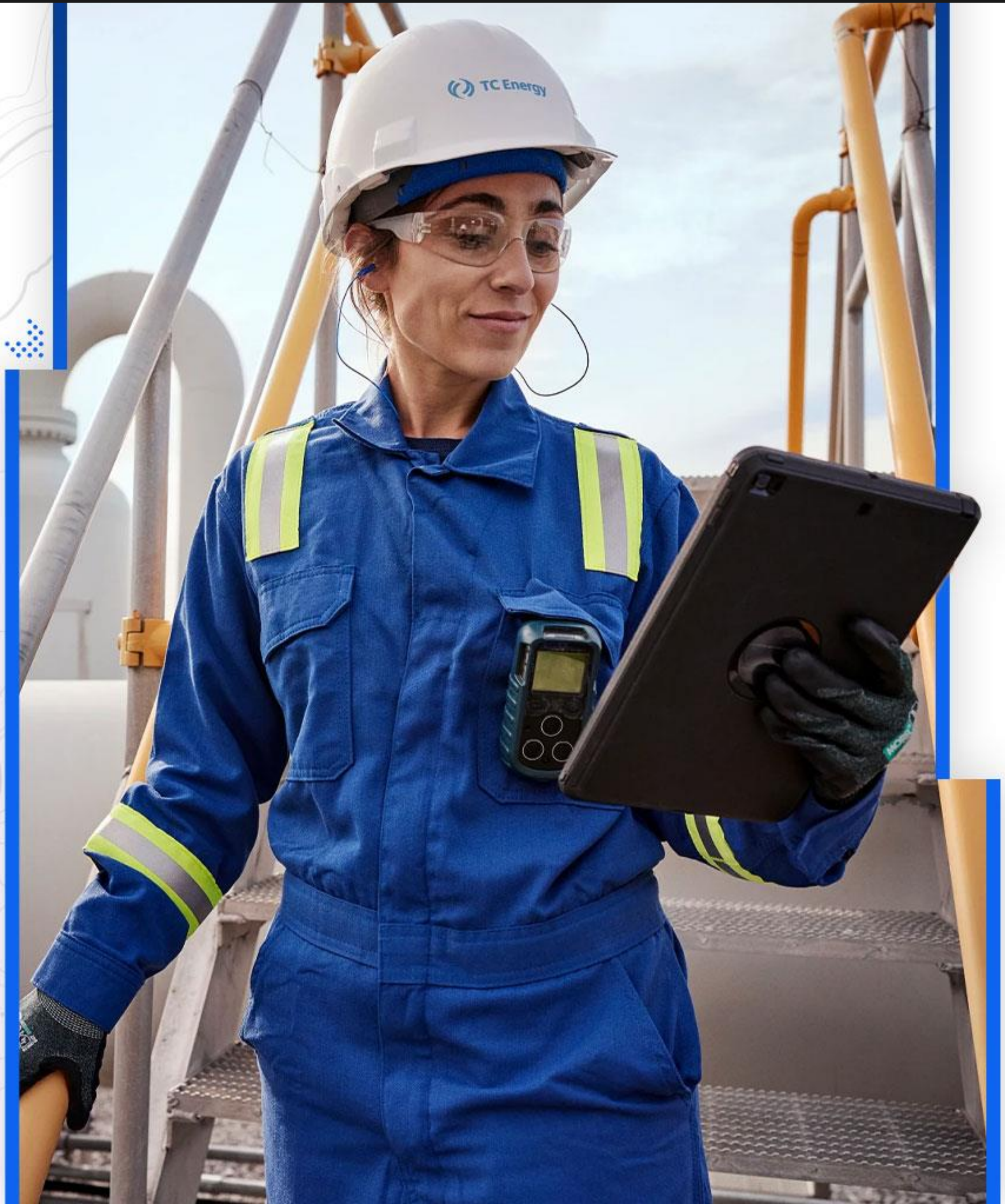
Second quarter 2024 conference call



August 1, 2024

Call participants

François Poirier – President and Chief Executive Officer

Sean O'Donnell – Executive Vice-President and Chief Financial Officer

Stanley G. Chapman, III – Executive Vice-President and Chief Operating Officer, Natural Gas Pipelines

Annesley Wallace – Executive Vice-President, Strategy and Corporate Development and President, Power and Energy Solutions

Bevin Wirzba – President and Chief Executive Officer, South Bow

Gavin Wylie – Vice-President, Investor Relations

Forward-looking information and non-GAAP measures

This presentation includes certain forward-looking information, including future oriented financial information or financial outlook, which is intended to help current and potential investors understand management's assessment of our future plans and financial outlook, and our future prospects overall. Statements that are forward-looking are based on certain assumptions and on what we know and expect today and generally include words like anticipate, expect, believe, may, will, should, estimate or other similar words. Forward-looking statements do not guarantee future performance. Actual events and results could be significantly different because of assumptions, risks or uncertainties related to our business or events that happen after the date of this presentation. Our forward-looking information in this presentation includes, but is not limited to, statements related to: our financial and operational performance, including the performance of our subsidiaries, expectations about strategies and goals for growth and expansion, including acquisitions, expected cash flows and future financing options available along with portfolio management, expectations regarding comparable EBITDA growth, expectations about the new Liquids Pipelines Company, South Bow Corporation, following the anticipated completion of the proposed spinoff transaction of our Liquids Pipelines business (the spinoff Transaction) into a separate publicly listed company, including the management and credit ratings thereof, expectations regarding the size, structure, timing, conditions and outcome of ongoing and future transactions, including the spinoff Transaction and our asset divestiture program, expected dividend growth, expected access to and cost of capital, expected energy demand levels, expected costs and schedules for planned projects, including projects under construction and in development such as Southeast Gateway and Bruce Power, expected capital expenditures, contractual obligations, commitments and contingent liabilities, including environmental remediation costs, expected regulatory processes and outcomes, statements related to our GHG emissions reduction goals, expected outcomes with respect to legal proceedings, including arbitration and insurance claims, expected impact of future tax and accounting changes, commitments and targets contained in our Report on Sustainability and GHG Emissions Reduction Plan, expected industry, market and economic conditions, including their impact on our customers and suppliers.

Our forward-looking information is based on certain key assumptions and is subject to risks and uncertainties, including but not limited to realization of expected benefits from acquisitions, divestitures, the spinoff Transaction and energy transition, terms, timing and completion of the spinoff Transaction, including the timely receipt of all necessary approvals, that market or other conditions are no longer favourable to completing the spinoff Transaction, business disruption during the period prior to or directly following the spinoff Transaction, our ability to successfully implement our strategic priorities, including the Focus Project, and whether they will yield the expected benefits, our ability to implement a capital allocation strategy aligned with maximizing shareholder value, operating performance of our pipelines, power generation and storage assets, amount of capacity sold and rates achieved in our pipeline businesses, amount of capacity payments and revenues from power generation assets due to plant availability, production levels within supply basins, construction and completion of capital projects, cost, availability of, and inflationary pressures on, labour, equipment and materials, availability and market prices of commodities, access to capital markets on competitive terms, interest, tax and foreign exchange rates, performance and credit risk of our counterparties, regulatory decisions and outcomes of legal proceedings, including arbitration and insurance claims, our ability to effectively anticipate and assess changes to government policies and regulations, including those related to the environment, our ability to realize the value of tangible assets and contractual recoveries, competition in the businesses in which we operate, unexpected or unusual weather, acts of civil disobedience, cybersecurity and technological developments, sustainability-related risks, impact of energy transition on our business, economic conditions in North America, as well as globally, global health crises, such as pandemics and epidemics, and the impacts related thereto. As actual results could vary significantly from the forward-looking information, you should not put undue reliance on forward-looking information and should not use future-oriented information or financial outlooks for anything other than their intended purpose. We do not update our forward-looking statements due to new information or future events unless we are required to by law. For additional information on the assumptions made, and the risks and uncertainties which could cause actual results to differ from the anticipated results, refer to the most recent Quarterly Report to Shareholders and Annual Report filed under TC Energy's profile on SEDAR+ at www.sedarplus.ca and with the U.S. Securities and Exchange Commission at www.sec.gov.

