SOUTHBOW

Virtual Corporate Update

SEPTEMBER 9, 2024

Agenda

CORPORATE & STRATEGIC OVERVIEW	Bevin Wirzba	President and Chief Executive Officer
CORPORATE GOVERNANCE OVERVIEW	Hal Kvisle	Board Chair
ASSET OVERVIEW	Richard Prior	Senior Vice-President and Chief Operating Officer
FINANCIAL OVERVIEW	Van Dafoe	Senior Vice-President and Chief Financial Officer
Q&A		
CLOSING REMARKS	Bevin Wirzba	President and Chief Executive Officer

Advisory Statements

FORWARD-LOOKING INFORMATION

This presentation includes certain forward-looking information, including future-oriented financial information or financial outlooks, which is intended to help current and potential investors understand Management's assessment of South Bow's future plans and financial outlooks, and the Company's future prospects overall. Statements that are forward-looking are based on certain assumptions and on what South Bow knows and expects today, and generally include words like "anticipate", "expect", "believe", "may", "will", "should", "estimate", or other similar words. Forward-looking statements do not guarantee future performance. Actual events and results could be significantly different because of assumptions, risks, or uncertainties related to South Bow's business or events that happen after the date of this presentation. South Bow's forward-looking information in this presentation includes, but is not limited to, statements related to: expectations about South Bow following the anticipated completion of the spinoff transaction of TC Energy's Liquids Pipelines business into a separate publicly listed company, including the management and credit ratings thereof, the expected distribution record date and effective date of the spinoff transaction, the date and timing for the commencement of "if, as, and when-issued" trading for South Bow on the TSX, the dates and timing with respect to expected "regular-way" trading following the closing of the spinoff transaction, the expected timing of South Bow's Form 40-F effectiveness, South Bow's expectations with respect to dividend timing and amounts, including the expectation that the dividend to be declared on November 7, 2024 will reflect the proportionate amount of TC Energy's dividend prior to the spinoff transaction, and the expectation that South Bow will pay a strong sustainable base dividend in the future; expected capital allocation priorities of South Bow, including paying a base dividend, reducing leverage, investing in the Company's strategic corridor, repurchasing shares, and increasing the dividend; expected reporting currency; expected access to and cost of capital; expected energy demand levels; expected costs and schedules for planned projects, including the Blackrod Connection Project; expected capital expenditures, contractual obligations, commitments, and contingent liabilities, including environmental remediation costs; expected impacts to future comparable EBITDA and net debt-to-comparable EBITDA; South Bow's financial and operational performance, including expectations about strategies and goals for growth and expansion, including acquisitions; expected cash flows and future financing options available; expected regulatory processes and outcomes; expected outcomes with respect to legal proceedings, including arbitration and insurance claims; expected impact of future tax and accounting changes; and expected industry, market, and economic conditions, including their impact on South Bow's customers and suppliers.

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

Advisory Statements

BASIS OF PREPARATION

All financial figures and information have been prepared in Canadian dollars (which includes references to "dollars" and "$"), except where another currency has been indicated.

NON-GAAP AND OTHER FINANCIAL MEASURES

This presentation refers to comparable EBITDA and net debt, each of which does not have any standardized meaning as prescribed by US GAAP and therefore may not be comparable to similar measures presented by other issuers. The most directly comparable measures presented in the financial statements are: (i) in respect of comparable EBITDA, net earnings (losses); and (ii) in respect of net debt, debt.

This presentation also contains references to net debt-to-comparable EBITDA, a non-GAAP ratio, which is calculated using net debt and comparable EBITDA, each of which are non-GAAP financial measures. South Bow believes its net debt-to-comparable EBITDA ratio provides investors with a useful credit measure as they reflect the Company's ability to service its debt and other long-term commitments. Dividend payout ratio is also referred to in this presentation, which is calculated as the percentage of earnings per share in the relevant period which comprises the amount of dividends expected to be paid to holders of common shares in such period. South Bow believes payout ratio provides investors with useful information regarding the ability of, and the extent to which, the Company pays dividends on its common shares.

For reconciliations of these non-GAAP financial measures to the nearest GAAP measures, refer to *"Financial Reconciliations"* of this presentation, and the Liquids Pipelines business segment disclosures in TC Energy's management's discussion and analysis ("MD&A") for the applicable period, which sections are incorporated by reference herein. Refer to the non-GAAP financial measures section of the MD&A in TC Energy's most recent Quarterly Report to Shareholders for more information about the non-GAAP financial measures used, and which section of the MD&A is incorporated by reference herein. The MD&A can be found under TC Energy's profile on SEDAR+ at www.sedarplus.ca and with the US Securities and Exchange Commission at www.sec.gov. Additional information and reconciliations about the Liquids Pipelines business' comparable EBITDA to earnings (losses) can be found in Schedule H of the Management Information Circular dated April 10, 2024.

ADVISORY – CREDIT RATINGS

Credit ratings are intended to provide investors with an independent measure of credit quality of an issue of securities. Credit ratings are not recommendations to purchase, hold, or sell securities and do not address the market price or suitability of a specific security for a particular investor. There is no assurance that any rating will remain in effect for any given period of time or that any rating will not be revised or withdrawn entirely by the rating agency in the future if, in its judgment, circumstances so warrant.

THIRD-PARTY INFORMATION

This presentation contains statistical data, market research, and industry forecasts that were obtained from third-party sources, industry publications, and publicly available information. South Bow believes that the market and industry data presented throughout this presentation is accurate and, with respect to data prepared by the Company or on the Company's behalf, that the estimates and assumptions are reasonable; however, there can be no assurance as to the accuracy or completeness thereof. The accuracy and completeness of the market and industry data presented throughout this presentation is not guaranteed and South Bow makes no representation as to the accuracy of such information. Although South Bow believes it to be reliable, the Company has not independently verified any of the data from third-party sources referred to in this presentation or analyzed or verified the underlying studies or surveys relied upon or referred to by such sources or ascertained the underlying economic and other assumptions relied upon by such sources and make no representation as to the accuracy of such data. Actual outcomes may vary materially from those forecast in such reports or publications, and the prospect for material variation can be expected to increase as the length of the forecast period increases. Market and industry data is subject to variations and cannot be verified due to limits on the availability and reliability of data inputs, the voluntary nature of the data gathering process, and other limitations and uncertainties inherent in any statistical survey.

SOUTHBOW

Corporate & Strategic Overview

South Bow at a Glance

A strategic liquids pipelines franchise connecting resilient supply to the strongest demand markets in North America

LIQUIDS PIPELINES SPANNING

4,900 km

SAFELY AND RELIABLY DELIVERING

1.25 MMbbl/d

LIQUIDS TANK TERMINAL STORAGE CAPACITY

7.6 MMbbl

SUSTAINABLE BASE DIVIDEND[1]

~US$2.00/share (C$2.75/share)

INVESTMENT-GRADE DEBT CAPITAL STRUCTURE

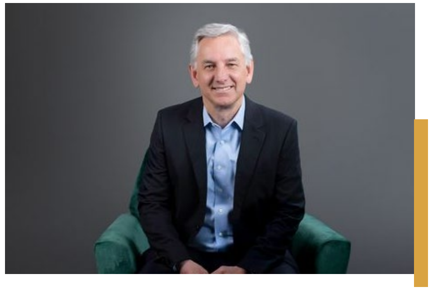
5.0x Net Debt-to-Comparable EBITDA[2 3]

[1] Dividends are subject to the approval of the Board of Directors.
[2] Non-GAAP ratio that may not be comparable to measures presented by other issuers. Refer to *"Advisory Statements"* of this presentation.
[3] Includes 50% equity treatment of junior subordinated notes.

Leadership Team

Harnessing team's deep expertise and high-performance culture to drive strategic value and results

BEVIN WIRZBA
President and Chief Executive Officer



VAN DAFOE
Senior VP and Chief Financial Officer

RICHARD PRIOR
Senior VP and Chief Operating Officer

LORI MURATTA
Senior VP and General Counsel

KEVIN ENGEL
VP, Corporate Finance

JENNIFER GEGGIE
VP, Commercial

TAMARA LOEWEN
VP, Information Services

MARC PALAZZO
VP, External Relations

RENATE POOLE
VP, Human Resources

GARY SALSMAN
VP, Safety and Operations

BLAINE TROUT
VP, Business Development and Marketing

ERIC VON ENGELBRECHTEN
VP, Controller

MARK YEOMANS
VP, Engineering

Vision and Values

Guiding strategic decision-making and long-term value creation through values-based culture

DELIVERING ENERGY. FORGING PROGRESS. TOGETHER.

