



## MANAGEMENT REPORT

For the three and six month periods ended June 30, 2021

August 13, 2021



This Management Report (“Report”) should be read in conjunction with the unaudited condensed consolidated financial statements of Trans Mountain Corporation for the three and six month periods ended June 30, 2021 (“TMC’s Financial Statements”) as well as the audited consolidated financial statements of Trans Mountain Corporation for the year ended December 31, 2020, and Trans Mountain Corporation’s Management Report for the year ended December 31, 2020. TMC’s Financial Statements are prepared in accordance with Generally Accepted Accounting Principles in the United States of America (“U.S. GAAP”). All financial measures in this Report are presented in Canadian dollars unless otherwise indicated.

Throughout this Report, the terms “we”, “us”, “our”, and “TMC” refer to Trans Mountain Corporation and its subsidiaries.

## Our Mandate

TMC’s mandate is to safely operate the existing Trans Mountain Pipeline and Puget Sound Pipeline and to complete the Trans Mountain Expansion Project (“TMEP”) in a timely and commercially viable manner. TMC operates in compliance with applicable laws, rules and regulations and to ensure the business is managed in a commercial manner in accordance with environmental standards and expectations. TMC will complete the expansion in alignment with the Federal Government’s direction and priority to provide increased access to international markets for Canadian crude oil producers.

## About Our Business

TMC is a Federal Crown corporation and is a wholly owned subsidiary of Canada TMP Finance Ltd., which in turn is a wholly owned subsidiary of Canada Development Investment Corporation. TMC conducts operations through four entities: Trans Mountain Pipeline Limited Partnership and its wholly owned subsidiary Trans Mountain Pipeline (Puget Sound) LLC, Trans Mountain Pipeline ULC, and Trans Mountain Canada Inc. Together these entities own and operate the Trans Mountain Pipeline System, consisting of the Trans Mountain pipeline, the Puget Sound pipeline, and the TMEP.

### Trans Mountain Pipeline

The Trans Mountain pipeline (“TMPL”) has been in operation since 1953 and transports crude oil and refined petroleum products from Alberta to the lower mainland of British Columbia. In its current configuration, TMPL is approximately 1,150 kilometers long, beginning near Edmonton, Alberta and terminating in Burnaby, British Columbia.

The current design of TMPL supports a pipeline capacity of approximately 300,000 barrels per day (“bpd”) based on a commodity mix of 20% heavy and 80% light. The operational capacity on TMPL will vary on a month to month basis depending on the type and proportion of commodities transported, as well as system downtime that may be required to address operational needs such as maintenance.



TMPL is a common carrier pipeline. Transportation service on the pipeline is governed by a tariff, rules and regulations for service and a toll structure, as approved by the Canada Energy Regulator (“CER”).

As of today, TMPL remains the only pipeline that transports petroleum from the Western Canadian Sedimentary Basin to the West Coast. It is also the only pipeline providing Canadian producers with direct access to world market pricing through a Canadian port. This has led to a steady demand for space on the pipeline.

#### Puget Sound Pipeline

The Puget Sound pipeline (“Puget”), owned by Trans Mountain Pipeline (Puget Sound) LLC, has been in operation since 1954. Puget transports crude oil from the Canada-US border near the Sumas Terminal to Washington State refineries in Anacortes and Ferndale.

Puget is approximately 111 kilometers long. One pump station and two tanks with total capacity of approximately 200,000 barrels facilitate movements on the system. The system has total throughput capacity of approximately 240,000 bpd when transporting primarily light oil.

Puget is a common carrier pipeline and the tolls on Puget are set in accordance with the Federal Energy Regulatory Commission (“FERC”) rate indexing system. FERC sets ceiling rates annually, which in turn allows Trans Mountain to adjust its rates subject to the ceiling limitation.

#### Trans Mountain Expansion Project

The TMEP completes a twinning of the existing pipeline from Edmonton, Alberta to Burnaby, British Columbia. When constructed, it will create a pipeline system with nominal capacity of 890,000 bpd, an increase from the 300,000 bpd existing capacity. For more information on the TMEP, please see our website at [www.transmountain.com](http://www.transmountain.com).

Shippers have signed contracts for transportation service on the expanded TMPL and have made 15 and 20 year commitments that total roughly 80 per cent of the planned capacity on the expanded Trans Mountain Pipeline. These shippers represent or are affiliates of some of the largest producing, marketing and refining companies in the Western Canada Sedimentary Basin and have direct access to large volumes of crude oil and refined products from their business operations.

