

# Bridge to the future

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2020 Sustainability Report



**At Enbridge, we deliver the energy that fuels people’s quality of life. Our name is meant to convey our commitment to being a bridge to a safer, cleaner and affordable energy future. For us, it’s also about building bridges to an equitable, inclusive and sustainable future for all of our stakeholders.**

#### **About Enbridge Inc.**

Enbridge is a leading North American energy infrastructure company. We safely and reliably deliver the energy people need and want to fuel quality of life. Our core businesses include Liquids Pipelines (LP), which transports approximately 25% of the crude oil produced in North America; Gas Transmission and Midstream (GTM), which transports approximately 20% of the natural gas consumed in the U.S.; Gas Distribution and Storage (GDS), which serves approximately 3.8 million retail customers in Ontario and Quebec and has about 440 billion cubic feet (Bcf) of natural gas storage capacity across North America; and Renewable Power Generation, which generates approximately 2,075 megawatts (MW) of net renewable power in operation and under construction in North America and Europe. The Company is headquartered in Calgary, Canada, with major offices in Houston, Edmonton, Toronto, Duluth and Chatham. The Company’s common shares trade on the Toronto and New York stock exchanges under the symbol ENB. For more information, visit [enbridge.com](https://www.enbridge.com).

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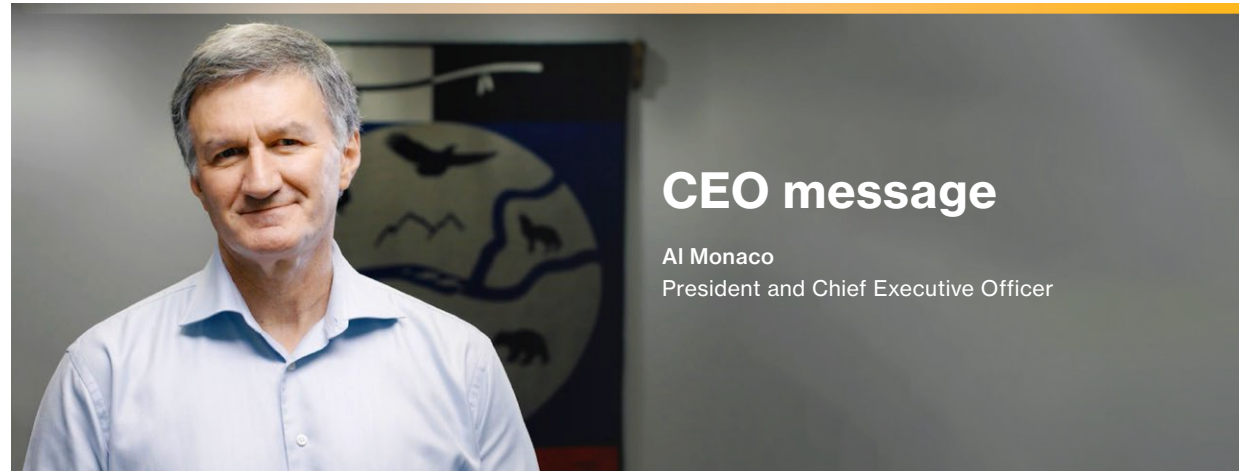
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At Enbridge, our goal is to deliver the energy that people need and want, while being a steward of our environment, a safe operator of essential energy infrastructure, a diverse employer and a responsible corporate citizen. The path to achieving this goal is driven by our relentless focus on sustainability and by acting as a bridge to the energy future. The recent challenges of the global pandemic, the death of George Floyd and the ever-escalating concern about climate change have reinforced what we have always known – corporations have an important role in fostering a more sustainable and equitable society.

### Our response to COVID-19

Our response demonstrates our commitment to sustainability. As the pandemic took hold, our priority was – and remains – the health and safety of our people. We kept our people safe while ensuring energy delivery was uninterrupted. We implemented work from home, emergency childcare and compassionate care benefits, and an expanded mental health program, and provided

financial support to meet shifting community needs, including Indigenous communities. At the same time, the resiliency of our business and people shone through as we achieved our pre-pandemic operating, capital investment and financial objectives and avoided layoffs with executive-led salary rollbacks and a voluntary workforce reduction program. We were eligible for taxpayer subsidies, but we did not take any.

### Bridging to the energy future

As a capital-intensive company with long-lived assets, we plan decades ahead. Our success is rooted in understanding energy fundamentals and adapting to market and consumer trends. We've prudently transitioned our business to align with the changing energy landscape. We've grown from a single pipeline in 1949 to a large and diverse infrastructure network that spans across eight Canadian provinces and 40 U.S. states and delivers natural gas, liquids and renewable power – including a growing offshore wind presence in Europe.

“The recent challenges of the global pandemic, the death of George Floyd and the ever-escalating concern about climate change have reinforced what we've always known – corporations have an important role in fostering a more sustainable and equitable society.”

To address climate change, we're focused on bridging to the energy future. The transition of energy to lower-carbon and zero-carbon sources is underway. Through our Strategic Planning process, we have thoroughly analyzed the alternatives and landed on a strong path forward for Enbridge. We are pursuing a gradual and deliberate transition strategy. Our existing assets will be required to serve our markets for decades to come; however, we will continue diversifying our asset mix toward lower-carbon fuels and accelerating our already strong early-mover position in renewable power, hydrogen and renewable natural gas.

Importantly, our existing energy transmission and distribution assets will be a critical platform to achieve societal climate ambitions, and their lives will be extended as we reduce their emissions and modernize and enhance them. We will also bridge to the energy future by achieving the most aggressive emissions reduction targets in our sector, with identifiable pathways to get there. We will track progress and link performance to compensation.

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### Building a better future for all stakeholders

We are building an even more diverse, equitable and inclusive culture. In addition to supporting fairness and equity, we believe that diversity and inclusion (D&I) make us a stronger business and help us to attract and retain the best talent.

We've made D&I a priority, and our people feel safe and welcome, and can grow based on merit. We accelerated our D&I goals and tied them to compensation. In early 2021, we added Inclusion to our core values of Safety, Integrity and Respect.

This year – as we publish our 20th annual sustainability report – we celebrate our longstanding commitment to environmental, social and governance (ESG) performance. We're proud of our strong record of governance and longstanding sustainability leadership. We're honored to be recognized as industry-leading; yet, we know that we have much more to do and we are committed to achieving our new ESG goals while further integrating sustainability into all that we do.



Al Monaco  
President and CEO



Al Monaco catches up with members of the Petroleum Quality Lab team at our Edmonton Terminal.



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Enbridge's Board of Directors believes that strong governance is essential to advancing the long-term interests of all our stakeholders. We are committed to leading corporate governance practices and fostering public trust in the Company. While this has always been important, it is increasingly critical given the evolving business climate that we operate in.

Driving continuous improvement in environmental, social and governance (ESG) performance starts with the Board and requires effective and supportive oversight of management. We take our oversight role seriously and work to ensure that management's sustainability strategy and implementation plans align with Enbridge's vision and objectives. To this end, the full Board is heavily involved in the Company's annual strategic planning process – and we believe that strong ESG performance is a critical enabler of our strategies and achieving our priorities. We take a very active role in safety, environmental protection and enterprise risk management, including the identification and mitigation of stakeholder-related risks.

In 2020, the Board and Corporate Social Responsibility (CSR) Committee provided active oversight of Enbridge's COVID-19 response, development of ESG goals, and policies and actions related to Indigenous peoples, communities, governments and regulators. We strongly endorse the Company's new net zero greenhouse gas (GHG) emissions commitment and accelerated diversity goals at senior management and workforce levels. We support the link between these objectives and incentive compensation. These are important steps as they position Enbridge to grow sustainably for decades to come while helping to build a more equitable and inclusive society. We will be closely monitoring our progress over the coming years.

The Board has also looked inward. We are committed to corporate governance leadership and recognize the importance of directors that bring a range of diverse perspectives, expertise, experience and business judgement. We have made good progress on this score but recognize that there is more we can do. That's why

"We strongly endorse the Company's new net zero greenhouse gas (GHG) emissions commitment and accelerated diversity goals at senior management and workforce levels. We support the link between these objectives and incentive compensation. These are important steps as they position Enbridge to grow sustainably for decades to come while helping to build a more equitable and inclusive society."

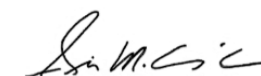
we've committed to achieving representation on the Board of 40% women and 20% racial and ethnic groups by 2025.

We are very proud of what the Company accomplished in 2020 and look forward to working with management to continue our focus on sustainability in the years ahead.

Sincerely,



**Gregory L. Ebel**  
Chair, Board of Directors



**Susan M. Cunningham**  
Chair, CSR Committee of the Board

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## Our role in society

Whether it's crude oil, natural gas or renewable power, the energy Enbridge delivers helps to heat homes, feed families, fuel vehicles, power industry and benefit society in thousands of ways. Here are some of the ways we fuel quality of life:



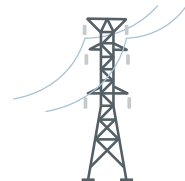
### Transportation

Crude oil is refined into gas, jet fuel and diesel, fueling cars, trucks and airplanes; natural gas provides an alternative to traditional fuels for medium- and heavy-duty transportation.



### Consumer goods

Natural gas is transformed into thousands of products, including plastics, fabrics, pharmaceuticals, chemicals and the personal protective equipment (PPE) that has kept people safe during the pandemic. The petrochemical industry creates plastics, vinyl, textiles, detergents and dyes from crude oil.



### Electricity

Natural gas replaces coal as a cleaner fuel for electricity generation; renewables supply the power grid with green energy.



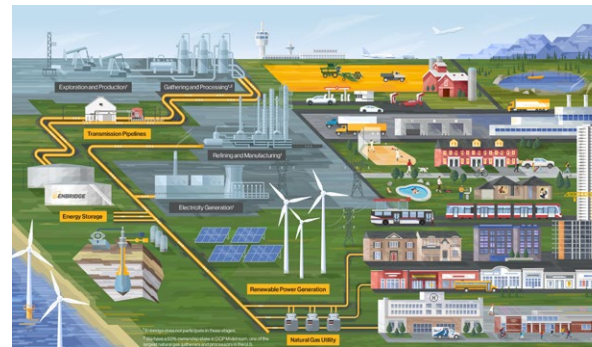
### Heating

Natural gas heats homes, commercial businesses, and large institutions like hospitals and schools; crude oil is transformed into propane and other home heating fuels.



### Industry

Oil and natural gas power a multitude of industries that build infrastructure and maintain quality of life.



[Click here for a larger version illustration of the energy value chain and the work we do to support it.](#)

## How we do it



### Transmission pipelines

We move about 25% of the crude oil produced in North America, and about 20% of the natural gas consumed in the U.S. through our vast transmission pipeline networks.



### Energy storage

Enbridge has a significant presence in contract storage across North America – about 45.6 million barrels of crude oil storage capacity, and about 440 Bcf of net working storage for natural gas.



### Natural gas utility

Enbridge Gas Inc. (EGI) is North America's largest natural gas utility by volume, and third largest by customer count. With 3.8 million residential, commercial, institutional and industrial customers, EGI has been delivering energy for 170 years.



### Renewable power generation

Our operating renewable energy assets have the capacity to generate 3,641 MW gross, or 2,075 MW net, of zero-emission energy – enough to meet the electricity needs of nearly 940,000 homes.



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## 2020 highlights

### Environment

**\$5B** invested  
in pipeline integrity  
over the last three years



**\$7.8B**  
invested in  
renewable energy  
since 2002



Since 1995, Demand Side Management programs avoided **54.7 million<sup>1</sup> tonnes of GHG emissions**, roughly equal to removing

**11.9M<sup>2</sup>** cars off the road for one year



Over **7%** improvement  
in both contractor and employee injury performance




### Social

**\$480M**  
spend with  
Indigenous businesses  
and Indigenous wages on  
Line 3 Replacement Project



**\$360M**  
generated in  
Indigenous economic  
opportunities in 2020



**31%**  
of our workforce  
are women



**21%**  
of our workforce are members  
of racial and ethnic groups



### Governance

**4 of 5**  
Board committee  
chairs are women




**10 of 11**  
Board members are  
independent, including Chair



**3x**  
annual Board retainer  
share ownership  
requirement



**6x** base salary  
share ownership  
requirement for CEO and  
**3x** for named  
executive officers



### 2020 economic impact

**\$8B**  
spent on goods  
and services  
purchased from  
**10K**  
suppliers



**\$1.2B** paid in  
employee wages



**\$25.2M**  
invested in communities  
across North America



**\$3B**  
taxes paid  
to local, state/provincial  
and federal governments



<sup>1</sup> Assumes 1.874 kg of CO<sub>2</sub>e are emitted for each m<sup>3</sup> gas that is consumed

<sup>2</sup> Assumes the average passenger vehicle produces 4.6 tonnes of CO<sub>2</sub> per year

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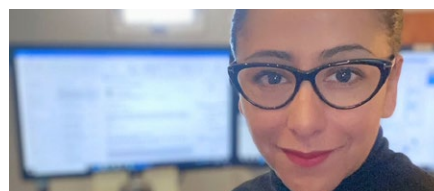
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## Our response to COVID-19

COVID-19 created an extraordinary set of circumstances and challenges. As a company and a team that is part of thousands of communities across North America, we have done everything we can to protect the health and safety of our employees and the public – while continuing to deliver for our customers and communities. Here are a few of our stories.



Many of our colleagues engage in critical work that cannot be performed remotely. [Read](#) about the inventive approaches they've taken to complete their work safely, while limiting interactions with others.



"Working from home was foreign to me but the transition was smooth and I felt very supported. Enbridge provided all the resources, not only the infrastructure but also the human capital so that I could safely and comfortably work in my new environment." – Lennina Pavon Cardoso, Senior Advisor, Corporate Citizenship



Enbridge Gas Senior Legal Counsel Guri Pannu and five friends created [Conquer COVID-19](#), a grassroots organization focused on providing PPE to health-care workers, and later shifted the momentum into [This Is Our Shot](#).