- WE ARE SAFE
- WE DO THE RIGHT THING
- WE TAKE PRIDE IN WHAT WE DO
- WE WIN AS A TEAM

Unrivalled Corridor

Safely and reliably delivering a premium service to customers

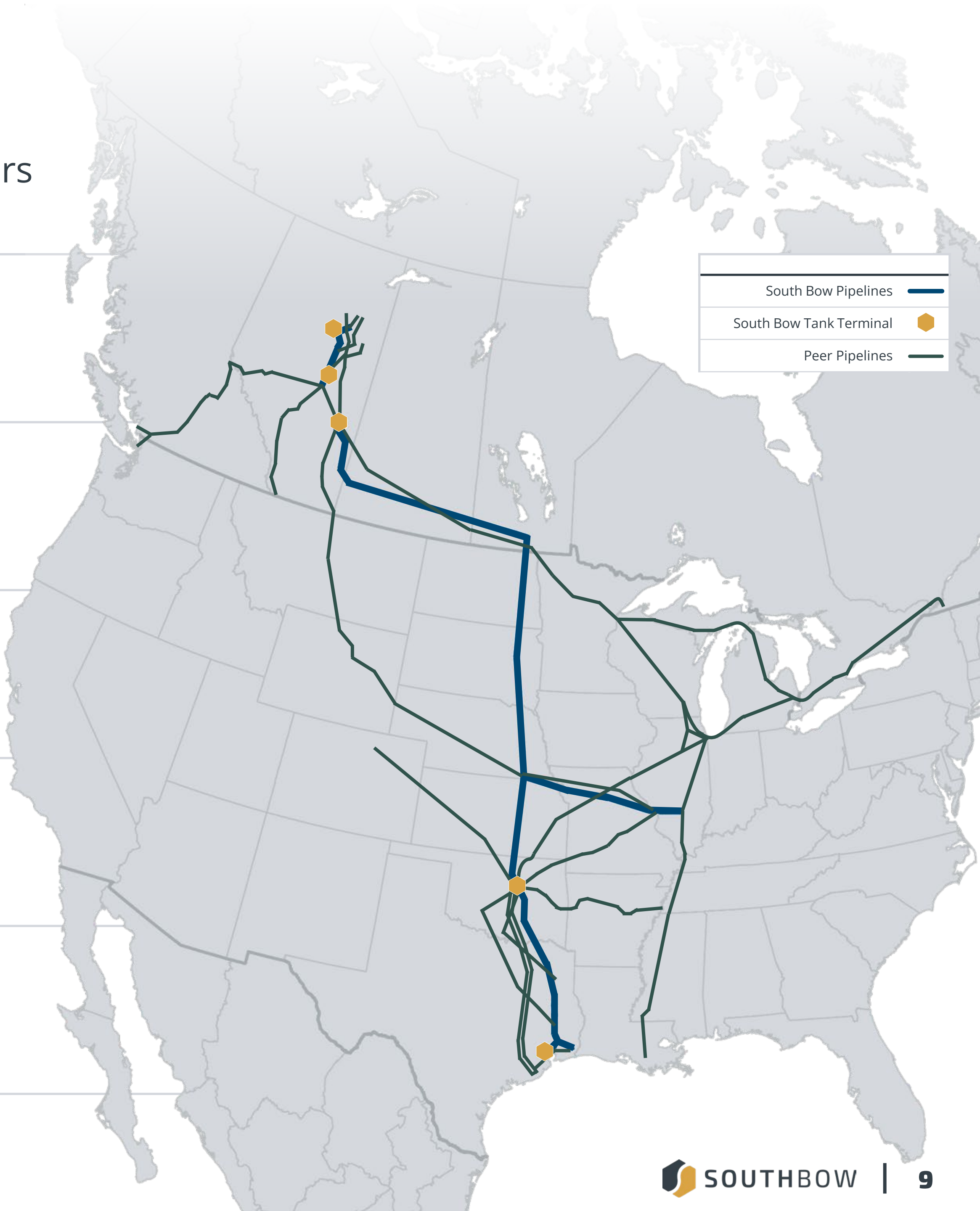
CONNECTS NORTH AMERICA'S STRONGEST SUPPLY AND DEMAND MARKETS

OFFERS COMPETITIVE TOLLS AND COMMERCIAL STRUCTURES

PROVIDES MOST DIRECT PATH TO THE US GULF COAST

ENABLES OPTIONALITY WITH FLEXIBLE DELIVERY CONNECTIONS

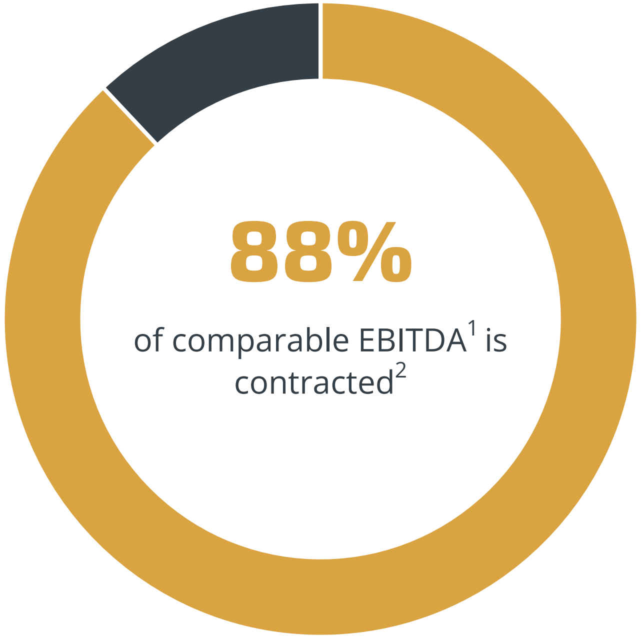
PRESERVES PRODUCT QUALITY THROUGH BATCHED SYSTEM



High-quality Contractual Framework

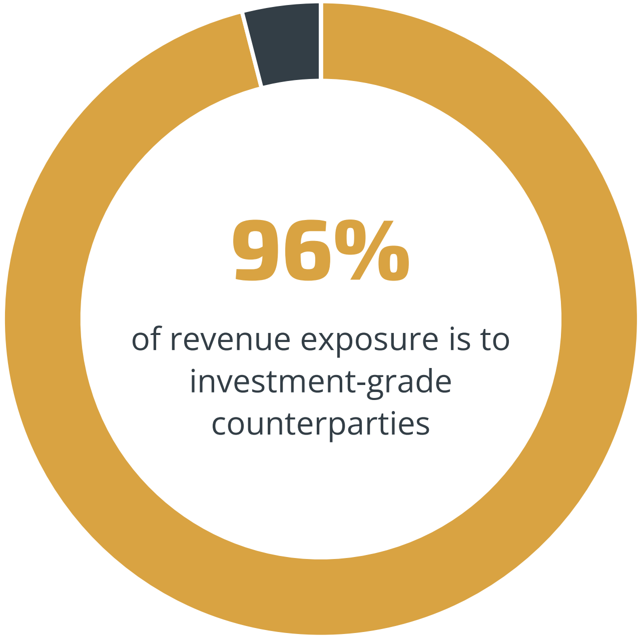
Stable, predictable cash flows underpinned by strong contract tenor and creditworthy counterparties

HIGHLY CONTRACTED CASH FLOWS



STRONG STRUCTURAL DEMAND FOR SERVICES

CREDITWORTHY CUSTOMER BASE



COMPARABLE EBITDA[1]-WEIGHTED AVERAGE REMAINING CONTRACT TERM OF ~8.5 YEARS[3]

[1] Non-GAAP financial measure that may not be comparable to measures presented by other issuers. Refer to *"Advisory Statements"* of this presentation.
[2] The Canada Energy Regulator requires the Keystone Pipeline System to reserve 6% of its nominal capacity to uncommitted (spot) shippers.
[3] As of September 2024.

Enduring Market Fundamentals

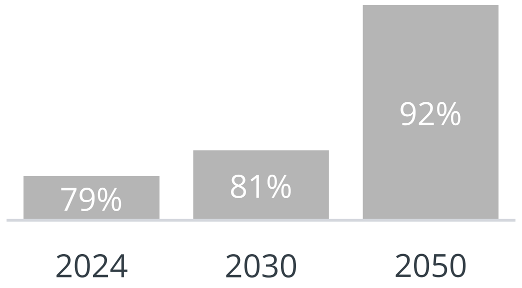
South Bow's business is backstopped by a robust outlook for crude oil supply and demand for decades to come

WCSB CRUDE OIL SUPPLY OUTLOOK[1]

MMbbl/d

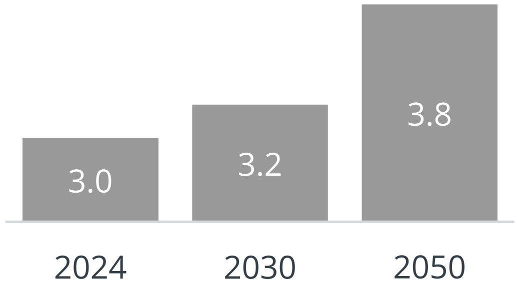
PADD 2 AND 3 REFINING MARKET SHARE OUTLOOK[2]

