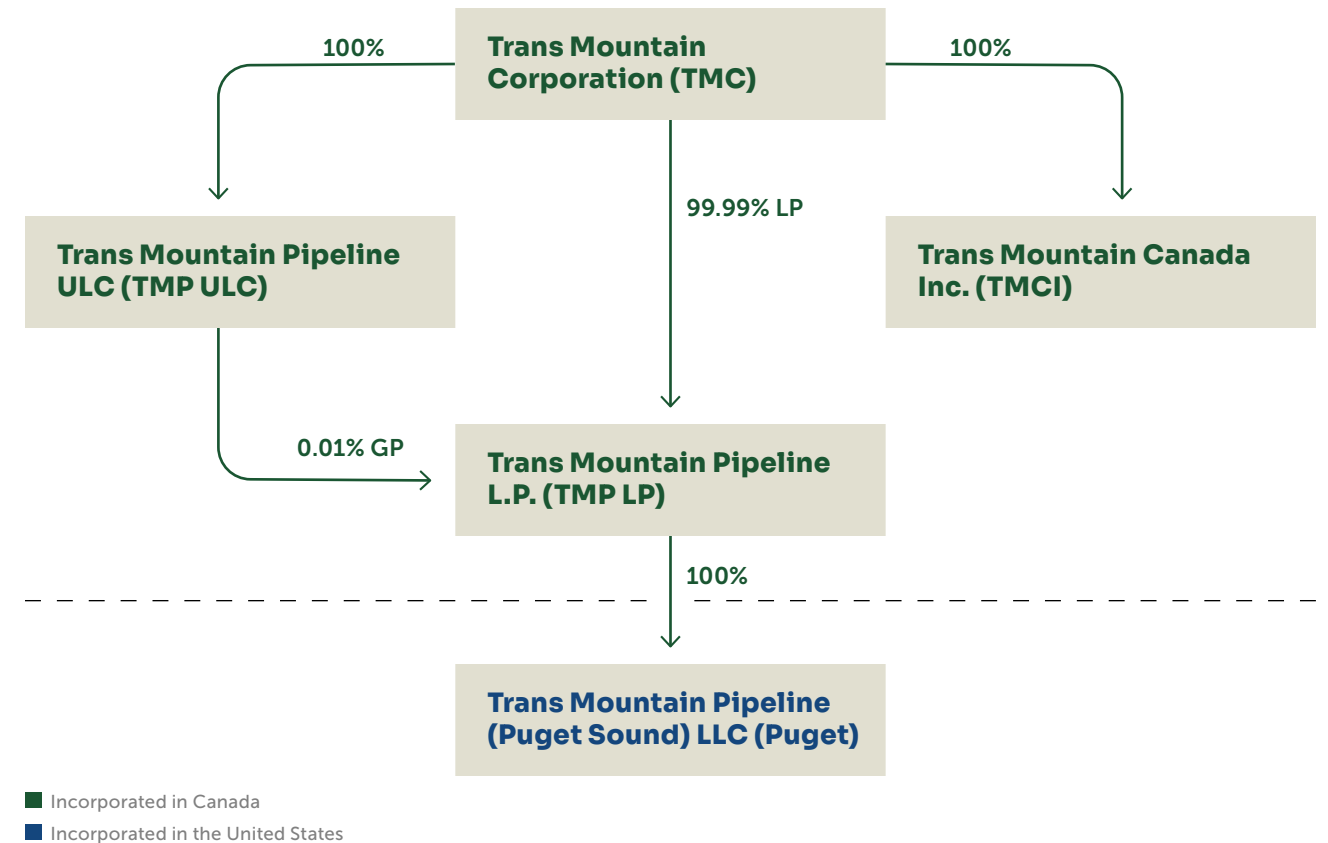
We operate Canada’s only pipeline system transporting oil and refined products to the West Coast. We have the capacity to deliver approximately 890,000 barrels of product each day through a pipeline system that runs through Alberta and British Columbia in Canada, to Washington state in the United States. We also operate a loading facility, Westridge Marine Terminal, in Burnaby, British Columbia.

Our headquarters are located in Calgary, Alberta, with regional offices along the pipeline corridor in Alberta, British Columbia and Washington state. On December 31, 2025, Trans Mountain employed more than 1,200 employees and contractors across our business.

Our commitment

Trans Mountain is committed to addressing and combating risks of forced labour and child labour in our own operations and across our supply chain, and upholding internationally recognized human rights as reflected in the United Nations Universal Declaration of Human Rights.