This presentation refers to comparable EBITDA, adjusted comparable EBITDA, comparable earnings per share, and adjusted debt, each of which does not have any standardized meaning as prescribed by U.S. GAAP and therefore may not be comparable to similar measures presented by other entities. The most directly comparable measures presented in the financial statements are: (i) in respect of comparable EBITDA and adjusted comparable EBITDA, segmented earnings, (ii) in respect of comparable earnings per share, net income per common share, and (iii) in respect of adjusted debt, debt. The presentation also contains references to debt-to-EBITDA, a non-GAAP ratio, which is calculated using adjusted debt and adjusted comparable EBITDA, each of which are non-GAAP measures. We believe debt-to-EBITDA ratios provide investors with a useful credit measure as they reflect our ability to service our debt and other long-term commitments. Dividend payout ratio is also referred to in the presentation, which is calculated as the percentage of comparable earnings per share in the relevant period which comprises the amount of dividends expected to be paid to holders of common shares in such period. We believe this payout ratio provides investors with useful information regarding the ability of, and the extent to which, TC Energy pays dividends on its common shares.

For reconciliations of: Comparable EBITDA to segmented earnings and comparable earnings per share to net income per common share, refer to the applicable business segment in our management's discussion and analysis (MD&A) for the applicable period, which sections are incorporated by reference herein and to Appendices A and B hereto; adjusted debt to debt and adjusted comparable EBITDA to segmented earnings, refer to Appendix D. Refer to the non-GAAP measures section of the MD&A in our most recent quarterly report for more information about the non-GAAP measures we use, which section of the MD&A is incorporated by reference herein. Refer to the non-GAAP measures section of the MD&A in our most recent quarterly report for more information about the non-GAAP measures we use, which section of the MD&A is incorporated by reference. The MD&A can be found on SEDAR+ at www.sedarplus.ca under TC Energy's profile.

François Poirier
President and Chief Executive Officer

Delivering on 2024 priorities

MAXIMIZING THE VALUE OF OUR **ASSETS** THROUGH **SAFETY** AND **OPERATIONAL EXCELLENCE**

- South Bow spinoff achieved **successful shareholder vote** on June 4
- Reached unanimous support from customers on the **2025-2029 NGTL settlement** with a **10.1% ROE**

PROJECT EXECUTION ON-TIME AND **ON-BUDGET**

- Tracking planned cost and schedule with **Southeast Gateway** and Bruce Power **Unit 3 MCR**
- Remain on track to place **~$7 billion**[1] of assets into service in 2024
- Delivered **9%** comparable EBITDA[2] growth vs. Q2 2023

ENHANCING BALANCE SHEET STRENGTH AND FLEXIBILITY

- Advanced $3 billion asset divestiture program with **PNGTS, TGNH** and **NGTL** transactions
- Remain on track for the **4.75x debt-to-EBITDA**[3] upper limit target by year-end 2024

Continued execution to deliver superior shareholder returns

(1) *Includes TC Energy's 35 per cent equity share of Coastal GasLink.*
(2) *Comparable EBITDA is a non-GAAP measure. See the forward-looking information and non-GAAP measures slide at the front of this presentation and Appendix A and B for more information.*
(3) *Debt-to-EBITDA is a non-GAAP ratio. Adjusted debt and adjusted comparable EBITDA are the non-GAAP measures used to calculate Debt-to-EBITDA. See the forward-looking information and non-GAAP measures slide at the front of this presentation and Appendix D for more information.*

CREATING A LASTING AND MEANINGFUL LEGACY

Historic equity ownership agreement on NGTL and Foothills Systems

Announced a **historic equity ownership agreement** that will enable Indigenous Communities to become owners in the NGTL and Foothills Systems

- Sale of a **5.34% minority interest** in NGTL and Foothills Systems for gross proceeds of **$1.0 billion**
- Made possible by an equity loan guarantee provided by the **Alberta Indigenous Opportunities Corporation** to the Indigenous Communities

Strategically positioned to meet growing gas demand

Current TC Energy natural gas opportunities underpinned by five key pillars(1):

NEXT WAVE LNG
5+ Bcf/d
Unparalleled LNG connectivity across U.S., Canada, and Mexico

LDC ENERGY SECURITY
1+ Bcf/d
Utilities largest natural gas storage system bolstering reliability and energy security across the continent

POWER GENERATION
~5 Bcf/d
Electrification, coal retirements and AI/data centers are key growth drivers

SUPPLY ACCESS
Up to 4 Bcf/d
Connecting the lowest cost supply to the highest value markets

MAINTENANCE & MODERNIZATION
~$7.5 billion(2)
of projects that support the safe and reliable delivery of record volumes

North American gas demand forecasted to grow nearly 40 Bcf/d(3) 2023-2035

Reliability and dispatchability of natural gas are key drivers behind the growing outlook

U.S. demand to increase with growth across key sectors including LNG exports, exports to Mexico and power generation	**+26** Bcf/d
Demand growth in Canada is largely driven by LNG exports and the industrial sector	**+7** Bcf/d
Power buildout, nearshoring momentum and LNG exports underpin growth across Mexico	**+5** Bcf/d

(1) As of Q2 2024 financial results. Includes sanctioned, under construction and projects in development, based on capacity. Excludes Coastal GasLink phase 1.
(2) Based on secured projects as of Q2 2024 financial results
(3) Source: TC Energy internal forecast

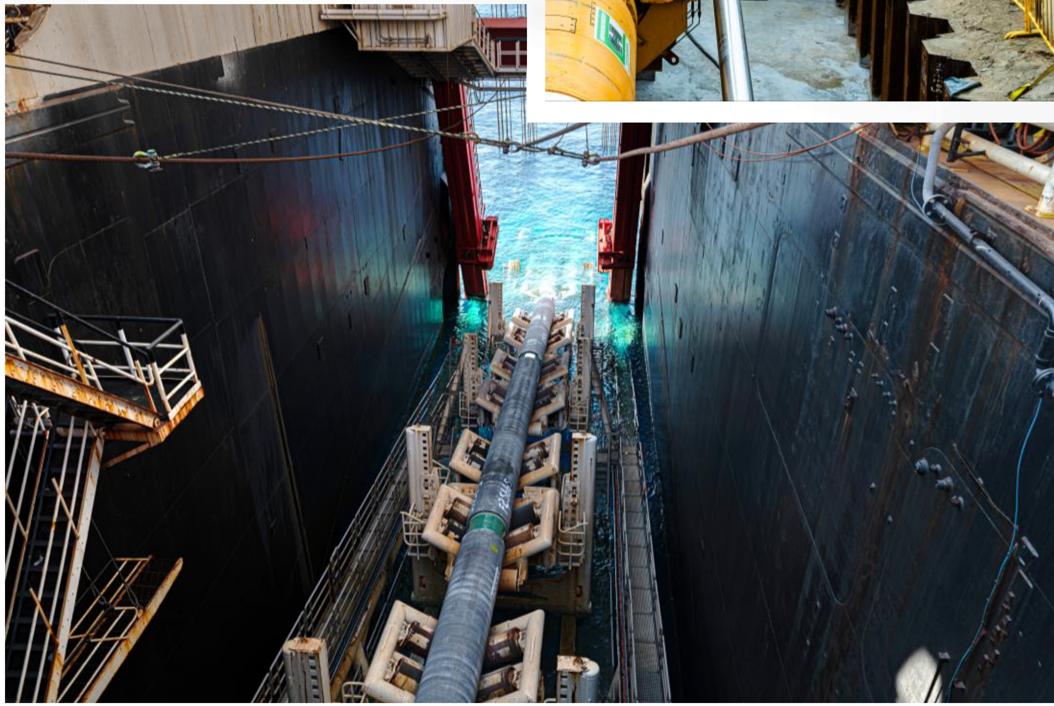
MAJOR PROJECT EXECUTION

Reached key milestones on Southeast Gateway construction

SOUTHEAST GATEWAY PIPELINE

Continue to **track planned schedule** and expected cost of **US$4.5 billion**

- Offshore pipeline installation is over **98%** complete
  - Deepwater offshore installation is now **complete**
  - Remaining 3 km of shallow water installation is expected to be complete in **Q3 2024**
- All three landfalls complete
- Onshore facilities, pipeline and tie-in activities continue to progress well