Across North America, countless dedicated women and men manage round-the-clock operation of the critical energy infrastructure that keeps society's engine running smoothly. [Read the story.](#)



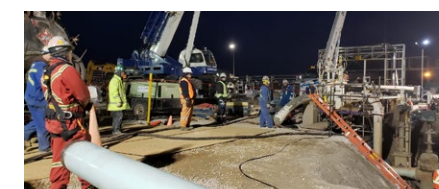
[Click here](#) to learn how Jeremy and Zach, who work in Enbridge's Liquids Pipelines group in North Dakota, have turned to technology to 3D print masks (and face shields, which can be used to cover normal paper medical masks).



"Cloth face coverings have been delivered locally to essential workers in the Boston area. I've aimed to prioritize those most affected in the delivery process, including health-care workers, United States Postal Service employees and family members who are over 60 years old," says Cookie O'Donnell. [Read more here.](#)



"Enbridge provided the support and flexibility that my family needed during such an uncertain time. Despite working remotely, I found myself developing deeper and more cohesive bonds with my peers and stakeholders." – Travis Warden, Manager, Safety Operations U.S.



[Click here](#) to read more on how our teams across the Company adapted and supported each other and the public during this difficult time.



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## About this report

This report, and our related suite of publications, represent Enbridge's ongoing commitment to the transparency and disclosure of ESG factors relevant to our business and our stakeholders. We remain accountable by engaging with all our stakeholders, addressing key topics and providing a balanced view of our performance.

### Reporting standards

This report was developed with guidance from the Global Reporting Initiative (GRI) Standards: Core option. We are also disclosing sustainability data using the Sustainability Accounting Standards Board (SASB) standards for Oil and Gas – Midstream, and Gas Utilities & Distributors.

We provide relevant updates on our response to the recommendations of the Task Force on Climate-related Financial Disclosures (TCFD) in the accompanying 2020 ESG Datasheet. The Financial Stability Board (FSB) established the TCFD with the aim of improving disclosure of climate-related risks and opportunities. We support transparency in this area, as well as the need to improve the quality and consistency of these disclosures. See the [2020 ESG Datasheet](#) for our mapping to these sustainability frameworks and standards.

In 2003, we became a signatory to the United Nations Global Compact, including the "Precautionary Approach," and committed to following its principles. We continue to assess our contribution to the United Nations Sustainable Development Goals.

### Reporting boundaries

The scope of this report includes all businesses, assets and joint ventures that are owned and operated by Enbridge. Data exclusions or additions are noted throughout the report.

This report focuses on performance and activities from January 1 to December 31, 2020, as well as significant events in 2021. Unless otherwise specified, all dollar amounts are expressed in Canadian dollars; all references to "dollars," "\$" or "C\$" are to Canadian dollars and all references to "US\$" are to United States dollars. All amounts are provided on a before-tax basis, unless otherwise stated.

### Assurance

As part of Enbridge's continued commitment to refining our reporting methodology, starting in 2020, we engaged a third-party verifier to conduct limited assurance on selected environmental key performance indicators (KPIs). The selected KPIs include Enbridge's total Scope 1 greenhouse gas (GHG) emissions, Scope 2 GHG emissions, Scope 3 GHG emissions, energy consumption (fuel and electricity) and criteria air contaminants. To read the complete assurance statement, see our [2020 ESG Datasheet](#).

### Forward-looking information

This Sustainability Report contains forward-looking information, or forward-looking statements, and non-GAAP financial measures. Please see "Forward-looking information" on [page 65](#) of this report.



### Related publications

[2020 Annual Report](#)

[2021 Annual Meeting of Shareholders and Management Information Circular](#)

[2020 ESG Datasheet](#)

[2020 Innovation Report](#)

[2019 Safety Report to the Community](#)

[Resilient Energy Infrastructure: Addressing Climate-Related Risks and Opportunities](#)

[Indigenous Rights and Relationships in North American Energy Infrastructure](#)



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# Our approach

Sustainability is a key enabler of our corporate strategy, keeping us focused on the ESG issues that are most important to our business and our stakeholders and positioning our company for long-term growth and success.

We've set ESG goals to further integrate sustainability into our decision-making and actions, and to help communicate our intentions to our stakeholders. By living up to these goals, we also contribute to the delivery of the UN Sustainable Development Goals.

## In this section

Q&A with Chief Sustainability Officer

ESG goals

Sustainable Development Goals

Stakeholder engagement

Sustainability topics





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## Q&A with Chief Sustainability Officer

Interview with Pete Sheffield, Vice President & Chief Sustainability Officer

After nearly two decades with Enbridge and predecessor companies, you took on the Chief Sustainability Officer (CSO) role in September 2020.

What inspired you to do so, and what has been your experience in year one?

We have an incredible responsibility to safely, reliably and efficiently deliver affordable, ever-cleaner energy to customers and thousands of communities across our vast network. Our approach to meeting this essential service obligation is reflected in our core values of Safety, Integrity, Respect and Inclusion.

What I've found inspiring in my years with the Company is how deeply committed everyone is to getting it right—to learning from our mistakes and to continually improving. Our sense of responsibility and relentless focus extends

not just to our operations but to the biggest challenges we face as a society as well, including the need to act on climate change and to address inequities and systemic racism. These issues are important today, and as we think about future generations. I saw an opportunity as CSO to play a bigger role in helping to shape Enbridge's approach to these issues.

How are you building sustainability into strategy and decision-making at Enbridge?

Sustainability has been central to how we've managed our business for years. We operate long-lived and capital-intensive assets, and we must understand energy fundamentals and how our operating environment is changing over time. The evolution of our portfolio and our company reflects this thinking.

However, 2020 was an inflection point for us, with the creation of specific, robust and very public ESG goals, which include a net zero GHG emissions commitment. These goals have not only given us a framework for decision-making—they've also helped accelerate internal efforts and clarify for external stakeholders where we're heading as an organization.

What has Enbridge accomplished since the ESG goals were announced in late 2020?

It's important to acknowledge the rigorous analysis, review and work of our teams across the businesses that enabled the Company to confidently establish our ESG goals. I'm grateful to everyone who got us to this point.

Since then, we've been leveraging that early work—and the energy across the Company—to build out sustainability governance models and decision frameworks, and establish key performance indicators and success measures, to ensure that we can execute our plans and measure our progress.

What's more, our ESG goals have catalyzed important conversations with stakeholders, including employees, the investment community, host communities and Indigenous peoples along our rights-of-way, governments and non-governmental organizations. All of these stakeholders have a shared interest in the energy transition, how we're positioned, and how we'll pursue our inclusion and diversity commitments. The candid conversations about the challenges and opportunities we'll face in achieving our goals are informing our efforts and furthering our ability to make the desired progress.

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## ESG goals

Anchored to our purpose, vision and values, Enbridge's [strategic plan](#) is our roadmap to the future. The plan identifies what we need to focus on to advance our business and ensure that Enbridge remains competitively positioned for the long term.

Our success in executing our strategic plan is enabled by the quality and capabilities of our people, the extent to which we embrace technology and encourage innovation, and our approach to sustainability. To this end, we set ambitious ESG goals in 2020, which strengthen accountability and reinforce our commitments to reducing GHG emissions, building an inclusive workforce that reflects our communities, and increasing transparency of our ESG priorities and results.

### Emissions

We are committing to take action on climate change by reducing our GHG emissions and advancing the energy transition.

**Net  
zero  
emissions**  
by 2050



**Reduce emissions  
intensity by**

**35%**  
by 2030



CBSR is proud of our longstanding relationship with Enbridge—a company focused on corporate responsibility and improving its sustainability performance. In 2020, Enbridge underscored this commitment by linking its ambitious new ESG goals to incentive compensation across the organization. We would love to see more companies follow this leadership example.

**Leor Rotchild**  
Executive Director  
Canadian Business for Social Responsibility (CBSR)



[Our Sustainability Goals](#)



[Net Zero by 2050](#)



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### Safety

We believe all injuries, incidents and occupational illnesses are preventable and will pursue continuous improvement toward our goal of zero incidents.

- 10% fewer employee and contractor injuries at work over previous three-year average
- Continuous improvement toward a goal of zero incidents



### Inclusion, diversity, equity and accessibility

Diversity and inclusion drive innovation, better decisions and stronger employee engagement, and strengthen the communities where we live and work.

- Achieve representation on the Board of 40% women and 20% racial and ethnic groups by 2025
- By 2025, increase workforce representation to:
  - 6% people with disabilities
  - 7% veterans (U.S.)
  - 28% racial and ethnic groups
  - 40% women
- Increase procurement from diverse suppliers and suppliers that support and invest in diversity and inclusion



### Indigenous inclusion

We are committed to Indigenous reconciliation. Our continued success relies on our ability to cultivate lasting relationships with Indigenous communities that have interests in lands on which our assets are located.

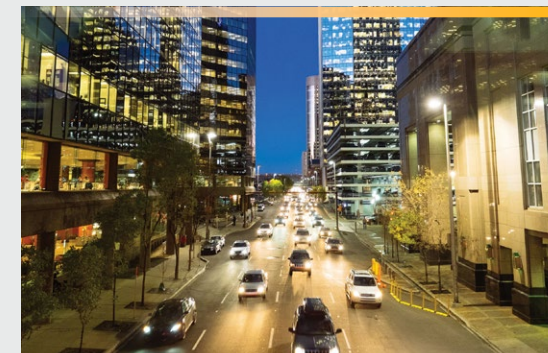
- 3.5% representation within our workforce of Indigenous peoples by 2025
- 100% of our workforce to complete Indigenous cultural awareness training by 2022



### Responsible business

Maintaining high ESG standards is critical for meeting evolving expectations and ensuring our long-term sustainability.

- Sustain leading ESG reporting standards and evolve with best practices
- Advance effective cyber defense programs to protect information and services



### Performance matters

We know that setting sustainability goals is not enough – performance is what counts. That's why we have linked performance on emissions reduction and diversity to incentive compensation, along with the safety metrics that are already included. Starting in 2021, all Enbridge employees will have line-of-sight to achievement of our ESG goals through objectives set out in their annual scorecards. Progress will be shared publicly through our annual sustainability report.

In February 2021, we launched a three-year, \$1-billion sustainability-linked credit facility – the first of its kind in our sector – aligning our sustainability performance with funding costs. The facility includes terms that allow us to reduce borrowing costs if we achieve an interim threshold on our ESG goals.

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# Sustainable Development Goals

Enbridge supports the United Nations' Sustainable Development Goals (SDGs), which are a call for all countries to work together to end poverty, protect the planet and ensure that all people are able to enjoy peace and prosperity by 2030.

In the spring of 2021, we worked with the Global Compact Network Canada, the Canadian chapter of the United Nations Global Compact, to identify the SDGs that are most relevant to our business and where we can make our greatest contributions. Our process included a workshop with internal stakeholders and external research and benchmarking. In future reports we will evolve our reporting against the SDGs and associated targets. The relevant SDG symbols appear at the start of each section in this report.



End poverty in all its forms everywhere



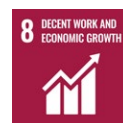
Ensure access to affordable, reliable, sustainable and modern energy for all



Take urgent action to combat climate change and its impacts



Ensure healthy lives and promote well-being for all at all ages



Promote sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all



Protect, restore and promote sustainable use of terrestrial ecosystems, sustainably manage forests, combat desertification, and halt and reverse land degradation and halt biodiversity loss



Ensure inclusive and equitable quality education and promote lifelong learning opportunities for all



Build resilient infrastructure, promote inclusive and sustainable industrialization and foster innovation



Promote peaceful and inclusive societies for sustainable development, provide access to justice for all and build effective, accountable and inclusive institutions at all levels



Achieve gender equality and empower all women and girls



Reduce inequality within and among countries



Strengthen the means of implementation and revitalize the global partnership for sustainable development



Ensure availability and sustainable management of water and sanitation for all



Ensure sustainable consumption and production patterns

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## Working with others

Achieving emissions reductions in line with Intergovernmental Panel on Climate Change (IPCC) objectives requires a tremendous amount of cooperation. We're committed to supporting and advocating for policies that support our climate position and the energy transition. To that end, we participate in constructive dialogues across North America aimed at developing lasting energy and climate solutions. We're focused on developing new partnerships to enable this transition. To achieve our net zero goal, we need ongoing collaboration with a broad range of partners inside and outside of the energy sector. We also need to be deliberate about our work with trade associations to advance climate goals. In early 2021, we conducted a review of how key trade associations' climate positions align with ours. The findings are presented in the below report.



[Trade Association Climate Review](#)



Enbridge has been an impactful partner within the Energy Futures Lab—acting in a thoughtful and constructive way as we work collaboratively with a wide cross-section of society to imagine and help build the energy system that the future requires of us.

**Alison Cretney**  
Managing Director, Energy Futures Lab

## Partners for change

Below are a few examples of the many industry associations and multi-stakeholder partnerships we participate in to address global sustainability challenges and support delivery of the SDGs.

A list of our trade association memberships can be found in the Appendix, [page 58](#).





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Open house engagement from 2019. As you will read throughout the report, we shifted to virtual engagement during 2020.

## Stakeholder engagement

We do business in service of all of our stakeholders – and that requires us to actively engage with them to find out what's important to them, what they're concerned about and how we can respond to their needs. Stakeholder engagement happens in many different ways across Enbridge. We provide examples of the ways we engaged in 2020 in the table that follows on the next page.

We also engage with Indigenous nations, groups and governments living near our projects and operations in Canada and the U.S. Because Indigenous peoples in both countries have distinct rights, we recognize them separately from other stakeholders. See [Indigenous inclusion](#) to learn more about our 2020 engagement with Indigenous communities and businesses.

## Supporting our utility customers in challenging times

We recognized that 2020 was a particularly difficult year for our natural gas utility customers, some of whom faced unexpected financial challenges from work interruptions or slowdowns due to the pandemic. To help ease their stress, we did not disconnect residential or small business customers for non-payment from the onset of the pandemic to August 1, 2020, and we offered enhanced plans that allowed customers to make installment payments against their utility bill balance and avoid late penalties.

