

2023 ESG REPORT

Delivering Energy for a Cleaner Future





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Purpose

TriSummit Utilities Inc.'s ("TriSummit" or "TSU" or the "Company") mission is to make communities a better place to live, by connecting them to the energy they want, when they need it, now and into the future. To achieve this, we have cultivated an enterprise of utilities that are responsible energy providers with a sustainable outlook for the future. Our role as an energy provider is vital to the communities we serve and the well-being of our customers.

In this report, you will learn about the challenging geography that our organizations traverse, and our approach to providing safe and reliable energy to our customers. We will discuss measures underway to help improve the energy efficiency of our services and our important role in the energy transition. In the spirit of transparency, we address key topics in a balanced manner to share the successes and challenges we face as an organization.



- ▶ A Message from Our Leaders
- ▶ About Us
- ▶ ESG Highlights
- ▶ Materiality Assessment





Timeline and Reporting Standards

The 2023 report is a review of our achievements for the business year starting January 1, 2022, through December 31, 2022.

This report includes details from all TriSummit's operating assets, including the TSU headquarters.

The reporting standards followed for this report are guided by the Sustainability Accounting Standards Board (SASB) for Gas Utilities and Distributors. Where applicable and specified, indicators used in this report are aligned to other internationally recognized standards and frameworks relevant to our business structure, and to our stakeholders.

Net Zero by 2050¹

TriSummit recognizes that many factors impact our Environmental Social and Governance (ESG) strategy and pathway to net zero emissions for the organization. TSU seeks opportunities to advance emissions reductions within our organization to play an active role in the energy evolution in the coming years.

Currently, TriSummit owns multiple natural gas utilities, operating in different jurisdictions, as well as a wind farm and an interest in an entity that owns three hydro projects. There are unique factors that affect each of these businesses, and our ESG strategy incorporates these considerations while prioritizing our applicable stakeholders.

Our organization has recently grown as the result of a US-based acquisition, and we have expanded our pathway to net zero beyond our Canadian operations and adjusted our previous reported timing from 2030 to 2050.

TSU is addressing complex scenarios related to the evolution of the energy sector. As we continue to work on developing our ESG strategy, and incorporating the newly acquired Alaskan utility business, we recognize the need to evolve our emissions reduction strategies to align with our growing organization and better reflect the policy environment and energy markets we operate in.

ENSTAR

On March 1, 2023, TriSummit completed the acquisition of ENSTAR Natural Gas Company, LLC and Alaska Pipeline Company, LLC, NORSTAR Pipeline Company, Inc., a 65 percent interest in Cook Inlet Natural Gas Storage Alaska, LLC (CINGSA) (collectively, the "Alaskan Utility Business" or "the Alaskan utilities").

As this report focuses on the data from the 2022 operating year, the Alaskan utilities are not reflected in this report unless clearly identified but are incorporated in the narrative sections of this report.

Assurance

As TriSummit continues to evolve our ESG practices and reporting, we have had an independent third party assess our 2022 GHG inventory to a reasonable level of assurance.

Standard emissions calculations continue to evolve, and, while we are confident the material information reflects the standards in effect during the reporting period, any changes to existing standards will be reflected in future reports.

A MESSAGE FROM OUR LEADERS



DAVID CORNHILL
Chair of the Board of Directors



JARED GREEN
President and Chief Executive Officer

Delivering Energy for a Cleaner Future

Our stakeholders prioritize responsible environmental stewardship, and TriSummit continues to make progress to improve our emissions profile and invest in the communities where we work and live.

ESG goals and initiatives are embedded in how our Board, Executive Team and employees are meeting our commitment for a better, cleaner future for everyone.

In this, TriSummit's third ESG Report, we are pleased to update our shareholders, employees, Indigenous communities, customers, debtholders, the communities where we work and live, and other stakeholders on our progress in advancing our ESG priorities and practices.

TriSummit plays an essential role in the communities that we serve. Our customers rely on us to keep their homes warm on the coldest days of the year, uninterrupted. We do so safely, reliably and with a community-minded approach.

Welcoming ENSTAR

On March 1, 2023, TSU added new communities to the family. With the close of the acquisition of the Alaskan Utilities Business, TriSummit is now operating in Canada and the United States.

As we integrate these assets into our operations, ESG is very much on our minds. The acquisition of Alaskan utilities is a significant step for TriSummit. With more than 150,000 residential and commercial customers in 25 communities in Southcentral Alaska, the related customer base represents nearly 60 percent of the Alaskan population.

The Alaskan utilities play an important role in the communities they serve and face unique challenges as a business. Energy transition in the Alaskan market requires additional analysis, and we anticipate that through studies we have initiated we will identify a solutions-based approach.

TriSummit continues to advance strategic initiatives intended to reduce its emissions profile and improve operating performance.

We are evolving our reporting practices and will communicate initiatives throughout this report. TSU is on a pathway to reduce emissions from our operations which is a core strategy within the businesses, and the timeline and approach are progressing with the acquisition of the Alaskan utilities.

Our organization spans three provinces, one territory and one state, each of which has unique reporting requirements for regulated utilities, some of which include emissions reduction targets. Emissions data and reporting are managed by the respective utilities and inform our consolidated corporate strategy.



Pathway Forward

TriSummit is on a pathway to achieve net zero by 2050. As our business grows, we will advance emission reduction strategies and reporting objectives to demonstrate our solution-oriented approach to the energy transition.

Natural gas will be an important part of the energy economy for many years to come, and to help mitigate its carbon-intensity, we are making investments in renewable natural gas, hydrogen, and other initiatives to lower or offset emissions.

We reasonably track emissions data and use this to make informed decisions about the long-term growth of the base business, asset integrity, and investment in innovation.

Prioritizing Community, Safety and Governance

Within the Social section of this report, you will learn about the sustained efforts by the organization to continue to invest in our employees, demonstrating that we operate safely and reliably, and are advancing the communities where we work and live.

We have cultivated enduring relationships with many Indigenous communities across our operations and recognize their importance to our ability to deliver natural gas and renewable energy to our customers.

We continue to invest in our communities in the areas of healthcare, safety and alleviating poverty and hunger, with a total of approximately \$240,000 donated to 110 organizations.

At the heart of TSU's success is governance. With strong leadership and an experienced Board of Directors that is dedicated to the growth of the organization, TSU continues to deliver on its strategic initiatives.

Looking to the future, while we integrate our Alaskan utilities, we expect to continue to advance towards a lower emissions future operations and make disciplined growth decisions in support of the energy transition.

Sincerely,



Jared Green
President and Chief Executive Officer



David Cornhill
Chair of the Board of Directors

ABOUT US

MISSION: To make our communities a better place to live, by connecting them to the energy they want, when they need it, now and into the future.



Our Core Values

Safe and Reliable

Safety of our customers, our communities and our employees is the top priority of the company.

Our employees and contractors are responsible for acting safely, continually improving practices and procedures to enhance safety and reliability, and for encouraging the same behaviours in others.

Our People, Customers and Community

We succeed together because we work hard and are good at what we do. We connect across our teams, and we respect each other.

We respect and value our customers and endeavour to provide the best customer experience and help to build strong, vibrant communities.

Communication and Integrity

We strive for clear, transparent communication with customers, employees, regulators, shareholders, and other stakeholders.

We act with integrity, and we deliver on our commitments.

Responsible Solutions

We provide low carbon energy solutions to our customers and always look for ways to minimize our environmental footprint.

We operate our business prudently and in an environmentally responsible way.



Our Canadian Operations at a Glance



40 PJ
Natural Gas Delivered



134,000
Customers (approximately)



294 GWh
Renewable Energy Delivered

These metrics reflect the 2022 operating year, and do not include the Alaskan utilities. ENSTAR and CINGSA joined in March 2023.

- Utility Operational Area
- Alaskan Utilities joined in March 2023
- Non-Operational Area
- Wind Power Facility
- Hydro Power Facilities

Our Company Profile

TriSummit is a Canadian corporation, headquartered in Calgary, Alberta with diversified rate-regulated natural gas distribution, transmission and storage utilities and long-term contracted renewable power generation across North America.

Utilities

TriSummit owns and operates rate-regulated distribution and transmission assets in Alaska, Alberta, British Columbia and Nova Scotia.

TSU also owns an indirect 65 percent interest in a regulated storage utility in Alaska. In aggregate, the utilities had approximately \$1.7 billion of rate base as of March 31, 2023, and approximately 287,000 customers across Canada and the United States.

TriSummit delivers reliable natural gas to end-users in Alberta, British Columbia, Nova Scotia and Alaska.

TriSummit wholly owns Apex Utilities Inc. (AUI), Eastward Energy Incorporated (EEI), Pacific Northern Gas Ltd. (PNG), ENSTAR Natural Gas Company, LLC (ENSTAR), Alaska Pipeline Company, LLC (APC), holds a 65 percent ownership in Cook Inlet Natural Gas Storage Alaska, LLC (CINGSA), and owns a portion of Inuvik Gas Ltd. (IGL).

Renewable Energy

TriSummit owns and operates the 102 MW Bear Mountain Wind Park, and approximately 10 percent indirect interest in the 303 MW Northwest Hydro Facilities in British Columbia.

Ownership

TSU is indirectly owned by two Canadian public investment managers, The Public Sector Investment Board (PSP Investments) and Alberta Investment Management Corporation (AIMCo). PSP has \$243.7 billion assets under management as of March 31, 2023; and AIMCo has \$158 billion assets under management as of December 31, 2022.

The Public Sector Pension Investment Board is one of Canada's largest pension investors. Established in 1999, PSP Investments manages and invests amounts transferred to it by the Government of Canada for the pension plans of the federal Public Service, the Canadian Forces, the Royal Canadian Mounted Police and the Reserve Force.

It manages a diversified global portfolio composed of investments in public financial markets, private equity, real estate, infrastructure, natural resources and credit investments.

Headquartered in Ottawa, PSP Investments has its principal business office in Montréal and offices in New York, London and Hong Kong.

Alberta Investment Management Corporation manages one of Canada's largest public pools of funds with more than \$158 billion of assets under their management. It invests globally on behalf of 32 pension, endowment, and government funds in the Province of Alberta with holdings that span all asset classes.