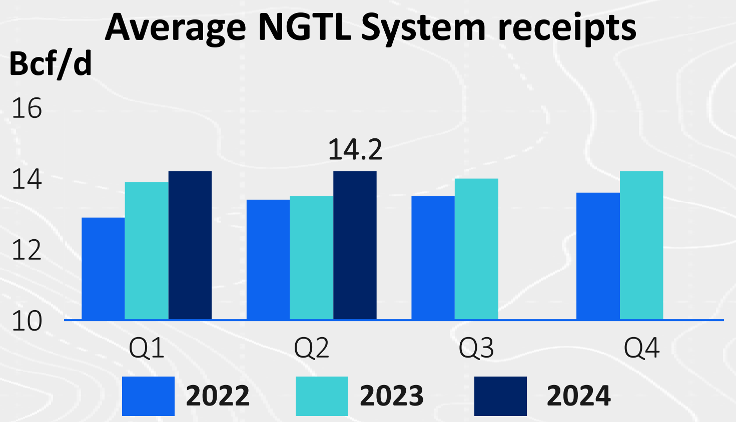


Q2 HIGHLIGHTS

Operational excellence and robust demand across geographies

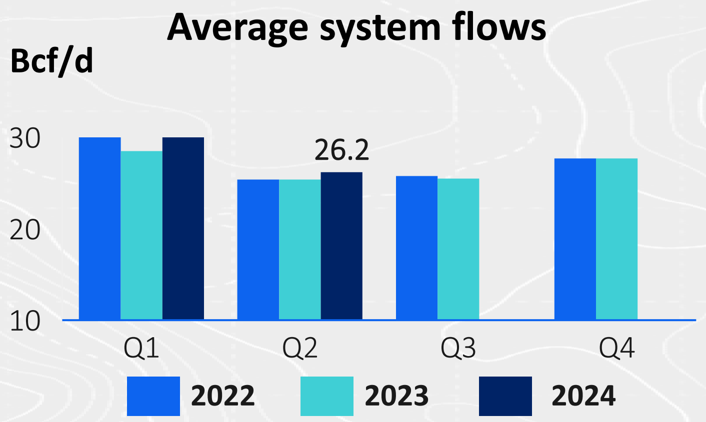
CANADIAN NATURAL GAS PIPELINES

- **Net income[1] up 4%** vs. Q2 2023
- Average NGTL System receipts of **14.2 Bcf/d**, **up 5%** vs. Q2 2023
  - New daily record for total receipts of **14.8 Bcf** achieved on April 12
- NGTL System set a new daily record for power generator deliveries of **1.1 Bcf** on July 18



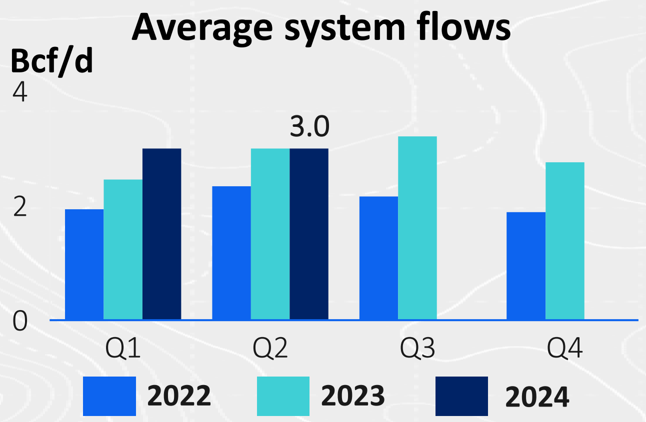
U.S. NATURAL GAS PIPELINES

- **Comparable EBITDA[2] up 8%** vs. Q2 2023
- Daily average flows were **26.2 Bcf/d**, **up 3%** vs. Q2 2023
- Set Q2 average delivery records for power generators and LNG facilities of **2.8 Bcf/d** and **3.3 Bcf/d**, respectively
  - New daily record for power generator deliveries of **5.2 Bcf** on July 15



MEXICO NATURAL GAS PIPELINES

- **Comparable EBITDA[2] up 48%** vs. Q2 2023
- Set an all-time delivery record of more than **4.0 Bcf** on May 24
- Daily average flows were **3.0 Bcf/d**



(1) Represents NGTL System and Canadian Mainline net income. (2) Comparable EBITDA is a non-GAAP measure. See the forward-looking information and non-GAAP measures slide at the front of this presentation for more information and Appendix A and B for more information.

MAXIMIZING THE VALUE OF OUR ASSETS

Reached five-year revenue requirement settlement with NGTL System customers

Unanimous support from customers on five-year settlement

- Commencing **January 1, 2025**
- Maintains a **return on equity of 10.1%** on 40% deemed common equity
- Expected to result in approximately **$150 million – $200 million** per year increase in comparable EBITDA(1) through increased depreciation rates and **incentive mechanisms**

Multi-year growth plan enabled by Settlement

- Framework that supports **$3.27 billion** investment in a new multi-year growth plan
- **Multiple projects** that are subject to final corporate and regulatory approvals
  - Targeted in-service dates between **2027 and 2030**
- Approximately **1.0 Bcf/d** of incremental system throughput

(1) Comparable EBITDA is a non-GAAP measure. See the forward-looking information and non-GAAP measures slide at the front of this presentation for more information and Appendix A and B for more information.

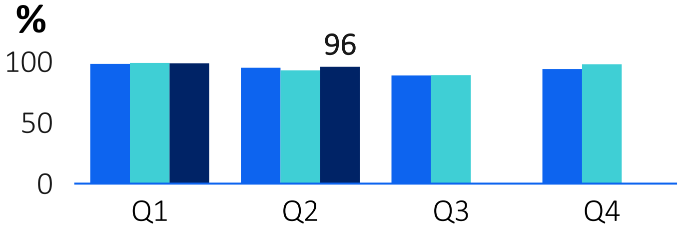
Q2 HIGHLIGHTS

Availability and reliability driving strong performance

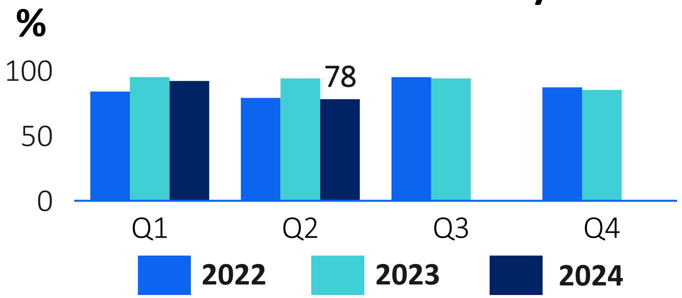
POWER & ENERGY SOLUTIONS

- **Comparable EBITDA[1] increased 5%** vs. Q2 2023
- Cogeneration power plant fleet achieved **95.7% availability**
- Achieved **Bruce Power availability of 78%,** reflecting planned maintenance on Units 5 through 8
    - No additional planned maintenance in 2024
    - Full-year 2024 outlook remains in the **low-90% range**
- **Unit 3 MCR** tracking planned **cost** and **schedule**

Average cogeneration availability



Bruce Power availability[2]



(1) Comparable EBITDA is a non-GAAP measure. See the forward-looking information and non-GAAP measures slide at the front of this presentation and Appendix A and B for more information.
(2) Defined as the percentage of time the plant was available to generate power, regardless of whether it was running. Excludes MCR outage days.