We also helped deliver the Canadian federal government's COVID-19 Energy Assistance Program (CEAP) to Enbridge utility customers, which provides financial support for qualifying residential, small business and registered charity customers to pay down energy bill debt incurred since COVID-19 began. Learn more about [Enbridge Gas' response to COVID-19](#).

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## Stakeholder engagement

Employees and contractors	Customers and suppliers	Investors	Landowners and Indigenous and local communities	Industry groups	Government and regulators
≈12,300 people	≈3.8 million gas utilities and distribution customers served ≈10,000 suppliers	Participated in 27 investor conferences and related events	Nearly 1,500 communities in the U.S. 200+ communities in Canada 30+ Indigenous communities in the U.S. and 300+ communities in Canada	Active memberships in ≈13 industry associations	Officials in five countries, with primary operations in Canada (nine provinces and territories) and the U.S. (41 states)
<b>How we engage:</b> <ul style="list-style-type: none"> <li>Supervisory communication</li> <li>Town halls, employee forums, webcasts and podcasts</li> <li>Employee bulletins and newsletters</li> <li>Career development plans</li> <li>Internal social media channel (Yammer)</li> <li>Intranet (Elink)</li> <li>Employee resource groups</li> <li>Diversity and inclusion advisory groups</li> <li>Employee focus groups and surveys</li> <li>Safety toolbox talks, training, Stand Up for Safety sessions</li> </ul>	<b>How we engage:</b> <ul style="list-style-type: none"> <li>Selection and contracting processes</li> <li>Customer surveys</li> <li>Face-to-face meetings</li> <li>Supplier relationship management meetings</li> <li>Annual customer meetings</li> <li>On-site visits</li> </ul>	<b>How we engage:</b> <ul style="list-style-type: none"> <li>Annual shareholder meeting</li> <li>Annual Enbridge Day investment community conference</li> <li>Investor conferences and non-deal roadshows</li> <li>Canadian and U.S. regulatory filings</li> <li>Analyst meetings and conference calls</li> <li>Ongoing investor relations engagement and presentations</li> <li>Quarterly earnings calls and business updates</li> </ul>	<b>How we engage:</b> <ul style="list-style-type: none"> <li>Town halls and open houses (virtual and in person)</li> <li>Landowner meetings</li> <li>Community meetings and events</li> <li>Corporate citizenship programs</li> <li>Employee volunteering</li> <li>Emergency response tabletop exercises</li> <li>Facility tours</li> <li>Process for managing grievances</li> <li>Contribute to local emergency response readiness</li> <li>Letters, factsheets and newsletters</li> <li>Local government delegations and presentations</li> <li>Participate in conferences</li> </ul>	<b>How we engage:</b> <ul style="list-style-type: none"> <li>Participate on committees</li> <li>Board positions on relevant trade groups</li> <li>Sponsor and participate in advocacy activities</li> <li>Participate in key conference and speaking opportunities</li> <li>Support industry groups with data gathering and analytics to solidify beneficial public policy</li> </ul>	<b>How we engage:</b> <ul style="list-style-type: none"> <li>Trade association and industry representation</li> <li>Facility and asset tours</li> <li>Participate in conferences and panels</li> <li>Multi-stakeholder initiatives</li> <li>Face-to-face meetings</li> </ul>
<b>Key 2020 initiatives/topics:</b> <ul style="list-style-type: none"> <li>Regular business and COVID-19 updates from senior leaders</li> <li>Focus groups related to our new core value of Inclusion</li> <li>Focus groups and listening sessions with Black and Indigenous employees</li> <li>Lifesaving Rules launch</li> <li>Development and launch of our ESG goals</li> </ul>	<b>Key 2020 initiatives/topics:</b> <ul style="list-style-type: none"> <li>Financial hardship measures related to COVID-19</li> <li>Supplier diversity</li> <li>Socio-Economic Requirements of Contractors (SERC)</li> </ul>	<b>Key 2020 initiatives/topics:</b> <ul style="list-style-type: none"> <li>Business results, initiatives, strategy and capital structure</li> <li>ESG goals, policies and performance</li> </ul>	<b>Key 2020 initiatives/topics:</b> <ul style="list-style-type: none"> <li>COVID-19 relief</li> <li>Line 3 construction open houses and community outreach in Minnesota</li> <li>Line 5 virtual open house and stakeholder communications</li> <li>Project construction outreach</li> <li>Hurricane and natural disaster recovery</li> <li>Public awareness and asset integrity education</li> </ul>	<b>Key 2020 initiatives/topics:</b> <ul style="list-style-type: none"> <li>Continue to position Enbridge as a leader and trusted advisor on energy transition, energy infrastructure and low-carbon fuels</li> <li>Invited developers, industry experts and others to submit ideas and solutions for methane emissions avoidance through an innovation initiative at GLOBE 2020</li> </ul>	<b>Key 2020 initiatives/topics:</b> <ul style="list-style-type: none"> <li>Line 3 and Line 5 permitting</li> <li>COVID-19 response</li> <li>Economic recovery</li> <li>ESG goals and policies</li> <li>Growth projects</li> </ul>

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Sustainability topics<sup>1</sup>

To help us gauge the sustainability topics of greatest importance to Enbridge’s business and to our stakeholders, we regularly conduct materiality assessments (see call out box to the right). The topics discussed in this year’s Sustainability Report are based on the findings of a materiality assessment conducted in early 2020 using the identify-prioritize-validate approach prescribed by the GRI.

To support prioritization, we reviewed short-listed topics against SASB criteria, including the potential to affect corporate value, the extent to which the topic is of interest to investors, its relevance across the industry, and the extent to which it can be controlled or influenced by Enbridge.



Priority topics    Other significant topics

Diversity and inclusion (D&I) was identified as an increasing area of interest when the assessment was conducted in February 2020. Given the global reckoning around racial justice and equality that has since occurred, we believe D&I will rise in importance when we perform our next materiality assessment. We’ve made D&I a priority in our organization and, in early 2021, added Inclusion to our core values of Safety, Integrity and Respect. Learn more on [page 47](#).

Sustainability topics assessment process

1. Identification

We identified and reviewed a list of topics relevant to Enbridge’s current business and operating environment. We then researched peer companies to understand the evolution of material topics in our industry, relevant ESG frameworks and standards, and topics discussed in the media. We also considered the views of our investors and employees.

2. Prioritization

From this research, we identified a preliminary list of approximately 30 topics. We assessed and prioritized each topic according to its level of significance to our stakeholders and the overall impact on Enbridge’s ability to deliver on its strategy. We then gathered feedback from a cross-functional team of senior representatives across Enbridge using the same criteria.

3. Validation

Our material topics have remained relatively consistent with our previous materiality assessments and are shown on this page. Diversity and inclusion, governance, cybersecurity and innovation were identified as increasing areas of interest.

<sup>1</sup>References to the terms “material” and “materiality assessments” in this section of the report have a specific meaning, which may not be the same as the meaning of the term “material” when used in relation to public disclosure of material information, including filings with Canadian and U.S. securities regulators. In this section, these terms are used specifically to identify the sustainability topics of greatest importance to our stakeholders.



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# Healthier planet

Society faces a serious dual challenge — meeting increasing global energy needs with affordable, reliable energy, while at the same time reducing GHG emissions to address the pressing threat of climate change.

At Enbridge, we strive to make an impact along the entire energy value chain — from reducing GHG emissions from our operations to lowering the emissions intensity of the energy we deliver. To this end, we're modernizing our assets, investing in renewable power and innovative solutions like renewable natural gas, hydrogen, and carbon capture, utilization and storage, and we are working with our customers to encourage energy efficiency.

## In this section

Climate change and the energy transition

Our plan to achieve net zero by 2050

Our approach to Scope 3 emissions

What are Enbridge's Scope 1, 2 and 3 emissions?

Land use, biodiversity and water

Relevant SDGs associated with this section:



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## Climate change and the energy transition

One of our corporate [strategic priorities](#) is to *adapt to energy transition over time*, which among other things, will see us execute on renewable self-power opportunities, invest in renewable energy and develop systems to track and achieve our GHG emissions reduction goals.

Our [Climate Policy](#) clarifies the key principles that guide our climate-related actions, which are aimed at both managing risks and responding to opportunities. In 2019, we published [Resilient Energy Infrastructure: Addressing Climate-Related Risks and Opportunities](#), our first climate-focused report informed by the recommendations of the Task Force on Climate-related Financial Disclosures (TCFD). This foundational report provides insight into how we see the transition to a lower-emissions economy occurring and Enbridge's role within that transition. It also presents analysis that tests the resilience of our strategy and existing assets against lower-emissions scenarios. This year, we've added more details about the climate-related physical risks our company faces and have provided updates to our scenario analysis based on an assessment conducted in early 2021. See our [2020 ESG Datasheet](#) for details.

Our newly announced GHG emissions reduction goals are tied to our longer-term business strategy and are aligned with the ambitions of the IPCC and the Paris Agreement. While we've set and met GHG emissions reduction goals in the past, establishing a net zero by 2050 goal represents a meaningful next step in our journey.

The net zero goal is supported by an interim target to reduce our GHG emissions intensity by 35% by 2030 and by the development and execution of near-term emissions reduction plans and initiatives. We are also redesigning methodologies to ensure that future investment decisions align with our GHG emissions reduction goals.

We spent more than a year developing our new GHG targets. We were focused on net zero emissions by 2050 but knew we needed to establish a credible and achievable interim target as well. We worked with each of our business units to develop and cost potential emissions reduction opportunities. We crowdsourced thinking both inside and outside of the Company – this helped us to gather new ideas and was an excellent way to engage with employees. We also ran multiple scenarios to help dimension the potential financial implications of achieving these targets. All of this work led us to establish specific pathways for attaining our emissions goals. We are focused on reducing emissions along the following pathways: modernization and innovation; self-powering our assets; procuring low-emission electricity; and offsets and carbon credits. A summary of what we're working on is outlined in the [Our plan to achieve net zero by 2050](#) section. More information can be found in our [Net Zero by 2050](#) brochure.

### About our emissions reduction goals

Our emissions reduction goals focus on GHGs emitted by Enbridge's operations arising from stationary fuel combustion, flaring, fugitive and vented emissions which generate carbon dioxide (CO<sub>2</sub>), methane (CH<sub>4</sub>) emissions, and nitrous oxide (N<sub>2</sub>O) (Scope 1 emissions) as well as emissions from the generation of purchased electricity consumed by the Company (Scope 2 emissions). Progress against these goals will be measured relative to a 2018 base year and reported on in future sustainability reports.

**Net zero emissions**  
by 2050



**Reduce emissions intensity by 35%**  
by 2030



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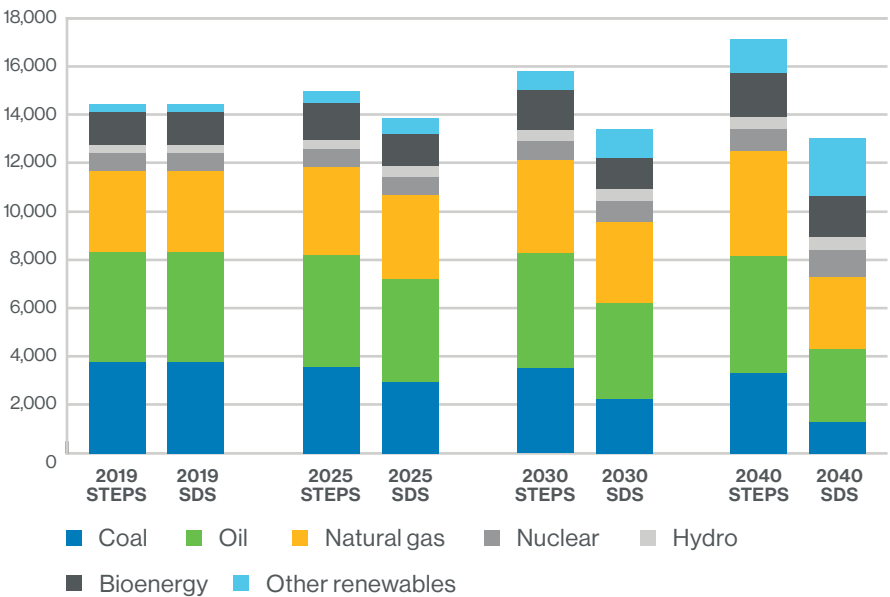
Responsible business

**Meeting growing global energy demand**

While the energy transition is undoubtedly underway, most forecasts – including the International Energy Agency’s (IEA) Stated Policies Scenario (STEPS) and Sustainable Development Scenario (SDS) – suggest that more than half of 2040 energy demand will continue to be met by fossil fuels, including oil and gas. This means that – if we are to address climate change – we need to invest in solutions for producing and transporting cleaner oil and natural gas. We need to do this while we concentrate on developing more renewable energy, improving energy efficiency and investing in the energy systems of tomorrow. We can’t afford to focus solely on one set of solutions. For more details please see our TCFD update in the [ESG Datasheet](#).

**Energy world demand: Stated Policies Scenario (STEPS) and Sustainable Development Scenario (SDS)**

(Mtoe)





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## Our plan to achieve net zero by 2050

### Modernization and innovation

At Enbridge, we encourage innovation at all levels of our organization, across and within all business units, through a structured framework that helps us gather and act on ideas. By applying innovation to our energy transportation and distribution systems, we can increase energy efficiency while minimizing the emissions intensity of current infrastructure. In 2012, we completed a multi-year, multi-million dollar cast iron pipe replacement program that switched out approximately 1,800 km of aging cast iron and bare steel pipe with coated steel and plastic pipe. As a result, GDS reduced its annual fugitive GHG emissions (mostly methane) by around 145,000 tonnes of carbon dioxide equivalent (tCO<sub>2</sub>e). Today, we are focused on replacing older equipment with new technology to capture vented methane emissions and enhance leak detection. The first phase of GTM's modernization program is expected to reduce GHG emissions on our Texas Eastern pipeline by more than 180,000 tCO<sub>2</sub>e annually beginning in 2024. Future phases of modernization have the potential to remove up to 850,000 tCO<sub>2</sub>e of additional GHG emissions each year from our gas transmission facilities by 2034.