ESG HIGHLIGHTS



ENVIRONMENT

Replacement and Maintenance

System Betterment Program

Renewable Energy Generated

294^{GWh}
of net renewable energy generated

Low Carbon Innovations

- ▶ hybrid heating cooling systems
- ▶ natural gas heat pumps
- ▶ micro-CHP
- ▶ commercial carbon capture systems

2022 Emissions²

Scope 1
72,000^{tCO₂e}
Scope 2
2,300^{tCO₂e}

Customer Service Program

Helping our customers lower emissions and decarbonize through programs such as **Smart Energy Solutions**



SOCIAL

Safety

1.67

Total Recordable Injury Frequency (TRIF)

Workplace

468

employees

Inclusion and Diversity (I&D)

100%

of TSU's leadership team attended I&D education sessions

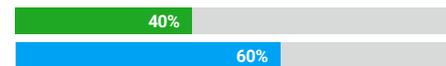
Community Investment

\$240k invested in over 110 charitable organizations

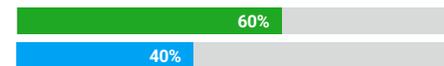


GOVERNANCE

Inclusion and Diversity (I&D)



Independent¹ Board Members



Executive Team

■ Female ■ Male

Ethics

100%

of employees are annually certified in the Code of Business Ethics

MATERIALITY ASSESSMENT

TriSummit understands that our operations can have wide-ranging economic, environmental, and social impacts, and we must ensure that we are making positive contributions within our operational areas, helping to ensure a better, cleaner future. Our stakeholders include Indigenous communities, customers, shareholders, employees, community members, and debtholders. TriSummit strives to reasonably capture meaningful data to ensure we are making progress on our aspirational targets.

To assist with the evolution of our ESG reporting, TriSummit is working with a consulting firm to develop an ESG strategy for the organization, understanding the risks, opportunities, and factors that influence the utility industry. Having a clear vision for the future while mitigating risks related to the energy transition, policy, reputational, technological, market and energy sources will best inform strategic decisions for the organization.

Better understanding the opportunities to invest in emerging energy sources, new market and technology opportunities will position TriSummit for the evolving utility landscape.

TriSummit views the pathway forward as incorporating reasonably transparent, accurate and reliable emissions reporting. Maintaining a strong safety culture, managing cybersecurity risks, maintaining customer satisfaction and reliability, evolving Inclusion and Diversity practices in the workplace, preparing for natural disasters, improving employee attraction and retention, anticipating ESG standards and managing natural gas supply in our utility operations. As TriSummit continues to work with the ESG consulting firm, its ESG strategy will continue to evolve to address the noted risks. TriSummit acknowledges that ESG standards are progressing, and the organization prioritizes defining the pathway forward to comply with the guidelines and requirements.



ENVIRONMENT

- ▶ Greenhouse Gases (GHG) Emissions
- ▶ Environmental Compliance
- ▶ Innovation and Energy Transition



SOCIAL

- ▶ Occupational Health and Safety
- ▶ Rights of Indigenous Peoples
- ▶ Employment Practices
- ▶ Community Investment
- ▶ Inclusion and Diversity
- ▶ Energy Affordability and Access



GOVERNANCE

- ▶ Data and Cybersecurity
- ▶ Emergency Preparedness
- ▶ Economic Performance

Integrating Sustainability Into TSU's Operations

TriSummit's operating model is future oriented, which includes providing a stable and reliable service to our customers while delivering on shareholder expectations. Sustainability and emissions reduction targets are embedded in the TSU strategic plan and core values. Operationalizing sustainability targets goes beyond emissions and incorporates Inclusion and Diversity, Community Investment, Governance, and Risk Mitigation. By tying TSU's sustainability metrics back to performance scorecards for the organization, each employee plays a vital role in our success. By embedding ESG standards and reporting in our strategic goals, the organization demonstrates the importance of these goals in the success of our business.

TSU's Approach to Evolving our ESG Reporting

This is TSU's third ESG report. Our reporting process has evolved considerably since we published our first report in 2021. Understanding that reporting is the end-product in the chain of strategy, methodology, and implementation, the TSU organization has advanced to a state where the ESG outcomes inform strategic initiatives rather than the other way around. We have engaged with third-party organizations to help us solidify our sustainability strategy and support and validate the data along the way. The ESG maturation process is a continuous evolution for a young organization, like TSU, and we are committed to growing our organization in parallel with our ESG reporting, strategically linking objectives and outcomes.

As we continue to make strides toward a sustainable future, we are capturing and sharing our progress with our stakeholders. This illustrates our core value of Communication and Integrity, demonstrating transparent communication to customers, employees, regulators, shareholders, and all our stakeholders.

Some of our stakeholders include our employees, shareholders, debtholders, regulators, and the communities where we live and work. Ensuring that our evolving reporting standards meet the needs of our stakeholders is front of mind. Energy, including natural gas utilities, will continue to be an important part of our infrastructure today and in the future, and as such, we must continue to evolve our business and reporting. Investing in TriSummit's ESG-centred approach helps us all to create a healthier planet for generations to come.

Environment

TriSummit's core business is operating regulated utilities, and the landscape in which we operate is evolving.

It is important for our organization to anticipate the future and we do so by identifying, assessing and managing our business in a responsible way.



- ▶ TriSummit's Role in Climate Change and Energy Transition
- ▶ TriSummit's Approach to Reporting Emissions
- ▶ TriSummit's Scope 1 and 2 Emissions



Bear Mountain Wind Park
Photo courtesy of Donald Pettit

TRISUMMIT'S ROLE IN CLIMATE CHANGE AND ENERGY TRANSITION

A pillar of TriSummit's Core Values is to provide responsible solutions. By delivering lower-carbon energy solutions to our customers and looking for ways to minimize our environmental footprint, we are actively engaged in the energy transition.

With the global energy sector's shift from fossil-based systems of energy production and consumption, including oil, natural gas, and coal to renewable energy sources like wind, solar and hydroelectric, our industry is on the precipice of change. TriSummit is on the path to being a part of the solution to reduce the emissions produced by the utility sector.

TriSummit is investing in renewable natural gas (RNG) and hydrogen as alternatives to traditional natural gas. By reducing our operational emissions through integrity programs and investing in technology like heat pumps and electric vehicles, TriSummit is progressing our Scope 1 and 2 emissions reductions through a variety of approaches.

As we advance towards this aim and work to progress our sustainability strategy to incorporate the Alaskan utilities into our reporting, we continue to employ a multifaceted approach to reduce our emissions. We are investing in the growth of the business with a lens towards the future.

A lower carbon future includes using energy more efficiently and investing in renewable energy and evolving technologies as they prove their reliability, resiliency and capability.

Regional policies and regulations inform the type of investments that are made in lower-carbon technologies. Looking beyond the pathway set for 2050, TriSummit is investing in the future. As emissions reduction innovations and technologies are evolving, we are exploring many opportunities that will assist our approach to the energy transition.

TSU's emissions reductions are intended to come from operations optimization, new technology, increasing efficiency and lowering demand from customers.

Future analysis and consideration will be given to purchasing offset credits as we continue to work towards 2050.

Guiding our Pathway Forward



Regional Policies and Regulations



Innovative Technologies



Customer-centered Approach

Approach

INVESTING IN	DEVELOPING	INVESTIGATING
<ul style="list-style-type: none"> ▶ RNG and Hydrogen blending ▶ Improved asset integrity and calculated emissions ▶ Operational improvements to increase efficiency ▶ Systems Betterment Program 	<ul style="list-style-type: none"> ▶ Energy Storage ▶ Natural Gas Heat Pumps ▶ Sustainable Energy Solutions 	<ul style="list-style-type: none"> ▶ Offsets ▶ Emerging technologies

Emergency Preparedness Forest Fires, Earthquakes, Hurricanes and Floods

TriSummit operates in a variety of climates that have unique natural disaster risks. Hazard mitigation is important for business continuity, and for the safety of our employees and customers. Hurricanes, forest fires, earthquakes and floods are the primary natural disasters for which the TriSummit organization continues to prepare.

Anticipating the consequences of major events in each of our operating areas is imperative when providing reliable utility services. Throughout the last three years, we have been faced with another type of disaster, a global pandemic. By instituting measures to protect the health of our employees, we were able to maintain our essential service for our customers.

Pathway in Motion

Sustainability for TriSummit means innovating our business model to create lasting benefits for our stakeholders. Presently, the TriSummit-owned utilities have several initiatives underway in support of our emission reduction targets. By implementing a solutions-based approach, our companies have embraced new ways of optimizing our energy use and helping our customers to do the same.

Renewable Natural Gas Investment

RNG is biomethane, which is methane that comes from biological sources, including landfills, sewage, food, and agricultural and forestry waste. Because natural gas and renewable natural gas are nearly chemically identical, they can be mixed, processed, stored, transported and used in the same manner.

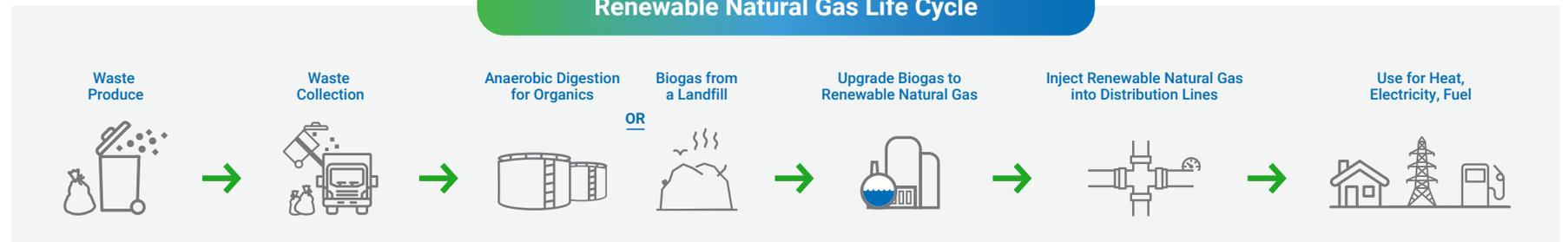
By displacing some natural gas in our energy system, this allows us to lower the carbon intensity of the fuel we provide to our customers. PNG is looking to incorporate RNG into the gas supplied to their customers in the future.

Hydrogen

By blending hydrogen with natural gas in the existing pipeline infrastructure, the aim is to reduce the carbon intensity of energy delivered to our customers. TSU is demonstrating ways to blend hydrogen with natural gas at our utilities.