TRANS MOUNTAIN'S CORPORATE STRUCTURE



Trans Mountain is a federal Crown corporation that conducts its operations through four wholly owned subsidiaries: Trans Mountain Pipeline (Puget Sound) LLC, Trans Mountain Pipeline ULC, Trans Mountain Pipeline L.P. and Trans Mountain Canada Inc. Together, these entities own and operate the Trans Mountain Pipeline System, consisting of the expanded Trans Mountain pipeline system and the Puget Sound pipeline. This report covers Trans Mountain Corporation and the above entities. In this report, “Trans Mountain” refers to Trans Mountain Corporation and its direct and indirect subsidiaries.

Policies

The following codes and policies formalize our approach to and requirements for upholding human rights across our operations and supply chain:

Code of Business Conduct and Ethics

We conduct our business in accordance with our Code of Business Conduct and Ethics (“the Code”), which outlines our approach to upholding high standards of ethical conduct and includes provisions relating to upholding human rights. We require all Trans Mountain employees, contractors, suppliers and business partners to uphold the standards in the Code.

Supplier Code of Conduct

Our Supplier Code of Conduct mandates that our suppliers maintain high standards of ethics and integrity while working with Trans Mountain, both in their own business and within their supply chain. The Supplier Code of Conduct also includes specific requirements for suppliers to uphold human rights and provide fair and legal pay. In 2025, we updated this Code to specifically mention that suppliers must be compliant with the Act to perform work for Trans Mountain.

Whistleblower Policy

Our Whistleblower Policy outlines the process for reporting wrongdoings across the company. Reports of behaviour not in alignment with our codes and policies can be reported to our third-party Ethics Hotline. We promptly initiate an investigation into any reported allegation or suspicion of a violation of our codes, policies or a law or regulation, including instances of suspected forced labour or child labour. If the investigation finds a violation, we take appropriate action, which is overseen by Trans Mountain management and/or the Ethics Committee.

Governance and oversight

We have established an oversight team to manage activities relating to forced labour and child labour. This team is composed of: our SVP Finance and Treasury; our Director, Supply Chain; our Director, Corporate Reporting; and our Supply Chain Contract Specialist. Our Board of Directors holds the highest level of accountability for upholding human rights across our organization, which includes our commitment to prohibiting forced labour and child labour. The Board reviews our Fighting against forced labour and child labour in supply chains report annually.

Due diligence

We procure goods and services from more than 400 direct suppliers across a range of industries. We have taken steps to understand the risk of forced labour or child labour from these suppliers. As a result, we believe the overall risk of forced labour or child labour in our direct supply chain is low. Below are the steps taken in 2025 to improve our due diligence:

Conducting a supplier risk assessment

We updated the desktop assessment of our direct suppliers to assess risks of forced labour or child labour. This assessment considered the origin country of these suppliers to identify if they come from countries of high vulnerability and prevalence of modern slavery as determined by [Walk Free](#), an international human rights group focused on the eradication of modern slavery. The majority (more than 95 per cent) of our supplier spend in 2025 came from Canada, which has a low risk for vulnerability and prevalence of forced labour or child labour, and the remaining came from other low-risk countries.

Updating contract templates

In 2025, we modified our new supplier contract templates to contain a provision where suppliers must confirm they are compliant with the Act and allow us to conduct audits to confirm this compliance.



Establishing a governance framework

In 2025, we implemented a governance framework and action plan. The governance framework defines the oversight team’s mandate, roles and responsibilities, meeting frequency and outlines a clear path for escalating potential issues and how progress is tracked on our due diligence activities. The action plan outlines the key activities we will conduct in 2026 to strengthen our due diligence.

Remediation

We understand efforts to prevent and reduce the risks of forced labour and child labour can have the unintended consequence of contributing to a loss of income for vulnerable families. At present, Trans Mountain is not aware of any need to remediate the loss of income to families.

Training

Our mandatory annual training for all employees on our Code of Business Conduct and Ethics includes content on forced labour and child labour. Additionally, in 2025, we provided training to our supply chain team members and other personnel involved in the procurement of goods and services regarding the Act and the updated Supplier Code of Conduct and associated procedures.

Assessing effectiveness

Our oversight team meets monthly to track progress on activities, evaluate their effectiveness, plan future actions and review any performance indicators, such as reports of suspected forced labour or child labour.