As of June 30, 2021, construction is approximately 29% complete, with \$8.4 billion in capital spending incurred since the inception of the project. Spending to-date on the TMEP includes up-front costs of permitting, regulatory and legal processes, materials such as pipe, valves, buildings, motors, and financing costs in addition to direct construction related activities. Trans Mountain expects that 2021 will see peak construction for the TMEP, with thousands of people working at hundreds of sites across Alberta and British Columbia. Trans Mountain anticipates mechanical completion of the Project by the end of 2022, with commercial operations commencing soon thereafter.



## Legal and Regulatory Developments

On October 9, 2020, Trans Mountain submitted a variance application to the CER for the West Alternative Route through the Coldwater Valley in British Columbia. Trans Mountain completed detailed environment and engineering work for the Western Alternative Route along with engagement with area Indigenous groups and, subject to necessary approvals, we anticipate starting construction next year. The CER authorized the West Alternative Route in July 2021, subject to written Reasons and any conditions that may apply. The corresponding BCEAO certificate amendment also remains outstanding.

## COVID-19 Pandemic

Trans Mountain's first priority is the health and safety of our workforce, their families and our neighboring communities. During the COVID-19 pandemic, Trans Mountain and its construction contractors have been working diligently together to ensure adherence to all advice and direction from government and health officials both provincially and federally, while ensuring the safe operation of the Trans Mountain Pipeline System and the continued, safe construction of the TMEP. Despite the pandemic's impact on crude oil demand and price, the Trans Mountain pipeline operated at full capacity throughout 2020 and the first half of 2021, as the market access Trans Mountain provides continues to be valuable to shippers.

## Financial Highlights

### Non-GAAP measures

We make use of certain financial measures that do not have a standardized meaning under U.S. GAAP because we believe they improve management's ability to evaluate our operating performance and compare results between periods. These are known as non-GAAP measures and may not be similar to measures disclosed by other entities. Adjusted EBITDA is a non-GAAP measure we use to evaluate our operating performance absent the impact of financing decisions, non-cash depreciation and amortization, and non-cash equity AFUDC<sup>1</sup>.

<b>Financial Highlights</b>	<b>Three months ended</b>		<b>Six months ended</b>	
	<b>June 30</b>		<b>June 30</b>	
<b>(thousands of Canadian dollars, except throughput amounts)</b>	<b>2021</b>	<b>2020</b>	<b>2021</b>	<b>2020</b>
Revenue	107,489	109,273	214,988	211,786
Adjusted EBITDA	45,932	45,527	89,997	92,041
Net Income	63,093	29,807	114,421	55,034
Cash provided by operating activities	(70,532)	(74,949)	(4,197)	17,824
Capital expenditures incurred	1,328,555	679,083	2,335,102	1,273,775
Average daily throughput				
Mainline deliveries (bpd)	336,000	293,000	329,000	295,000
Puget Sound Pipeline (bpd)	215,000	152,000	214,000	171,000
Westridge Marine Terminal (bpd)	36,000	68,000	32,000	60,000
<b>Financial Position at</b>				
<b>(thousands of Canadian dollars)</b>		<b>June 30, 2021</b>		<b>December 31, 2020</b>
Cash and cash equivalents and restricted cash		209,977		180,191
Total assets, including the TMEP work in progress		12,962,413		10,630,138
Loans from parent		5,982,350		4,827,350

<sup>1</sup> Allowance for Funds Used During Construction. A component of construction cost in regulated utilities representing the cost of capital deployed during construction of new assets. AFUDC contains a cost of borrowed funds component and a return on equity component.

**Revenue**

Revenue (thousands of Canadian dollars)	Three months ended June 30			Six months ended June 30		
	2021	2020	% Change	2021	2020	% Change
Transportation	90,941	92,843	(2%)	181,907	179,178	2%
Leases	16,048	16,016	0%	31,905	31,763	0%
Other	500	414	21%	1,176	845	39%
<b>Total</b>	<b>107,489</b>	<b>109,273</b>	<b>(2%)</b>	<b>214,988</b>	<b>211,786</b>	<b>2%</b>

Total revenue consists of income from three sources: transportation, leases and other services. The Trans Mountain pipeline operated at full capacity for all of 2020 and throughout the first six months of 2021. For the three month period ended June 30, 2021, total revenue decreased by \$1.8 million to \$107.5 million as compared to \$109.3 million in the same period of the prior year. For the six month period ended June 30, 2021, total revenue increased by \$3.2 million to \$215.0 as compared to \$211.8 million in the same period of the prior year.