We are employing an innovation framework along with predictive analytics to reduce overall energy consumption while reducing GHG emissions. Since the introduction of our innovation framework two years ago, more than 5,000 employees have signed in to our ideation platform with nearly 3,000 taking part in ideation challenges – ranging in size from enterprise-wide opportunities to reduce GHG emissions and energy consumption to department-level challenges seeking to uncover opportunities for process innovations. These

opportunities to contribute ideas and comments have helped build a catalogue of more than 300 innovation and R&D opportunities.

See our [2020 Innovation Report](#) to read our case studies.

### Solar self-powering our assets

We are executing on a strategy that connects our renewable power expertise – which we've developed over the past 20 years – with our goal to reduce our operational emissions. We are putting our know-how to work by building and operating renewable power generation facilities that meet our own electric power requirements.

We have an initial development opportunity of 15 to 20 solar self-power projects and we've put the first of these in place already. The first project on our natural gas transmission system was placed into service in Lambertville, NJ, in October 2020.

The [2.25-MW project](#) is expected to reduce GHG emissions from electricity generation by nearly 60,000 tCO<sub>2</sub>e over its lifetime. Another [2.5-MW solar project](#) entered into operation at our Heidlersburg, PA compressor station in May 2021. We expect similar facilities to begin operating on our gas transmission network over the next two to three years.

We are also exploring a number of projects along our LP rights-of-way. Our 10.5-MW [Alberta Solar One](#) project reached commercial operation in April 2021 and is providing power to our Liquids Mainline. The facility is designed to supply the energy equivalent to powering 1,850 homes, offsetting about 13,300 tCO<sub>2</sub>e annually. We've identified and are developing similar self-power solutions for pump stations across our network of liquids pipelines.

### Procuring low-emission power

We are also pursuing opportunities to meet our electricity needs through the purchase of power from less emissions intensive sources of electricity. Our strategy includes policy advocacy to support the implementation of efficient and effective policies designed to reduce the carbon footprint of electricity grids across North America. This is particularly important as we seek to reduce Scope 2 emissions associated with our liquids pipeline assets.



### Modernizing GTM's compressor fleet

To move natural gas through a pipeline, the gas needs to be pressurized at compressor stations located along the route. In Pennsylvania and New Jersey, our GTM business unit has been executing a modernization project that involves replacing aging compressor stations at 10 locations with more efficient models that is expected to significantly reduce GHG and other criteria air contaminants. The first phase is expected to lower GHG emissions on the Texas Eastern pipeline alone by more than 180,000 tCO<sub>2</sub>e annually by 2024.

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## Offsets and carbon credits

We plan to reduce the vast majority of our emissions using the pathways identified above. Yet, we will look to develop or acquire offsets where necessary to balance residual emissions or as a strategy to advance cost-effective climate solutions.

## Our approach to Scope 3 emissions

Operational emissions from midstream companies like Enbridge account for a small portion of total GHG emissions across the energy value chain. Our immediate focus is on executing on our plan to reduce Scope 1 and 2 emissions. Yet, we are doing our part to reduce Scope 3 emissions as well.

### Investment in renewables and lower-carbon infrastructure

Enbridge has been investing in solutions to reduce third-party (Scope 3) emissions for years. Since our initial investment in a single wind farm in 2002, we've committed more than \$7.8 billion in renewable energy and power transmission projects. Today we have net renewable energy capacity – either operating or under construction – of 2,075 MW of zero-emission energy.

We continue to pursue further investment in [renewable projects](#) to expand our portfolio of projects in North America and Europe. As we evaluate these investment opportunities, we continue to work with partners, including the Canada Pension Plan Investment Board and large European energy companies.

We have three utility-scale offshore wind projects under construction off the coast of France, and we are in late-stage development of additional offshore wind projects in Europe. Currently we have three in operation – one in the UK and two located in Germany.

We believe that RNG – which is produced by turning decomposing organic waste into pipeline-quality methane – provides a cost-effective way to decarbonize sectors like heavy transport. We have six projects either operating or under construction today, including a project supplying the City of Toronto with carbon negative RNG to fuel garbage trucks and several more in the works with municipalities interested in using [RNG for buses](#).

In 2020, Enbridge Gas celebrated the groundbreaking of Ontario's [largest RNG plant](#) in Niagara Falls, and just weeks later announced an investment in a first-of-its-kind RNG project in Alberta that uses a unique technology called thermal hydrolysis to process agricultural and livestock farming waste. We have also recently announced [RNG projects](#) across Canada with Walker Industries and Comcor Environmental.

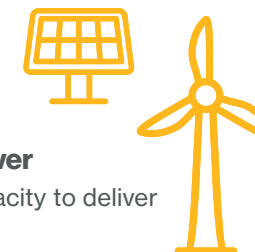
We are an early investor and a big believer in hydrogen. Our natural gas infrastructure will be critical to the development of a hydrogen economy in North America. We've built expertise by building and operating Canada's first utility-scale power-to-gas plant. This 2.5-MW green hydrogen energy storage project (expandable to 5 MW) helps balance the provincial electricity grid. We recently received regulatory approval to undertake a [pilot project](#) in Markham, ON, to blend hydrogen into select portions of the local natural gas distribution network. This is the first project of its kind in North America and it starts to

illustrate how existing assets are critical components of future energy systems.

In Quebec, we're developing a renewable energy ecosystem based on [green hydrogen](#).<sup>1</sup> And, since we move about 20% of the natural gas consumed in the U.S., we're actively exploring how much hydrogen can be blended into our natural gas transmission and distribution system.

In total, and inclusive of projects under construction, Enbridge currently has 23 wind assets, seven solar energy sites, five waste heat recovery facilities, one hydro facility, one geothermal facility, six renewable natural gas (RNG) facilities, three compressed natural gas (CNG) fueling stations<sup>2</sup> and one green power-to-gas hydrogen facility.

**\$7.8B**  
invested in  
renewable power  
with the net capacity to deliver



**2,075 MW<sup>3</sup>**  
of zero-emissions power  
to customers in the U.S., Canada  
and Europe, which is equivalent to  
the energy consumption of about

**940,000**  
homes<sup>4</sup>



<sup>1</sup> [Green hydrogen](#) is generated by renewable energy sources without producing carbon emissions.

<sup>2</sup> Enbridge also has CNG fueling stations at many of its offices/depots and a CNG rental program for customers.

<sup>3</sup> In operations and under construction

<sup>4</sup> As at May 2021

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Scope 3 metrics

Enbridge currently tracks and reports on the following Scope 3 data: utility customer natural gas use, employee air travel and electricity grid loss. Despite limited guidance defining Scope 3 parameters for the midstream sector, Enbridge is committed to tracking and reporting Scope 3 emissions. To that end, we’ve developed a new metric designed to measure the emissions intensity of the energy we deliver.

- **Emissions intensity of the energy we deliver –**  
This metric – a response to a growing desire to differentiate energy products on the basis of their lifecycle emissions – measures the upstream emissions intensity of the energy that Enbridge delivers on behalf of its customers.

The graph below shows a slight decrease in the emissions intensity of the energy we delivered between 2018 and 2020. Over time, this metric will reflect both emissions reductions achieved by our customers and how further diversification of our business impacts our emissions profile. Our supplemental measurement methodology can be found in the Appendix, [page 62](#).

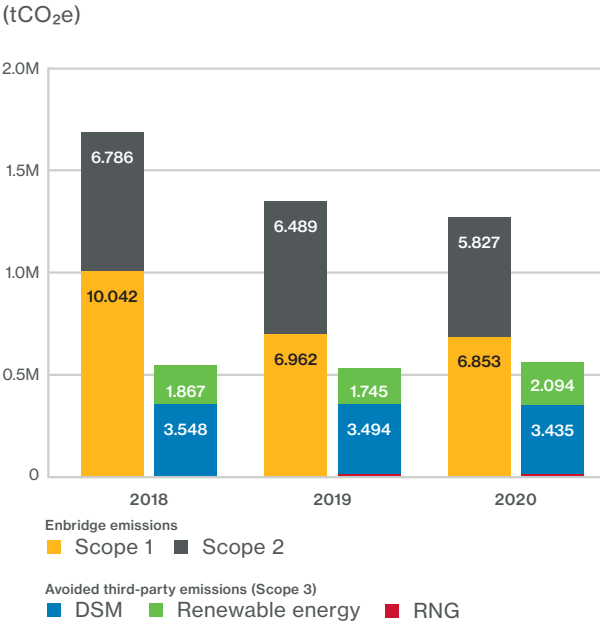
	2018	2019	2020
Enbridge upstream emission intensity (kgCO <sub>2</sub> e/GJ) <sup>1</sup>	12.99	12.91	12.65

We have also developed a metric to illustrate how Enbridge’s low-carbon investments help to reduce third-party emissions.

- **Enbridge’s contribution to avoidance of third-party emissions –** This metric recognizes how Enbridge’s investments in RNG, Demand Side Management (DSM) and renewable energy help to advance the energy transition.

The chart to the right illustrates that our investments have avoided more than 2 million tCO<sub>2</sub>e per year since 2018. Our supplemental measurement methodology can be found in the Appendix, [page 62](#).

Enbridge’s contribution to avoidance of third-party emissions



<sup>1</sup>Our acronym kgCO<sub>2</sub>e/GJ refers to kilogram carbon dioxide equivalent per gigajoule.



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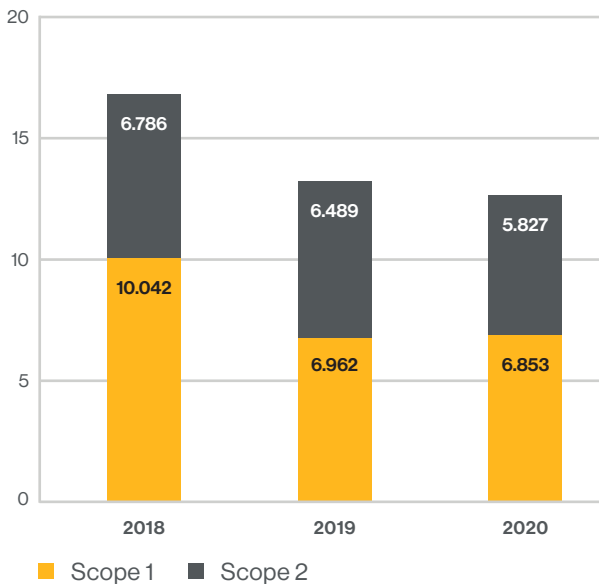
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## What are Enbridge’s Scope 1, 2 and 3 emissions?

### Scope 1 and 2 GHG emissions

(million tonnes CO<sub>2</sub>e)



**Scope 1 GHG emissions** result directly from our operations. They include, for example, emissions from combustion in compressors, boilers or vehicles, as well as emissions from processing equipment (i.e., fugitive and venting emissions). Our GTM and GDS business units have primarily Scope 1 emissions because they use natural-gas powered compressors to deliver gas into and through pipelines. In 2020, our company-wide Scope 1 GHG emissions were about the same as 2019 levels, though our Scope 1 emissions fell approximately 32% between 2018 and 2020.

**Scope 2 GHG emissions** result from the off-site generation of electricity, which we buy and consume. Our LP business has primarily Scope 2 emissions because it uses electric pump stations to push crude oil through its pipelines. In 2020, our Scope 2 emissions were reduced about 10% from 2019, mainly due to reduced power consumption within LP and a reduction in the carbon intensity of the energy we purchased from the grid. Between 2018 and 2020 our Scope 2 emissions decreased by approximately 14%.

**Scope 3 GHG emissions** result from our utility customers’ natural gas use, our employee business air travel, and electricity grid transmission and distribution loss (grid loss). In 2020, our grid loss–related Scope 3 GHG emissions were significantly lower than 2019 – the result of a lower Canadian grid loss factor. Our Scope 3 GHG emissions from employee business air travel were also reduced by 79% related to 2019. This was a direct result of reducing employee travel during the pandemic. Our Scope 3 customers’ natural gas consumption was reduced by 6% from 2019, due to reduced customer sales at GDS.

### Scope 3 GHG emissions<sup>1</sup>

(tCO<sub>2</sub>e)

	2018	2019	2020
Transmission and distribution loss			
Total	419,000	396,000	176,000
Employee business air travel			
Total	7,200	6,600	1,400
Our customers’ natural gas consumption			
GDS	49,800,000	50,500,000	47,300,000

For a further breakdown of our GHG emissions, please refer to our [2020 ESG Datasheet](#).

<sup>1</sup> We currently only report Scope 3 emissions related directly to our operations and our utility customers’ natural gas use. We provide high-level estimates of the Scope 3 emissions resulting from transmission and distribution losses from our electricity usage.

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## Methane performance

Natural gas is key to a lower-carbon future. As a cleaner, more efficient source of energy, it helps meet North America's growing energy needs in a way that is economically, environmentally and socially responsible. Yet, if natural gas is to meet its full potential as a climate solution, we need to find ways to reduce emissions of methane, a colorless, odorless gas that's both the primary component in natural gas and a potent GHG if released into the atmosphere before being combusted.

We use a range of approaches at our facilities to detect and reduce methane emissions. The majority of these emissions are from our GTM and GDS business units. In 2020, the total volume of methane released from our operations was approximately 2% less than it was in 2019. Methane is one of the three main GHGs included in our Scope 1 GHG emissions inventory. As a percentage, methane comprised 22% of total Scope 1 emissions in 2020, which is the same percentage as it was in 2019.

## Energy efficiency for our utility customers

Through a wide range of Demand Side Management (DSM) programs, we encourage our natural gas customers – from homeowners to industrial facilities – to adopt energy-saving equipment and operating practices to reduce energy consumption. Between 1995 and 2020,<sup>1</sup> GDS's energy efficiency programs reduced customer consumption by 29.2 billion<sup>2</sup> cubic meters of natural gas, which is enough natural gas savings to serve nearly 12.7 million homes<sup>3</sup> for one year. These gas savings have resulted in a reduction of 54.7 million<sup>4</sup> tonnes of

GHG emissions, roughly equal to removing 11.9 million<sup>5</sup> cars from the road for one year – all lowering emissions in our value chain.

