

# Public Disclosure & Insider Trading Policy

## Policy Statement

South Bow is committed to presenting accurate, complete, timely, and broadly disseminated disclosure of material information to the investment community.

The Board of Directors of South Bow (the “Board”) has adopted this Public Disclosure and Insider Trading Policy (this “Policy”) to (i) ensure compliance with the rules and regulations applicable to public companies relating to the disclosure of material information; and (ii) to assist Team Members in complying with applicable Canadian and U.S. securities law on Trading Company Securities, tipping, and recommending Trades in Company Securities and securities of other issuers while in possession of material non-public information.

## Scope

This Policy applies to all Team Members; as well as Family Members of Team Members and entities (e.g. corporations, partnerships or trusts) that Team Members or their Family Members control; controlling shareholders; and all members of the Board.

## Principles and Implementation

### 1 Applicability and responsibilities

- 1.1 This Policy’s applicability includes, but is not limited to, written statements made in South Bow’s annual and quarterly reports and other documents filed with securities regulators, news and earnings releases, media advisories, speeches and presentations, and information contained on South Bow’s website and other electronic communications. It also covers oral statements made in group and individual meetings with equity research analysts, investors, media, industry peers and with any other member of the public.
- 1.2 South Bow’s compliance team oversees the Company’s compliance with this Policy and makes applicable recommendations to the Chief Compliance Officer. The Corporate Secretary is responsible for reviewing this Policy annually and reporting to South Bow’s Audit Committee of the Board on its adequacy. Substantive changes to this Policy are reviewed by the Audit Committee of the Board and recommended to the Board for approval.
- 1.3 South Bow’s Public Disclosure Committee is responsible for maintaining consistent disclosure practices aimed at accurate, complete, timely and broadly disseminated disclosure of material information about South Bow to the market in accordance with

applicable laws, regulations and exchange requirements. The Public Disclosure Committee maintain a Charter detailing its responsibilities, with its members consisting of the Chief Executive Officer (“CEO”), Chief Financial Officer (“CFO”), General Counsel and others as requested by the CEO and CFO.

- 1.4 Key Team Members from the Company’s operating business areas are accountable to keep the respective members of the Public Disclosure Committee fully apprised of all significant Company developments in order for the Public Disclosure Committee to determine their materiality and timing for public release of the information. Team Members who become aware of significant Company developments must immediately advise key Team Members in their operating business unit of such developments.

## 2 Determination of materiality; disclosure of material information

- 2.1 **Material:** There is no bright-line test for determining whether particular information is material. Such a determination depends on the facts and circumstances unique to each situation and cannot be made solely based on the potential financial impact of the information.

In general, information about the Company should be considered “material” if the information could reasonably be expected to have a significant effect on the price or value of Company Securities or that a reasonable investor would consider important in making a decision to purchase, hold or sell Company Securities.

A determination that material information exists and must be disclosed is a complex legal and business decision that considers securities law, market conditions, and the potential financial, legal, reputational, operational and business impact of the information on the Company.

- 2.2 **Non-Public Information:** For purposes of this Policy, information is “non-public” until three criteria have been satisfied:

1. *First*, the information must have been widely disseminated, generally via (i) a press release distributed through a widely disseminated news or wire service; OR (ii) it has appeared in a filing with the SEC and/or SEDAR+.
2. *Second*, the information disseminated must be an “official” disclosure. In other words, the fact that rumors, speculation, or statements attributed to unidentified sources are public is insufficient, even when the information is accurate.
3. *Third*, after the information has been disseminated, a period of time – generally one business day – must pass sufficient for the information to be absorbed by the general public.

Such information that is “material” as described in Section 2.1 and “non-public” as described in this Section 2.2 is hereinafter referred to as “material non-public information.”

- 2.3 The CFO and the General Counsel, or their designate(s), are responsible for determining materiality and whether disclosure should be made, in consultation with any other Team Members the CFO and General Counsel consider appropriate. Team Members should consult the CFO and General Counsel when there is doubt about whether information is material and requires disclosure.