Transportation revenue in the second quarter of 2021 decreased by \$1.9 million to \$90.9 million, as compared to \$92.8 million in the same period of the prior year. The decrease was due to lower flow through operating costs, partially offset by increased revenue on Puget, due to higher average throughput. On a year to date basis, transportation revenue for the six months ended June 30, 2021 increased by \$2.7 million to \$181.9 million as compared to \$179.2 million in the same period of the prior year. The increase is mainly due to higher revenue on Puget, due to higher average throughput.

Lease revenue, which primarily relates to income earned on TMC's third party tank leases, remained constant in 2021 as compared to 2020. For the three month period ended June 30, 2021, lease revenue totalled \$16.0 million, unchanged from the same period in the prior year. For the six months ended June 30, 2021, lease revenue increased by \$0.1 million to \$31.9 million as compared to \$31.8 million in the same period of the prior year.

Other revenue mainly relates to pipe rack rent revenue earned at TMC's terminals and other minor revenue items.

### Expenses

Expenses (thousands of Canadian dollars)	Three months ended June 30			Six months ended June 30		
	2021	2020	% Change	2021	2020	% Change
Pipeline operating costs	31,432	36,158	(13%)	63,125	62,858	0%
Depreciation and amortization	25,612	24,457	5%	50,929	48,825	4%
Salaries and benefits	20,028	17,553	14%	40,667	36,917	10%
Taxes, other than income taxes	9,008	8,593	5%	18,048	16,928	7%
Administration	1,089	1,442	24%	3,151	3,042	4%
<b>Total</b>	<b>87,169</b>	<b>88,203</b>	<b>(1%)</b>	<b>175,920</b>	<b>168,570</b>	<b>4%</b>

Pipeline operating costs and taxes, other than income taxes, on the TMPL are primarily treated as flow through costs to TMC's customers as per the Incentive Toll Settlement ("ITS") agreement. Depreciation and amortization, salaries and benefits, and administration costs related to the TMPL are largely recovered from TMC's customers through the capital recovery and fixed cost components of the ITS.

Pipeline operating costs for the three months ended June 30, 2021 totalled \$31.4 million reflecting a decrease of \$4.8 million, as compared to \$36.2 million in the same period of the prior year. On a year to date basis, pipeline operating costs for the six months ended June 30, 2021 increased by \$0.2 million to \$63.1 million, as compared to \$62.9 million in the same period of the prior year. The change in pipeline operating costs for both the three and six months end June 30, 2021, as compared to the same periods in the prior year, is primarily due to lower 2021 remediation costs for the June 2020 Sumas Release, , and lower security costs, offset by higher power and insurance costs.

Depreciation and amortization expense in the second quarter of 2021 increased by \$1.1 million to \$25.6 million, as compared to \$24.5 million in the same period of the prior year. For the six months ended June 30, 2021, depreciation and amortization increased by \$2.1 million to \$50.9 million, compared to \$48.8 million in the same period of the prior year. The increase for both the three and six month periods ended June 30, 2020, as compared to the same periods in the prior year, is mainly due to depreciation and amortization expense incurred on non-TMEP capital additions made in the prior year.

Salaries and benefits expense for the three month period ended June 30, 2021 increased by \$2.4 million to \$20.0 million, as compared to \$17.6 million in the same period of the prior year. On a year to date basis, salaries and benefits expense increased by \$3.8 million to \$40.7 million, as compared to \$36.9 million in the same period of the prior year. The increase for both the three and six month periods ended June 30, 2021, as compared to the same periods in the prior year, is mainly due to costs associated with a planned increase in workforce to prepare TMC for its expanded asset post-TMEP and associated business requirements.

Taxes, other than income taxes, in the second quarter of 2021 increased by \$0.4 million to \$9.0 million, as compared to \$8.6 million in the same period of the prior year. For the six month period



ended June 30, 2021 taxes, other than income taxes, increased by \$1.1 million to \$18.0 million, as compared to \$16.9 million in the same period of the prior year. The increase for the three and six month periods ended June 30, 2021, as compared to the same periods of the prior year, is due to increased property taxes, primarily on TMPL regulated assets.