Renewable Natural Gas Life Cycle



Natural Gas Heat Pump Pilot Project

In June 2022, EEI installed a Vicot Natural Gas Heat Pump outside a Killam Apartment REIT building in Halifax, Nova Scotia. EEI needed a commercial-sized gas heat pump that could be a viable option for new multi-unit residential buildings to address the growing competition from popular electric heat pumps in the market today. EEI's energy modeling showed the Vicot unit could compete with high-efficiency electric systems like Variable Refrigerant Flow (VRF) and Ground Source Heat Pumps.

The Vicot Natural Gas Heat Pump is not currently CSA certified for use in Canada, so to proceed, EEI had to field-certify the unit for this installation.

The Vicot gas heat pump provides an option to developers or owners of buildings to use natural gas at higher efficiency, reducing energy costs and competing with electric options.

EEI will continue to review the data produced by the study and make recommendations on broader implementation strategies.

Sustainable Energy Solutions Coming to PNG Offices

In 2022, PNG offices located in Smithers, Prince Rupert and Dawson Creek, British Columbia, benefited from the installation of smart energy solutions that will provide comfort while reducing energy consumption and GHG emissions. In the Smithers and Prince Rupert offices, a hybrid heating and cooling system was installed.

During mild temperatures, the heat pump operates as the primary heating device. When the outside temperature drops below a specified temperature, heating is provided by a gas furnace or boiler. Hybrid systems can overcome some of the shortfalls of heat pumps, namely their reduced efficiency and operability in very cold conditions.

At the Dawson Creek office, a gas-drive heat pump was installed to heat the building in the fall and winter and cool it during the summer. Gas heat pumps work similarly to any other air-source heat pump, except instead of using electricity to fuel their operation they rely on natural gas to drive their refrigeration cycle.

Micro Combined Heat and Power Unit at AUI

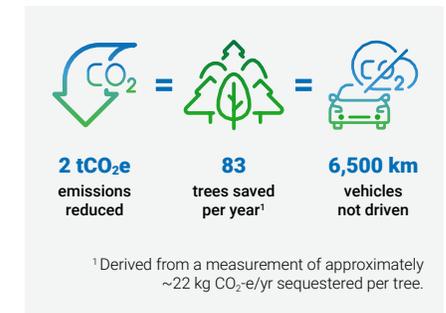
At the Leduc District office, in Alberta, AUI has been optimizing a micro combined heat and power (mCHP) unit.

The mCHP unit is an initiative that demonstrates how gas technologies can help our customers reduce their carbon footprint.

The unit, made by Aisin, uses natural gas to produce both heat and electricity at the same time, resulting in lower overall emissions compared to traditional grid electricity and heating equipment.

For this installation, the heat produced by the unit is supplied to the boiler system for domestic hot water and space heating.

The generated electricity is fed into the building's main panel and offsets how much electricity is required from the grid. Since October 2022, the unit has reduced the building's emissions by two tons of carbon dioxide emissions, the equivalent of 83 trees' worth of annual CO₂ sequestration, or not driving 6,500 km.



CleanO2's CarbinX Carbon Capture System

AUI installed CleanO2's micro carbon capture system, the CarbinX unit, at its Leduc, Alberta Head Office, in the fall of 2022. The unit diverts a portion of the exhaust gas from natural gas appliances, and the carbon dioxide in the exhaust is captured and sequestered by reacting with a chemical inside the unit.

The by-product of this reaction is pearl ash, an ingredient for making soap, detergents, and fertilizer. The CarbinX unit also captures heat from the exhaust gas that would have otherwise been wasted and adds the heat to the building's domestic hot water system.

It is anticipated that AUI's CarbonX unit will reduce emissions by 4.2 tons of carbon dioxide emissions, the equivalent of 175 trees worth of annual sequestration or not driving 15,300 km.



Solar Photovoltaic Systems at AUI District Office

AUI has issued a Request for Proposals (RFP) to install solar photovoltaic (PV) systems at the office buildings located in Leduc, Alberta. Solar PV can be used to offset AUI's Scope 2 emissions associated with using grid electricity.

Once the RFP closes, AUI will determine the most cost-effective way to reduce its Scope 2 emissions footprint, with the solar project slated to be installed by the end of 2023. Upon completion, AUI will evaluate its other district offices for the suitability of solar PV systems.

System Integrity Program

Calculated emissions account for a large portion of the organization's Scope 1 emissions. Aging infrastructure is at increased risk of releasing methane through leaks. Due to the large geographic coverage of pipelines, the emissions are calculated based on age, type and location. Each of our utilities has integrity management programs (IMP) to reduce their calculated emissions.

To proactively address this, AUI continues to implement the system betterment program that replaces aging infrastructure with modern plastic pipe. In 2022, AUI replaced approximately 110 km of pipe. These programs ensure continuous, safe, and reliable service to customers while lowering emissions.

At PNG, the objective of the IMP is to monitor and manage the condition of natural gas facilities, and to ensure appropriate measures are in place to operate, maintain and protect the safety and reliability of the natural gas system.

In 2022, PNG improved their repair approach and installed sleeves on the pipeline instead of cutting and welding in new sections of pipe whenever practicable. This reduced PNG's emissions from blowdowns by nearly 13 kilotonnes, compared to the previous year. The changed approach to repairs on PNG's high pressure transmission system accounted for two-thirds of the reduction in PNG's Scope 1 emissions in 2022, compared to 2021.

At EEI, the team is working on station upgrades such as metre, piping and regulator upgrades. In 2022 work was initiated on the station line heaters to improve the operation and efficiency, and this work continues.

Natural Gas Innovation Fund

AUI and PNG are members of the Industry Grants program through the Natural Gas Innovation Fund (NGIF). The program funds cleantech companies to bring their natural gas industry solutions closer to commercialization.

TSU is an investor in NGIF Cleantech Ventures, a fund focused on companies that provide solutions that lead to emissions reductions and other environmental benefits to the natural gas industry.

Electric Vehicles

As our business traverses a vast geographical area, improving the level of carbon emissions from our fleet of vehicles is an initiative we are addressing by piloting electric vehicles in the future.

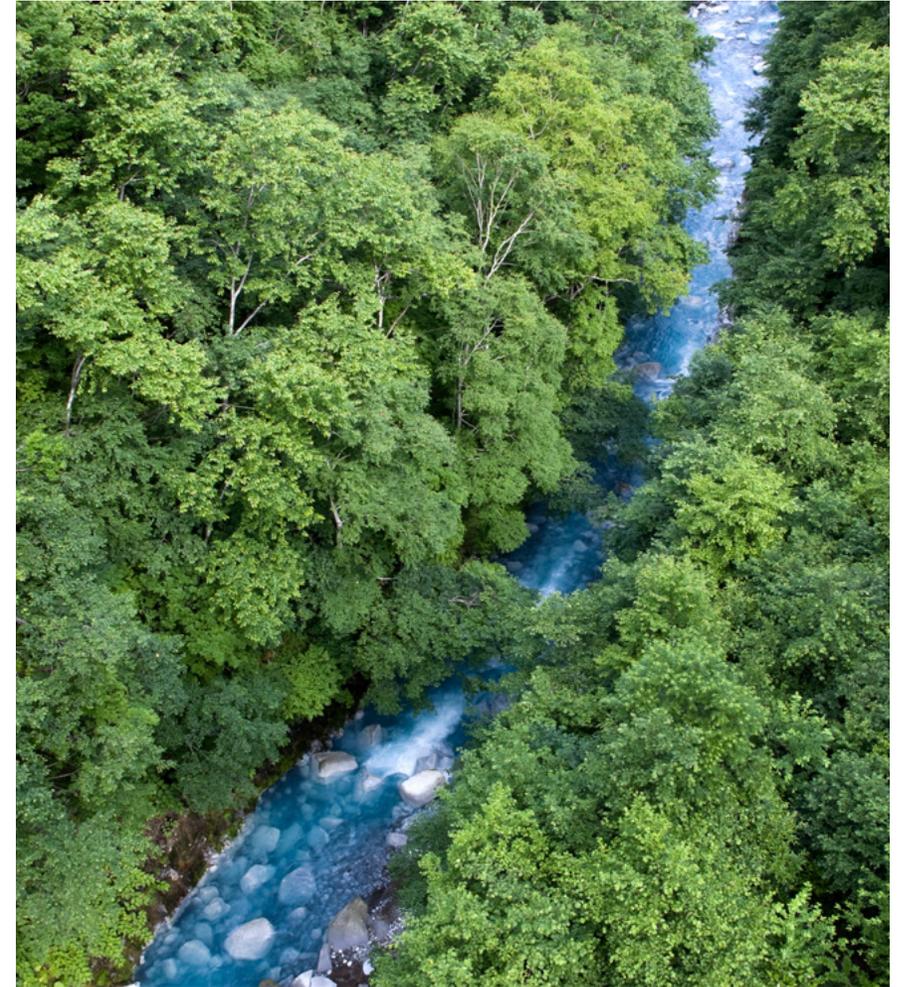
At AUI, a Chevrolet Bolt was purchased and will leverage the existing EV charging stations located at the Leduc, Alberta office. At PNG a Ford Lightning was purchased for the Terrace, British Columbia office. If both vehicles perform well for the business' needs, we anticipate additional changes to our fleet.

Supporting Granisle Customers

PNG provided 150 residential propane customers in Granisle, British Columbia with complementary Energy Saving Kits to help offset the higher energy costs that propane customers experience.

These kits contain easy-to-install energy-saving products to help customers lower consumption, increase energy efficiency, improve in-home comfort, and save money. This includes items such as weatherstrip tape, window and door caulk and a high-performance shower head, as well as a carbon monoxide detector to improve safety.

PNG is in the process of finding long-term solutions for rate relief for Granisle customers. These Energy Savings Kits are a first step to demonstrating that commitment to the community. This project is being supported by the municipality of Granisle, British Columbia.



Actions to Preserve Biodiversity

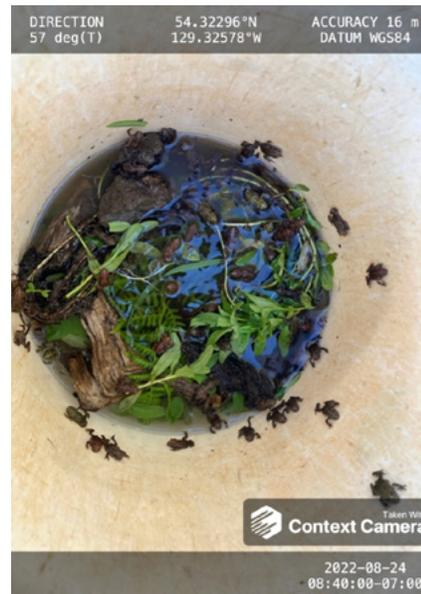
TriSummit's utilities operate in complex and biodiverse areas. Mainstreaming biodiversity into everyday operations is the only way to ensure that negative impacts are avoided, and positive activities are encouraged. Prior to any construction projects being executed, an environmental scan occurs to recognize any sensitive species in the area and steps are taken to ensure their protection.