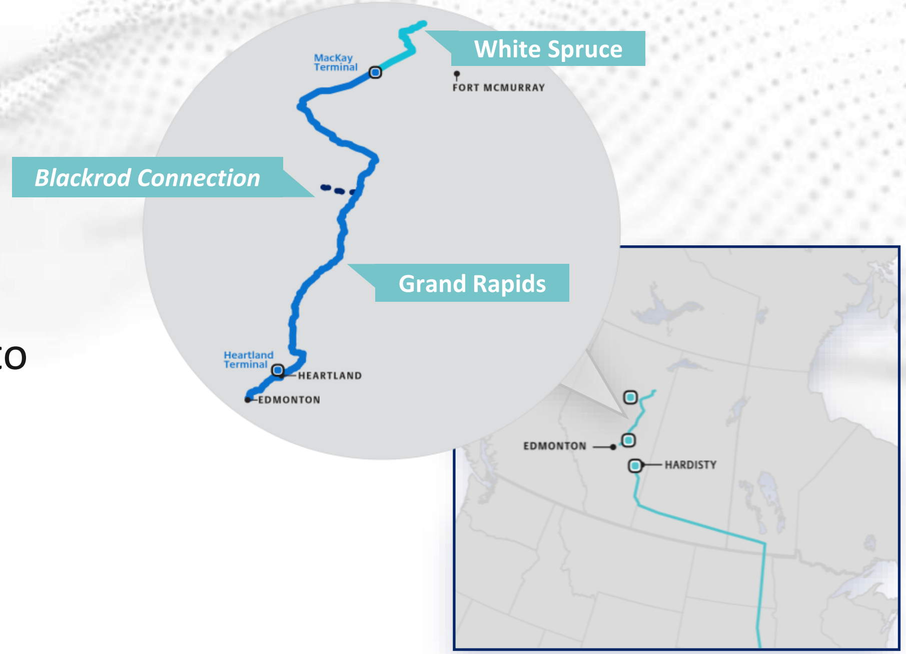
Q2 HIGHLIGHTS

Strong reliability and continued progress towards South Bow spinoff

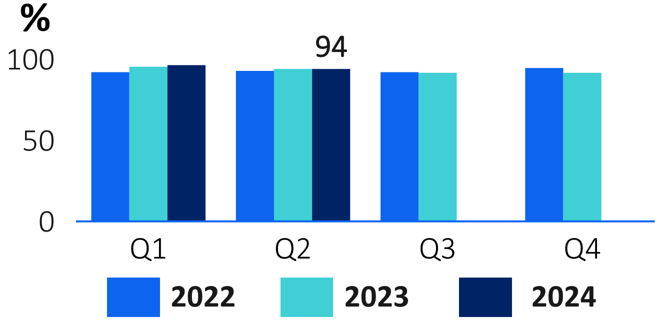
LIQUIDS PIPELINES

- Keystone System achieved **94%** operational reliability
- **Sanctioned** the $250 million **Blackrod Connection Project** connecting to Grand Rapids in Alberta, **supporting near-term growth targets**
  - Executed commercial agreements and received regulatory approvals
- Shareholders voted to **approve the South Bow spinoff** at the **June 4 Annual & Special Meeting**
  - **97%** of shares voted were cast in favour of the spin
- Preparing to stand up **investment-grade capital structure** of **~$7.9 billion** in advance of legal separation