Administration expenses for the three month period ended June 30, 2021 decreased by \$0.3 million to \$1.1 million, as compared to \$1.4 million in the same period of the prior year. On a year to date basis, administration expense for the six month period ended June 30, 2021 increased by \$0.2 million to \$3.2 million, as compared to \$3.0 million in the same period of the prior year. The change in administration expenses is mainly due to lower COVID-19 related costs in 2021 and reduced travel expenses, offset by higher costs incurred on information technology and increased costs associated with planned workforce changes.

#### ***Adjusted EBITDA***

Adjusted EBITDA for the three month period ended June 30, 2021 increased by \$0.4 million to \$45.9 million, as compared to \$45.5 million in the same period of the prior year. On a year to date basis, Adjusted EBITDA for the six months ended June 30, 2021 decreased by \$2.0 million to \$90.0 million, as compared to \$92.0 million in the same period of the prior year. As flow through costs equally impact revenue and expenses, the change in Adjusted EBITDA for both the three and six months ended June 30, 2021, as compared to the same periods of the prior year, is mainly due to increased throughput and the corresponding increase in Adjusted EBITDA on Puget, offset by higher salaries and benefits costs.

#### ***Equity Allowance for funds used during construction ("AFUDC")***

Equity AFUDC for the three month period ended June 30, 2021 increased by \$44.1 million to \$84.4 million, as compared to \$40.3 million in the same period of the prior year. For the six months ended June 30, 2021 equity AFUDC increased by \$81.3 million to \$155.6 million, as compared to \$74.3 million in the same period of the prior year. The significant increase for both the three and six month periods ended June 30, 2021, as compared to the same periods in the prior year, is due to the cumulative impact of capital spending on the TMEP.



### ***Interest expense***

<b>Interest Expense</b> <b>(thousands of Canadian dollars)</b>	<b>Three months ended June 30</b>			<b>Six months ended June 30</b>		
	<b>2021</b>	<b>2020</b>	<b>%</b>	<b>2021</b>	<b>2020</b>	<b>% Change</b>
Interest and commitment fees on loans from parent	71,534	45,593	57%	136,329	86,896	57%
Capitalized debt financing costs	(48,877)	(23,331)	109%	(90,115)	(42,993)	110%
Interest income and other	(1,229)	(717)	71%	(2,481)	(2,368)	5%
<b>Interest Expense, net of capitalized debt financing costs</b>	<b>21,428</b>	<b>21,545</b>	<b>(1%)</b>	<b>43,733</b>	<b>41,535</b>	<b>5%</b>

The increase in total interest and commitment fees from TMC's parent and capitalized debt financing costs for the three and six months ended June 30, 2021, as compared to the same periods in the prior year, is due to the capital spending on the TMEP and the corresponding increase in long-term debt levels year over year.

### ***Income tax***

Income tax expense for the three and six month periods ended June 30, 2021 totalled \$20.5 million and \$37.2 million, respectively reflecting effective tax rates of 24.6% and 24.5%, respectively; as compared to income tax expense for the three and six month periods ended June 30, 2020 of \$9.8 million and \$17.9 million, respectively reflecting effective tax rates of 24.7% and 24.5%, respectively. The effective tax rates for the three and six month periods ended June 30, 2021 and 2020 were consistent with the statutory rate of 24.67%.

### ***Net Income***

Net income for the three month period ended June 30, 2021 increased by \$33.3 million to \$63.1 million, as compared to \$29.8 million in the same period of the prior year. The increase is mainly due to the \$44.1 million increase in equity AFUDC, due to spending on the TMEP, and the \$0.4 million increase in Adjusted EBITDA, partially offset by the \$10.7 million increase in income tax expense, due to higher pre-tax income.

Net income for the six month period ended June 30, 2021 increased by \$59.4 million to \$114.4 million, as compared to \$55.0 million in the same period of the prior year. The increase is mainly due to the \$81.3 million increase in equity AFUDC, due to spending on the TMEP, partially offset by the \$19.3 million increase in income tax expense, due to higher pre-tax income, the \$2.2 million increase in interest expense, and the \$2.0 million decrease in Adjusted EBITDA.