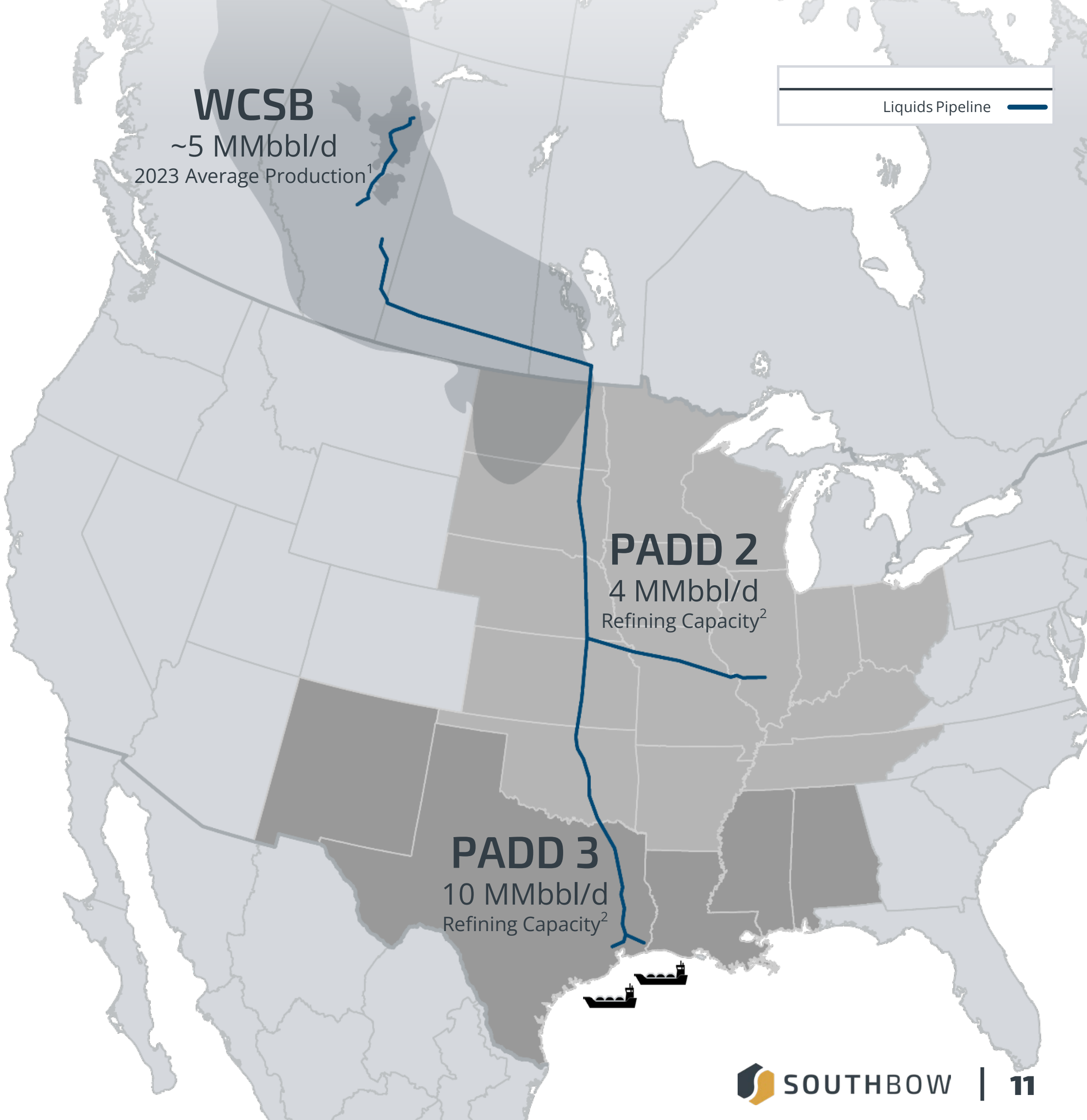
%



US REFINED PRODUCT EXPORT OUTLOOK[2]

MMbbl/d

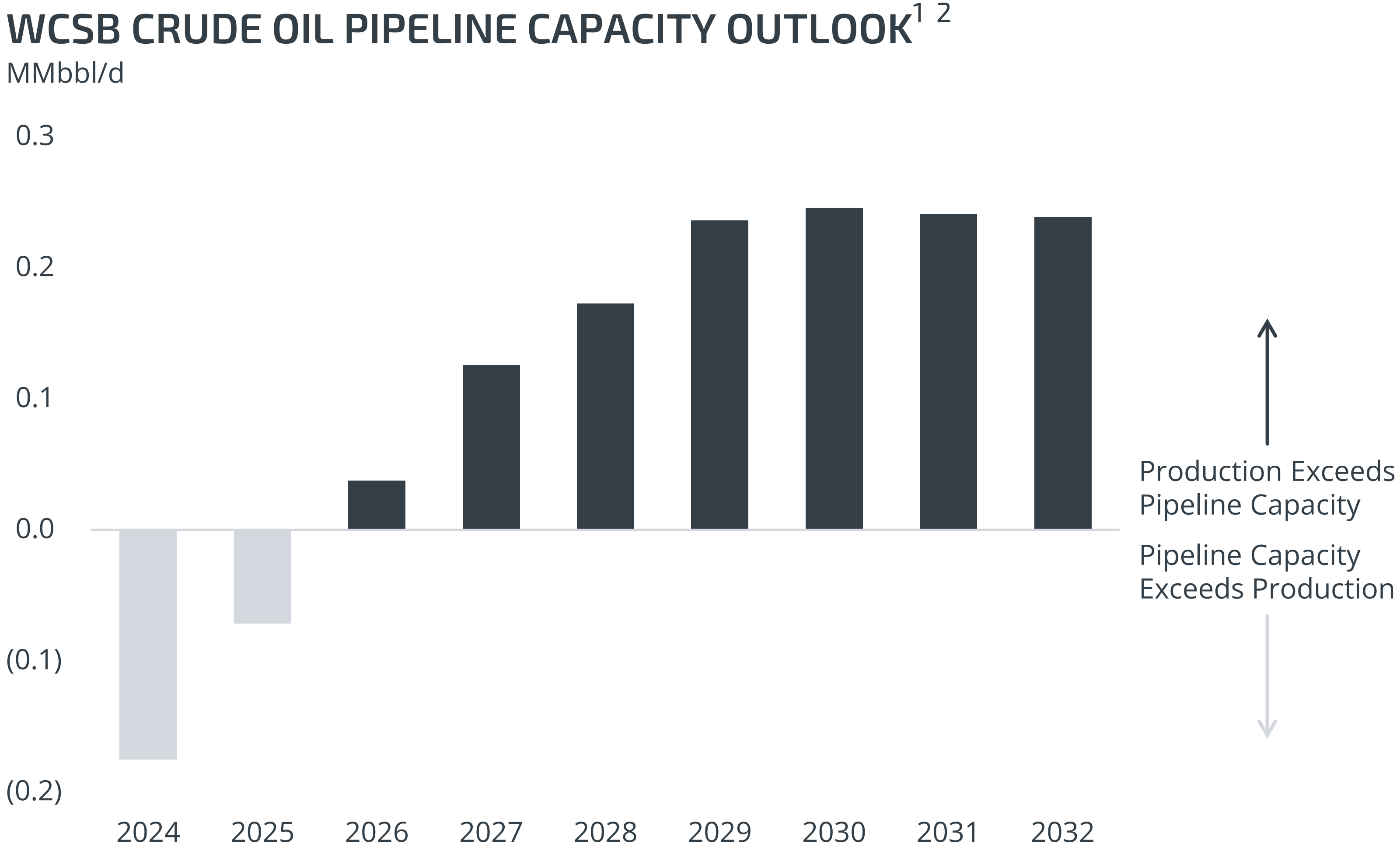




[1] Source: S&P Global *2024 Canadian Crude Oil Markets Long-term Fundamental Outlook*. © 2024 by S&P Global Inc.
[2] Source: S&P Global *2024 Annual Long-term Strategic Workbook*. © 2024 by S&P Global Inc.

Outlook for Western Canadian Egress

South Bow is well-positioned to maintain and capture additional market share given its strategic attributes



WCSB CRUDE OIL SUPPLY EXPECTED TO EXCEED EX-WCSB PIPELINE CAPACITY IN TWO TO THREE YEARS[1 2]

[1] Source: S&P Global *2024 Canadian Crude Oil Markets Long-term Fundamental Outlook*. © 2024 by S&P Global Inc.
[2] Excludes potential optimization of existing pipelines.

Market Confidence

Strong capital markets support underscores the durability of South Bow's business fundamentals

EQUITY CAPITAL MARKETS

97%
shareholder approval

DEBT CAPITAL MARKETS

6x
over-subscribed
TOTAL DEBT OFFERING

8x
over-subscribed
HYBRID DEBT OFFERING

Capital Allocation Priorities

Disciplined approach to preserve optionality and maximize total shareholder return over the long term

In addition to paying a sustainable base dividend, South Bow will allocate capital to:

1

REDUCE LEVERAGE

Prioritize debt reduction by lowering leverage by 0.25x to 0.50x net debt-to-comparable EBITDA[1 2] within three years, with line of sight to reducing leverage to 4.0x over the long term

Maintain investment-grade outlook through financial discipline and low-risk contractual framework

2

INVEST IN STRATEGIC CORRIDOR

Unlock value of pre-capitalized assets through highly executable projects, delivering long-term comparable EBITDA[3] growth of 2% to 3%

Strengthen and expand strategic corridor to offer competitive delivery connections and enhanced optionality to customers

3

REPURCHASE SHARES

Evaluate opportunistic share repurchases

4

GROW BASE DIVIDEND

Consider sustainably growing the base dividend once payout ratio has been reduced

[1] Non-GAAP ratio that may not be comparable to measures presented by other issuers. Refer to *"Advisory Statements"* of this presentation.
[2] Includes 50% equity treatment of junior subordinated notes.
[3] Non-GAAP financial measure that may not be comparable to measures presented by other issuers. Refer to *"Advisory Statements"* of this presentation.