Blackrod Connection Project



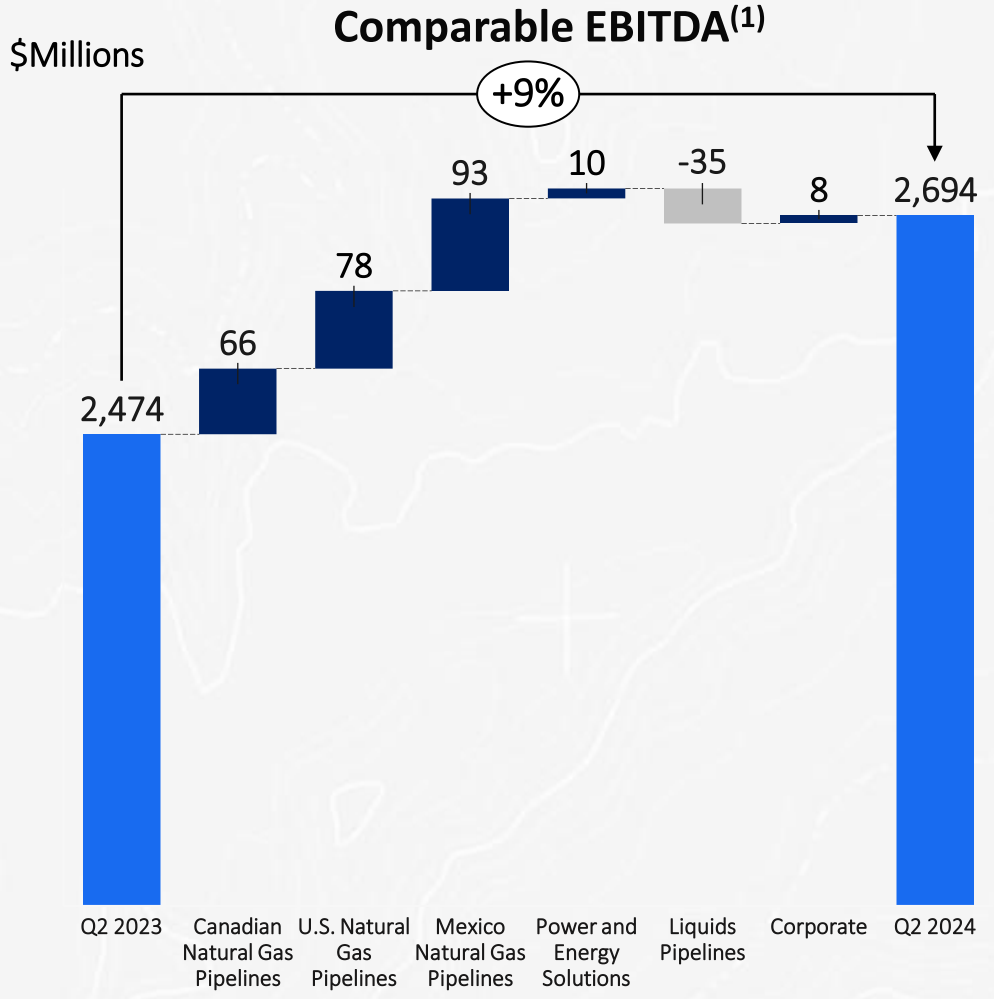
Keystone System Operating Factor

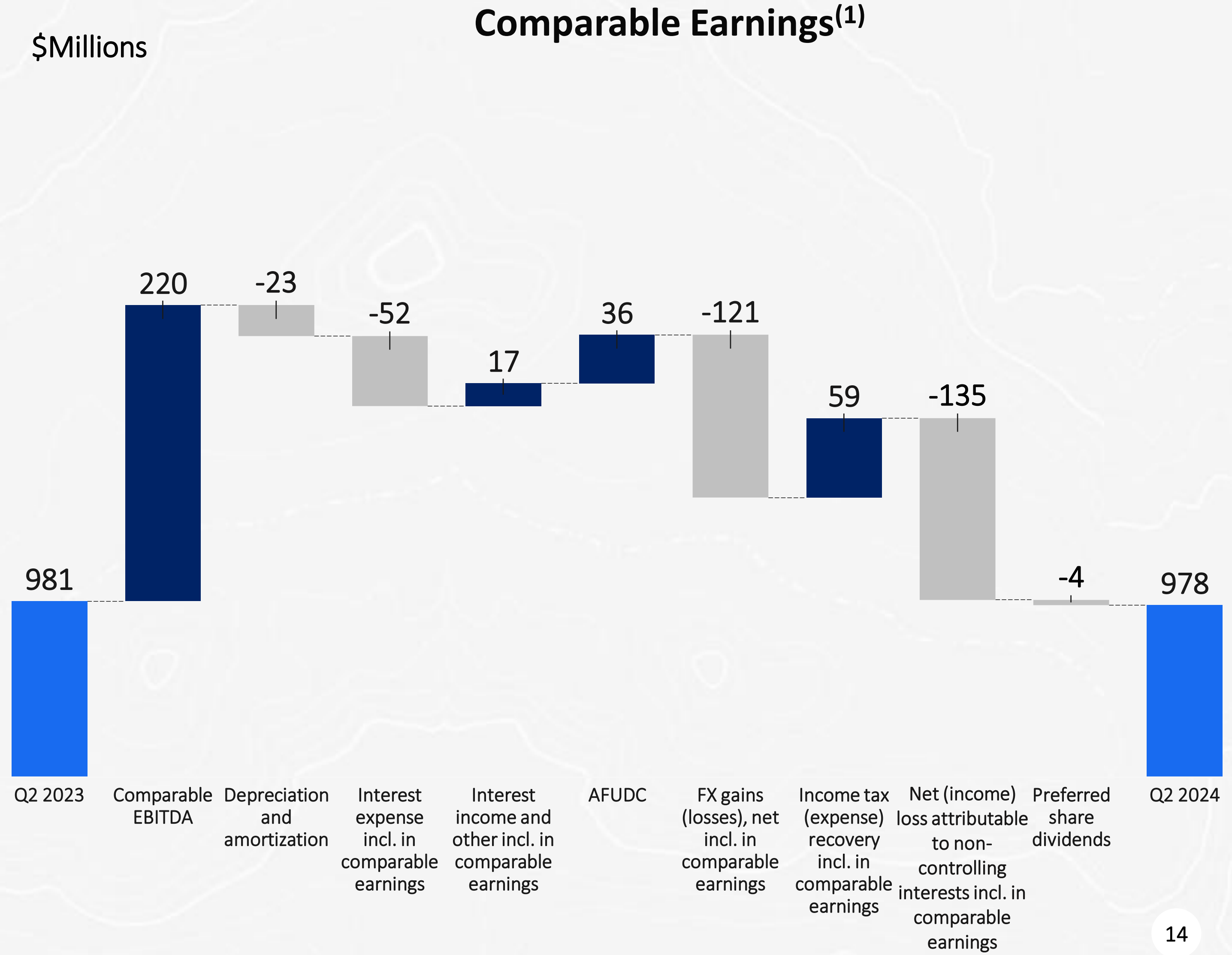


(1) *Comparable EBITDA is a non-GAAP measure. See the forward-looking information and non-GAAP measures slide at the front of this presentation and Appendix A and B for more information.*

Sean O'Donnell
Executive Vice-President and
Chief Financial Officer

Second quarter comparable EBITDA[1] up 9% year-over-year



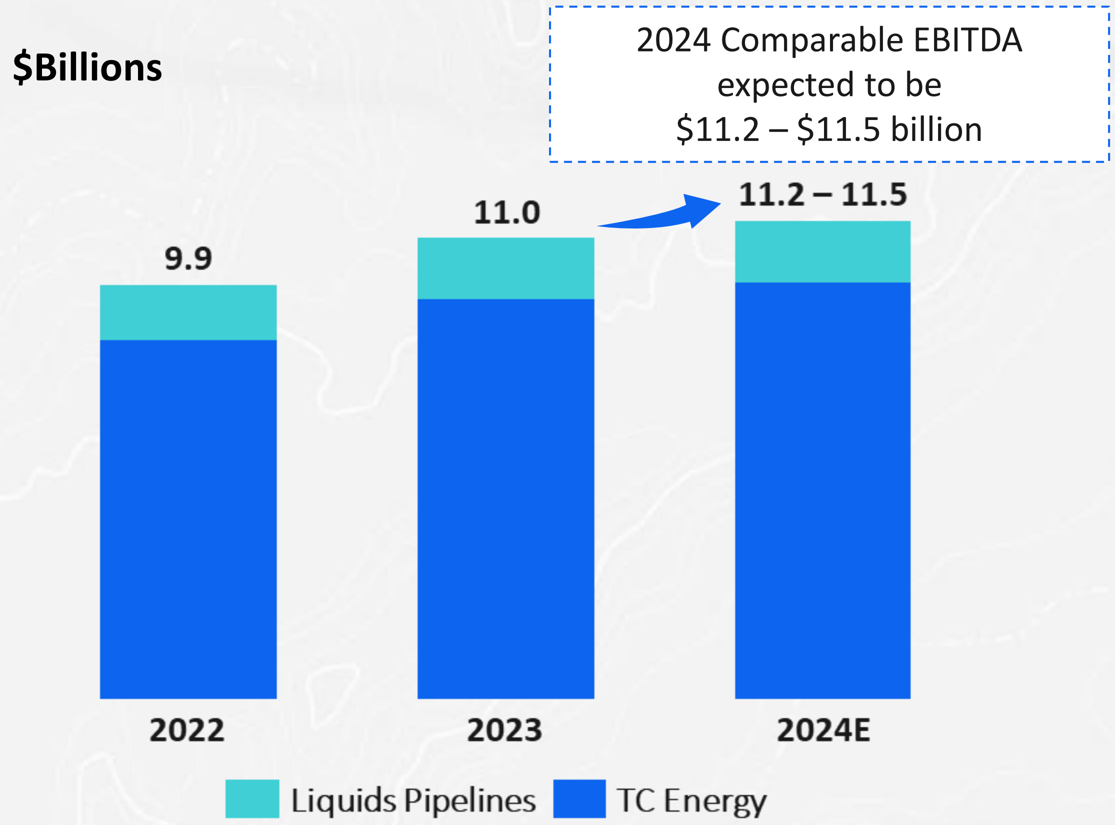


(1) Comparable EBITDA and Comparable earnings are non-GAAP measures. See the forward-looking information and non-GAAP measures slide at the front of this presentation and Appendix A and B for more information.

REITERATING EXPECTED SUSTAINABLE GROWTH

2024E financial outlook

Comparable EBITDA(1)



Progressing against our financial targets

- Remain on track for the **4.75x debt-to-EBITDA(2)** upper limit target by year-end 2024
- Placed **$1.2 billion** of assets into service in the first half of 2024; remain on track to place **$7 billion(3)** in 2024
- Nearing completion of the 2024 asset divestiture program with **$2.6 billion of the $3 billion target reached** after the **PNGTS, TGNH** and **NGTL** transactions
- Expect to be at the **low-end** of our 2024 net capital expenditures outlook of **$8 to $8.5 billion**

Outlook does not reflect potential asset divestitures or the impact of the proposed spinoff of Liquids Pipelines.

(1) Comparable EBITDA and comparable earnings per share are non-GAAP measures. See the forward-looking information and non-GAAP measures slide at the front of this presentation and Appendix A, B and E for more information.