### ***Capital Expenditures***

<b>Capital Expenditures (thousands of Canadian dollars)</b>	<b>Three months ended June 30</b>		<b>Six months ended June 30</b>	
	<b>2021</b>	<b>2020</b>	<b>2021</b>	<b>2020</b>
TMEP capital	1,312,283	674,343	2,309,600	1,250,638
Non-TMEP capital	16,272	4,740	25,502	23,137
<b>Total</b>	<b>1,328,555</b>	<b>679,083</b>	<b>2,335,102</b>	<b>1,273,775</b>

Capital expenditures for the three and six month periods ended June 30, 2021 increased significantly over the same period of the prior year, due to construction activity on the TMEP. A total of \$1.3 billion and \$2.3 billion was incurred on the TMEP for the three and six months ended June 30, 2021, respectively.

Following a voluntary line-wide safety stand down that began in December of 2020, and completion of re-training of workers and supervisors, construction resumed on all active pipeline spreads, facilities, and reactivation sites midway through the first quarter of 2021. On June 3, 2021, the CER issued a project-wide stop work order that restricted clearing and mowing activities on the TMEP. All other construction activity continued across the TMEP. The order was issued as a result of a subcontractor conducting clearing activities without completing the necessary environmental compliance work required by TMC. On June 21, 2021, the CER lifted the stop work order, after TMC filed a corrective action plan.

Year to date, several new general contractors have been hired to complete various spreads on the TMEP. Work is underway in various phases along the route and the project construction is approximately 29% complete. In Alberta, pipeline construction is nearly completed in the Greater Edmonton area and tank construction at Edmonton terminal is underway. Work is beginning to ramp up in Yellowhead region following spring break up. Reactivation of the line through the Jasper - Mount Robson area continued with technical digs and natural hazard remediation work. Work also continued in B.C. along the pipeline corridor, including various right-of-way activities, stripping and grading, as well as stringing and welding of pipe in the North Thompson region. In the Coquihalla to Hope region, work commenced, including surveys, sweeps, right-of-way access and stringing of pipe. At the Lower Mainland terminals, work included preparation of temporary worksites for the Fraser River crossing and pipeline construction at various sites. Construction work continues at the Westridge Marine Terminal. Tank pad construction is underway for the Burnaby Terminal tanks and tunnel boring at Burnaby Mountain commenced in the second quarter of 2021 on a 2.6 kilometre tunnel that will connect the Burnaby Terminal to the Westridge Marine Terminal.

For the three and six month periods ended June 30, 2021, non-TMEP capital expenditures totalled \$16.3 million and \$25.5 million, respectively which related to routine sustaining capital projects to maintain the TMPL in a safe and reliable operating condition, including Sumas Station upgrades and river crossing integrity, Burnaby tank roof replacement, and mainline infrastructure, as well as corporate expenditures for leasehold improvements.

## Environment, Health and Safety

As part of our Environment, Health and Safety program TMC tracks its performance against its own previous three-year average and that of the pipeline industry in the areas of vehicle safety, worker safety, and releases of the commodities we transport. Tracking against our own historical performance drives continuous improvement which is an integral part of all our programs and comparing against industry provides a means to assess the effectiveness of our operations against our peers. The following table provides a summary of TMC’s Environment, Health and Safety program during 2021:

	2021	Three-year average	
		TMC	Industry <sup>(1)</sup>
<b>Health and Safety</b>			
Avoidable Vehicle Incident Rate (per million miles driven)	0.35	0.09	1.05
Total Recordable Injury Rate <sup>(2)</sup>			
Employees	0.00	0.40	0.55
Contractors	0.58	1.09	1.20
Contractors – TMEP	0.55 <sup>(4)</sup>	N/A	1.50
<b>Environment</b>			
Commodity Releases Rate <sup>(3)</sup>	0.00	0.79	0.23
Volume of releases(m <sup>3</sup> ) <sup>(3)</sup>	0.00	52.15	20.63

(1) Industry rates provided by CEPA (Canadian Energy Pipeline Association) except for Contractor rates which are provided by NAICS (North American Industry Classified System).

(2) Total Recordable Injury Rate: number of recordable incidents X 200,000 divided by number of hours worked.

(3) Release rates are per 1,000 km of operating pipeline. See Sumas Release discussion below.

(4) Measured from the commencement of the project to June 30, 2021.

### Safety Stand Down

In the fourth quarter of 2020, as a result of serious safety incidents including two major contractor incidents, Trans Mountain voluntarily directed a project-wide safety stand down that temporarily suspended all construction activity on TMEP effective December 18, 2020. The objective of the safety stand down was to review, reset and refocus TMC’s efforts, and those of our contractors and workers. Construction on TMEP resumed in the first quarter of 2021.