South Bow Is a Differentiated Investment

Total shareholder return will be delivered organically through a sustainable dividend and low-risk, profitable growth

STRONG AND SUSTAINABLE BASE DIVIDEND

South Bow will pay a sustainable dividend with an attractive yield

IRREPLICABLE ASSETS WITH A COMPELLING GROWTH PROFILE

South Bow's growth will be focused on strengthening and expanding its strategic corridor to offer competitive delivery connections and enhanced optionality to customers

FINANCIAL STRENGTH AND INVESTMENT-GRADE DEBT CAPITAL STRUCTURE

South Bow has de-risked its deleveraging profile with its durable business model and stable, low-risk cash flows

STRATEGIC FRANCHISE IN A PREMIUM CORRIDOR

HIGH-QUALITY CONTRACTUAL FRAMEWORK

COMMERCIAL AND OPERATIONAL EXCELLENCE

ROBUST BUSINESS AND MARKET FUNDAMENTALS

Corporate Governance Overview

Board of Directors

South Bow has built an experienced Board of Directors committed to the highest standards of corporate governance

CHANSOO JOUNG[1 2]
Independent Director

HAL KVISLE
Board Chair

GEORGE LEWIS[1 2*]
Independent Director

LEONARD MALLETT[3 4]
Independent Director

BOB PHILLIPS[3 4]
Independent Director

SONYA REED[2 4*]
Independent Director

SHANNON RYHORCHUK[1* 3]
Independent Director

MARY PAT SALOMONE[2 3]
Independent Director

FRANCES VALLEJO[1 2]
Independent Director

BEVIN WIRZBA
Director
President and CEO

DON WISHART[3* 4]
Independent Director

COMMITTEES

1 Audit
2 Governance and Risk
3 Safety, Environment and Operations
4 Human Resources

Note: Mr. Kvisle and Mr. Wirzba will not be members of any committee of the Board of Directors and will be invited to attend committee meetings as required.
* denotes Chairs of respective committees.

SOUTHBOW

Asset Overview

Keystone History

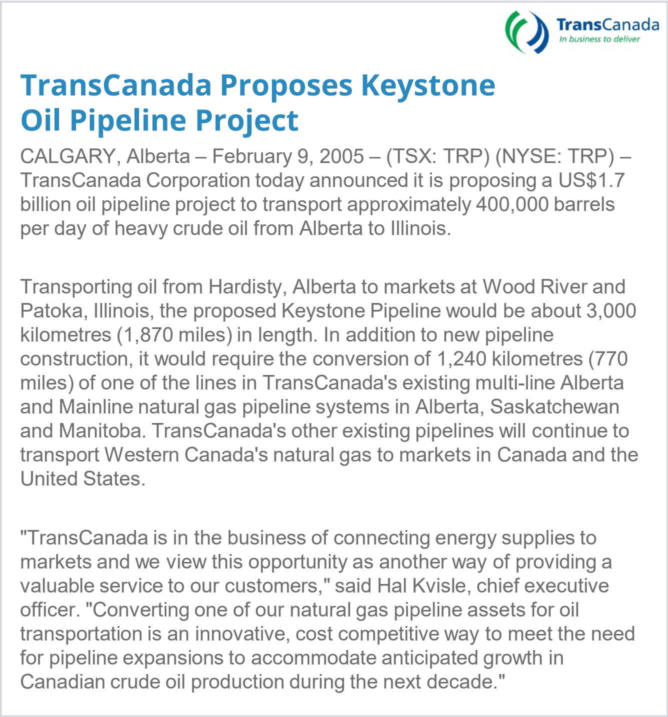
Turning an innovative solution into reality and creating an irreplicable corridor with a tremendous opportunity set

2003
Discussions to convert latent capacity on TransCanada's Canadian Mainline commence

2005
TransCanada announces proposed Keystone oil pipeline project

2010
Keystone operations begin, delivering critical Canadian crude oil to the US Midwest

2024
South Bow becomes an independent, investment-grade liquids pipelines company


TransCanada
In business to deliver

TransCanada Proposes Keystone Oil Pipeline Project

CALGARY, Alberta – February 9, 2005 – (TSX: TRP) (NYSE: TRP) – TransCanada Corporation today announced it is proposing a US$1.7 billion oil pipeline project to transport approximately 400,000 barrels per day of heavy crude oil from Alberta to Illinois.

Transporting oil from Hardisty, Alberta to markets at Wood River and Patoka, Illinois, the proposed Keystone Pipeline would be about 3,000 kilometres (1,870 miles) in length. In addition to new pipeline construction, it would require the conversion of 1,240 kilometres (770 miles) of one of the lines in TransCanada's existing multi-line Alberta and Mainline natural gas pipeline systems in Alberta, Saskatchewan and Manitoba. TransCanada's other existing pipelines will continue to transport Western Canada's natural gas to markets in Canada and the United States.

"TransCanada is in the business of connecting energy supplies to markets and we view this opportunity as another way of providing a valuable service to our customers," said Hal Kvisle, chief executive officer. "Converting one of our natural gas pipeline assets for oil transportation is an innovative, cost competitive way to meet the need for pipeline expansions to accommodate anticipated growth in Canadian crude oil production during the next decade."

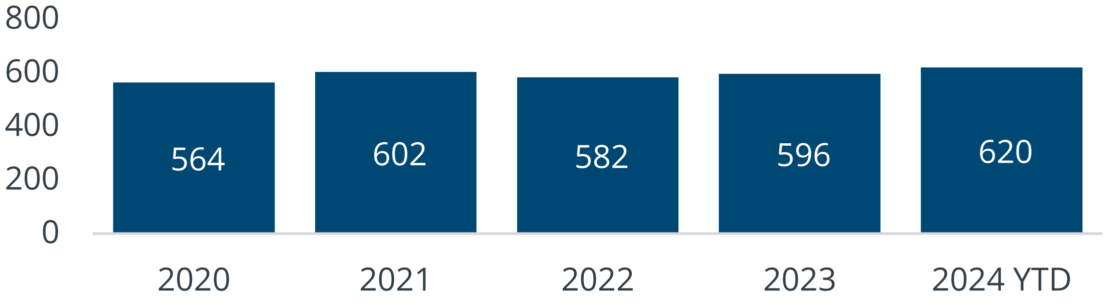
Pictured (left to right): Proposed Keystone Pipeline System Phase 1 route; TransCanada Corporation's news release dated February 9, 2005, announcing their proposed Keystone oil pipeline project; Mr. Kvisle, President and Chief Executive Officer of TransCanada Corporation from 2001 to 2010 and current Board Chair of South Bow Corporation, turning the opening valve to the Keystone Pipeline System, which commenced operations in June 2010.

Keystone Pipeline System

Spanning 4,300 kilometres, system safely transports liquids across three Canadian provinces and eight US states

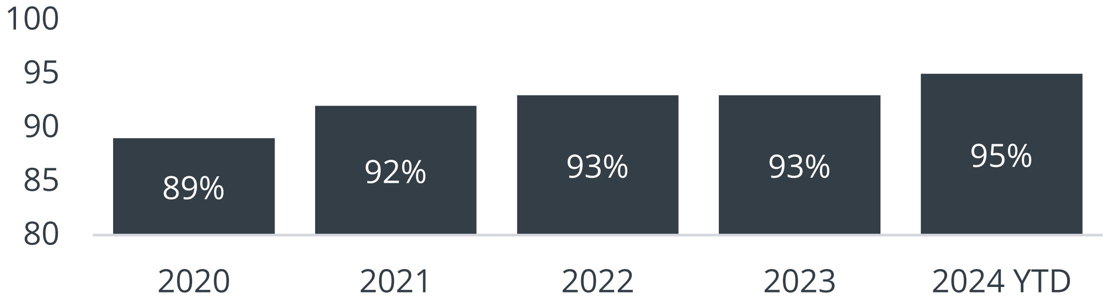
AVERAGE THROUGHPUT[1 2]

Mbbl/d



SYSTEM OPERATING FACTOR[2]

%



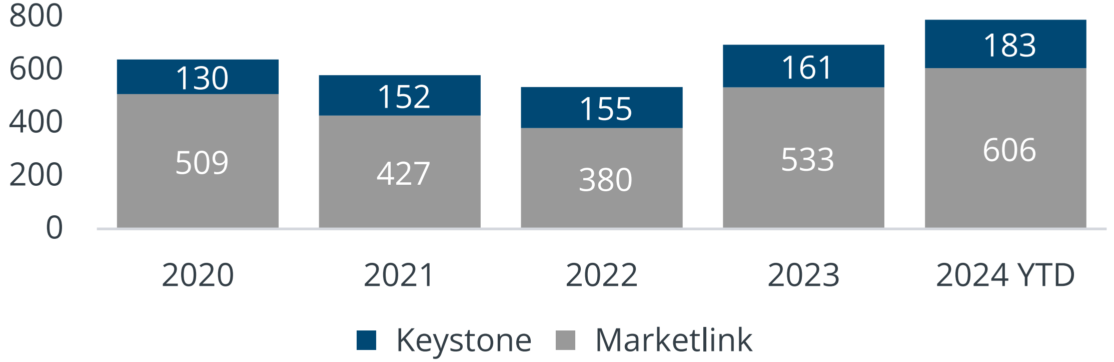
[1] The Canada Energy Regulator requires the Keystone Pipeline System to reserve 6% of its nominal capacity to uncommitted (spot) shippers.
[2] 2024 YTD represents results for the six months ended June 30, 2024.