S2G Toad Salvage

PNG's Salvus to Galloway (S2G) project laydown area is located approximately 50 km west of Terrace, B.C., near the Skeena River and off-channel wetland areas.

During PNG's spring 2022 operations, the Western toad migration began, where dime-sized "toadlets" – recently changed from tadpoles – emerge from their natural wetlands and move to terrestrial habitats.

Thousands of toadlets congregate and migrate at once, and to prevent mortality from vehicle traffic, exclusion fencing was installed and a toad "salvage" was undertaken by environmental crews from PNG, Khtada (Metlakatla), Wai Wah (Kitselas) and Gitxaala Environmental Services. The migration and salvage activities lasted four days and resulted in the capture and safe relocation of over 4,000 toads.



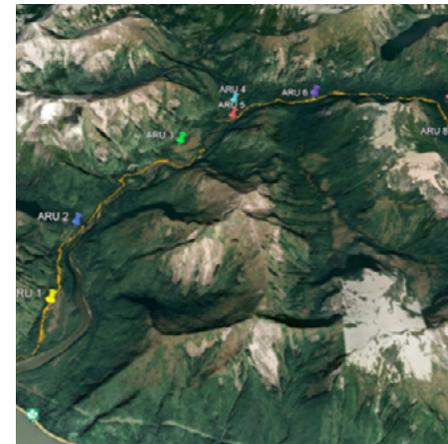
Focal Bird Species Detected in the Khyex Valley during Salvus to Galloway Project

PNG's S2G project is a multi-year integrity dig program that includes remote terrain within BC Park's Khyex Conservancy. Fish and wildlife assessments were conducted in 2021 and 2022 to prepare permit applications and plan for construction in 2023.

The conservancy contains old-growth forests and areas mapped as potential "critical habitat" for marbled murrelets, a small marine bird listed under the Species at Risk Act (SARA). Murrelets nest on the large moss-covered branches high up in the canopy of old-growth trees. Every day these birds fly back and forth to the ocean to brood their eggs and feed their young. To determine if these birds were using the valley for breeding, PNG's environmental team placed an Autonomous Recording Unit (ARU) in the valley during the breeding season.

The ARUs record all bird calls within the surrounding landscape. Another call being listened for is a rare raptor species that is in decline throughout B.C., the Northern goshawk.

No goshawks were detected by the ARUs, but PNG did confirm that marbled murrelets were flying overhead, indicating that these birds were likely nesting in the area, as predicted by the mapping. The location is 50 km to the ocean and provides a unique record for the species' range that we have shared with the government, and the management teams focused on protecting their habitat along the B.C. coast and islands. During follow-up work in May and June, PNG deployed ARUs to refine our understanding of breeding timing and make sure that any planned work does not disturb these rare birds in their nests.



TRISUMMIT'S APPROACH TO REPORTING EMISSIONS

Understanding our baseline emissions profiles for each of our operating utilities was initiated in 2021.

As our business evolves, so do our levels of reporting.

We monitor the Scope 1 and Scope 2 emissions intensity within our organization, and our data sets represent the information calculated for PNG, AUI, EEI, Bear Mountain Wind Park and TriSummit Headquarters. With ENSTAR and CINGSA joining our organization in 2023, we are undertaking a baseline for their emissions profile over the course of 2023-24.

TriSummit aims to accurately characterize our emissions profile through multiple strategies, including amending previous quantification methodologies, improving reporting and transparency, and accuracy of existing inventories.

TriSummit follows the Canadian Energy Partnership for Environmental Innovation (CEPEI) methodology to gather Scope 1 emissions. In British Columbia, PNG is required under regulation to report its Scope 1 emissions to the province using the Western Climate Initiative (WCI) methodology.

What are Scope 1, 2 and 3 emissions?

- ▶ **Scope 1:** Direct GHG emissions from the sources that are controlled or owned by the organization.
- ▶ **Scope 2:** Indirect GHG emissions from the production of consumed electricity, steam, heat, cooling – the result of the organization's energy use.
- ▶ **Scope 3:** Indirect GHG emissions that result from activities from assets not owned or controlled by the reporting organization, but the organization indirectly affects its value chain.

This scope includes indirect emissions for activities such as transportation and distribution, processing of sold products, use of sold products, end-of-life treatment of sold products, leased assets, franchises and investments¹.



TRISUMMIT'S SCOPE 1 AND 2 EMISSIONS

TriSummit has completed a GHG verification process in accordance with the Greenhouse Gas Protocol and Corporate Accounting and Reporting Standard (GHG Protocol).

Scope 1
72,000 tCO₂e
of approximate emissions

Scope 2
2,300 tCO₂e
of approximate emissions

The scope verified includes Scope 1 and 2 emissions for TriSummit's Canadian operations for the 2022 calendar year and has been assured by an independent and qualified auditor and expert to a reasonable level. The GHG verification services were completed in accordance with the ISO 14064 Greenhouse gases – Part 1 and Part 3 (ISO February 2019 and April 2019 respectively). The stated objective of the verification was to assure TriSummit that there are no material misstatements in their stated greenhouse gas emissions inventory and that the information reported is accurate. The verification was conducted to a reasonable level of assurance.

The major emission sources from natural gas utilities include stationary combustion (e.g. line heaters and compressors), venting emissions (e.g. compressor blowdowns and dehydrator vents) and fugitive emissions (e.g. pipeline infrastructure).

In aggregate, TriSummit had approximately 72,000 tCO₂e Scope 1 emissions and approximately 2,300 tCO₂e Scope 2 emissions for the Canadian businesses during the 2022 operating year.



Social

Central to our organization's core values are our people and our communities. The safety of our customers, our communities and our employees is the top priority for the organization.

We succeed together because we work hard and are good at what we do. We connect across our teams, and we respect each other. We strive for clear, transparent communication with customers, employees, regulators, shareholders and stakeholders. We provide low carbon energy solutions to our customers and always look for ways to minimize our environmental footprint.

In the communities where we work and live, we prioritize the safety of our customers, our communities and our employees. We invest in our employees and communities to create positive benefits, demonstrating our core values.



- ▶ Safety, a Core Value
- ▶ Inclusion and Diversity
- ▶ Giving Back to our Communities
- ▶ Indigenous Relations



SAFETY, A CORE VALUE

TriSummit is committed to providing an inclusive workplace for our employees where they feel valued, supported, and have opportunities to pursue their potential.

TriSummit invests in employees' futures through training and development opportunities, employee wellness programs, and learning opportunities.

Each year, TriSummit gathers all employees to participate in a Safety Summit. Taking proactive measures to encourage a strong safety culture helps TriSummit demonstrate one of our core values, to ensure the safety of our customers, communities, and employees.

A Community-Minded Safety Culture

We invest in the communities where we work and play and demonstrate TSU's core value of safety through community investment, partnerships, wildlife protection, and donations. Healthy communities are vital to the delivery of our services. A strong safety culture is central to our operations.

Our executive Environment Health and Safety (EHS) leadership team oversees safety and environmental performance, and actively promotes and supports safety initiatives throughout the organization. This includes communicating the importance of

safety, participating in safety training, and engaging with employees on safety matters.

Each year, TSU holds a Safety Summit led by the Executive and in 2022, the event focused on mental health. TSU recognizes that the health and wellbeing of our employees impacts our safety performance, which in-turn affects our reliability.

TriSummit encourages its employees to take an active role in safety and provides tools, training, and resources to foster a collaborative and accountable environment. The safety of our customers, communities and employees is a top priority for the organization, as asserted in TriSummit's Core Values. By focusing on a positive safety culture, TriSummit celebrates and rewards proactive safety measures and demonstrated results.

Recognizing that the collective success of an organization's safety program is the culmination of individual's efforts, TriSummit values the commitment of our teams that go above and beyond compliance measures to ensure their own safety and that of their colleagues.

Regular safety audits and inspections are completed to assess compliance with safety standards and identify areas for improvement. These audits enable us to maintain a proactive approach to safety and continually enhance our safety programs. We actively collaborate with industry partners, regulatory bodies, and communities to share best practices and contribute to the overall safety performance of our industry.

Monitoring leading safety indicators is critical for effectively improving safety performance at TriSummit. These indicators provide early warnings and insights into potential safety risks and allow preventative measures to be implemented to preclude incidents from occurring. TriSummit's approach to safety includes identifying risks, trends, patterns, and hazards, and taking proactive steps to mitigate risks before they become an incident.

At TSU, safety is a core value that permeates every aspect of our operations. We are steadfast in our dedication to improving our safety performance, and wholeheartedly embrace emerging technologies and innovative solutions to achieve this objective.

A Healthy Place to be

Ensuring the health and well-being of our employees is central to the success of business operations and continuity planning. Taking proactive measures to ensure that we have resources in place to support the health of our employees helps us ensure that we can provide what our customers want when they want it.

Each utility has programs in place to provide support when our employees need it. Safeguarding the health and well-being of our employees allows us to be prepared to deliver reliable natural gas and renewable energy to all our customers, including those in remote locations.

Safety Performance

TriSummit continues to focus on Total Recordable Injury Frequency (TRIF)¹ which includes peer benchmarking with the Canadian Gas Association (CGA), and the American Gas Association (AGA) (*see beside*). TriSummit has maintained its performance over the last two years.