Forward-looking statements

This report contains certain forward-looking information and statements (“forward-looking statements”). Forward-looking statements relate to future results or events, are based upon internal plans, intentions, expectations, and beliefs, and are subject to risks and uncertainties that may cause actual results or events to differ materially from those indicated or suggested therein. All statements other than statements of current or historical fact constitute forward-looking statements. Forward-looking statements are typically, but not always, identified by words such as “anticipate”, “estimate”, “expect”, “intend”, “forecast”, “continue”, “propose”, “may”, “will”, “should”, “believe”, “plan”, “target”, “objective”, “project”, “potential” and similar or other expressions indicating or suggesting future results or events. The forward-looking statements reflect Trans Mountain’s beliefs and assumptions with respect to such things as the outlook for general economic and market trends and conditions, industry and ESG trends, the integrity and reliability of Trans Mountain’s assets, and the governmental, regulatory and legal environment. Forward-looking statements are not promises of future outcomes. There is no assurance that the results or events indicated or suggested by the forward-looking statements, or the plans, intentions, expectations or beliefs contained therein or upon which they are based, are correct or will in fact occur or be realized (or if they do, what benefits may be derived therefrom).

In particular, this report contains forward-looking statements pertaining to, without limitation: plans, targets, and strategies with respect to reducing greenhouse gas and other emissions and anticipated reductions in emissions levels; future risk mitigation activities, including SIF initiatives for field employees;

impacts and expected future operating capacity based on certain scenario analysis; anticipated regional refinery demand; continued benefits resulting from the Expansion Project including reaching new market opportunities and community benefits; increased return on Canadian resources and wealth generation for Canada; expected generation of emissions; monitoring capability; reclamation activities and funding commitments; future response capacity and improved spill response; economic contributions; fostering inclusion and diversity and promoting mental health and psychological well-being; relationships with Indigenous communities and the continuing efforts in respect of the external Indigenous advisory council; and our overall future plans and prospects. Undue reliance should not be placed on these forward-looking statements and information as they are based on assumptions made by Trans Mountain as of the date hereof regarding, among other things: oil and gas industry exploration and development activity levels; commodity prices; maintenance of and renewal of long term supplier commitments; the availability and efficacy of various technologies; the success of our operations; that future results of our operations and related activities will be consistent with past performance and/or anticipated performance and management expectations related thereto; availability of individuals with skills required to execute on our business objectives and strategy; general compliance with Trans Mountain’s plans, strategies, programs and goals across its reporting and monitoring systems among our employees, stakeholders and service providers; our ability to successfully engage Indigenous and other stakeholders; the success of growth projects;

existing regulatory, tax, environmental and other laws and regulations; the pace of energy transition; that there are no unforeseen material construction or other costs related to current and future projects or operations; that there are no unforeseen events preventing the performance of contracts or the completion of projects; and other assumptions as detailed in Trans Mountain’s Management Report for the year ended December 31, 2025 as updated by quarterly Management Reports. While Trans Mountain believes the expectations and assumptions reflected in these forward-looking statements are reasonable as of the date hereof, there can be no assurance that they will prove to be correct. Forward-looking statements are subject to known and unknown risks and uncertainties which may cause actual performance and financial results to differ materially from the results expressed or implied, including but not limited to: our ability to implement our strategic priorities and business plan and achieve the expected benefits; the strength and operations of the oil and natural gas industry and related commodity prices and market conditions; our relationships with external stakeholders, including Indigenous stakeholders; reliance on key personnel and third parties; shortages or disruptions in the availability of labour, human capital and/or materials; actions by governmental and regulatory authorities, including changes in laws or regulatory processes or increased environmental regulation; fluctuations in operating results; adverse general economic and market conditions in Canada, North America and elsewhere; risks related to commodity price fluctuations, interest rates and inflation; constraints on, or the unavailability of, adequate infrastructure and technology;

changes in the political environment in Canada; the ability to access sources of financing; the effectiveness of our risk management and other programs; ability to expand, update and adapt our infrastructure on a timely and effective basis; technology and security risks including cyber security risks; reputational risks; demonstrations or protests impacting operations; potential litigation and disputes; extreme weather events and natural catastrophes.

Readers are cautioned that this list of risk factors should not be construed as exhaustive. The forward-looking statements contained in this document speak only as of the date of this document. Unless required by law, Trans Mountain assumes no obligation to update forward-looking statements and information should circumstances or management’s expectations, estimates, projections or assumptions change. The forward-looking statements contained in this document are expressly qualified by this cautionary statement.

Other cautions

The terms “sustainability,” “ESG,” “net zero,” “decarbonization” and similar terms, taxonomies, methodologies, criteria and standards are evolving in terms of both meaning and scope. The use of such terms in this report reflects Trans Mountain’s internal definitions, which may vary over time to reflect such evolution, and may not align with the meanings ascribed to such terms by others. In quantifying certain sustainability-related measures, including Scope 2 emissions, Trans Mountain must rely on data obtained from third-party sources, which Trans Mountain believes to be reliable but which it has not independently verified.

Trans Mountain

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