US Gulf Coast Segment

Marketlink utilizes capacity through a transportation lease to deliver domestic crude oil from Cushing to the Gulf Coast

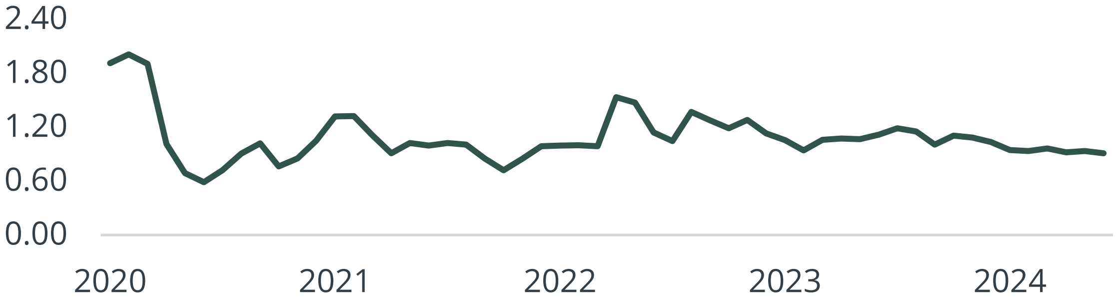
AVERAGE THROUGHPUT[1]

Mbbl/d



WCS CUSHING–WCS US GULF COAST DIFFERENTIAL[2]

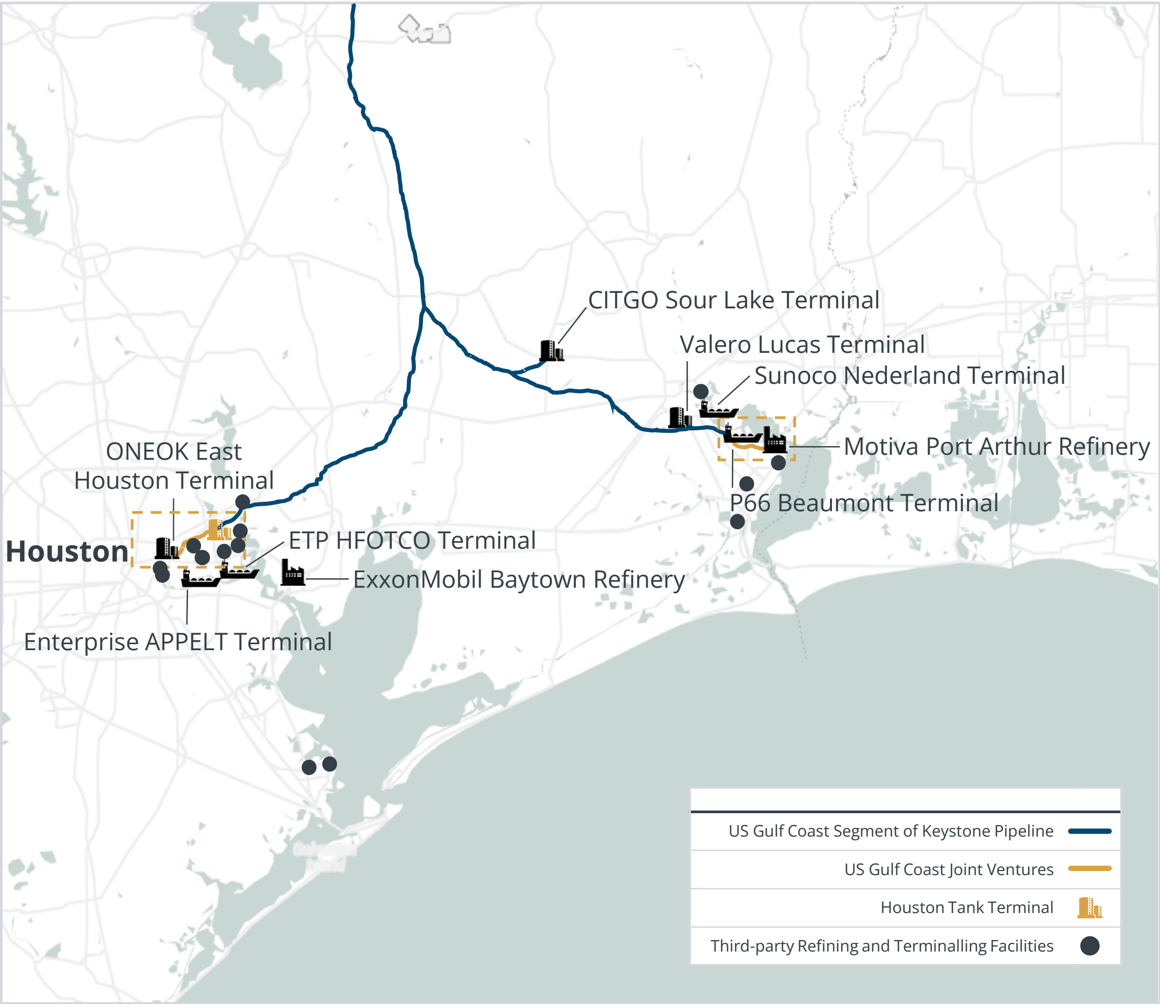
US$/bbl



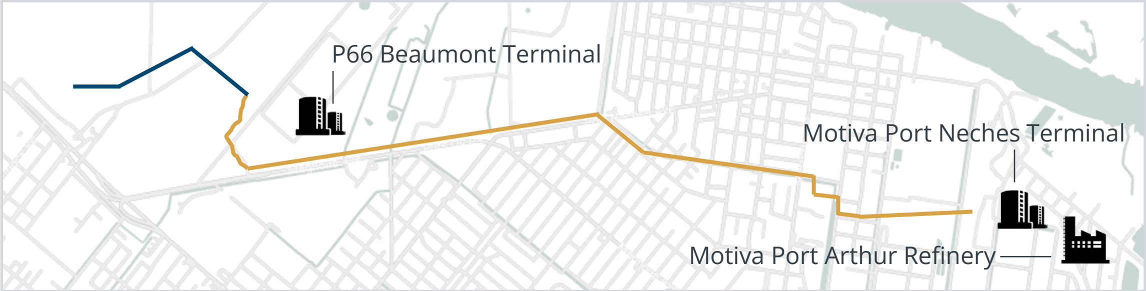
[1] 2024 YTD represents results for the six months ended June 30, 2024.
[2] Source: Argus Media (September 2024).

US Gulf Coast Connectivity

Enhancing connectivity to refining and terminalling facilities to serve growing demand for heavy crude oil

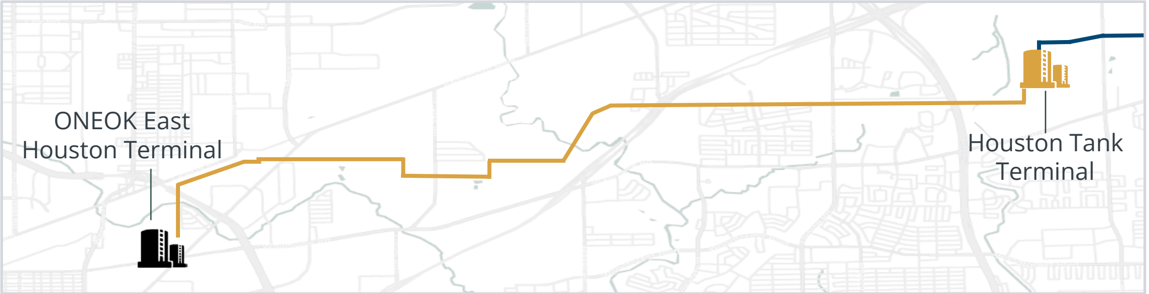


PORT NECHES LINK



Last-mile connectivity to Motiva's Port Arthur Refinery, North America's largest refinery

HOUSTONLINK



Provides a connection to multiple refineries, terminals, and marine export facilities through ONEOK's East Houston Terminal

Intra-Alberta Pipeline Systems

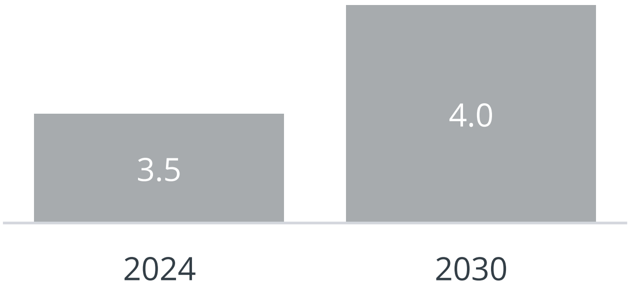
Connecting Alberta's oil sands production to key refining and export markets