## Methane emissions

(million tonnes CO<sub>2</sub>e)



<sup>1</sup> Assumes a residential customer using 2,400 m<sup>3</sup> per year to heat their home and water

<sup>2</sup> For combined savings, assumes 50% savings in first year of program launch

<sup>3</sup> Assumes a residential customer uses 2,400 m<sup>3</sup> in Enbridge rate zone and 2,200 m<sup>3</sup> per year in Union rate zones to heat their home and water

<sup>4</sup> Assumes 1.874 kg of CO<sub>2</sub>e are emitted for each m<sup>3</sup> gas that is consumed

<sup>5</sup> Assumes the average passenger vehicle produces 4.6 tonnes of CO<sub>2</sub> per year

Below are some examples of the associations we currently collaborate with on various initiatives aimed at innovation and promoting energy efficiency solutions across the natural gas value chain.



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## Land use, biodiversity and water

Natural resources and green spaces are precious to every community, and we know that the way we care for the air, land and water matters.

Our projects and operations are designed to have minimal impact on the environment. We also invest in programs that promote environmental stewardship, conservation, habitat remediation and environmental education, working closely with local and Indigenous communities and other stakeholders to promote environmental values and priorities that are important to us all.

Each business unit must implement an integrated management system and an environmental protection program (EPP) that meet the Company's requirements and ensure regulatory and permit compliance. The goal of the EPP is to anticipate, prevent, manage and mitigate environmental risk and conditions that could adversely affect the environment.

### Land use and biodiversity

Our EPPs include land and wildlife management plans to support both project development and operations and to identify and monitor any potential impact to land or wildlife. For each project, we develop unique species-at-risk plans that include identification and avoidance measures, as well as necessary mitigation measures. We also utilize an enhanced electronic environmental screening checklist during environmental planning for projects in our GDS business unit.

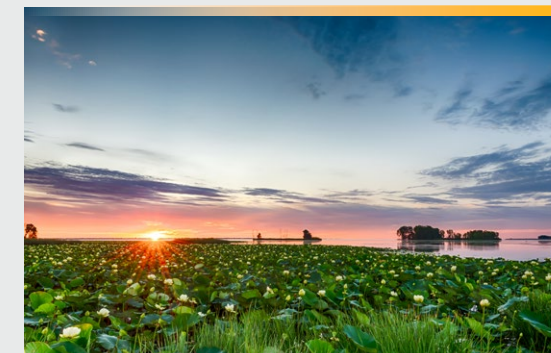
Engineering and technical services teams integrate biodiversity considerations into the design, construction, maintenance and operation of our assets to balance the protection of land, plant sensitivities and animal life with business requirements. Measures include, for example, environmental and cultural assessments to identify sensitive areas and use of pre-existing rights-of-way where possible.

### Water

Our primary water use is for [hydrostatic pressure](#) testing. Our teams have detailed procedures in place to evaluate water quality prior to release or disposal – either returning it to the original source or via other approved disposal methods. Water usage fluctuates from year to year depending on the number of hydrostatic pressure tests performed. On average, more than 99% of water used in testing is returned to its natural environment.

Enbridge has robust operational practices for protecting water quality and resources when pipeline infrastructure crosses a waterway. When pipelines are submerged, we employ divers to inspect the infrastructure at select locations.

In 2020, the Enbridge Straits Maritime Operations Center (ESMOC) became fully operational, coordinating an array of marine safety systems to prevent an anchor strike on our [Line 5](#) dual pipelines while the Great Lakes Tunnel is built. Coordinating patrol boats, wireless and radio communications, high-definition camera feeds and weather-monitoring equipment, the ESMOC represents an unprecedented level of maritime monitoring capability for a commercial company. See our [infographic](#).



### Wetland conservation

Enbridge is undertaking a voluntary wetland enhancement project with Williams Lake First Nation as part of the Compressor Station 6A (CS-6A) reliability and expansion program in British Columbia (BC). In 2020, we excavated a new wetland adjacent to an existing wetland on the CS-6A property. Willow live stakes were planted along the margins of the new wetland, and a robust riparian planting initiative will see Williams Lake First Nation plant and maintain various native species of trees and shrubs over the course of 2021.



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# Safe operations

There's no question that building a bridge to a better future starts with safety; if we don't get this right, nothing else matters. It's our duty to keep the public, the members of our team and the environment safe.

We believe every incident can be prevented—a mindset that drives every one of our decisions, actions and interactions. Toward our goal of zero incidents and injuries, we strive to make our operations safer, to strengthen the system of barriers and controls that prevent leaks and releases, and build a stronger culture, where all team members demonstrate leadership in their pursuit of safety.

## In this section

Safety

Asset integrity and reliability

Relevant SDGs associated with this section:



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## Safety

Safety is one of our core values, and our six safety principles highlight the fundamental beliefs we share on our path to a zero-incident workplace:

- All injuries, incidents and occupational illnesses can be prevented.
- All operating exposures can be controlled.
- Leaders are accountable for safety performance.
- All employees and contractors are responsible for safety.
- Assessment and improvement are a must.
- We promote off-the-job health and safety for our employees 24/7.

Enbridge's [Safety and Reliability Policy](#) articulates our overarching commitment to safety and is an umbrella policy that incorporates policies related to six management programs that each business unit must implement. A robust [governance framework](#) identifies safety accountabilities and responsibilities at every level of the organization – from Enbridge's Board of Directors through to all workforce personnel (including employees and contractors). Among other things, everyone has the authority to stop unsafe work and is expected to report hazards, potential hazards and incidents. Safety performance metrics are tied to each Enbridge employee's short-term incentive pay.

Since 2019, we have been embedding the new Enbridge Safety Culture Framework into our organization. The Framework identifies four key traits – leadership, ownership, vigilance and resilience – which, taken together, create the model for a strong, well-functioning and sustainable safety culture, and drive excellent safety performance. We break each of these traits down into attributes and key behaviors that can be measured through regular surveys and assessments, allowing us to track them over time and map them against our teams' safety performance.

Our new ESG goals include safety goals of achieving a 10% improvement over the previous three-year average total recordable incident frequency (TRIF) rate for employees and contractors, and maintaining industry-leading safety performance against U.S. Bureau of Labor Statistics benchmarks. To help us get there, we'll need to execute well on the things we already do. We're also conducting research into safety best practices – within and outside our industry – to inform our next three-year safety strategy.

### Safety during the pandemic

Throughout the [COVID-19 pandemic](#), Enbridge has continued to safely and reliably provide an essential service across North America.

While we enacted work-from-home plans where possible, we also implemented a robust COVID-19 safe work protocol for employees who work in our Control and Call

Centers, or in field operations. Measures include physical distancing, restricted facility access and enhanced cleaning protocols at all worksites.

A detailed COVID-19 preparedness plan was created for Line 3 construction in Minnesota and Line 21 construction in the Northwest Territories. On the Line 3 Replacement Program, all workers are tested on days one and seven, and biweekly thereafter, with about 75,000 tests performed in total in 2020. We've also had regular status meetings and two-way information sharing with the Minnesota Department of Health and the Government of Northwest Territories.

As the pandemic has worn on, we've introduced a COVID-19 fatigue action plan, which includes employee computer-based training on COVID-19 hazards, and videos with first-person accounts from people who had been infected. Operational measures have included a review of Safety Leadership in Action records for COVID-19 safety observations and investigations of workplace exposures.

Our Health Services team has been extremely engaged and provided direct support to employees as needed. Employees call in if they become infected and the Health Services unit subsequently conducts necessary contact tracing. Feedback from external medical experts and our own workforce is informing the eventual return to our offices.

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## Our Lifesaving Rules

Nearly a decade after first introducing our six [Lifesaving Rules](#) (LSRs), we updated the LSRs as of January 1, 2021, to reflect how our safety culture has evolved, and to make the rules clearer and easier to understand and apply to our work.

At the same time, we added a seventh to emphasize the importance of safety-critical equipment and controls in keeping our people and systems safe. It reads: “I will obtain authorization before overriding or disabling safety critical equipment or controls.” This LSR was introduced based on a review of past incidents, which showed that this hazard – like the other hazards covered by the LSRs – is high risk and high consequence and exists in all parts of our business.

Each LSR highlights key actions and behaviors that address the critical hazards that the rules target, and which can prevent serious or fatal incidents. They are intended to heighten our awareness of the high-risk, high-consequence hazards we face in our work, and to supplement and support existing management systems, programs and policies.

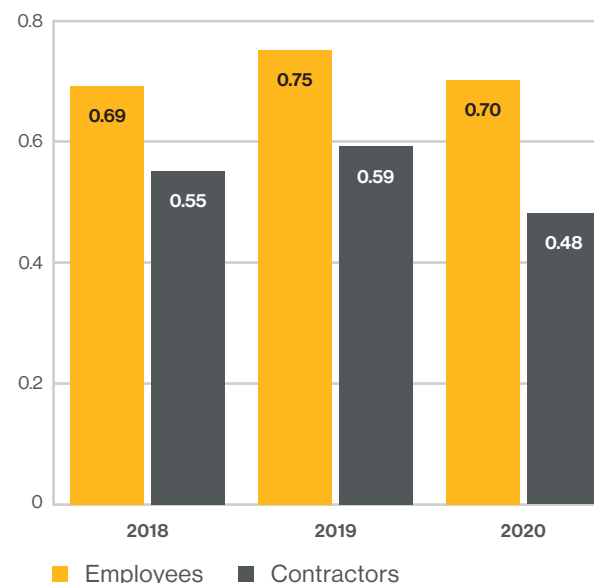
## Our 2020 safety performance

Despite a year that presented challenges in the way we work, our combined employee and contractor injury frequency rate improved compared to 2019 – from 0.66 in 2019 to 0.57 in 2020. However, with two fatalities – one of a contractor working on the Line 3 Replacement Program and the other of a subcontractor at the Lac Alfred wind farm in Quebec – we were both saddened and reminded of the hazards of our business. Following any such incident, we conduct a thorough investigation to identify and apply lessons learned. We promptly

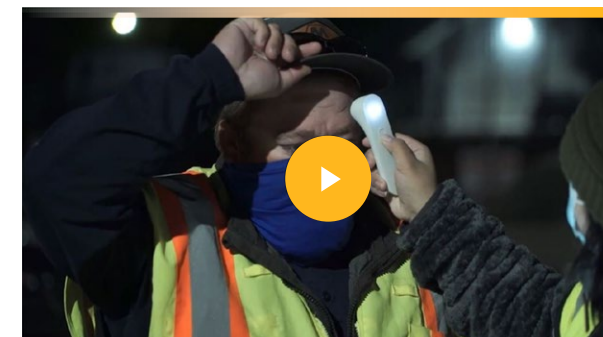
address deficiencies revealed through these activities and communicate what we learn across the organization to strengthen our systems and make our workplace safer. For additional safety metrics and performance, see our [2020 ESG Datasheet](#).

## Total recordable incident frequency<sup>1</sup>

(per 200,000 hours worked)



## Construction safety in the COVID era



“They have gone above and beyond,” says Julie Hardy, the Public Health Director for Pembina County. “They are taking the initiatives that are needed to be taken to ensure safety.”

<sup>1</sup> The number of reported work-related incidents that result in a fatality or injury



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## Asset integrity and reliability

We believe that pipelines are the safest and most reliable way to transport the oil and natural gas that fuel our economy and enable modern society. While infrequent, spills or releases of oil or gas are possible and have the potential to affect people, communities and the environment. Our asset integrity practices are aimed at ensuring that our pipeline systems are maintained in the condition they were designed to be – so that the environment and those living around pipelines are protected, and that we can ensure the reliable and safe delivery of energy to our customers.

We take a lifecycle view of system safety, from design and construction, to prevention and asset integrity, to ongoing monitoring and leak detection. We've steadily advanced the use of predictive reliability modeling to support risk-informed decision-making. Instead of basing inspections solely on legal requirements or known degradation problems, our business units supplement fitness-for-service assessments with reliability models that address uncertainty and potential gaps in our pipeline condition monitoring. This combination of reliability assessments and fitness-for-service assessments has greatly improved the integrity management of our liquids pipelines and is now being applied enterprise-wide.

Our integrity management programs include specific triggers for when precautionary actions must be taken. Lessons from near misses and incidents, including incidents experienced by other pipeline companies, are

shared within the Company, reviewed on a recurring basis and fed into the ongoing improvement and quality controls for our procedures and practices. Surveys also bring the voice of our employees into the conversation about continuous improvement to identify challenges, opportunities and innovations.

Continuous improvements toward a goal of

**zero incidents**



To underscore our commitment to our goal of zero incidents, we implemented a new voluntary industry standard (CSA Z260-19: Pipeline system safety metrics) for pipeline system safety performance enterprise-wide in 2020. The heightened transparency around leaks and releases is resulting in conversations about the cause of, and how to prevent, even very small incidents with the most senior members of Enbridge's leadership and has been used to establish a baseline for setting business unit targets going forward. This new integrity management standard is intended to drive industry-leading practices across Enbridge so that safety of our assets is demonstrated, not assumed.

Explore our commitment to pipeline safety, on land and water, through this [interactive experience](#).



### Disruptive technology for inline inspection

Inline inspection tools are highly complex pieces of equipment that use advanced sensors to inspect pipeline walls from the inside – searching for tiny imperfections, dents, metal loss, corrosion or cracking.

Enbridge and NDT Global have developed a next-generation crack tool (NGCT) to support our inspection efforts. The technology examines the pipe wall's interior from different angles, and detects and sizes previously undetectable features that warrant a closer look. Ultimately, this means better fitness-for-purpose assessments on our pipeline network and reduced water usage by proving line integrity without the need for hydrostatic testing. The NGCT collected 239 Terabytes of data in inspecting about 524 kilometers of pipe along our mainline crude oil and liquids network in 2020, allowing us to ensure that our pipeline network is reliable and safer than ever.

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## Drone-based aerial right-of-way surveillance

Our use of drones has expanded rapidly since we started using them across the Company in 2018. Drone operations now include flood monitoring, construction monitoring, survey work and 3D mapping. We're also supporting development of new capabilities, such as beyond visual line-of-sight operation (BVLOS), which would open up a range of new uses.