### 3 Process for disclosure

- 3.1 Material information will be disclosed in a manner that is both timely and efficient, providing the widest possible public dissemination. If material information is determined to constitute a material change, a material change report will be filed.
- 3.2 For the disclosure of material information, South Bow will issue public news releases using a news wire service that meets the requirements of the applicable stock exchange(s) and provides simultaneous dissemination in Canada and the United States. Further, news releases will be filed with the relevant regulatory agencies and published on South Bow's website.
- 3.3 In addition to the disclosure of material information to the public in a news release, news releases may also be used to disclose information that a stakeholder or investor would want to be informed of, such as a significant asset, business, or project development, regardless of whether the item is deemed "material" by legal definition.
- 3.4 In some instances, a media advisory may be utilized to inform the public of non-material information that may be of interest to a stakeholder and/or investor such as local or regional items of interest (for example, project agreements with affected stakeholders, a significant charitable donation or community outreach initiative). Generally, a media advisory should not contain forward-looking information.
- 3.5 All South Bow news releases will be managed by Investor Relations and all media advisories will be managed by External Relations or its designates, as appropriate. Communications deemed to be predominantly financial in nature will be managed by Investor Relations (or equivalent) or its designates. External Relations and Investor Relations (as applicable) will ensure that the appropriate officers of South Bow and South Bow's Legal department have had the opportunity to review all news releases and media advisories prior to their release.

### 4 Approval of news releases

- 4.1 Prior to being issued to the public, all South Bow news releases that are deemed to meet the legal definition of "material" as determined by the Corporate Secretary in consultation with the appropriate senior officers of the Company, must be approved by the:
- a) CEO
  - b) CFO
  - c) Chief Operating Officer ("COO");
  - d) General Counsel;

- e) VP and Controller (quarterly earnings releases only);
- f) Director of Investor Relations (quarterly earnings releases only); and
- g) other such members of senior management as may be requested by the CEO, CFO, COO or General Counsel.

4.2 Situations may arise which require a news release to be issued on short notice and under circumstances where not all approvals identified in section 4.1 can be obtained on a timely basis. In those situations, the CEO alone, or if the CEO is not available, any two of the CFO, the COO or the General Counsel will exercise judgment in making a decision to issue a news release even though not all approvals have been obtained. This abbreviated approval process will be used in exceptional circumstances only.

4.3 The Corporate Secretary or the head of Investor Relations will notify the Toronto Stock Exchange and New York Stock Exchange (or other stock exchange on which shares of the Company are listed) prior to the planned news release time.

### 5 Approval of media advisories and non-material news releases

5.1 Prior to being issued to the public, all South Bow media advisories and news releases that do not meet the materiality threshold (as determined by the Corporate Secretary in consultation with the appropriate senior officers of the Company), must be approved by:

- a) appropriate Senior Vice President, if applicable;
- b) the Corporate Secretary; and
- c) other members of senior management, as appropriate.

5.2 A draft of such media advisories and news releases must be provided to the CEO and the head of Investor Relations in advance of the release.

### 6 Spokespersons

6.1 The primary, authorized spokespersons for the Company are:

- a) the CEO;
- b) the Senior Vice Presidents, or their respective designates;
- c) the head of External Relations, or their respective designates;
- d) the head of Investor Relations, or their designate.

6.2 Spokespersons should keep a record of contacts with equity research analysts, investors, and members of the media. Either External Relations or Investor Relations (or their equivalents), as appropriate, will facilitate communications with the media as well as with equity research analysts and investors.

### 7 Responding to market rumours/misstatements

- 7.1 Unless there is unusual market activity in the trading of the Company's securities, South Bow will not comment on market rumours or speculation, particularly where it is clear that the Company is not the source of the market rumour.
- 7.2 If South Bow discovers that a statement made was materially incorrect at the time it was disclosed by the Company, the Company will publicly issue a correction of the prior misstatement as soon as feasible after the error is discovered.