REMAINING CONTRACT TERM[1]

years

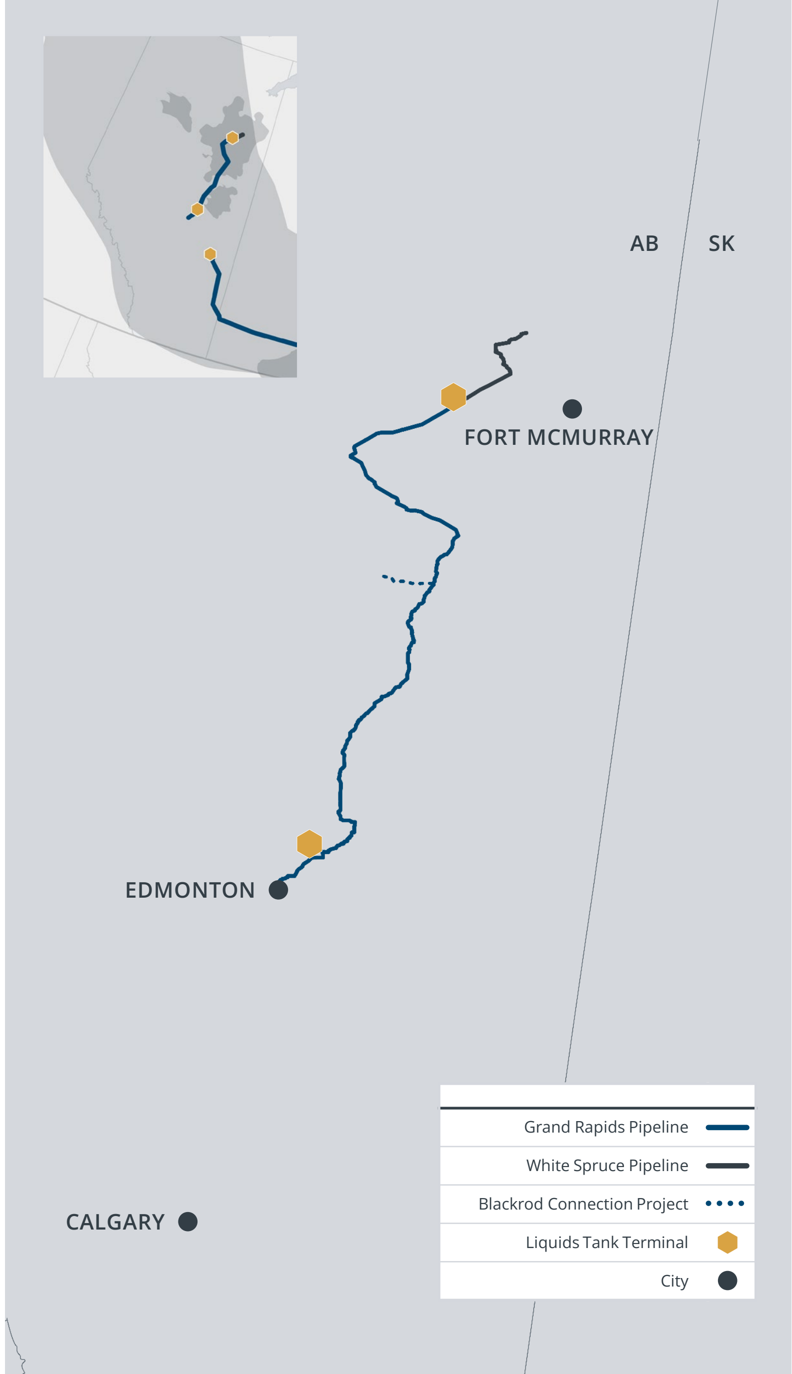
OIL SANDS PRODUCTION OUTLOOK[2]

MMbbl/d



ESTIMATED OIL SANDS RESERVES[3]

>160 billion barrels

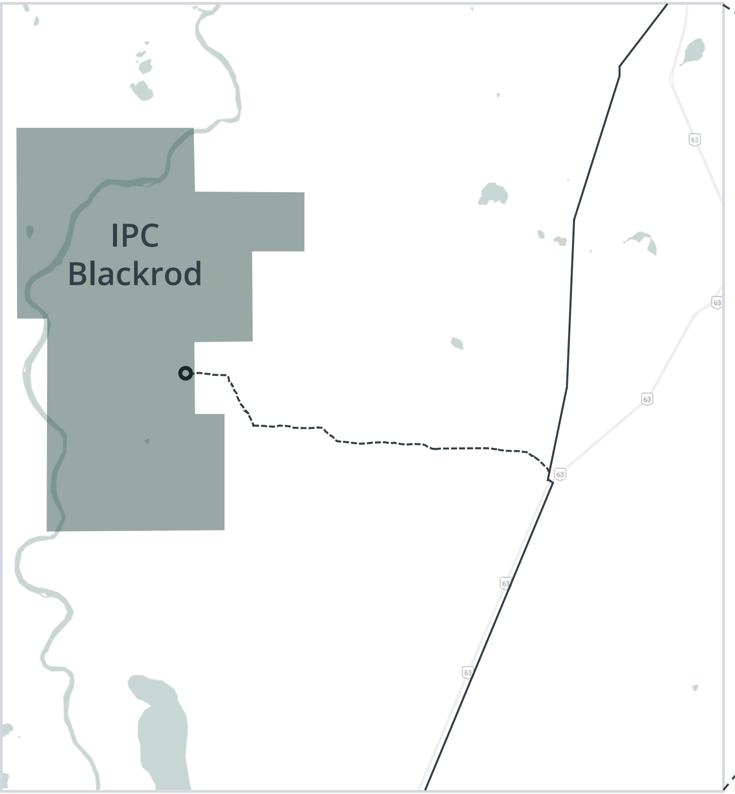


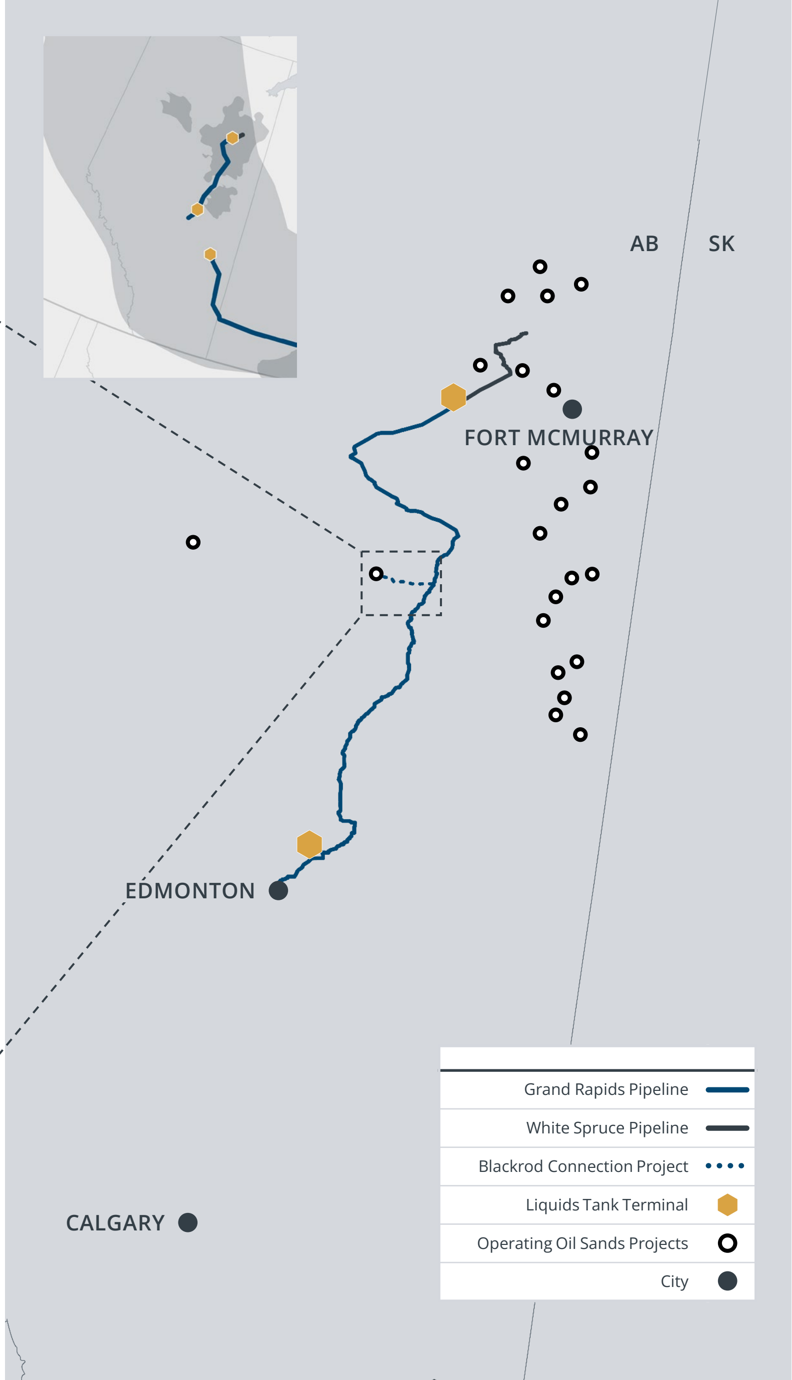
[1] As of September 2024.
[2] Source: S&P Global *2024 Canadian Crude Oil Markets Long-term Fundamental Outlook*. © 2024 by S&P Global Inc.
[3] Source: Canadian Association of Petroleum Producers (2022).