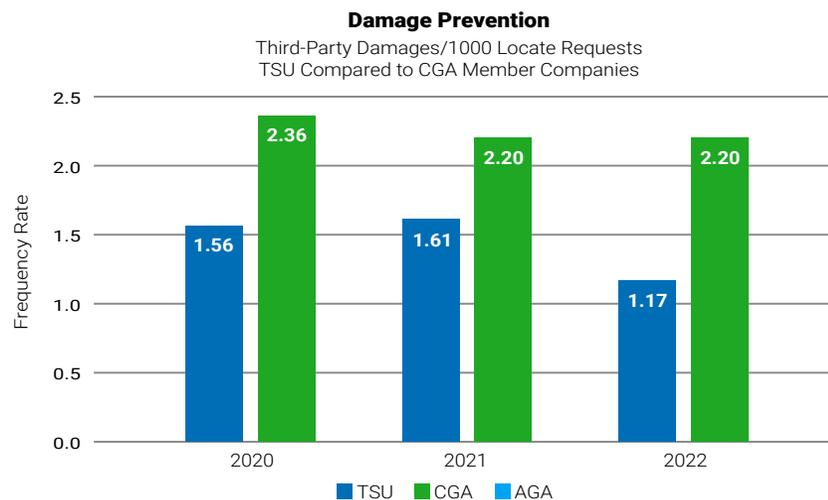
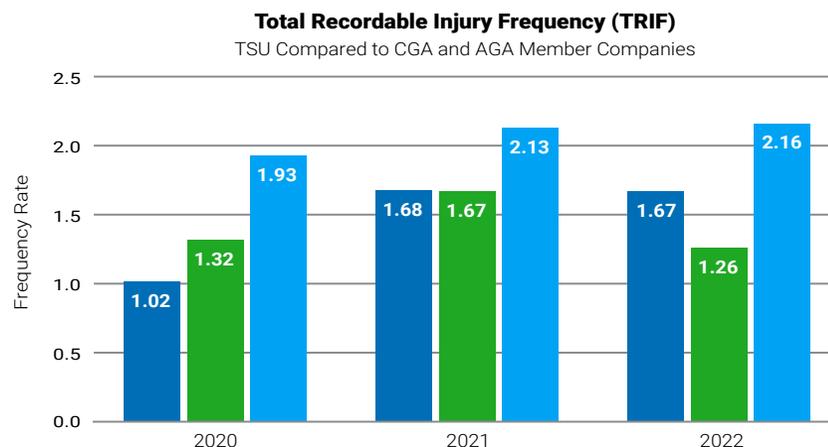
TriSummit is committed to working to enhance its safety culture and improve related processes.

In 2022, two of TriSummit's natural gas utilities were recognized by the CGA:

- ▶ EEI was awarded a Corporate Safety Award for Employee Safety.
- ▶ PNG was awarded the Worker Safety Award for its Geohazard Awareness Tool, which provides automatic and semi-automatic recommendations on geohazard safety risks.

Damage Prevention

TSU exceeded annual targets and compares positively to its industry peers (*see beside*). Our operational teams continue to engage with contractors and the public to educate and raise awareness about working around natural gas infrastructure.



Community Collaboration

Stakeholder cooperation is important to our operations. It plays a role in the growth and maintenance of our business.

Understanding the views and expectations of our stakeholders plays a role in the success of our business.

Some types of external engagement that TSU engages in include:

Business to Business

- ▶ Engagement with peers through in-person meetings and associations;
- ▶ Attending association events; and
- ▶ Developing partnerships with utilities to further studies to achieve emissions reductions.

Customers

- ▶ Providing information to customers through fact sheets, press releases and social media posts to serve their needs;
- ▶ Local advertising campaigns to provide information to customers; and
- ▶ Responding to customers via social media or through customer service to address questions.

Investors and Equity Holders

- ▶ Regular engagement through standard reporting mechanisms, including financial reporting, press releases, conference calls, and presentations.

Governmental Organizations

- ▶ Engaging to share views on policies, regulations, and legislation that may have an impact on our business. Operating in five distinct regulatory jurisdictions means engaging with a variety of policymakers on a broad range of topics; and
- ▶ Work with with local government to discuss strategic sustainability measures and goals.

Employees

- ▶ Promoting idea sharing and ensuring employees are informed through town halls and internal channels for communication;
- ▶ Ensuring regular conversations around personal development, strategic goals and initiatives, and employee wellbeing;
- ▶ Employee feedback through regular engagement surveys, individual discussions, and team meetings; and
- ▶ Equipping leaders with the information and skills to improve morale and ensure employees are connected to common objectives.

Indigenous Communities

- ▶ Regular engagement with local communities that are within our service territories and close to our operations;
- ▶ Consideration of operational impact to Indigenous communities, traditional lands and wildlife and engage in ongoing communication between communities and our operating utilities;
- ▶ Provide community support through ongoing partnerships and sponsorships;
- ▶ Continuing to build relationships with Indigenous communities through ongoing dialogue, trust and respect.



INCLUSION AND DIVERSITY

TriSummit strives to cultivate a workplace in which everyone feels welcomed and encouraged to bring their whole selves to work.

Inclusion and Diversity (I&D) are at the heart of our values, and this approach plays a role in how we govern and grow our organization.

We provide equal opportunities and foster a sense of belonging in both our workplace and our communities.

I&D is an ongoing journey for the organization, and we will continue to prioritize learning and developing our evolving roadmap.

Building on the 2021 I&D Roadmap, the TSU organization is delivering on objectives to promote awareness and improve inclusivity and diversity.

The priority focus area for 2022 has been education and awareness.

TriSummit values talented individuals at all experience and career levels and will continue to develop its culture to be collaborative and inclusive recognizing the value that a diverse workplace has as we work towards our collective mission.

TSU Inclusion and Diversity Roadmap Summary



INCLUSIVE LEADERSHIP

TSU's Leadership team champions an inclusive culture where everyone has a sense of belonging. By demonstrating that employees are valued for their differences and are encouraged to participate by sharing their diversity of thought and experience, the TSU Executive team embeds inclusivity in their leadership style.



ENGAGING WORKPLACE

By fostering a culture of inclusion, TSU recognizes the value of employees' diversity of background and experience. With ongoing engagement, TSU continues to evolve the I&D strategy with the assistance of all employees.



WORKFORCE DIVERSITY

TriSummit is an organization where everyone has a sense of belonging and is valued for their differences. The organization strives to enhance our human resources practices and analytics to promote a more inclusive workplace.



CORPORATE CITIZENSHIP

By investing in the communities where we work and live, we are continuing to learn from others while building strong, connected and vibrant communities where all members have a sense of belonging.

GIVING BACK TO OUR COMMUNITIES

In 2022, the TriSummit organization contributed approximately \$240,000 to 110 organizations.



\$240_k

Community Investment



110

Organizations

TriSummit's mission is to make our communities a better place to live, by connecting them to the energy they want, when they need it, now and into the future.

TSU's community investment strategy incorporates three pillars:

1. Health, Wellness and Safety
2. Building Strong, Vibrant Communities
3. Alleviating Poverty and Hunger

TSU Community Investment in 2022



Health, Wellness and Safety
21% of Funds



Building Strong, Vibrant Communities
44% of Funds



Alleviating Poverty and Hunger
35% of Funds

PNG Employees Fundraise in Kitimat

The Kitimat Community Foundation hosted its 43rd annual Aluminum City Telethon. Proceeds support many important non-profit local organizations working to meet the immediate needs of the community and its residents.

The annual event features a telethon, as well as a car wash and community talent showcase including music, dance, and gymnastics performances.



Several PNG employees and their families were involved to give back to the community.

PNG also provided a donation to support the fundraising initiative, contributing to the nearly \$65,000 that was raised overall.

PNG Supports the BC Summer Games in Prince George

In July 2022 Prince George, British Columbia hosted the 32nd BC Summer Games. More than 2,000 volunteers came together to create a memorable experience for thousands of athletes and families who visited the city.

Community engagement is an essential and deliberate component of the Games, meaning local and regional stakeholders as well as Indigenous communities are included in the Games.



EEL Employees Help Light the Night

In Halifax, N.S., EEL participated in the Tree Lighting Ceremony in the Grand Parade Square, in the heart of the downtown, taking place in late November. The Tree Lighting Ceremony marks the beginning of the holiday season in Halifax, and benefits Feed Nova Scotia. This organization supports over 40,000 Nova Scotians experiencing food insecurity.

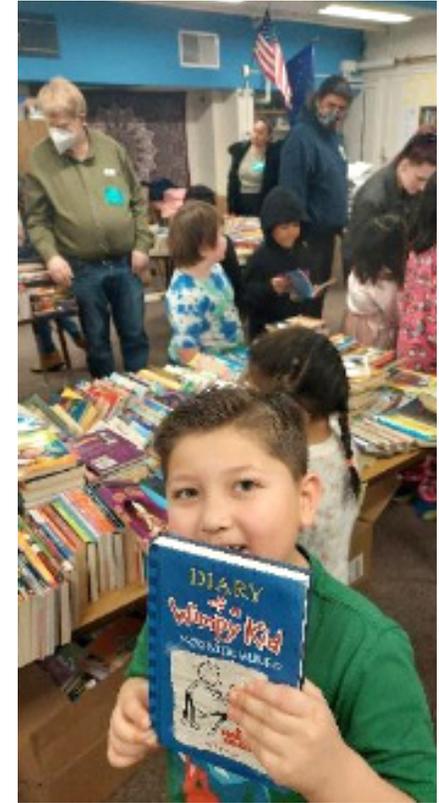
ENSTAR is Recognized with the Spirit of Tomorrow Award

On April 27, 2023, the Anchorage School District recognized ENSTAR with the Spirit of Tomorrow Award.

This award highlights exceptional business partners in the community. ENSTAR was nominated by Willow Crest Elementary's Principal, Raymond Marshall. Principal Marshall's nomination was sparked by ENSTAR's annual campaign to donate books and host a school-wide pizza party for students.

The event began in 2015 and has since expanded across ENSTAR's service area. The partnership between ENSTAR and Willow Crest has also expanded to help the school meet the needs of the community it serves, including providing students with shoes and clothing after a devastating apartment fire, blankets for school events, and supplies for classrooms when teachers have reached out for assistance.

The Spirit of Tomorrow Award is an incredible honor for our company that was made possible thanks to the many ENSTAR employees who have volunteered their time, donated books, and ensured its success year after year.



INDIGENOUS RELATIONS

At TriSummit we are proud of our progress in building meaningful relationships with First Nations, Metis and Inuit communities and our continued pathway to reconciliation.

We recognize that this journey is an ongoing process, and we are dedicated to deepening our understanding, fostering partnerships, and taking action to create positive change.

Over the past year, we have prioritized our engagement with Indigenous communities, listening to their voices, and learning from their wisdom. Through active dialogue and collaboration, we have developed mutual respect, trust, and a shared vision for a more inclusive and equitable future. We have worked closely with Elders and community leaders to ensure our initiatives are culturally sensitive, aligned with community priorities, and contribute to the overall well-being of Indigenous peoples.