(2) Debt-to-EBITDA is a non-GAAP ratio. Adjusted debt and adjusted comparable EBITDA are the non-GAAP measures used to calculate Debt-to-EBITDA. See the forward-looking information and non-GAAP measures slide at the front of this presentation and Appendix D for more information

(3) Includes TC Energy's 35 per cent equity share of Coastal GasLink.

Progressing South Bow spinoff

Targeting transaction close in **early Q4 2024**

June 4, 2024

Achieved successful shareholder vote on spinoff transaction at Annual and Special Meeting

Q3 2024

Stand up South Bow capital structure

Early Q4 2024

Spinoff expected to be completed

South Bow Common Shares begin trading on the TSX and NYSE under the symbol SOBO(1)

1
TC Energy
Common Share pre-arrangement(2)

=

1
New TC Energy
Common Share

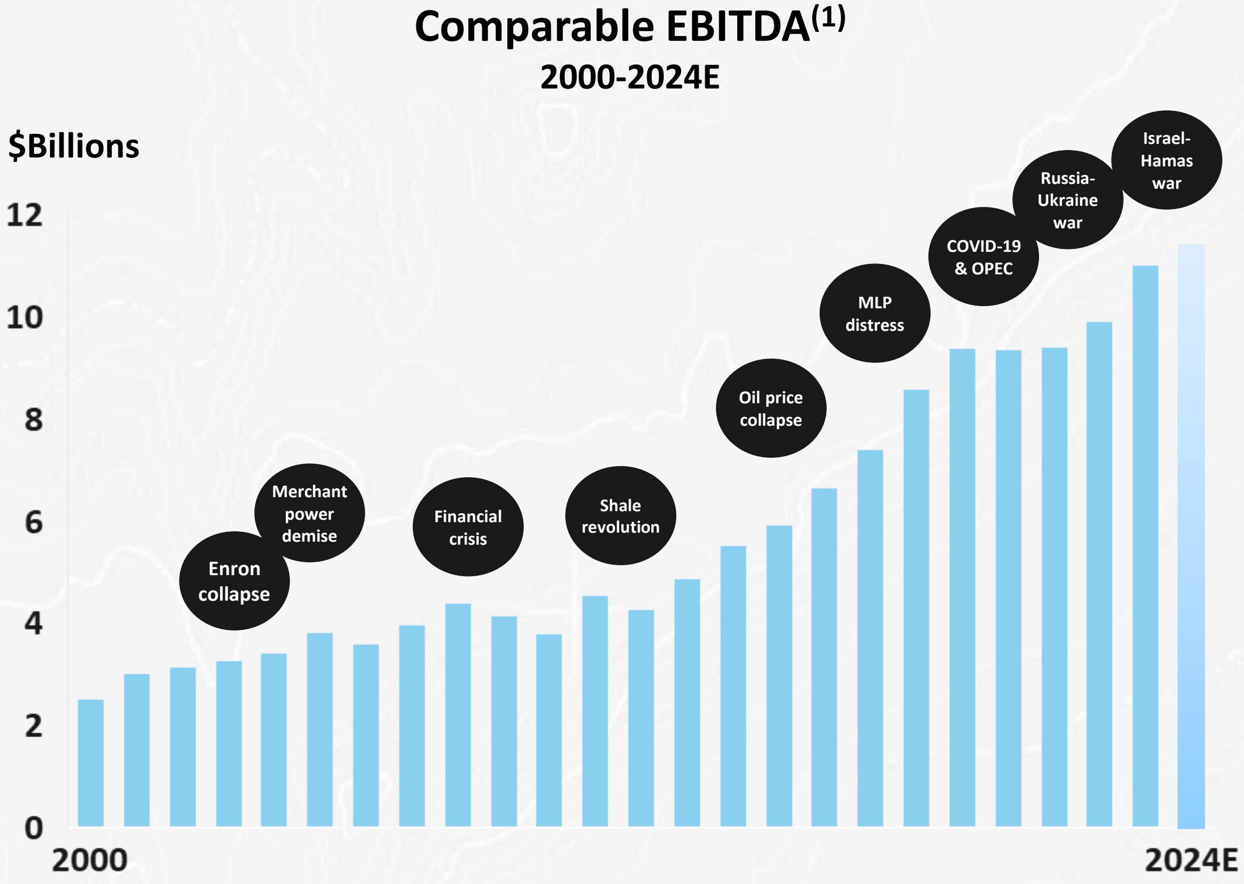
+

0.2
South Bow
Common Share

Shareholder dividends will remain whole following the South Bow spinoff

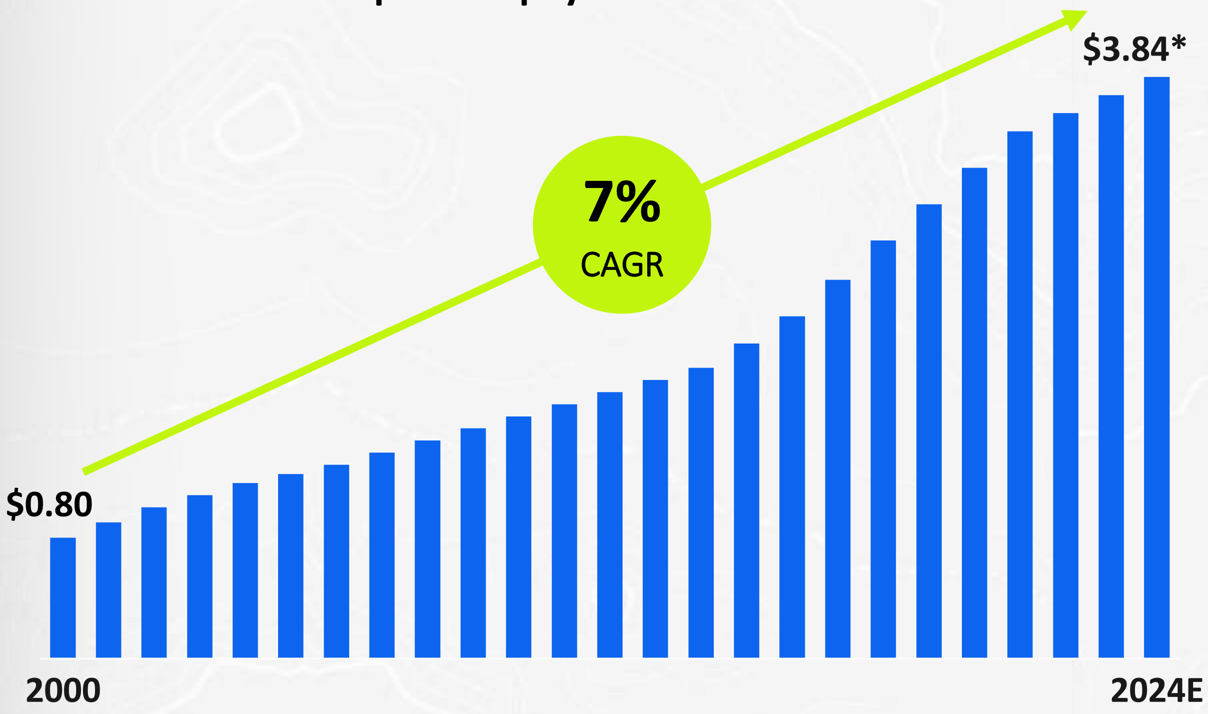
(1) Listing of the SOBO Common Shares is subject to the approval of the TSX and NYSE in accordance with their respective listing requirements.
(2) TC Energy shareholders as of the Distribution Record Date will receive, in exchange for each TC Energy common share, one new TC Energy share and 0.2 of a South Bow common share.
Note: Dividends are at the discretion of respective Board of Directors.