Blackrod Connection Project

Increasing connectivity in Alberta with next growth project

- Connection from IPC's Blackrod SAGD project to South Bow's Grand Rapids Pipeline System
- 25-km crude oil and natural gas pipelines and associated facilities
- Capital cost of C$250 million invested over 18 months
- Estimated 2026 in-service date
- Expected cash flows underwrite a significant portion of 2% to 3% comparable EBITDA[1] CAGR outlook





[1] Non-GAAP financial measure that may not be comparable to measures presented by other issuers. Refer to *"Advisory Statements"* of this presentation.

Safety and Operational Excellence

Values-based culture places strong focus on safety and operational performance

SAFETY

Steadily improving occupational safety metrics with strong focus on safety culture, with zero process safety incidents in 2024 to-date

ASSET INTEGRITY

Deploying world-class asset integrity program and resources

SYSTEM RELIABILITY

System operating factor sustainably increased to >95%, enabling increased reliability and throughput

SERVICE OFFERINGS

Valuable offerings include competitive tolls, short transit times, flexible delivery options, and receipt and delivery connectivity

Financial Overview

Capital Allocation Priorities

Disciplined approach to preserve optionality and maximize total shareholder return over the long term

In addition to paying a sustainable base dividend, South Bow will allocate capital to:

1

REDUCE LEVERAGE

Prioritize debt reduction by lowering leverage by 0.25x to 0.50x net debt-to-comparable EBITDA[1,2] within three years, with line of sight to reducing leverage to 4.0x over the long term

Maintain investment-grade outlook through financial discipline and low-risk contractual framework

2

INVEST IN STRATEGIC CORRIDOR

Unlock value of pre-capitalized assets through highly executable projects, delivering long-term comparable EBITDA[3] growth of 2% to 3%

Strengthen and expand strategic corridor to offer competitive delivery connections and enhanced optionality to customers

3

REPURCHASE SHARES

Evaluate opportunistic share repurchases

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GROW BASE DIVIDEND

Consider sustainably growing the base dividend once payout ratio has been reduced

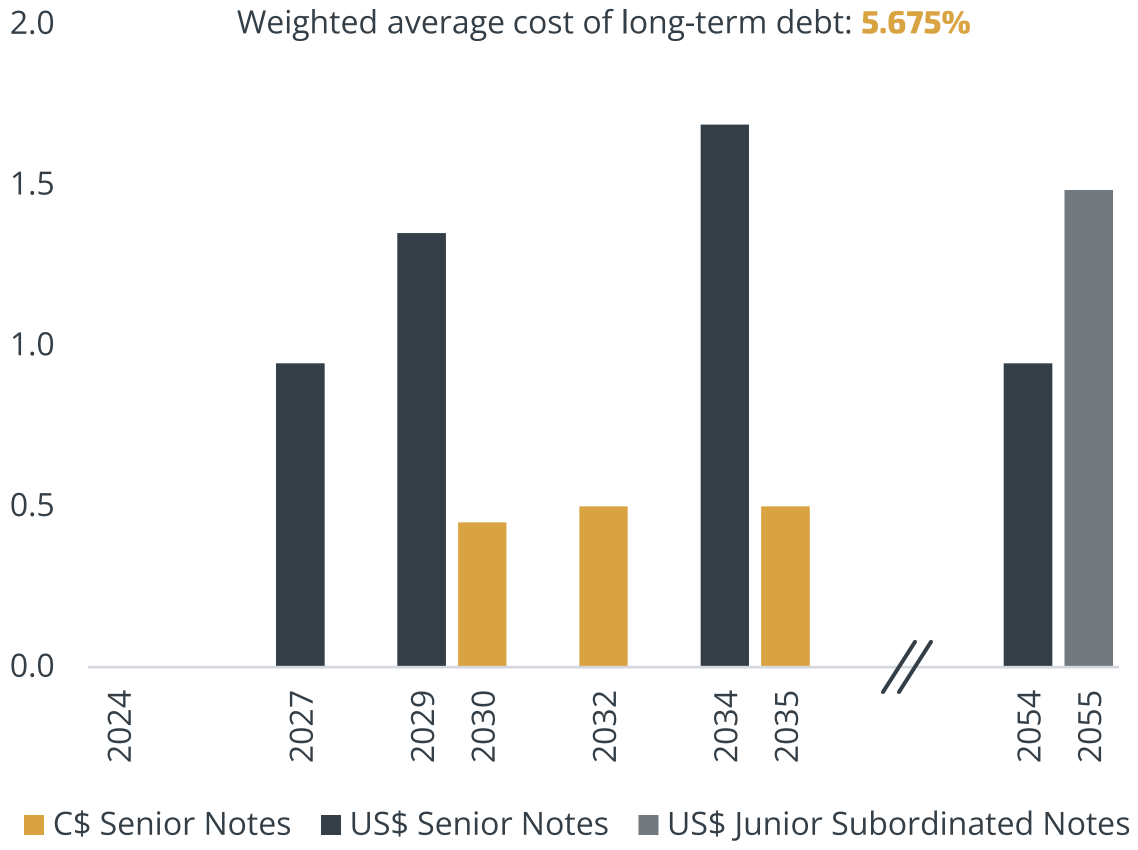
[1] Non-GAAP ratio that may not be comparable to measures presented by other issuers. Refer to *"Advisory Statements"* of this presentation.
[2] Includes 50% equity treatment of junior subordinated notes.
[3] Non-GAAP financial measure that may not be comparable to measures presented by other issuers. Refer to *"Advisory Statements"* of this presentation.

Investment-grade Financial Position

Deleveraging profile de-risked by strong commercial underpinning, stable cash flows, and attractive growth outlook

DEBT MATURITIES[1]

C$ billions



INVESTMENT-GRADE CREDIT RATINGS[2]

Moody's	S&P	Fitch
Baa3	**BBB-**	**BBB-**
Stable	Stable	Stable

PRIORITIZING DELEVERAGING

5.0x Initial net debt-to-comparable EBITDA ratio[3 4]

- Reduce leverage by 0.25x to 0.50x within three years, with line of sight to reducing leverage to 4.0x over the long term

C$7.9B Long-term debt balance[1]

C$2.0B Four-year senior unsecured revolving credit facility

[1] Assumes a foreign exchange rate of US$/C$1.35 for US$ senior notes and US$ junior subordinated notes.
[2] Refer to *"Advisory – Credit Ratings"* of this presentation.
[3] Non-GAAP ratio that may not be comparable to measures presented by other issuers. Refer to *"Advisory Statements"* of this presentation.
[4] Includes 50% equity treatment of junior subordinated notes.

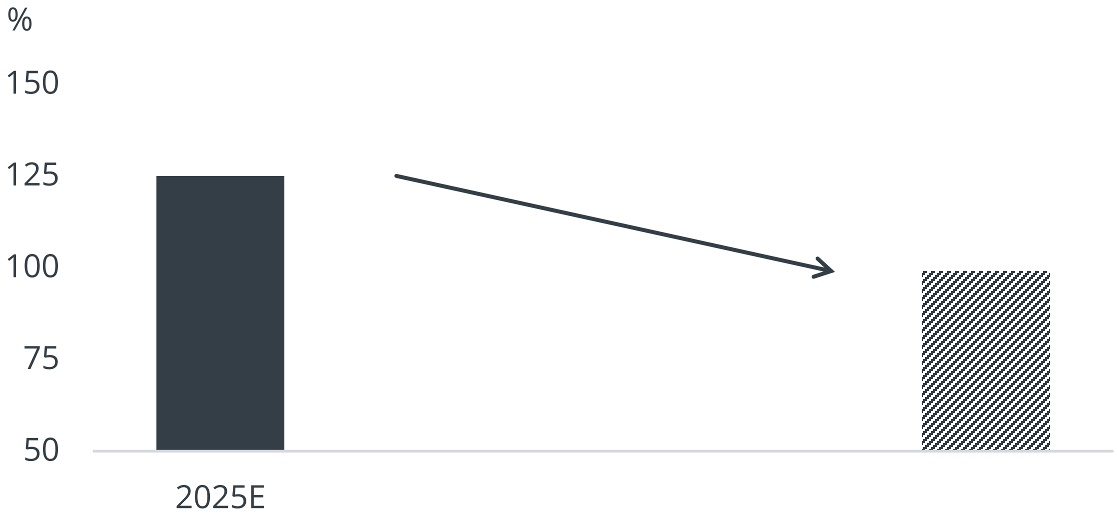
Sustainable Dividend

South Bow's stable cash flows will underpin a sustainable base dividend with an attractive yield

DIVIDEND PHILOSOPHY

- Dividends will be the primary means of returning capital to shareholders
- Dividend stability and sustainability is of foremost importance
- South Bow will consider growing its dividend once dividends as a percentage of earnings[1] have been reduced to below 100%