### 8 Quiet periods

- 8.1 To avoid the potential for actual or perceived selective disclosure, the Company will observe a "quiet period" prior to quarterly earnings announcements or when material changes are pending. During a quiet period, South Bow will not initiate or participate in any meetings or telephone contacts with equity research analysts and investors, and no guidance or financial forecasts will be provided to anyone, other than responding to unsolicited inquiries concerning factual matters.
- 8.2 The quarterly quiet period commences on the 10<sup>th</sup> day of the month following the end of each financial quarter and ends with the issuance of the news disseminating the financial results.
- 8.3 If South Bow is invited to participate, during a quiet period, in investment meetings or conferences, the CEO and/or CFO will determine, in consultation with the General Counsel, on a case-by-case basis, if it is advisable to accept the invitations. If accepted, caution will be exercised to avoid selective disclosure of any material non-public information.

### 9 Communications with external stakeholders

- 9.1 South Bow does not discriminate among recipients of public information.
- 9.2 South Bow will provide the same public information that has been provided to equity research analysts or portfolio managers to individual investors, reporters or others.
- 9.3 In cases where South Bow holds an investor conference or investor conference call, a news release will be issued to ensure all interested parties are aware of these occurrences and of the details for attending either by telephone or by webcast.
- 9.4 South Bow will not recirculate equity research analysts' reports outside the Company or provide links to websites containing investment research on South Bow. South Bow may provide, on its website and via other appropriate means, a list of all analysts and firms that cover the Company.
- 9.5 Any equity research report reviewed will only be commented on to identify publicly disclosed factual information that may affect an analyst's model or to point out inaccuracies or omissions with reference to publicly available information.

9.6 South Bow will not provide members of the media with information on an exclusive or selective basis (e.g., where a reporter has agreed to embargo or hold a story until the day that the Company makes a full public announcement). Members of the media will receive material information when a full public announcement is made.

### 10 Forward-looking information

10.1 The Company may provide forward-looking information, orally or in writing, to enable the investment community to evaluate the Company and its prospects for future performance. All forward-looking information must be clearly identified and accompanied by cautionary language, orally or in writing, which explains that certain material factors or assumptions were applied, and warns of the risk that material factors could cause the results to materially differ from expected results. The Legal department must be consulted on appropriate advisory language. Forward-looking information will be updated in a consistent manner required by law and in accordance with this Policy and South Bow's Code of Business Ethics Policy.

### 11 External corporate website

11.1 South Bow has an [external website](#) that contains an [Investor Relations](#) information section. Documents will be made available on the website including public filings. Other information, such as audio broadcasts of quarterly earnings conference calls and the Annual General Meeting of Shareholders, will also be made available on South Bow's external website. Investor Relations will ensure that the information in the Investor Relations section of the external website is in compliance with this Policy and the Code of Business Ethics Policy.

11.2 News releases and media advisories will be published on the external website as soon as possible after they are broadly disseminated through a newswire service. Other documents and presentations will be placed on the website concurrently upon release or presentation.

11.3 Only authorized Team Members are permitted to participate in, host, or link to external social media platforms on behalf of South Bow. All other Team Members will refrain from discussing Company matters in all social media forums. Team Members who encounter a discussion pertaining to the Company should advise External Relations immediately so the discussion can be monitored. Refer to the Code of Business Ethics Policy for further details.

### 12 Selective disclosure

12.1 Neither South Bow nor anyone in a special relationship with the Company may disclose any material information or material change, other than in accordance with this Policy, before the information has been generally disclosed. Material information will be considered generally disclosed after one full trading day has passed from the date on which a public announcement of such information was made.

12.2 Persons in special relationships with the Company are:

- a) insiders;
  - b) directors, officers or Employees of the Company; and
  - c) persons engaging in professional or business activities for or on behalf of the Company.
- 12.3 Provision may be made for selective disclosure in exceptional circumstances if it is determined to be in the necessary course of business (e.g. communication with legal counsel, underwriters, regulators, or ratings agencies). This determination is a question of law and fact and will be made in consultation with the Corporate Secretary or a designate.
- 12.4 If material non-public information is inadvertently disclosed in any way in a selective setting, the CFO, the General Counsel, the Corporate Secretary, and the head of Investor Relations, or their respective designates, will determine the appropriate method by which the information will be broadly disseminated immediately.
- 12.5 South Bow will make reasonable efforts to inform all Team Members of the identity of the authorized Company spokespersons and of those elements of this Policy which are applicable to Team Members who have access to material, non-public information.