Our pathway to reconciliation is demonstrated through various initiatives that empower and support Indigenous communities. We have actively sought out and established partnerships with Indigenous-owned businesses, creating economic opportunities and promoting self-determination.

Internally, we have prioritized educating our employees on the historical and contemporary issues faced by Indigenous peoples. Through cultural competency training, town halls, and other sessions, we are fostering a workplace culture that values diversity, inclusivity, and respect. We recognize the importance of Indigenous perspectives and experiences in shaping our business practices and decisions, and we actively encourage our employees to engage with local Indigenous communities and initiatives.

We remain dedicated to furthering reconciliation efforts in the future. We continue to engage with Indigenous communities, seeking their guidance and input to ensure our actions are meaningful and impactful and remain committed to advancing Indigenous representation within our organization. By providing mentorship, training, and employment

opportunities, we aim to create a more inclusive and diverse workplace that reflects the rich Indigenous cultures.

We understand that true reconciliation requires dedication, accountability, and continuous learning. We remain transparent in our efforts, regularly assessing our progress, and acknowledging areas for improvement. Through open and honest communication, we aim to foster lasting relationships based on trust, respect and shared prosperity.

TSU believes that by working hand in hand with Indigenous communities, we can build a more equitable society that celebrates and respects the cultural heritage and contributions of Indigenous peoples.

Engagement in Practice

In addition to routine day-to-day interactions through serving our Indigenous customers, AUI holds at least one yearly meeting with each settlement council. These meetings create an open environment to discuss challenges and opportunities from the settlement perspective. These sessions strengthen the relationships with our Indigenous communities and customers.

Together, we can forge a path toward a brighter future founded on understanding, harmony, and reconciliation.



Indigenous Community Investment

Sponsoring the All-Native Basketball Tournament

PNG was proud to sponsor the All Native Basketball Tournament (ANBT) held in Prince Rupert. The week-long event brought together more than 50 teams of Indigenous athletes from communities across the province and Alaska to compete in the largest basketball tournament in B.C.

PNG was pleased to support this event and to give back in a way that brings Indigenous communities together. This ANBT sponsorship demonstrates PNG's commitment to building relationships based on mutual respect with Indigenous peoples and the communities where we live, work and play.



Furnishing Friendships

In 2022, EEI moved locations to accommodate more employees in the same building.

With the new location there was a surplus of office furnishings.

The EEI team donated the furniture to the Sipekne'katik First Nation who will have use for it in their Indian Brook Facility.

EEI was grateful to be able to help members of its community and to also continue to build the important relationship with the people of Sipekne'katik First Nation.

PNG Supports Play That Sheds Light on the Residential School Experience

PNG sponsored a play named Bunk #7, which depicts the true story of six boys from northwest British Columbia (Nisga'a, Haida and Dene) and a riot that occurred at Edmonton Indian Residential School in St. Albert, Alberta in 1960-61.

With a theme of cultural resilience and the capacity of a cultural system to absorb adversity, deal with change and continue to develop, this play was performed by the Raven Collective. PNG supports the Raven Collective and its initiatives to promote youth development of professional Indigenous theatre in northwest British Columbia.



Delivering Cleaner Energy

To the Northwest Territories for over 20 years in partnership with Inuvialuit Petroleum Corporation and ATCO Ltd.



In 1999, Inuvik Gas Ltd. brought a new energy choice to Inuvik, NWT, and changed the town forever.

Inuvik is an arctic town near the northern tip of Canada's integrated road system. The winter season in Inuvik is very long, dark, snowy and cold. Prior to IGL, the primary source of energy for homes and businesses was fuel oil and diesel, both high emitting and expensive sources of fuel.

IGL is a locally operated company with seven full-time employees and approximately 830 customers. Supported by the experience and talents of the Inuvialuit Petroleum Corporation, TSU, and ATCO Midstream NWT Ltd., IGL delivers cleaner-burning, natural gas and synthetic natural gas to its customers.

This partnership has provided critical infrastructure and services to the town IGL is committed to assisting and promoting the well-being of Inuvik, including the areas of health, safety, environment, education, and community well-being.

IGL supports the fair and equal treatment of all residents.

TriSummit is proud of its long-term partnership



Governance

Our Board of Directors and TriSummit's Executive Team are engaged with all levels of the organization and are passionate about delivering successful outcomes for all stakeholders.

Strategic and operational goals are approved by the Board and governed by policies, principles and practices.



- ▶ Responsibility and Integrity
- ▶ Board Committees, ESG Oversight and Framework
- ▶ Risk Management



RESPONSIBILITY AND INTEGRITY

TriSummit is dedicated to operating our business with clear communication and integrity as a core value, ensuring we deliver on our commitments to shareholders, employees, community members, customers, and debtholders. Good governance is foundational to this and is implemented by the leadership and supported by the Board. The Board comprised nine directors, with five independents¹, including the Chair of the Board.

Fostering a culture that promotes integrity and ethical conduct is essential to the operations of our business, our relationships in the communities where we work, and with our shareholders.

As part of this, each director, officer, employee, contractor, consultant, representative, and agent of TriSummit must comply with the Code of Business Ethics and provide annual certification of compliance.

Board of Directors

The Board assigns responsibilities directly and through its committees in Board and committee mandate documents, which are reviewed and approved annually by the Board.

The Chair of each committee is responsible for ensuring their respective mandates are fulfilled. We continue to work with our directors to ensure the appropriate ESG practices are in place, as well as ongoing training for our directors in ESG reporting.

Board Diversity (Independent Directors)



Board and Committee Composition

Board Members	Audit Committee	Compensation and Governance Committee	Environment, Health and Safety Committee
David W. Cornhill ^{2,3}			
Dietz Kellmann ³	○		○
Gregory A. Aarssen ^{3,4}	○	○	
Andrea Goertz ^{3,5}	○	○	○
Wendy Henkelman ^{3,6}	○		○
Jared Green			○
Sam Langleben	○		○
Martine Légaré		○	○
Steven Biggs	○	○	

This reflects the Board and Committees as of time of publication. | ¹ As defined in Canadian securities laws. | ² Chair of the Board. | ³ Indicates Independent Director. ⁴ Chair of the Compensation & Governance Committee. | ⁵ Chair of the Environment, Health & Safety Committee. | ⁶ Chair of the Audit Committee.

BOARD COMMITTEES, ESG OVERSIGHT AND FRAMEWORK

The Board has three standing committees:

- ▶ Audit Committee
- ▶ Compensation and Governance (C&G) Committee
- ▶ Environment, Health and Safety (EHS) Committee

The C&G Committee has oversight responsibility for TriSummit's governance framework, human resources and compensation framework and standards, and our governance approach to ESG. The C&G Committee receives regular updates on ESG commitments and reporting, being charged with the oversight of the ESG process while working collaboratively with other committees for review, direction, and approval.

This report is approved by the Board and the committees responsible for the focus areas of the report.

Board Committees

Key Focus Areas ¹	Committee Responsible ²
 ENVIRONMENT <ul style="list-style-type: none"> ▶ Emissions Reduction ▶ Environmental Impact 	 EHS Committee
 SOCIAL <ul style="list-style-type: none"> ▶ Health and Safety 	 EHS Committee
 <ul style="list-style-type: none"> ▶ Employment/Diversity Non-Discrimination ▶ Indigenous Relations ▶ Community Investment 	 C&G Committee
 GOVERNANCE <ul style="list-style-type: none"> ▶ Business Ethics ▶ Governance ▶ Core Values 	 C&G Committee
 <ul style="list-style-type: none"> ▶ Cybersecurity 	 Audit Committee

¹The C&G Committee is responsible for the overall ESG framework, including the identification of key focus areas.

²The Committee Responsible oversees all data, metrics, and reporting.

Sustainability Linked Compensation

The C&G Committee is responsible for the overall ESG framework, including the identification of key focus areas.

To ensure alignment with ESG reporting priorities throughout the organization, TSU tracks employee performance with the TSU Corporate Operating Business Scorecard. Employee performance determines Short-Term Incentive Program (STIP) compensation, and key focus areas linked to Safety and Energy Transition (operationalizing emissions reduction targets, developing a revised energy transition strategy).

TriSummit further links EHS performance to employee compensation and is measured against the scorecard. Embedding ESG goals in employee performance metrics serves as a reminder of our core values and the importance of working together to achieve our mission, to make our communities a better place to live, by connecting them to the energy they want, when they need it, now and into the future.

Ethics and Compliance

Fostering and maintaining a culture that promotes integrity and accountability is essential to the responsible operation of TriSummit's business and maintaining transparent and mutually beneficial relationships with our stakeholders.

Each director, officer, employee, contractor, consultant, representative and agent of TriSummit must comply with the Code of Business Ethics and provide an annual certification of compliance.

In 2022, this requirement was measured and monitored through TriSummit's workforce management system, resulting in 100 percent completion of the certification process.



100% of employees are annually certified in the Code of Business Ethics

RISK MANAGEMENT

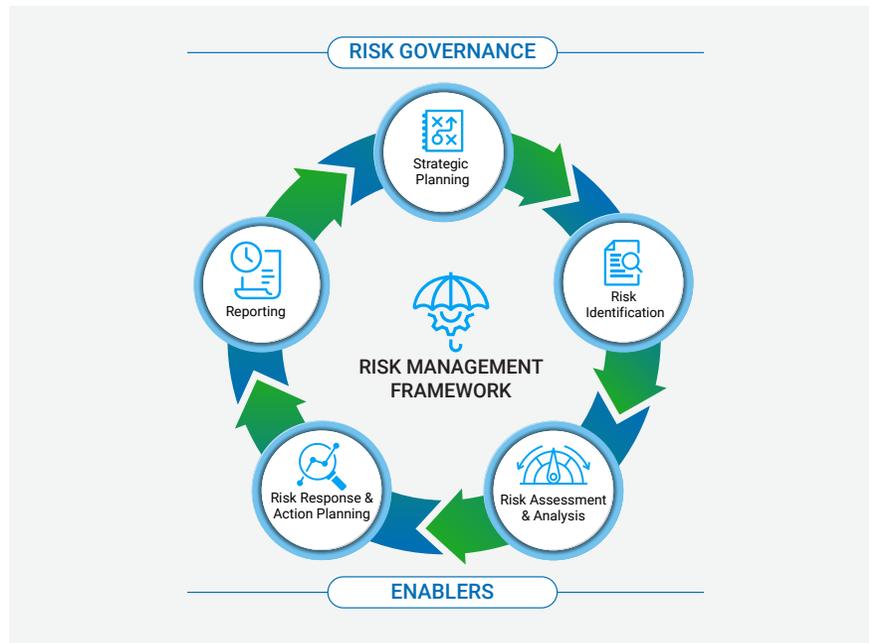
Our organization recognizes that risk is present in our business activities and that the management of risk is critical in maximizing performance and helping the organization achieve its strategic objectives. Recognizing that risks are interrelated and should be managed across the organization, TriSummit has developed an Enterprise Risk Management (ERM) Framework. The framework supports the identification, evaluation, response to, and reporting on the organization's risks, including ESG-related risks, that can materially impact the organization's ability to meet its objectives. The core principles underpinning the ERM Framework are aligned with Committee of Sponsoring Organizations of the Treadway Commission guidance.