In 2020, Enbridge team members participated in two key initiatives to advance BVLOS capabilities. In the U.S., we're involved in a collaborative project, sponsored by the Pipeline and Hazardous Materials Safety Administration (PHMSA) and the Pipelines Research Council International (PRCI), which is demonstrating automated detection of threats to pipeline operations on a long-endurance (17 hours) unmanned platform.

In Canada, we've been supporting efforts enabled by Transport Canada, who issued the first BVLOS permit for inspecting remote oil and gas assets in civilian airspace to Alberta-based Canadian drones. Late in 2020, we successfully completed an eight-kilometer BVLOS flight over a stretch of Enbridge's pipeline right-of-way in the Athabasca region, capturing high-resolution visible and thermal imagery, while demonstrating airline-grade safety infrastructure.

## Lessons from the Shelley incident

In March 2020, the Transportation Safety Board (TSB) released its investigation findings on the Shelley natural gas pipeline incident, which occurred in October 2018, north of Prince George, BC. The TSB determined that we had not adequately implemented a stress corrosion monitoring program that would have identified the problem section of the pipe.

Following the incident, we completed a comprehensive pipeline integrity program on our natural gas pipeline system in British Columbia to prevent similar incidents from occurring and to significantly improve pipeline safety. We've posted an [overview](#) on our website.

In conjunction with the TSB report release, we undertook an outreach program with local communities along the British Columbia GTM pipeline system (Westcoast Energy Inc.), in which they shared the results of our integrity review, discussed the TSB recommendations and outlined what we had learned and the changes we had made to our program.

## Emergency preparedness and response

While we plan for safe, reliable, incident-free operations, potential threats to our business can come in many forms – including pandemics, natural disasters or emergencies involving workers and damage to oil and gas facilities – and we must be prepared. As an operator of critical energy infrastructure, we have measures in place to anticipate risks, and to respond to and minimize impacts should an incident occur.

Our emergency preparedness and response systems are regularly tested and enhanced through our experience and learnings, and through industry best practice. We partner with local first responders, emergency management groups, industry associations and provincial/state and federal agencies to ensure our preparations are sound and the coordination will be effective in the event of an incident.

Employees and contractors are well trained and equipped to ensure a safe, rapid and effective response. We also maintain the Enbridge Enterprise Emergency Response Team (E3RT), a cross-business unit group trained to respond to large-scale events in Canada and the U.S.

In 2020, we conducted more than 186 exercises and emergency response drills based on real-life scenarios to hone our skills and capabilities. We took a big step forward by greatly increasing Indigenous participation in these training exercises. We also created a new incident notification protocol for informing Indigenous communities and small communities about incidents.

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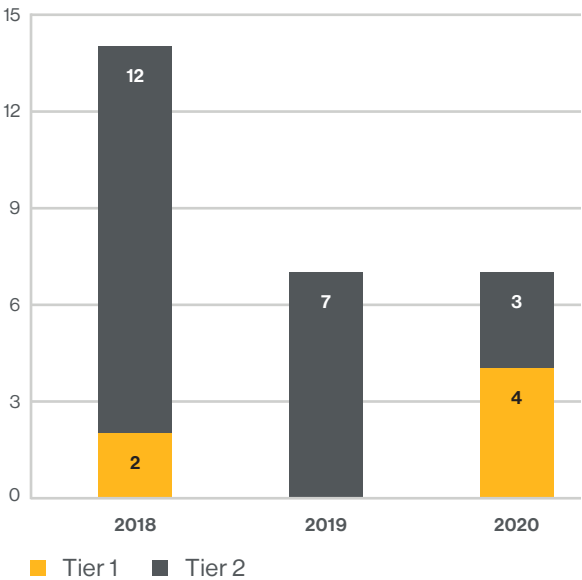
## Our 2020 performance

For the purpose of this report, we include incidents from all of our businesses that are consequential and reportable to our Board. Highlights from our 2020 performance include:

- No mainline leaks from our Liquids Pipelines in 2020 and a sustained low number of releases at Enbridge liquids facilities
- A decrease in the number of Tier 1 and Tier 2 gas pipeline and facility releases over previous years

### Number of process safety events for liquids/liquids systems

(Tier 1<sup>1</sup> and Tier 2<sup>2</sup>)

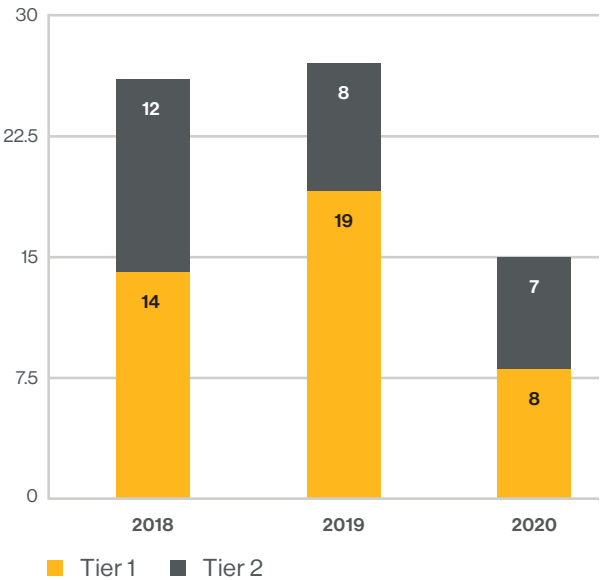


Unfortunately, Enbridge did experience one rupture on a gas transmission pipeline in 2020. No injuries resulted from this incident. Lessons learned from this incident have been used to not only improve how Enbridge manages the integrity of its remote pipeline segments but also industry standards of practice.

A description of all Tier 1 events is provided on [page 61](#).

### Number of process safety events for natural gas

(Tier 1<sup>1</sup> and Tier 2<sup>2</sup>)



We detect a large number of small leaks on our utilities networks each year because of the significant number of natural gas delivery points. In the vast majority of cases, these below-ground or outside leaks are not hazardous due to the system's low delivery pressure, small line capacity and odorization, which serves as a warning sign.

The low-hazard nature of these small leaks means the majority fall below our reportable (Tier 2) process safety event criteria. Leaks due to third-party damage to pipeline assets make up a significant portion of these releases. To help prevent third-party damage, Enbridge has an extensive public education program for pipeline safety awareness to promote safe digging practices. Enbridge continues to foster a proactive approach to reducing damages by liaising with the excavating community, adopting best practices and identifying opportunities through the advancement of technologies. Enbridge also supports and is a member of one-call and locate services to drive excavation safety.

Natural gas distribution	2018	2019	2020
Network damages per 1,000 third-party locate requests	1.96	19.30	2.24

<sup>1</sup> Tier 1 events are commodity releases with greater consequences and/or higher releases volumes.  
<sup>2</sup> Other reportable incidents, termed Tier 2 events, are commodity releases with lesser consequences.



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# Inclusive society

By living our values — everywhere we operate and in everything we do — we can advance Indigenous reconciliation, strengthen local communities and build bridges to a more inclusive and prosperous future.

With the COVID-19 pandemic and the incidents of racial injustice witnessed in 2020 exposing vulnerabilities and hard truths about the persistence of systemic racism in our society, we feel a sense of urgency to harness our values to drive change. We know that Enbridge, and our stakeholders, will be the better for it.

## In this section<sup>1</sup>

Indigenous inclusion

Community engagement

Corporate citizenship

Supply chain management

Relevant SDGs associated with this section:



<sup>1</sup>To learn about our workforce diversity and inclusion efforts, see [page 47](#).

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## Indigenous inclusion

It's paramount for Enbridge's long-term success, and that of our industry, to have more diverse perspectives coming from the Indigenous peoples who are so deeply tied to the land on which our business operates. At this pivotal moment in history, our society also needs the full participation of Indigenous Nations and groups if we are to drive the changes required to create a better future for people and the planet.

As a company that engages regularly with more than 300 Indigenous Nations and groups in Canada and 30 federally recognized Native American Tribes in the U.S., we believe that Enbridge can and should lead the way on Indigenous inclusion.

Our approach to Indigenous relations recognizes the legal and constitutional rights possessed by Indigenous peoples in Canada and the U.S. and respects their history, uniqueness and diversity. Our [Indigenous Peoples Policy](#) is the cornerstone of our engagement efforts, outlining the key principles to which we always return. We are also guided by the United Nations Declaration on the Rights of Indigenous Peoples and, in Canada, the Truth and Reconciliation Commission's Call to Action 92, which calls on companies to ensure that Indigenous Peoples are included in and benefit from their business activities.

Internally, we use the Indigenous Lifecycle Engagement Framework (the "Framework"), which, in addition to building out the "how" and "what" of engagement, outlines our commitment to build enduring and respectful relationships with Indigenous Nations, governments or groups. Our Framework promotes a consistent level of engagement across the Company, for the lifecycle of our assets, while respecting the unique needs and interests of different Indigenous communities.



In addition to meaningful consultation practices, we engage with Indigenous communities to invest in projects and initiatives that create short- and long-term economic benefits. We have seen tremendous results through our Socio-Economic Requirements of Contractors process – spending \$480 million toward Indigenous suppliers and workers on our Line 3 Replacement Project alone.

We regularly review our Policy and approaches to ensure they are aligned with best practices and the expectations of Indigenous Nations and groups – and to drive meaningful progress. To this end, we set two new goals in 2020:

**3.5%** representation within our workforce of Indigenous peoples by 2025

To build respect and trust, communities must see themselves in us. While historically we have prioritized hiring Indigenous peoples for projects, we want to increase the number who work as permanent employees. In 2020, Indigenous people made up approximately 2% of our workforce.

Toward our goal, we initiated an Indigenous Employment Program, hired an Indigenous recruiter in 2020 and, where permitted by law, we seek Indigenous preference in select job postings. As a primer, we identified a number of positions, including a mix of field and professional roles, to be filled by Indigenous candidates. Our hope is that these roles will be a catalyst for more Indigenous hiring.

**100%** of all employees to complete Indigenous awareness training by end of 2022

To improve our understanding of Indigenous history, traditions, rights and culture, we updated our Indigenous awareness course in 2020 and are making it mandatory for all employees. The new course includes tailored versions for Canada and the U.S. and is being delivered by Indigenous non-profit organizations. We're off to a good start toward our 2022 goal.

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## Community-specific engagement and collaboration

Every Indigenous nation we engage with is unique. We strive to address the specific priorities, goals and concerns of the Indigenous communities near our projects and operations through direct and regional engagement and collaboration. Examples are provided on this page and the next.

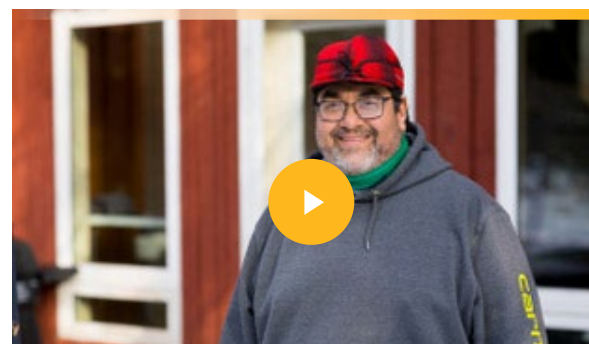
### Tribal inclusion and economic participation in Minnesota

The Line 3 Replacement Program (L3RP) is replacing aging pipeline infrastructure with state-of-the-art technology to help ensure that Minnesota and the surrounding region are connected to secure, reliable and growing supplies of North American crude oil.

We've worked closely with Tribes to make certain their communities benefit and their resources are protected. The project is proceeding under the supervision of independent Tribal construction monitors. In the event that tribally-significant cultural resources are identified, the monitors assess each location and make recommendations regarding their ongoing protection and treatment to federal and state agencies, and to the consulting Tribal nations.

As part of the project, Enbridge committed to spend US\$100 million with Indigenous businesses in Minnesota. As of March 31, 2021, we had already spent US\$250 million. This included spending on empowerment, skills and union training; engaging labor coordinators; hiring Native American businesses; using Tribal monitors during construction; creating a Native American business directory for the project; and hiring liaisons from Tribal communities.

By the end of March 2021, there were 501 Tribal workers on the project, representing 6% of the overall workforce. Empowerment and union training are continuing through construction. We also now have nearly 500 Tribal-owned businesses in our database that we'll be able to call on for future work. Our hope is that we can take the talent that was found and mentored on the L3RP and find positions for these individuals within Enbridge.



"I have never worked for a better company. They put their money where their mouth is, including Tribal employment," says Roland, a Tribal liaison with Enbridge and an enrolled member of the Red Lake Band of Chippewa Indians. Watch the [video](#).

## Working safely in Northwest Territories

Many Indigenous communities made it clear that they – like us – didn't want to shut down projects because of the pandemic. With that in mind, we worked together to ensure that planned projects carried on. For example, on Line 21 in Canada's Northwest Territories, two operational and maintenance projects were completed. During upfront planning, we used a variety of alternative and innovative engagement methods to come to an agreement with the local communities on how to approach the work, while continuing to provide an exceptional amount of local and Indigenous inclusion and keep people safe through rigorous COVID-19 protocols.



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**Upholding commitments in Eastern Canada**

Our teams in Eastern Canada found creative ways to include Indigenous communities in ongoing monitoring of proposed Enbridge Gas projects. While in the field, archaeologists used real-time video to enable Indigenous archaeological monitors to oversee the day-to-day activities. When real-time footage was unavailable, daily video footage and field reports of key archaeological activities were provided to community monitors for feedback and inquiry. This work was followed by more formal engagement in the form of findings briefs to promote ongoing dialogue surrounding the field work and integrate findings into project reports.

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Engaged directly with 300+ Indigenous Nations and Native American Tribes in projects and operations across North America in 2020.

Through Enbridge's involvement with the [East-West Tie Transmission Project](#) in Ontario, this critical energy infrastructure asset will result in a 20% equity ownership stake for six Indigenous communities engaged on the project. Apart from a pause in the spring of 2020 due to COVID-19 restrictions, construction continued throughout the year with an average rate of Indigenous participation in the workforce of over 40%.