Dividend growth supported by operational excellence



Maintaining dividend growth outlook: 3–5%

- Supported by growth in **cash flow per share**
- Maintain **competitive payout ratios**



Current dividend yield: 6.6%*

24 consecutive years of common share dividend increases

*Annualized based on third quarter 2024 dividend declared of $0.96 per share. Dividend yield as of market close July 29, 2024, reflecting a share price of $58.03.

(1) Comparable EBITDA is a non-GAAP measure. See the forward-looking information and non-GAAP measures slide at the front of this presentation and Appendix A and B for more information.

Advancing our sustainability commitments

Highlights from the 2024 Report on Sustainability

Reduced **absolute methane emissions** by **15%** between 2019-2023 while increasing throughput by **10%** and natural gas comparable EBITDA by **34%**[(1)]

Spent **$1.8** billion in 2023 with **Indigenous** and **Native American** suppliers (Canada and U.S.)

Launched a Canadian **Indigenous Equity Framework**

Advanced **leadership diversity** with **36%** women in leadership positions[(2)]; **38%** women and **15%** visible minorities on Board of Directors[(3)]

(1) Between January 1, 2019 and December 31, 2023. Comparable EBITDA is a non-GAAP measure. See the forward-looking information and non-GAAP measures slide at the front of this presentation for more information.
(2) Leadership positions in our corporate locations of Calgary, Houston, Charleston and Mexico City.
(3) (5/13) women on the Board of Directors, (2/13) racially and/or ethnically diverse members

2024 strategic priorities

MAXIMIZING THE VALUE OF OUR **ASSETS** THROUGH **SAFETY** AND **OPERATIONAL EXCELLENCE**

- **Safely, reliably** and **affordably** deliver energy
- **Execute** spinoff of South Bow
- Continue advancement of integrated natural gas business to **capture synergies**

PROJECT EXECUTION ON-TIME AND **ON-BUDGET**

- Remain on cost and schedule with **Southeast Gateway** and Bruce Power **Unit 3 MCR**
- Place **~$7 billion**(1) of assets into service
- Deliver 2024E comparable EBITDA(2) of **$11.2 to $11.5 billion**

ENHANCING BALANCE SHEET STRENGTH AND FLEXIBILITY

- Achieve **4.75x debt-to-EBITDA**(3) upper limit target by year end 2024
- Execute **$3 billion** in asset divestitures
- Progress Focus Project **cost savings and efficiency** initiative

Clear set of priorities to deliver superior shareholder returns

(1) Includes TC Energy's 35 per cent equity share of Coastal GasLink.
(2) Does not include impact of the proposed spinoff or potential asset divestitures. Comparable EBITDA is a non-GAAP measure. See the forward-looking information and non-GAAP measures slide at the front of this presentation and Appendix A and B for more information.
(3) Debt-to-EBITDA is a non-GAAP ratio. Adjusted debt and adjusted comparable EBITDA are the non-GAAP measures used to calculate Debt-to-EBITDA. See the forward-looking information and non-GAAP measures slide at the front of this presentation and Appendix D for more information.

Appendix

Appendix A – Non-GAAP reconciliations – Comparable EBITDA(1)

(Millions of dollars)

	Three months ended June 30		Six months ended June 30	
	2024	2023	2024	2023
Total segmented earnings (losses)	2,006	995	4,272	3,165
Interest expense	(843)	(791)	(1,680)	(1,553)
Allowance for funds used during construction	184	148	341	279
Foreign exchange gains (losses), net	(67)	169	(40)	276
Interest income and other	69	16	146	58
Income (loss) before income taxes	1,349	537	3,039	2,225
Income tax (expense) recovery	(200)	(258)	(493)	(599)
Net income (loss)	1,149	279	2,546	1,626
Net (income) loss attributable to non-controlling interests	(159)	(6)	(330)	(17)
Net income (loss) attributable to controlling interests	990	273	2,216	1,609
Preferred share dividends	(27)	(23)	(50)	(46)
Net income (loss) attributable to common shares	963	250	2,166	1,563

	Three months ended June 30		Six months ended June 30	
	2024	2023	2024	2023
Comparable EBITDA(1)	2,694	2,474	5,784	5,249
Depreciation and amortization	(717)	(694)	(1,436)	(1,371)
Interest expense included in comparable earnings	(843)	(791)	(1,680)	(1,548)
Allowance for funds used during construction	184	148	341	279
Foreign exchange gains (losses), net included in comparable earnings	(51)	70	(8)	103
Interest income and other included in comparable earnings	69	52	146	94
Income tax (expense) recovery included in comparable earnings	(190)	(249)	(523)	(529)
Net (income) loss attributable to non-controlling interests included in comparable earnings	(141)	(6)	(312)	(17)
Preferred share dividends	(27)	(23)	(50)	(46)
Comparable earnings(1)	978	981	2,262	2,214

(1) Comparable EBITDA and comparable earnings are non-GAAP measures. See the forward-looking information and non-GAAP measures slide at the front of this presentation for more information.
For reconciliation of net income to comparable earnings, please see Appendix B.

Appendix B – Non-GAAP reconciliations – Net Income (loss) to comparable earnings(1)

(Millions of dollars, except per share amounts)

	Three months ended June 30		Six months ended June 30	
	2024	2023	2024	2023
Net income (loss) attributable to common shares	963	250	2,166	1,563
Specific items (net of tax):				
(Gain) loss on sale of non-core assets	(63)	—	(63)	—
Foreign exchange (gains) losses, net – intercompany loan	3	9	(52)	9
Expected credit loss provision on net investment in leases and certain contract assets in Mexico	(2)	(8)	(17)	(80)
NGTL System ownership transfer costs	42	—	42	—
Liquids Pipelines business separation costs	26	—	39	—
Third-party settlement	—	—	26	—
Focus Project costs	—	25	8	25
Coastal GasLink impairment charge	—	809	—	838
Keystone regulatory decisions	—	—	—	48
Milepost 14 insurance expense	—	36	—	36
Keystone XL preservation and other	—	4	—	8
Bruce Power unrealized fair value adjustments	(3)	—	1	(6)
Risk management activities	12	(144)	112	(227)
Comparable earnings(1)	978	981	2,262	2,214
Net income (loss) per common share	0.93	0.24	2.09	1.53
Specific items (net of tax):				
(Gain) loss on sale of non-core assets	(0.06)	—	(0.06)	—
Foreign exchange (gains) losses, net – intercompany loan	—	0.01	(0.05)	0.01
Expected credit loss provision on net investment in leases and certain contract assets in Mexico	—	(0.01)	(0.02)	(0.08)
NGTL System ownership transfer costs	0.04	—	0.04	—
Liquids Pipelines business separation costs	0.03	—	0.04	—
Third-party settlement	—	—	0.03	—
Focus Project costs	—	0.02	0.01	0.02
Coastal GasLink impairment charge	—	0.79	—	0.82
Keystone regulatory decisions	—	—	—	0.05
Milepost 14 insurance expense	—	0.03	—	0.03
Keystone XL preservation and other	—	0.01	—	0.01
Bruce Power unrealized fair value adjustments	—	—	—	(0.01)
Risk management activities	—	(0.13)	0.10	(0.22)
Comparable earnings per common share(1)	0.94	0.96	2.18	2.16

(1) Comparable earnings and comparable earnings per common share are non-GAAP measures. See the forward-looking information and non-GAAP measures slide at the front of this presentation for more information.