### 13 Prohibited trading

- 13.1 Applicable securities law prohibits anyone from:
- a) While in possession of material non-public information:
    - Trading Company Securities; or
    - Recommending or encouraging another person or company to Trade Company Securities
  - b) Informing another person or company of material non-public information, other than in the necessary course of business and without implementing appropriate confidentiality measures.
- 13.2 The prohibitions in section 13.1 of this Policy continue to apply even after termination of employment with or service to the Company to the extent that the individual is in possession of material non-public information at the time of termination.
- 13.3 The prohibition in section 13.1 (a) of this Policy does not apply to (i) purchases of Company Securities purchased through an automatic securities purchase plan in which the timing of purchases and number of securities that may be purchased are established by written formula or criteria set out in the plan document or under a pre-approved trading plan that complies with Rule 10b5-1 of *the U.S. Securities Exchange Act of 1934, as amended*, (ii) tax withholding rights, and (iii) 401(k) plan purchases. However, the sale of Company Securities acquired pursuant to these or any other Company-sponsored plan and the decision to participate or discontinue participation in such a plan is an investment decision that is subject to the prohibition in section 12.1(a) of this Policy and must not be made while in possession of material non-public information.

### 14 Prohibition against short-selling, hedging and other transactions

14.1 In addition to the prohibitions in section 13.1 of this Policy, all Team Members and members of the Board are also specifically prohibited from engaging in the following transactions in Company Securities:

- a) short sales or any other arrangement that results in a gain only if the value of the Company Securities declines in the future;
- b) transactions in derivatives on Company Securities (such as put and call options); and
- c) any other hedging, Equity Monetization Transactions or transactions of related financial instruments where the individual's economic interest and risk exposure in Company Securities are changed (such as collars or forward sales contracts).

14.2 The prohibitions in section 14 of this Policy do not apply to Trades associated with normal course exercise of stock options and the grant or payout of director share units, executive share units, performance share units or any plan provided by the Company that grants cash settled units.

### 15 Additional provisions applicable to Trade Restricted Insiders

15.1 The Company prohibits Trade Restricted Insiders (including their Family Members) from Trading in Company Securities during a Restricted Period, sometimes referred to as a "black-out" period, each quarterly or annual reporting period, which is the timeframe when the Company's financial results are in the process of preparation but have not yet been disclosed to the public. The Restricted Period:

- a) commences on the day of the end of each financial quarter or year, as applicable; and
- b) continues until the completion of one (1) full trading day following the date on which a news release has been issued announcing the Company's quarterly or annual financial results.

15.2 Outside of any Restricted Period, Trade Restricted Insiders may trade in Company securities only if:

- a) the individual has notified the Corporate Secretary in writing via e-mail of the amount and nature of the proposed trade(s);
- b) the individual has certified to the Corporate Secretary in such e-mail that he or she is not aware of material nonpublic information regarding the Company; and
- c) the Corporate Secretary or its designate has approved the proposed trade(s).

15.3 Notwithstanding this section 15 and the fulfillment of the processes described herein, for clarity Team Members are always prohibited from Trading in Company Securities with knowledge of material non-public information, regardless of whether there is a Restricted Period in effect.

### 16 Extraordinary black-out periods

- 16.1 The Company may impose Trading bans outside Restricted Periods when it is determined that there may be material non-public information concerning the Company that makes it inappropriate for certain Team Members to be Trading in Company Securities. If you receive notice of such a ban, you must comply regardless of whether you know why the ban has been imposed.
- 16.2 The imposition of an *ad hoc* black-out is highly sensitive information which, if inappropriately disclosed, could cause significant harm to the Company. Therefore, you must not disclose to any other person the fact that such a ban has been imposed without the Corporate Secretary's consent.
- 16.3 Notice of a Trading ban is generally communicated by email from Legal or Investor Relations.
- 16.4 Team Members will be deemed to have knowledge of any Trading bans imposed by the Company and applicable to them regardless of whether they have actually read the applicable email notification.