ERM is the culture, capabilities, and practices integrated within strategy setting and execution, influenced by the Board of Directors, Executive, and all staff. It is a continuous and dynamic process that is applied strategically across the organization in day-to-day operations and is designed to identify, assess and prioritize potential events that could affect performance and enable the response to and monitoring of risks.

TriSummit's risk management activities, including our risk management programs and practices are overseen by the Audit Committee, with our Executive team ultimately responsible for the development and implementation of risk management plans and actions. Risk updates are provided to the Executive team and Audit Committee on

a quarterly basis and a detailed review of the program is performed annually.

TriSummit follows a robust and structured approach to appropriately manage risks faced by the business. Our risk management framework is composed of seven key attributes which facilitate effective management of risks.



Risk Identification

Information regarding TriSummit's risks, including ESG-related risks, that have been identified and are being managed by the company can be found in TriSummit's most recent Management Discussion and Analysis and Annual Information Form on our [website](#).

Emergency Preparedness

Detailed Emergency Response Programs are in place at all TSU companies that include planned mock emergency scenarios to ensure employees are trained and can respond appropriately to unplanned events in a timely manner. Emergency Response Programs are reviewed and updated regularly to include information learned from debriefing actual emergencies or actions identified from planned simulations. Changes are reviewed with employees who are involved and impacted by emergency response. Emergency Preparedness plans are based on industry best practices and Emergency standards and are developed in accordance with the provincial and state regulatory authorities having jurisdiction over each utility's distribution and transmission systems.

Cybersecurity

TriSummit deploys industry-leading solutions and processes to secure our information and systems. Our cybersecurity strategy is guided by business objectives, regulatory requirements and best-practices frameworks. The Cybersecurity Awareness Program utilizes a training schedule that keeps our people current and focused on cybersecurity. We conduct regular testing of our cyber defenses, incident response processes and user awareness to measure the effectiveness of our efforts.

Managing cyber risk is a top corporate priority at TSU. Under Executive and Board oversight, we continuously advance our cyber risk management practice to ensure our digital assets are protected in response to the evolving threat landscape.

Protecting digital assets is of paramount importance, which is reflected in our executive sponsorship, Board reporting and cybersecurity maturity program.

Appendix

In the upcoming pages, we have referenced the Sustainability Accounting Standards Board (SASB) Disclosure for Gas Utilities and Distributors, External Factors, a Glossary of Terms, Energy Transition Pathway and the Forward-Looking Statement.



- ▶ 2022 SASB Disclosure Report
- ▶ Forward-Looking Statements and Information
- ▶ Glossary of Terms



2022 SASB DISCLOSURE REPORT | GAS UTILITIES AND DISTRIBUTORS

Table 1. Sustainability Disclosure Topics and Accounting Metrics

TOPIC	ACCOUNTING METRIC	CATEGORY	UNIT OF MEASURE	CODE	RESPONSE	
Energy Affordability	Average Rates ¹ (\$/GJ)	Quantitative	Rate	IF-GU-240a.1	1. Residential Gas Rate	\$12.82 /GJ
					2. Commercial Gas Rate	\$12.33 /GJ
					3. Industrial Gas Rate	\$9.56 /GJ
					4. Transportation Gas Rate	\$2.75 /GJ
	Typical monthly gas bill for residential customers for MMBtu delivered per year	Quantitative	CAD	IF-GU-240a.2	1. 50 MMBtu	\$50.65
					2. 100 MMBtu	\$101.29
	Disconnections for non-payment	Quantitative	Number	IF-GU-240a.3	Number of residential customers gas disconnections for non-payment	2,142
					Number of residential customers gas reconnected within 30 days	1,261
					Percentage reconnected within 30 days	59%
	External factors on customer affordability	Discussion and Analysis	N/A	IF-GU-240a.4	N/A	
End-Use Efficiency	Utility Revenues	Quantitative	Percentage (%)	IF-GU-420a.1	1. Percentage of gas utility revenues from rate structures that are decoupled	43%
					2. Percentage of gas utility revenues from rate structures that contain a lost revenue adjustment mechanism (LRAM)	0%
	Gas Savings	Quantitative	Million British Thermal Units (MMBtu)	IF-GU-420a.2	9,731	
Integrity of Gas Delivery Infrastructure	Incidents	Quantitative	Number	IF-GU-540a.1	1. Reportable pipeline incidents	8
					2. Corrective Action Orders (CAO)	4
					3. Notices of probably violation (NOPV)	0
	Percentage of distribution pipeline that is:	Quantitative	Percentage (%) by length	IF-GU-540a.2	1. Cast and/or wrought iron	0%
					2. Unprotected steel	0%
	Percentage of Gas	Quantitative	Percentage (%) by length	IF-GU-540a.3	1. Transmission pipelines inspected	65%
2. Distribution pipelines inspected					27%	
Efforts	Discussion and Analysis	N/A	IF-GU-540a.4	N/A		

Managing the Integrity of our Gas Infrastructure

Safety culture is at the core of TSU operations, and all employees are engaged in safety awareness and preparedness. One of our primary goals is to fulfill the energy needs of customers in the safest, most reliable and most efficient manner possible.

Our customers depend on a readily available supply of gas. Asset integrity with TSU's network of pipelines is an important factor in emissions

reductions. TSU continues to take a risk-based approach to manage hazards throughout the lifecycle of our assets.

This approach is composed of several key elements including replacement and upgrades of materials and equipment, damage prevention programs, and inspections and surveys. This approach improves system reliability and reduces emissions. TSU continues to mitigate risk with strengthened regulatory

relations paired with programs to assess and prioritize aging assets for replacement and upgrades in the short and long term. A recent innovation identified to lower GHG emissions is the use of hydrogen injection, which will require infrastructure upgrades – providing opportunities for capital investment designed to improve performance and mitigate risks related to both safety and emissions.

These capital investments may lead to increases in rate bases, but will improve safety and reliably.

Table 2. Activity Metrics

ACTIVITY METRIC		CATEGORY	UNIT OF MEASURE	CODE	RESPONSE
Number of Customers	1. Residential	Quantitative	Number	IF-GU-000.A	117,284
	2. Commercial				16,533
	3. Industrial				116
Natural Gas Delivered to	1. Residential Customers	Quantitative	Million British Thermal Units (MMBtu)	IF-GU-000.B	12,571,402
	2. Commercial Customers				13,765,360
	3. Industrial Customers				5,988,524
	4. Transferred to a Third Party				5,579,365
Length of Gas	1. Transmission Pipelines	Quantitative	Kilometers (km)	IF-GU-000.C	2,747
	2. Distribution Pipelines				24,592

Energy Transition Pathway

The organization is on a pathway to net zero by 2050 for our Canadian operations and the Alaskan utilities business. Net zero in this context refers to net zero operational Scope 1 and Scope 2 GHG emissions, both as of the original date of the statement.

For greater clarity, the pathway to net zero includes the businesses owned and operated by TriSummit at the time this report is published. TSU follows the Canadian Energy Partnership for Environmental Innovation (CEPEI) methodology to gather Scope 1 emissions.

The TSU emissions report was verified as described on page 20. TriSummit takes a disciplined and rigorous approach to all emissions data and disclosures across its business and such data and disclosures are subject to an extensive internal and external evaluation process. The data collection methodologies used are aligned with industry leading practices and applicable regulations and standards. In British Columbia, PNG is required under regulation to report its Scope 1 emissions to the province using the Western Climate Initiative WCI methodology. TSU's net zero pathway was developed with the assistance of

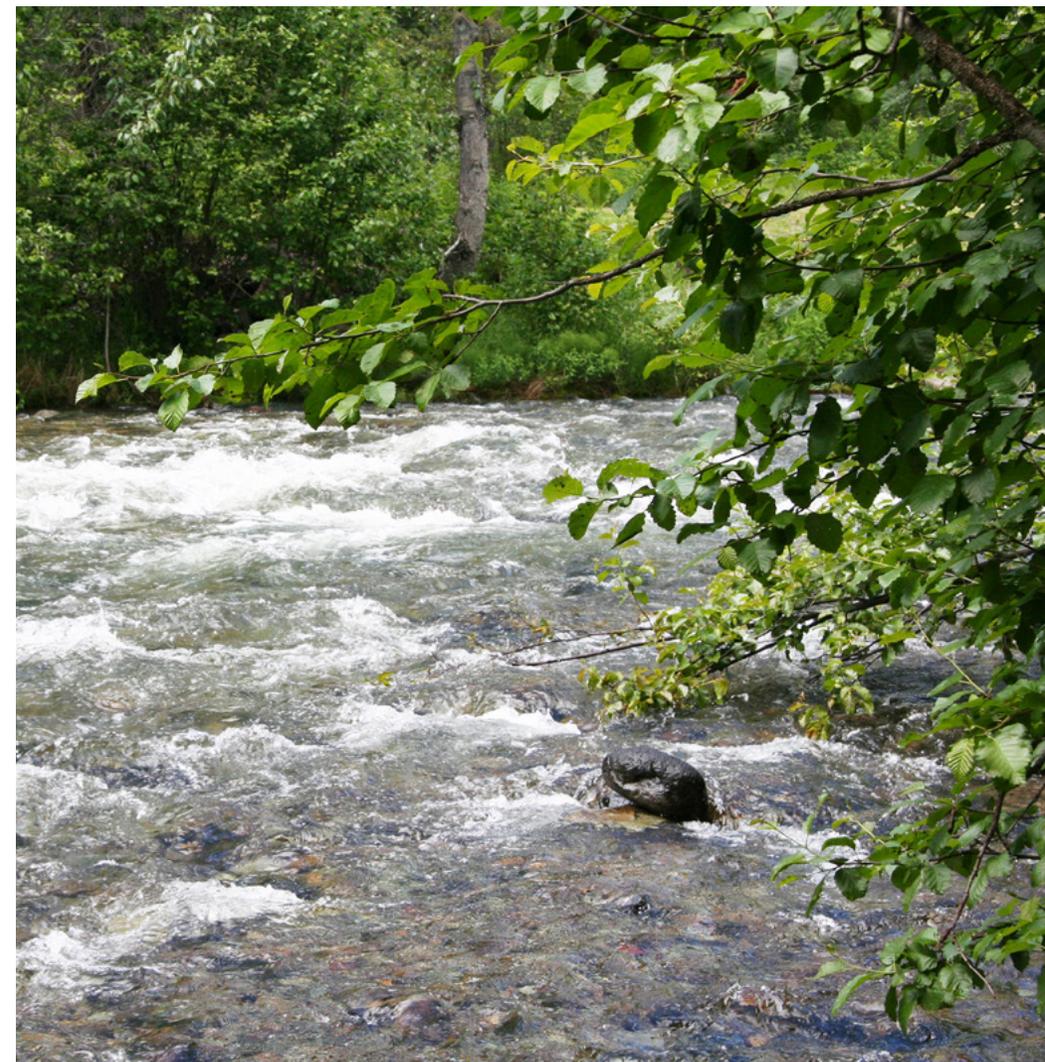
an expert climate consulting firm and is premised on the following four areas, with a primary focus on emissions reductions and emissions offsets:

1. Emissions reductions through equipment replacement and energy efficiencies and the adoption and promotion of technology advancements to reduce emissions;
2. Investing in renewables by identifying and pursuing opportunities to switch from higher carbon emitting fuels to lower carbon energy (e.g., hydrogen, renewable natural gas) and/or projects that generate offsets (e.g., renewable power);
3. Improving the accuracy of emissions estimations. The net zero pathway to net zero for the organization is based on management's assessment of the relevant information available at the time the statement was made and is based on a number of material assumptions and factors; actual results may differ significantly; and
4. Emissions offsets by reducing TSU's carbon footprint through acquiring offsets and other environmental credits.

TSU and its management believe that the net zero pathway has been prepared on a reasonable basis with respect to emissions from its current Canadian operations and the recently acquired the Alaskan utilities business, reflects management's best estimates and judgments, and represents, to the best of management's knowledge and opinion, TSU's expected course of action.

With the purchase of the Alaskan utilities, TriSummit has adjusted the pathway to net zero to be achieved by 2050. However, because this information is highly subjective, it should not be relied on as necessarily indicative of future results.

See "Forward-Looking Statements and Information".



FORWARD-LOOKING STATEMENTS AND INFORMATION

This report contains certain forward-looking statements and information that are based on TSU's expectations, estimates, projections and assumptions considering its experience and its perception of historical trends as well as current market conditions and perceived business opportunities. In some cases, forward-looking information can be identified by terminology such as "expects", "will", "would", "anticipates", "plans", "estimates", "develop", "intends", "potential", "continue", "could", "forecast", "create", "keep", "believe", "aim", "endeavour", "commit" and similar expressions suggesting future events or future performance. In particular, this report contains forward-looking statements pertaining to, without limitation: plans, targets, strategies and timing with respect to reducing greenhouse gas emissions; the 2050 net zero direct GHG emissions objective for TSU's operations (and the related pathways to achieve such commitment); the belief that TSU will meet its net zero direct GHG emissions commitment for its operations; plans and strategies to improve ESG performance; diversity and inclusion efforts; plans to further develop community investment, Indigenous relationships and engagement efforts; strategies to protect the integrity of energy infrastructure; the expected timing and results of AUJ's planned installation of PV systems at its Leduc, Alberta office buildings; AUJ's intention to evaluate the installation of PV systems at its district offices; TSU's

initiative to reduce emissions from its utilities' fleet vehicles; PNG's project to find long-term solutions for rate relief for Granisle ratepayers; work to establish the baseline for ENSTAR's and CINGSA's emissions profiles and subsequent commitment to reduce GHG emissions; and anticipated in-service dates for growth projects. Undue reliance should not be placed on these forward-looking statements and information as they are based on assumptions made by TSU in light of information available as of the date hereof (or as of the date the forward-looking statement was made) regarding, among other things: that the Company will continue to conduct its operations in a manner consistent with past operations; the general continuance of current or, where applicable, assumed industry conditions; volumes and rates; exchange rates; inflation; interest rates; credit ratings; regulatory approvals and policies; future operating and capital costs; project completion dates; capacity expectations; that there will be no material defaults by the counterparties to agreements with the Company and such agreements will not be terminated prior to their scheduled expiry; the Company will continue to have access to wind and water resources in amounts consistent with the amounts expected by the Company; the outcomes of significant commercial contract negotiations; broad compliance with TSU's plans, strategies, programs and goals across its reporting and monitoring systems among

its employees, stakeholders and service providers; the continued availability of capital at attractive prices to fund future capital requirements relating to existing assets and projects; the willingness of Indigenous stakeholders to engage in consultation and reconciliation efforts; the success of growth projects; applicable laws and government policies; that current technologies are sufficient to achieve reductions in GHG emissions objectives; assumptions relating to long-term energy future scenarios; the achievement of the pathways related to achieve TSU's net zero direct GHG emissions commitment for its operations; TSU's carbon price outlook; and prevailing regulatory, tax, and environmental laws and regulations. While TSU believes the expectations and assumptions reflected in these forward-looking statements are reasonable as of the date hereof (or as of the date the forward-looking statement was made), there can be no assurance that they will prove to be correct. TSU's forward-looking statements are subject to certain risks and uncertainties which could cause results or events to differ from current expectations, including, without limitation: uncertainties faced by regulated companies; volume throughput and the impacts of commodity pricing, supply, composition and other market risks; natural gas demand; prevailing economic conditions; legislative and regulatory environment; impacts of climate change and carbon taxing; cost of compliance

with environmental regulation; weather, hydrology and climate changes; TSU's relationships with external stakeholders, including Indigenous stakeholders; the potential for service interruptions; TSU's ability to create, maintain, replace and expand infrastructure on a timely basis; the availability of emissions offsets; increased competition; loss of franchise grants; TSU's ability to economically and safely develop, contract and operate assets; TSU's dependence on certain partners; access to and use of capital markets; TSU's ability to service or refinance its debt and manage its credit ratings and risk; underinsured losses; cybersecurity risks; failure to achieve benefits of business acquisitions; pension liabilities; impact of labour relations and reliance on key personnel; ability to maintain compliance with borrowing covenants; interest rate, exchange rate and counterparty risks; potential litigation; effects of decommissioning, abandonment and reclamation costs; impacts of the COVID-19 pandemic; TSU's ability to pay dividends; potential volatility in market price of securities; and the other factors discussed under the heading "Risk Factors" in TSU's Annual Information Form dated March 8, 2023 for the year ended December 31, 2022. The Company believes the forward-looking statements are reasonable. However, such statements are not a guarantee that any of the actions, events or results of the forward-looking statements will occur, or if any of them do occur, their timing or what impact

they will have on the Company's results of operations or financial condition. Many factors could cause TSU's or any particular business segment's actual results, performance or achievements to vary from those described in this report, including, without limitation, those listed above and the assumptions upon which they are based proving incorrect. These factors should not be construed as exhaustive. Should one or more of these risks or uncertainties materialize, or should assumptions underlying forward-looking statements prove incorrect, actual results may vary materially from those described in this report as intended, planned, anticipated, believed, sought, proposed, estimated, forecasted, expected, projected or targeted and such forward-looking statements included in this report should not be unduly relied upon. The impact of any one assumption, risk, uncertainty or other factor on a particular forward-looking statement cannot be determined with certainty because they are interdependent, and TSU's future decisions and actions will depend on management's assessment of all information at the relevant time. Such statements speak only as of the date of this report. TSU does not intend, and does not assume any obligation, to update these forward-looking statements except as required by law. The forward-looking statements contained in this report are expressly qualified by these cautionary statements.



GLOSSARY OF TERMS

AGA	American Gas Association	GHG	Greenhouse gases are those gases in the atmosphere that have an influence on the earth's energy balance. They cause the greenhouse effect, and the best-known examples are carbon dioxide, methane and nitrous oxide, which can be found naturally in the atmosphere at low concentrations. The man-made sources of greenhouse gases are those we are reporting on.	mCHP	Micro Combined Heat and Power
AIMCo	Alberta Investment Management Corporation	GJ	Gigajoule	MMBtu	Million British Thermal Units
ANBT	All Native Basketball Tournament	GW	A gigawatt is a unit of power in the International System of Units, with a symbol of GW. Giga denotes a factor of a billion, which means there are one billion watts in a gigawatt.	NGIF	Natural Gas Innovation Fund
APC	Alaska Pipeline Company, LLC	GWh	Refers to a Gigawatt hour, a unit of energy representing one-billion-watt hours, equivalent to one million kilowatt hours.	NOPV	Notices of probable violation
ARU	Autonomous Recording Unit	IGL	Inuvik Gas Ltd.	PJ	Petajoule
AUI	Apex Utilities Inc.	IMP	Integrity Management Programs	PNG	Pacific Northern Gas Ltd.
CAO	Corrective Action Orders	I&D	Inclusion and Diversity	PSP	Public Sector Pension Investment Board
CEPEI	Canadian Energy Partnership for Environmental Innovation	k	Thousand	PV	Photovoltaic
CGA	Canada Gas Association	km	Kilometres	RFP	Request for Proposals
CINGSA	Cook Inlet Natural Gas Storage Alaska, LLC	LRAM	Lost Revenue Adjustment Mechanism	S2G	Salvus to Galloway
C&G	Compensation and Governance			SARA	Species at Risk Act
EEI	Eastward Energy Incorporated			SASB	Sustainability Accounting Standards Board
EHS	Environment, Health and Safety			STIP	Short-Term Incentive Program
ENSTAR	ENSTAR Natural Gas Company, LLC			TRIF	Total Recordable Injury Frequency
ESG	Environmental, Social and Governance			VRF	Variable Refrigerant Flow
EV	Electric Vehicle			WCI	Western Climate Initiative



*Unique, Diversified Portfolio of High Quality,
Strategically Located North American
Utility and Renewable Power Assets*

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