Appendix C – Non-GAAP reconciliations – Net cash provided by operations to Comparable funds generated from operations[1]

(Millions of dollars)

	Three months ended June 30		Six months ended June 30	
	2024	2023	2024	2023
Net cash provided by operations	1,655	1,510	3,697	3,584
Increase (decrease) in operating working capital	172	177	516	117
Funds generated from operations[1]	1,827	1,687	4,213	3,701
Specific items:				
Liquids Pipelines business separation costs, net of current income tax	27	—	42	—
(Gain) loss on sale of non-core assets, net of current income tax	(39)	—	(39)	—
Third-party settlement, net of current income tax	—	—	26	—
NGTL System ownership transfer costs	10	—	10	—
Focus Project costs, net of current income tax	—	27	9	27
Keystone regulatory decisions, net of current income tax	—	—	—	48
Milepost 14 insurance expense	—	36	—	36
Keystone XL preservation and other, net of current income tax	—	4	—	8
Current income tax expense on risk management activities	1	—	1	—
Comparable funds generated from operations[1]	1,826	1,754	4,262	3,820

(1) *Funds generated from operations and comparable funds generated from operations are non-GAAP measures. See the non-GAAP measures slide at the front of this presentation for more information.*

Appendix D – Non-GAAP reconciliations – Adjusted Debt/Adjusted Comparable EBITDA (Debt-to-EBITDA)

Adjusted debt and adjusted comparable EBITDA are non-GAAP measures used to compute the debt-to-EBITDA multiple. Each of adjusted debt and adjusted comparable EBITDA measures does not have any standardized meaning prescribed by GAAP and therefore, may not be comparable to similar measures presented by other companies.

Adjusted debt is defined as the sum of Reported total debt, including Notes payable, Long-Term Debt, Current portion of long-term debt and Junior Subordinated Notes, as reported on our Consolidated balance sheet as well as Operating lease liabilities recognized on our Consolidated balance sheet~~s~~ and 50 per cent of Preferred Shares as reported on our Consolidated balance sheet due to the debt-like nature of their contractual and financial obligations, less Cash and cash equivalents as reported on our Consolidated balance sheet and 50 per cent of Junior Subordinated Notes as reported on our Consolidated balance sheet due to the equity-like nature of their contractual and financial obligations.

Adjusted comparable EBITDA is calculated as comparable EBITDA excluding Operating lease costs recorded in Plant operating costs and other in our Consolidated statement of income and adjusted for Distributions received in excess of income from equity investments as reported in our Consolidated statement of cash flows which is more reflective of the cash flows available to TC Energy to service our debt and other long-term commitments. See the forward-looking information and non-GAAP measures slide at the front of the presentation for more information.

Appendix D – Non-GAAP reconciliations – Adjusted Debt/Adjusted Comparable EBITDA[1] (Debt-to-EBITDA) *continued*

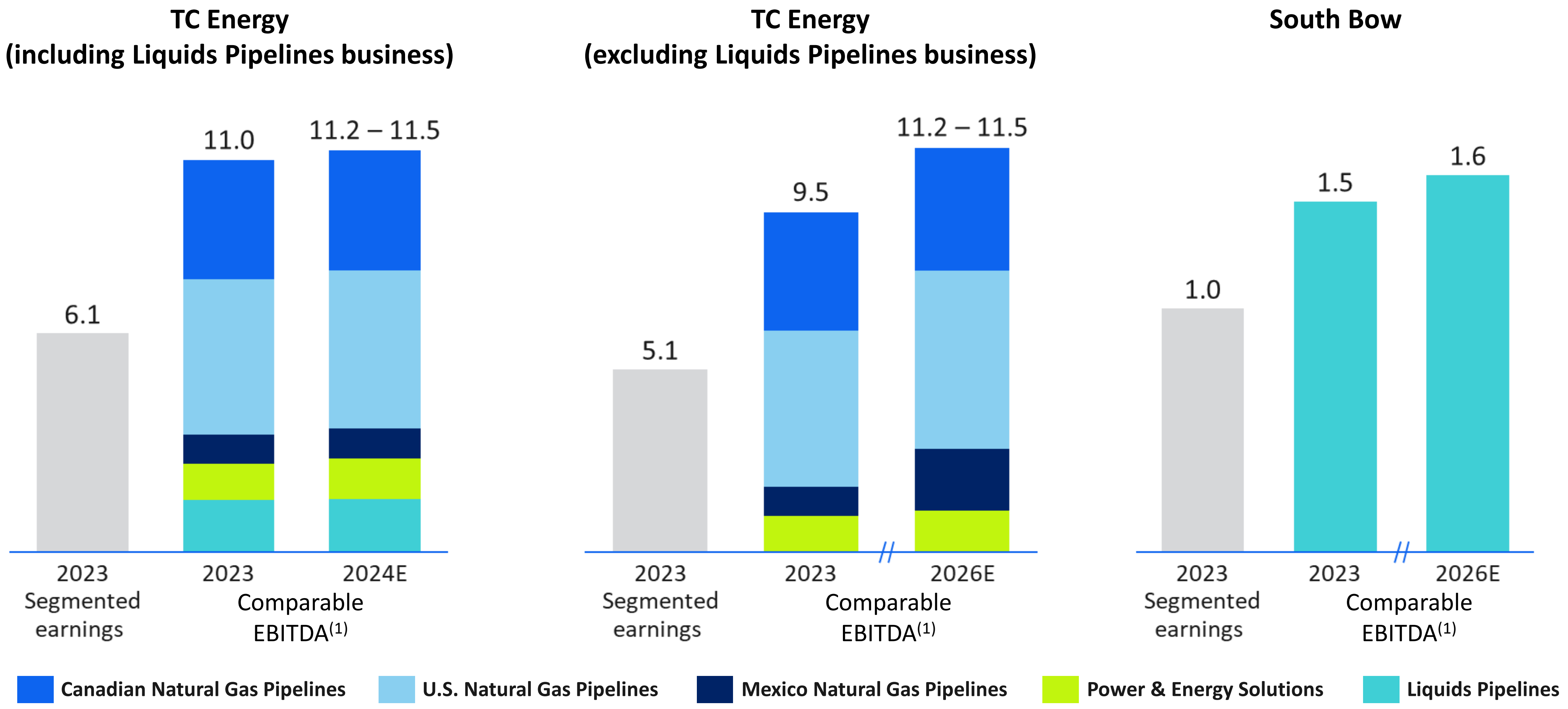
(Millions of dollars)

	Year ended December 31	
	2023	2022
Reported total debt	63,201	58,300
Management adjustments:		
Debt treatment of preferred shares[2]	1,250	1,250
Equity treatment of junior subordinated notes[3]	(5,144)	(5,248)
Cash and cash equivalents	(3,678)	(620)
Operating lease liabilities	459	433
Adjusted debt	56,088	54,115
Comparable EBITDA[4]	10,988	9,901
Operating lease cost	118	106
Distributions received in excess of (income) loss from equity investments	(123)	(29)
Adjusted Comparable EBITDA	10,983	9,978
Adjusted Debt/Adjusted Comparable EBITDA	5.1	5.4

(1) Adjusted debt and Adjusted Comparable EBITDA are non-GAAP measures. Management methodology. Individual rating agency calculations will differ.
(2) 50 per cent debt treatment on $2.5 billion of preferred shares as of December 31, 2023.
(3) 50 per cent equity treatment on $10.3 billion of junior subordinated notes as of December 31, 2023. U.S. dollar-denominated notes translated at December 31, 2023, U.S./Canada foreign exchange rate of 1.32.
(4) Comparable EBITDA is a non-GAAP measure. See the forward-looking information and non-GAAP measures slide at the front of this presentation and Appendix A and B for more information.

Appendix E – Non-GAAP reconciliations – Charts

Comparable EBITDA[1] outlook
(Billions of dollars)



(1) *Comparable EBITDA is a non-GAAP measure. See the forward-looking information and non-GAAP measures slide at the front of this presentation and Appendix A and B for more information.*