### 17 Securities of other companies

- 17.1 In the course of the Company's business, Team Members may obtain material non-public information about other issuers that has not been generally disclosed. Team Members are prohibited from Trading, or encouraging or recommending that another person Trade, in securities of that company while in possession of such material non-public information relating to such company. In addition, Team Members may not disclose or communicate such material non-public information to another person, except where such disclosure is in the necessary course of business.
- 17.2 The prohibitions in section 17.1 of this Policy continue to apply to transactions in securities of other issuers even after termination of employment with or service to the Company to the extent that the individual is in possession of material non-public information relating to such issuer at the time of termination.

### 18 Liability for non-compliance

- 18.1 Team Members who violate this Policy may be subject to disciplinary action up to and including termination for cause, as well as possible civil, criminal or regulatory action and penalties. The Company may pursue legal action against anyone who violates this Policy and may report any violation to appropriate government agencies in Canada and the United States.
- 18.2 Failure to comply with this Policy may also expose the Company to liability and damage the reputation of South Bow.

### Your responsibility

Team Members must follow all applicable provisions and the spirit and intent of this Policy and support others in doing so. You must promptly report any suspected or actual violation of this Policy through available [channels](#) so that South Bow can investigate and address it appropriately. Those who violate this Policy or knowingly permit others under their supervision to violate it, may be subject to appropriate corrective action, up to and including termination of employment or contract, as applicable, in accordance with the Company's corporate governance documents, employment practices, contracts, and agreements.

South Bow supports the reporting of suspected breaches of governance, laws, regulations, health, safety, environmental incidents, and near hits, and takes all reports seriously. Those who report in good faith are protected from retaliation, though this protection does not extend to intentionally false or malicious reports or attempts to shield personal negligence or misconduct.

### Interpretation and administration

The Company has sole discretion to interpret, administer and apply this corporate governance document and to change it at any time to address new or changed legal requirements or business circumstances.

### Definitions

**Company Securities** include common shares, preferred shares, debt securities, warrants, equity-based compensation awards, put or call options, derivative instruments or any other securities that obligate the Company to issue or sell any securities of the Company or give any person the right to subscribe for or acquire securities of the Company whether beneficially owned or held directly or indirectly by Team Members or over which Team Members exercise control or direction, including securities held by a Team Member's Family Member.

**Contractor** means a third party hired by South Bow to perform services for or supply equipment, materials, or goods to the Company. Contractors include, without limitation, Contingent Workforce Contractors and Excluded Contractors.

**Employee** means full-time, part-time, temporary and student employees of South Bow.

**Equity Monetization Transactions** mean derivative-based transaction that allow an investor to receive a cash amount similar to proceeds of disposition, and to transfer part or all of the economic risk and/or return associated with the Company Securities without formally transferring the legal and beneficial ownership of, or control over, such Company Securities.

**Family Member** includes family members who reside with you, anyone else who lives in your household, and any family members who do not live in your household but whose transactions in Company Securities are directed by you or are subject to your influence or control.

**Restricted Period** means the timeframe in which the Company's financial results are in the process of preparation but have not yet been disclosed to the public. Team Members are prohibited from Trading Company Securities during any Restricted Period set forth under this Policy.

**South Bow** or the **Company** means South Bow Corporation and its wholly-owned subsidiaries and/or operated entities.

**Team Members** means full-time, part-time and temporary Employees and Contingent Workforce Contractors of South Bow.

**Trade** or **Trading** means purchases, sales, exercises and transfers of beneficial ownership of securities whether made directly, including through any electronic trading system or platform, or through any electronic trading system or platform, or through brokers, agents or others.

**Trade Restricted Insiders** mean every director and officer as defined in Rule 16a-1 under the *Securities Exchange Act of 1934, as amended* of the Company and any other person designated by the Company as a Trade Restricted Insider. The Corporate Secretary will advise you if you are a Trade Restricted Insider.

## References

### Related corporate governance and supporting documents

- [Code of Business Ethics Policy](#)

### How to contact us

- [Corporate Secretarial](#)
- [Policy Questions and Comments](#)

### South Bow's reporting channels

- [Ethics Helpline](#)
- [Corporate Compliance](#)
- [Human Resources](#)
- Legal department
- Investor Relations department
- External Relations department