DIVIDENDS AS A PERCENTAGE OF EARNINGS[1]



SOUTH BOW'S INAUGURAL DIVIDEND

C$0.69 /share (**~US$0.50**/share)	Expected quarterly dividend amount[2]
November **07** 2024	Expected dividend declaration date
December **31** 2024	Expected dividend record date
January **31** 2025	Expected dividend payment date

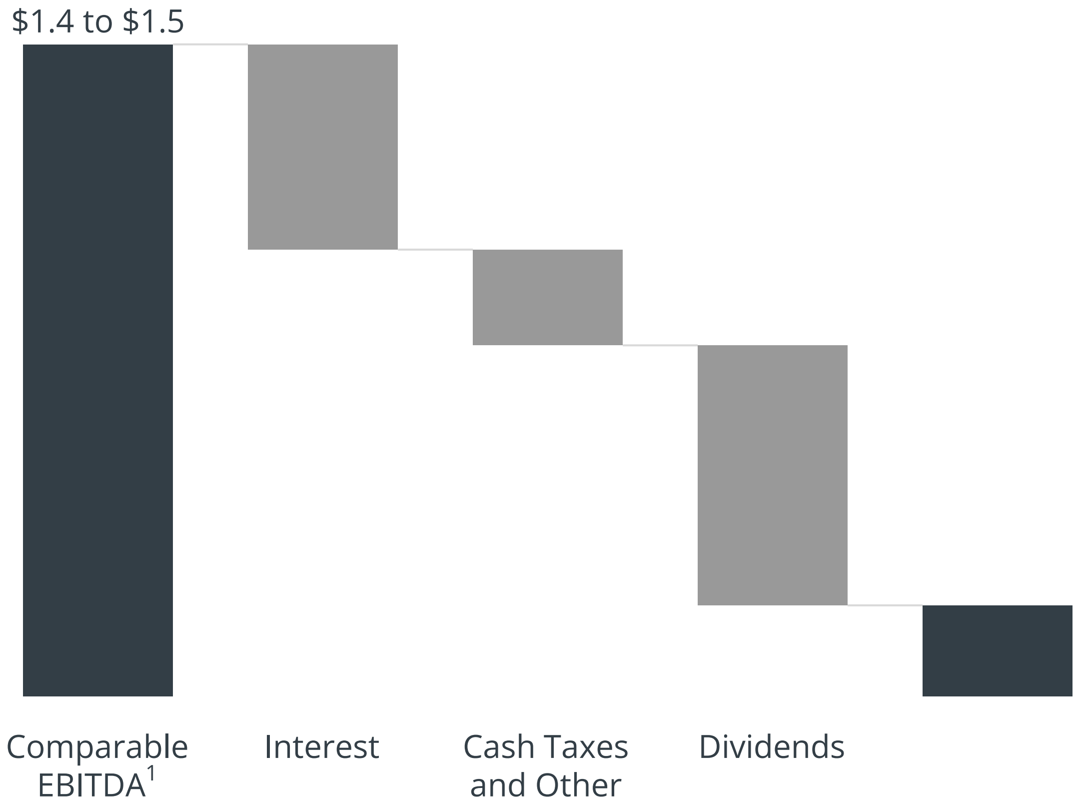
[1] Non-GAAP ratio that may not be comparable to measures presented by other issuers. Refer to *"Advisory Statements"* of this presentation.
[2] Dividends are subject to the approval of the Board of Directors.

Financial Outlook

Stable, predictable financial outlook driven by highly contracted cash flows

2025E FINANCIAL OUTLOOK

C$ billions



MODELLING ASSUMPTIONS

US$	Reporting currency
5.675%	Weighted average cost of long-term debt
24%	Effective tax rate
C$25MM – C$50MM	Annual maintenance capital expenditures, recovered through tolls
~C$0.5B	Discretionary growth projects identified over next four years

- Minimal volumetric or commodity price risk
- Operating, maintenance, and administrative costs recovered through tolls

[1] Non-GAAP financial measure that may not be comparable to measures presented by other issuers. Refer to *"Advisory Statements"* of this presentation.

Timeline to Spinoff Completion

South Bow expected to become a standalone company on October 1, 2024

JULY 2023

Spinoff announced

JUNE 2024

Shareholder approval received

AUGUST 2024

Investment-grade debt capital structure established

OCTOBER 1, 2024

Spinoff expected to become effective[1]

OCTOBER 2, 2024

South Bow common shares expected to commence trading on the TSX[2]

South Bow common shares expected to commence trading on the NYSE on or about October 7, 2024[2]

SPINOFF SUBJECT TO:

- ✓ Receipt of favourable tax rulings from Canadian and US authorities
- ✓ Approval by TC Energy shareholders
- ✓ Establishment of investment-grade debt capital structure
- ✓ Receipt of court and regulatory approvals
- Satisfaction of other customary closing conditions

FOLLOWING SPINOFF COMPLETION:

- For each TC Energy common share held, shareholders receive 0.2 of a South Bow common share
- South Bow common shares commence trading on the TSX and NYSE[2]

[1] Subject to the satisfaction or waiver of the remaining closing conditions to the spinoff transaction.
[2] Listing of South Bow common shares is subject to approval by the TSX and NYSE in accordance with their respective listing requirements.

Trading Timeline for South Bow Shares[1]

South Bow's shares are expected to commence trading on the TSX on October 2, 2024

SEPTEMBER 25

- Distribution record date
- If, as, and when-issued trading commences on the TSX

OCTOBER 1

- South Bow becomes a standalone company[2]
- If, as, and when-issued trading ends

OCTOBER 2

- Regular-way trading commences on the TSX
- Due bills settle

~OCTOBER 7

- Regular-way trading expected to commence on the NYSE

TICKER SYMBOL: SOBO

[1] Listing of South Bow common shares is subject to approval by the TSX and NYSE in accordance with their respective listing requirements.
[2] Subject to the satisfaction or waiver of the remaining closing conditions to the spinoff transaction.

Investor Relations and Reporting

What to expect from South Bow's reporting

2025 GUIDANCE

Early 2025

Q4 / YE 2024 RESULTS

March 5, 2025

EARNINGS CALLS

Brief remarks from Management with emphasis on Q&A

INAUGURAL INVESTOR DAY

Late 2025 / Early 2026

Q&A

Closing Remarks

Why Invest in South Bow?

Total shareholder return will be delivered organically through a sustainable dividend and low-risk, profitable growth

STRONG AND SUSTAINABLE BASE DIVIDEND

South Bow will pay a sustainable dividend with an attractive yield

IRREPLICABLE ASSETS WITH A COMPELLING GROWTH PROFILE

South Bow's growth will be focused on strengthening and expanding its strategic corridor to offer competitive delivery connections and enhanced optionality to customers

FINANCIAL STRENGTH AND INVESTMENT-GRADE DEBT CAPITAL STRUCTURE

South Bow has de-risked its deleveraging profile with its durable business model and stable, low-risk cash flows

STRATEGIC FRANCHISE IN A PREMIUM CORRIDOR

HIGH-QUALITY CONTRACTUAL FRAMEWORK

COMMERCIAL AND OPERATIONAL EXCELLENCE

ROBUST BUSINESS AND MARKET FUNDAMENTALS

Financial Reconciliations

Non-GAAP Reconciliations

COMPARABLE EBITDA

Year Ended December 31 C$ millions	**2023**	**2022**	**2021**
Comparable EBITDA	1,450	1,347	1,518
Depreciation and amortization	(329)	(321)	(310)
Comparable EBIT	1,121	1,026	1,208
Specific items:			
Keystone regulatory decisions	(57)	(27)	--
Keystone XL preservation and other	(18)	(25)	(43)
Focus Project costs	(2)	--	--
Separation costs	(2)	--	--
Keystone XL asset impairment charge and other	4	118	(2,775)
Gain on sale of Northern Courier	--	--	13
Voluntary Retirement Program	--	--	(2)
Risk management activities	(34)	20	(3)
Earnings (losses)	**1,012**	**1,112**	**(1,602)**

Non-GAAP Reconciliations

NET DEBT-TO-COMPARABLE EBITDA

Net debt and comparable EBITDA are non-GAAP financial measures used to compute net debt-to-comparable EBITDA. Each of net debt and comparable EBITDA do not have any standardized meaning prescribed by GAAP and therefore, may not be comparable to similar measures presented by other issuers. Net debt is defined as the sum of reported total debt, as reported on South Bow's combined carve-out balance sheet, less cash and cash equivalents, as reported on South Bow's combined carve-out balance sheet, and in addition to operating lease liabilities recognized on South Bow's combined carve-out balance sheet. Comparable EBITDA represents earnings (losses) adjusted for specific items described on slide 38.

Year Ended December 31 C$ millions, unless otherwise noted	**2023**
Reported total debt	7,879
Management adjustments:	
Cash and cash equivalents	(347)
Operating lease liabilities	14
Net debt	7,546
Comparable EBITDA	1,450
Net debt-to-comparable EBITDA[1]	**5.2x**

[1] Does not include 50% equity treatment of junior subordinated notes.

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SOUTHBOW

DELIVERING ENERGY. FORGING PROGRESS. TOGETHER.