**Consultation and inclusion in British Columbia**

In British Columbia, we undertook a comprehensive consultation program – including letters, mailout packages, virtual meetings and town halls, phone calls, site visits and capacity funding – for an integrated vegetation management (IVM) permit renewal.

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More than \$360 million generated in Indigenous economic opportunities in 2020. For other supplier diversity spend please see [page 43](#).

IVM is a decision-making process that coordinates the knowledge of problem vegetation biology, current best management practices, environmental impact information, traditional ecological knowledge, and newly-available technology to prevent unacceptable levels of problem vegetation damage.

The [permit](#) commits to enhanced engagement with First Nations on vegetation management moving forward. Five Indigenous businesses also became master service agreement holders through a related strategic sourcing initiative, which means they'll be included in any economic opportunities related to the IVM work.

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\$1.6 million to COVID-19 relief.

With Indigenous and Tribal communities facing unique hardships created by the COVID-19 pandemic, Enbridge provided \$1.6 million to more than 150 Indigenous and Tribal groups in communities located near our assets. Learn more about our COVID-19 relief efforts in the [Corporate Citizenship](#) section of this report and on our [website](#).

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## Community engagement

Ongoing engagement is essential for creating and sustaining long-term value for landowners and communities near our projects and operations, and ensuring we maintain our business. Through dialogue and community participation, we seek to build trust and understanding, and cultivate relationships that enable us to constructively address stakeholder needs.

Our engagement efforts are more important than ever. We want to hear stakeholders' points of view and use every opportunity we have to explain how we see the energy transition unfolding and what we're doing to bridge to a safer and cleaner energy future.

We are guided by our [Corporate Social Responsibility Policy](#), which commits us to clear, honest and respectful interactions, and initiatives that we undertake to adhere steadfastly to our values and be customized to local needs. We also engage with Indigenous peoples and groups living near our projects and operations in Canada and the U.S. However, because in both countries Indigenous peoples have distinct rights, we recognize them as being separate from other stakeholders. For more information, please see the Indigenous inclusion chapter of this report.

Regional engagement plans (REPs) are the integration platform for engagement activities in each of our U.S. and Canadian regions, including community engagement, public awareness and safety programs and community investment. The REPs are evergreen documents maintained by Enbridge employees in regional project planning, operations and community engagement roles to help us identify risks and opportunities, and coordinate our actions.

Enbridge's enterprise-wide public awareness program meets, and often exceeds, regulatory requirements. This communication program is dedicated to informing and educating neighbors, landowners, the digging community (including developers, excavators and farmers), Indigenous groups, municipal and emergency officials, and others about the presence of pipelines and associated facilities in their communities and how to live and work safely around them. To learn more about our program, visit our [Public Awareness Program](#) page or visit the [Safety](#) page on the Enbridge Gas website for residential customers.

Should stakeholders have questions that aren't addressed through our regular engagement processes, we have mechanisms in place for documenting, addressing and resolving these items.

Questions raised by communities near our projects or operations have included pipeline safety, routing, site remediation, security, noise and environmental impacts. We offer stakeholders a variety of methods to reach us, including toll-free telephone numbers, in-person meetings, public meetings and tours, and electronic communications and web pages.

Public awareness, through both internal and external evaluation processes driven by regulation, identifies and acts on areas of the program that drive continual program improvement and enhance the safety of the communities in which Enbridge operates. Areas under current review include (but are not limited to) enhancing how we use risk to guide the program, how we deliver our supplemental safety messaging (content and method/medium) and creating additional public awareness tools for our field personnel.

### Community engagement process



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## Our 2020 engagement priorities

While the pandemic prevented us from conducting many of our engagement activities in person, we found different ways to connect with our community stakeholders during the year – pivoting to virtual meetings, virtual open houses and more.

Supporting communities in need was a primary focus this past year. We worked closely with non-profit partners, Indigenous neighbors, and local governments to identify where resources were needed most and collaborated with our Corporate Citizenship team to provide support. See Corporate Citizenship, [page 41](#), to learn more.

During the initial outbreak of COVID-19, Enbridge donated funds as well as safety equipment to help critical organizations continue to operate throughout the pandemic. In Houston, through the Greater Houston Partnership, we donated Tyvek protective suits to the Houston Methodist Hospital to keep doctors, nurses and other staff safe as they treated patients. In Albany, GA, we supplied the Boys and Girls Club of Albany with KN95 masks, and also provided funds for food boxes that were given out to the community. Our partnership with the Boys and Girls Club of Albany has spanned many years, both through Phase I and II of the Sabal Trail Transmission Project, and has continued into operations. We placed Phase II of our project, which consisted of providing incremental capacity through the addition of two compression stations, one in Georgia and one in Florida, into service safely in May 2020, following all COVID-19 safety protocols implemented by both our company and local communities.

We also continued major engagements related to our Line 3 and Line 5 construction projects.

## Line 3 Replacement Program (L3RP) regulatory process and community outreach

Enbridge creates customized engagement plans for each project, in alignment with project permitting requirements, to understand stakeholder issues, answer questions, obtain input on project plans and inform our actions.

To show the extent of our engagement in Minnesota, we produced a [fact sheet](#) of the regulatory process and community outreach conducted for the L3RP. In total, more than 3,500 community engagement meetings and 70 regulatory process public meetings were conducted between 2014 and 2020. We also created an [L3RP hub](#) on the Enbridge website for all project-related brochures, fact sheets, videos and articles, including an innovative virtual [open house](#) and a [Line 3 Newsroom](#).

With L3RP permitting complete and construction underway, the project enjoys widespread community support; however, it also has its detractors. We continue to engage actively with local communities, to keep them informed and involved in the project and to find common ground. We keep stakeholders up to date on construction activities through monthly virtual project updates and a quarterly project newsletter.



When the ask came to our team, I thought, “We deliver energy to heat and power homes every day so getting Tyvek suits to a hospital is a walk in the park.” I’m proud to work for a company who continues to put people first—even in a time of social distancing—especially when we do whatever we can to keep people safe.

**Matt Faith**

Director of Operations Services in GTM



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### Line 5 and Great Lakes Tunnel Project

As part of our agreement with the State of Michigan, we plan to replace our existing Line 5 dual pipelines at the Straits of Mackinac with a pipeline secured in a larger underground tunnel, deep under the Straits. Lined with thick, reinforced concrete, the tunnel would protect the aquatic environment – and reduce the likelihood of environmental impact to near zero. Once the pipeline within the tunnel is in service, we would permanently deactivate our existing dual pipelines at the Straits, which have operated safely since 1953.

We've engaged extensively with affected communities on the project, and continue to add fact sheets, brochures, videos and other resources to our [Line 5 web page](#) to give people the information they're looking for and help separate fact from fiction. One of the most innovative and interactive features is our [virtual open house](#).



[Great Lakes Tunnel Project animation](#)



L to R: Kasey Radtke, Sheldon Matthews, James Theisen and Amos O'Neal. On November 9, 2020, we hosted a tour of our Bay City Pump Station, which was attended by Senator Ken Horn of Saginaw County, and Saginaw Commissioners Amos O'Neal, Sheldon Matthews and James Theisen. Saginaw County passed a resolution of support for Line 5 and the Great Lakes Tunnel Project.



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## Corporate citizenship

As an employer with team members across North America, and an operator of linear infrastructure that runs through thousands of communities, we place high priority on the role we can play in contributing to their safety, vibrancy and sustainability. It's important to us that we help these communities build resilience – to become stronger in the face of the unique physical, social and economic challenges before them.

Our goal is not just to give, but to enable. We focus on collaboration with communities, Indigenous groups and partners to identify and develop opportunities that strengthen community partnerships, support networks and foster constructive relationships. We champion initiatives that provide both societal and business value.

In January 2021, we launched a new program – Fueling Futures – which unifies our approach to corporate citizenship and the ways we energize communities. The focus of Fueling Futures is on supporting donations, partnerships, sponsorships and employee volunteering and giving in three areas:

- Safe communities – supporting local safety initiatives and organizations that help make our communities safer places to live, including the Safe Community First Responder Grant Program, safety planning and education, and humanitarian aid.
- Vibrant communities – supporting programs and projects that are inclusive, future-thinking and bring out the best in people, such as those that build potential in youth, celebrate culture and community, and honor Indigenous peoples and cultures.
- Sustainable communities – supporting sustainability projects that help improve, grow and nurture our environment, such as those that focus on environmental education, habitat conservation and remediation, and supporting the energy transition.



THAW is an agency aiding vulnerable Michigan families with utility assistance, energy efficiency education and affordable plans that help achieve long-term self-sufficiency. Our two-year \$100,000 commitment enabled THAW to financially assist close to 100 low-income households in Michigan pay overdue gas and electric bills and avoid imminent risk of homelessness.



### A life-saving tool when minutes count

The Iron County Sheriff's Office patrols all of Iron County in Wisconsin, which consists of two cities, 10 townships, and more than 900 square miles. With such a large rural area to patrol, deputies respond to a number of medical calls, and are quite often the first emergency responder to appear on scene, sometimes up to 30 minutes prior to EMS arrival. With a \$7,500 [Safe Community First Responder Grant Program](#) related to the Line 5 reroute project in Wisconsin, automated external defibrillator units were placed in all of the county's patrol vehicles. Watch the [video](#).

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**Our 2020 investments**

We invested \$25.2 million<sup>1</sup> in 2,239 community-strengthening initiatives across North America in 2020. Here's the breakdown across our pillars and priorities. See, as well, our [interactive community investment map](#) for a sampling of these investments.



**Vibrant communities**  
**1,136**  
investments totalling  
**\$16.6 million**



**COVID-19 relief**  
**635**  
investments totalling  
**\$5.0 million**  
[Learn more](#)



**Safe communities**  
**952**  
investments totalling  
**\$6.8 million**  
**\$2.9 million**  
is directed toward the Safe Community First Responder Grant Program, which helps first responders acquire new safety-related equipment, obtain professional training and deliver or receive safety education. Since 2002, Enbridge has given approximately \$18.6 million to the program.



**Indigenous**  
**524**  
investments totalling  
**\$5.4 million**



**United Way**  
together with our employees raised  
**\$6.4M**



**Sustainable communities**  
**146**  
investments totalling  
**\$1.7 million**



**Enbridge Ride to Conquer Cancer**  
**\$8.9M**  
**raised, including \$370,000**  
by Enbridge team members



The student featured here is YES Prep Northbrook High School 10th grader Leah Ixcehl Sanchez. Leah is using one of the devices provided through our support of the YES Prep Online at Home Technology Program.

**Online at home**

In Houston, YES Prep provides equitable access to a high-quality public education for all children. In the face of the pandemic, YES Prep's instruction, academic content and IT structure needed to be redesigned to support an "online at home" school day. To prepare for virtual learning, the school committed to implementing a 1:1 environment (1 device: 1 student) in all grades for the 2020/2021 school year. Enbridge was there to assist them, providing financial support to help YES Prep's Online at Home Technology Program reach some 15,400 students, roughly 89% of whom are economically disadvantaged and 90% of whom are first-generation college bound.

<sup>1</sup> The total spend includes our joint venture partners, with the exception of Alliance Pipelines.

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## Supply chain management

A strong, diverse supplier community is essential to the resiliency and agility of our supply chain and contributes to the vitality of the communities where we live and work.

We aim to work with suppliers who strive for sustainability in their supply chains, and we expect them to uphold the human rights, labor, health and safety, environmental and business ethics practices prescribed in our [Supplier Code of Conduct](#), and to act in accordance with our [Statement on Business Conduct](#), [Corporate Social Responsibility Policy](#), [Indigenous Peoples Policy](#) and, as of 2021, our newly adopted [Supplier Diversity Policy](#).

We consider several key aspects, including environmental, social, safety and Indigenous participation in supply chain Requests for Proposal (RFPs), proposal evaluations and contracts. We've increased our ESG-focused information by standardizing our RFP, proposal evaluation, contract award recommendation and contract templates to include sustainability, environmental stewardship, social responsibility (including Indigenous engagement and supplier diversity) and ethical procurement.

One of our ESG goals is to increase procurement from diverse suppliers; by which we mean businesses that are at least 51% owned, managed and controlled by a diverse person or group with U.S. or Canadian citizenship, and certified by a nationally- or regionally-recognized third party.

To achieve this goal, we are focusing in four areas:

- Sourcing diverse suppliers – buying needed goods and services from diverse suppliers, which includes growing our spend with certified diverse suppliers, identifying prospective new diverse suppliers, and including diverse suppliers as RFP proponents
  - Developing diverse supplier groups through training and mentoring.
  - Demonstrating support for diverse supplier communities in communications and at events.
  - Measuring our progress through meaningful key performance indicators.

Incremental to our Indigenous economic engagement spend (see [page 35](#)), in 2020 we directly spent \$335 million with 124 certified diverse suppliers, with one capital project contractor comprising a majority of that spend. We also identified additional self-certified diverse suppliers and subcontracted diverse suppliers within our supply chain. To aid in our supplier diversity reporting, we implemented new reporting processes and tracking tools.

Further, in 2021 we refreshed our Supplier Code of Conduct to further align with the Company's ESG goals.

## Memberships

Enbridge belongs to various organizations that support our supply chain objectives. In 2020, we also subscribed to a third-party service with a robust database to help us identify prospective new diverse suppliers.



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# Energized workforce

As the world transitions to a lower-carbon economy, we need a skilled, diverse and energized workforce to both deliver energy responsibly today and to help us bridge to a very different future.

We strive to attract and retain the people our business requires by focusing on what matters most to them: feeling safe, valued, respected and heard; having opportunities to learn, grow and advance their careers; being fairly and competitively rewarded for their contributions; and working for a high-performing company that is part of the climate solution.

## In this section

Talent management

Wellness and mental health

Diversity and inclusion

Relevant SDGs associated with this section:





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## Talent management

We aspire to build a culture that champions diversity and inclusion, inspires innovation, supports wellness and enables our people to achieve their full potential. Knowing that some job seekers are less inclined to work in the traditional energy industry, we need to deliver a compelling employee experience and showcase the diverse opportunities to shape the future of energy that come with working for Enbridge.