### Sumas Release

The environmental remediation activities at the Sumas pump station continued in 2021 and are nearing completion.

While TMC tracks all commodity releases, industry data for releases greater than 1.5 m<sup>3</sup> is the threshold used for performance comparison. There have been no commodity releases in 2021 that met this threshold.

## Environment, Social and Governance

In July 2021, TMC published its first Environment, Social and Governance (“ESG”) report sharing the company’s ESG performance, a copy of which can be found on our website at [www.transmountain.com/esg-report](http://www.transmountain.com/esg-report).

## Business Risks

Refer to TMC’s Management Report for the year ended December 31, 2020 for more information about our business risks, which have not changed substantially since December 31, 2020.

### Existing Operations

There are limited risks due to economic factors on existing operations. Most costs and revenues of the business are in Canadian dollars, resulting in limited foreign exchange exposure. On Puget, revenues and most costs are in U.S. dollars, leading to limited foreign exchange exposure within the Puget entity, but resulting in some exposure to foreign currency translation when TMC converts Puget’s results to Canadian dollars on consolidation.

Tolls for transportation service on the Canadian portion of the existing TMPL are regulated by the CER and governed by the terms of the ITS, which provides significant financial risk mitigation.

TMC’s existing operations are subject to a variety of physical hazards and risks typical of most large diameter transmission pipelines.

### TMEP Project Risks

TMC is exposed to project execution risks commensurate with major construction projects of this geography, size and complexity. Completion of the TMEP will require significant capital expenditures, and TMC will require the continued availability of financing from its parent, Canada TMP Finance Ltd., in order to complete the TMEP.

## Forward-looking information

In certain sections of this Report we discuss our business strategy and outlook, and comment on financial resources, capital spending, and other expectations of management. This is forward-looking information. We disclose forward-looking information to help the reader understand management's assessment of our future plans and financial outlook. Statements that are forward-looking generally include words like anticipate, expect, believe, may, will, should, estimate, or other similar words.

Forward-looking statements do not guarantee future performance. Actual results could be different due to incorrect assumptions, risks or uncertainties related to our business, or events that happen after the date of this Report.

Our forward-looking information is based on assumptions and expectations and is subject to risks and uncertainties, including:

### Assumptions

- expected operating and financial results including planned changes in our business;
- expectations or projections about strategies and goals for growth and expansion;
- expected cash flows and availability of funds from our immediate parent and financing source, Canada TMP Finance Ltd;
- potential costs, schedules and completion dates for planned projects, including projects under construction, permitting and in development;
- planned and unplanned outages of our pipelines and related assets;
- integrity and reliability of our assets;
- expected outcomes relating to regulatory processes and legal proceedings, and potential changes in laws and regulations;
- impacts arising from COVID-19 not becoming significantly more onerous on TMC;
- the expected impact of future accounting changes, commitments and contingent liabilities;
- expected industry, market and economic conditions;
- future demand for space on our pipeline systems;
- inflation rates and commodity prices;
- interest, tax and foreign exchange rates.

### Risks and uncertainties

- our ability to successfully implement our strategic priorities and whether they will yield the expected financial and operational results and benefits;
- the operating performance of our pipelines and related assets;
- competitive factors in the pipeline sector;
- the available supply and price of energy commodities;
- performance and credit risk of our counterparties;
- regulatory and legal decisions and outcomes, and potential changes in laws and regulations;

- changes in market commodity prices, the political environment, widespread epidemics or pandemics, and economic conditions in Canada and globally;
- construction execution and completion of capital and operations projects, including reliance on the availability, performance and expertise of a suitably skilled and qualified workforce and third party contractors;
- demonstrations, protests or civil disobedience that impact construction execution and/or operations;
- climate change risks, including the effects of unusual weather and natural catastrophes;
- climate change effects and regulatory and market compliance and other costs associated with climate change;
- reputational risks;
- increases in costs for labour, equipment and materials;
- fluctuations in interest, tax and foreign exchange rates;
- risks related to cyber security, confidentiality, and data integrity;
- risks related to technological developments;
- natural hazards (floods, landslides, seismic activity, etc.).

Forward-looking information should not be used for anything other than its intended purpose, as actual results could vary.