We incorporate *What we stand for* as a quick reference to help employees know and consistently rally around the enduring elements that define and guide our company. *What we stand for* assembles in one place our purpose, vision, values, strategic intents and ways of working, and underpins our talent management practices. Along with it, we are guided by our [Statement on Business Conduct](#), our [Equal Employment Opportunity, Anti-Discrimination and Affirmative Action Policy](#), and our Respectful Workplace, Harassment and Violence Policy.

In 2020, we added Inclusion as a fourth core value, demonstrating our commitment to building an environment where people feel safe and welcome, and have the opportunity – based on merit – to thrive and grow. We'll live up to this new value by encouraging diverse perspectives for the best decisions, seeing and celebrating our differences as strengths, fostering a sense of belonging and team, and championing fairness and equity.

### Enabling employees to achieve their potential

Helping our people achieve their full potential through personal and professional development is an investment in their success and ours.

All employees have Individual Development Plans that guide them toward achieving their professional goals and developing their interests. There are formal checkpoints throughout the year and annual reviews; however, employees are highly encouraged to have continuous conversations with their people leaders concerning these plans.

We provide development opportunities through a variety of channels, including: Enbridge University, which offers a large catalogue of courses; educational reimbursement programs; developmental relationships with mentors; and rotational assignments. In 2020, we spent approximately \$9 million on employee learning and development.

We see innovation as an enabler of our future success, and we're working to build a common understanding of concepts and methodologies so that everyone in our organization can contribute. We're also investing to develop future-focused skills in areas such as digital, artificial intelligence and agile ways of working.

Listening to our people is a priority. Through regular engagement surveys, frequent pulse surveys, all-company forums, company-hosted social media (Yammer), executive coffee chats and email newsletters and updates, we encourage two-way dialogue and gather employee input. However, most engagement happens directly through an employee's leader, and we empower our leaders to communicate with their people, motivate them, and align and manage expectations.

During the pandemic, regular and frequent leadership communications have helped to keep employees feeling connected and informed, along with continually updated information resources, coaching for people leaders, work-from-home toolkits and FAQs. Frequent voluntary check-in surveys have also enabled local leaders to know and understand employees' anonymous perspectives and to take meaningful action.



Attracting and retaining a more diverse workforce, and ensuring a greater inclusive culture, are essential to our business success. At Enbridge, we are intent on cultivating a workplace that continues to draw out the best ideas from our people with a focus on inclusion and collaboration. This commitment is deeply held across the Company, and I'm excited to help build on that strong foundation.

### Melissa Harper

Senior Vice President and  
Chief Human Resources Officer

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## Wellness and mental health

As part of our [total compensation package](#), we offer a wellness program that provides benefits and resources to support every aspect of employees' well-being – physical, mental and financial. We have an employee and family assistance program that provides confidential counseling and other services, and on-site fitness facilities at many of our offices. The Enbridge Health Services team consists of occupational health nurses, kinesiologists, disability analysts and medical consultants who provide disability management and wellness-related services, and work closely with wellness ambassadors throughout the Company to roll out wellness initiatives.

We recognize that mental health has an impact on the safety and well-being of our employees and is a contributing factor in business performance. In early 2020, we announced an enhanced focus on mental health, which took on heightened importance amidst the stress and strain of the pandemic. Our senior leadership is committed to advancing this important initiative, which has focused on improving resilience and decreasing stigma associated with mental health by providing company-wide training, topical webinars and resources. We plan to align and embed mental health best practices in existing programs, policies and procedures to ensure it remains an ongoing focus.

## Our 2020 performance

While Enbridge is a resilient company, we were not immune to the unprecedented dual challenge of COVID-19 and the global oil price shock of 2020. As part of necessary reductions in capital and operating costs across the business, we reduced people-related costs through compensation reductions across our non-union workforce, starting from the top with the Board of Directors (15% of Board compensation), the CEO and Executive Vice Presidents (15% and 10% of base salary, respectively). We also gave employees the option to voluntarily select early retirement, severance, educational or personal leaves of absence, or part-time work. As a result of these actions, we were able to avoid company-wide layoffs, and were recognized favorably by our people.

Despite these challenges, we increased our employee engagement score by 10% in 2020, and achieved unprecedented retention rates among top performers, diverse talent and those in safety-critical roles. We know our people are working together effectively and leaders are listening to feedback. But we have more work to do around helping them understand changes affecting their responsibilities, and we must continue to focus on professional development and enabling them to achieve their career goals.

See our [2020 ESG Datasheet](#) for key workforce metrics and performance.

### Our goals



**6%** people with disabilities included in our workforce by 2025



**100%** of workforce to complete unconscious bias and anti-racism training by end of 2021



**28%** racial and ethnic representation in our workforce by 2025



**Workforce comprised of 40%** women by 2025



**7%** workplace representation of U.S. veterans by 2025

See [page 51](#) for a discussion of our Board diversity goals and performance.

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## Diversity and inclusion

The events of 2020 have made it imperative that, as we bridge to the energy future, we also focus on building a more diverse, equitable and inclusive culture. We believe that diversity and inclusion lead to better ideas, better business solutions and better opportunities to attract and retain top talent. Our mission is to reflect the communities where we operate.

Anchored to our company values, the enterprise-wide Diversity and Inclusion (D&I) Strategy addresses several dimensions of diversity, including ethnicity and race, gender identity and expression, sexual orientation and veteran status. The strategy covers three years of programs and actions designed to move the organization toward the vision of a representative and inclusive workplace. It is stewarded by an executive Steering Committee and supported by a dedicated D&I team. The three main goals from 2017 to 2020 were as follows:

### Empower employees

Educate and equip all employees to model the right diversity and inclusion attitudes and behaviors.

### Build a diverse and inclusive workplace

Embed diversity and inclusion into policies and programs.

### Attract and retain diverse talent

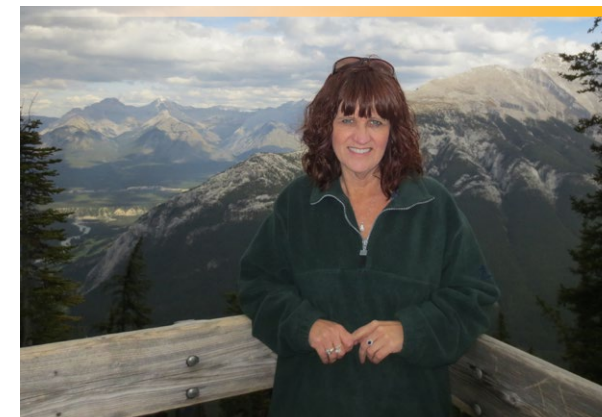
Improve attraction, progression and retention of diverse talent. Key aspects of our strategy include learning programs aimed at building inclusive leadership; embedding diversity metrics in incentive compensation; setting representation goals and tracking progress on a diversity dashboard; [employee resource groups](#) (ERGs); and [external partnerships](#) and advocacy.

Our online Diversity Dashboard is updated quarterly and accessible to all employees. The dashboard provides a visual snapshot of employee representation by gender, racial and ethnic group, disability status and veteran status, and shows where we stand against our goals and external benchmarks. Leaders use it to understand their representation improvement opportunities to support achievement of the enterprise-wide goals.

Having set 2028 representation goals in 2017, we already surpassed our racial and ethnic groups goal in 2021. As part of Enbridge's new ESG goals, we accelerated our timeline from the original 2028 date to 2025 and will set new sub-category goals for racial and ethnic groups. We plan to address these goals in a number of ways, including:

- Conducting listening sessions with marginalized and/or under-represented groups to better address relevant inclusion needs and share insights with employees.
- Leveraging ERGs to foster grassroots employee engagement and inclusion, and strengthening alignment between ERG charters and the D&I Strategy.
- Investing in more educational opportunities for employees and leaders.
- Expanding available training to equip leaders to model inclusion.
- Refining partnerships with thought leadership and educational and outreach organizations to grow learning opportunities and build connections to communities and talent pools.

With our existing D&I Strategy ending in 2020, we will be launching our next three-year strategy in 2021, building on the work completed so far.



Our Diverse Abilities Network (DAN) ERG strives to create greater awareness, understanding and acceptance of workplace barriers for employees with visible and invisible diverse abilities. By sharing experiences and resources, we aim to dissolve these barriers and mitigate the stigma attached to diverse abilities, giving all employees the opportunity to realize their full potential.

### Marilyn Wilson

DAN Co-Chair, Specialist II Talent Programs

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## Equity and inclusion action plan

A global groundswell of attention to issues of systemic racism against Black and Indigenous people in 2020 highlighted a need to revisit and accelerate some of our D&I plans. We held a series of listening sessions with our Black and Indigenous employees and hiring leaders to inform enterprise-wide equity plans and ensure people felt heard and included.

These sessions underscored the need for learning resources to build internal understanding and awareness of issues related to bias and systemic racism. To this end, we launched an online learning module that explores the impact of racial injustice, how racial injustice comes into play and how people can serve as allies. Approximately 700 employees participated in the soft launch of the program, which will be rolled out formally in 2021.

We also created a 2021 Black Equity and Inclusion Plan, which includes specific milestones for:

- Recruitment – including diverse candidate slates, increased scholarships and internships focused on historically black colleges and universities, and training for hiring leaders.
- Development and succession – including representation in leadership programs, sponsorship and mentorship, and inclusion in succession plans.
- Unconscious bias and anti-racism training – to be completed by 100% of employees and leaders by year-end.

**CEO ACTION  
FOR DIVERSITY  
& INCLUSION**



Enbridge's CEO is a signatory to pledges by [CEO Action for Diversity and Inclusion](#) in the U.S. and the [BlackNorth Initiative](#) in Canada, both of which reinforce our commitment to meaningful and enduring change.

## Employee rights and freedoms

We act in accordance with all applicable legislation, and abide by our own policies and [Statement on Business Conduct](#). We provide our business units with a training package that addresses components of human rights training, including anti-harassment, violence in the workplace and maintaining a respectful workplace. Each business unit has implemented human rights policies and procedures that contain provisions for investigation and resolution of incidents.

We believe that healthy and cooperative labor relations and collective bargaining contribute to our business success. We maintain and foster a cooperative approach to union and management relationships through joint committees with various unions and industrial councils and follow the labor laws of the countries in which we operate as well as our own Statement on Business Conduct.

## Awards and recognition

Enbridge was honored to receive recognition for our workforce and diversity and inclusion efforts. To see a full representation of our awards and recognition, please visit our [website](#).





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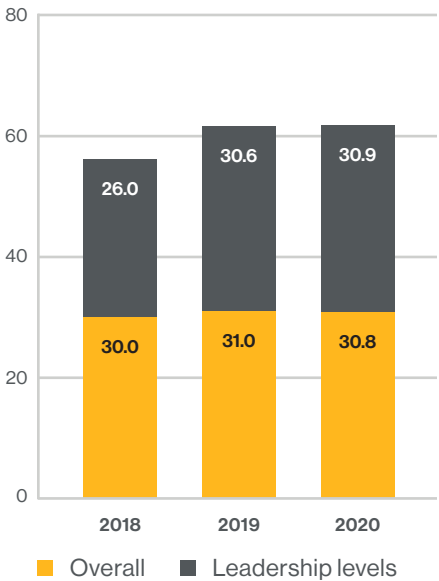
**Energized workforce**

Responsible business

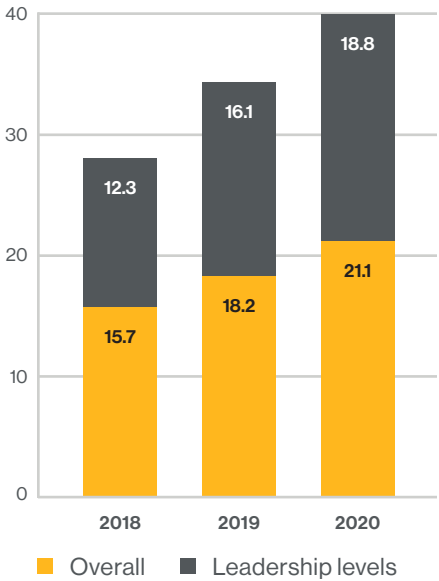
**2020 workforce representation (%)**

We continue to make progress toward our diversity and inclusion goals. In this report, we share progress on 2020 and plan to provide annual updates against our upcoming goals in future reports. We continue to see a greater representation of women in management and senior leadership levels while our overall representation remains consistent. Racial and ethnic minority groups have increased to over 18% within our leadership levels and have risen to over 21% in our overall workforce.

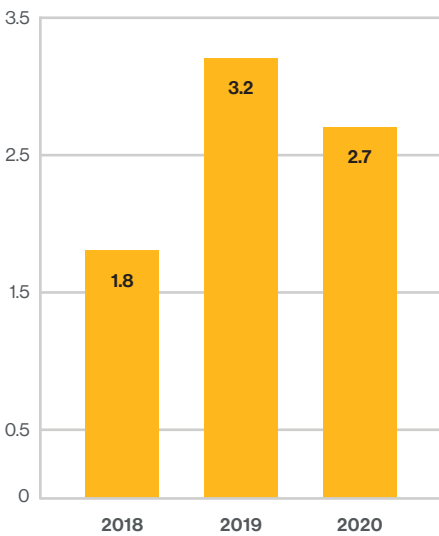
**Women**



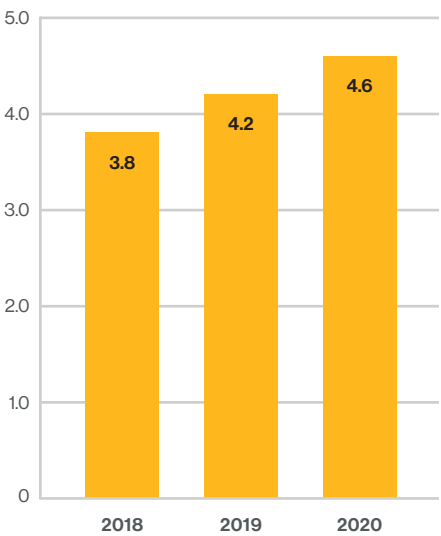
**Racial and ethnic minority groups**



**Persons with disabilities**



**Protected veterans (U.S. only)**



Our approach

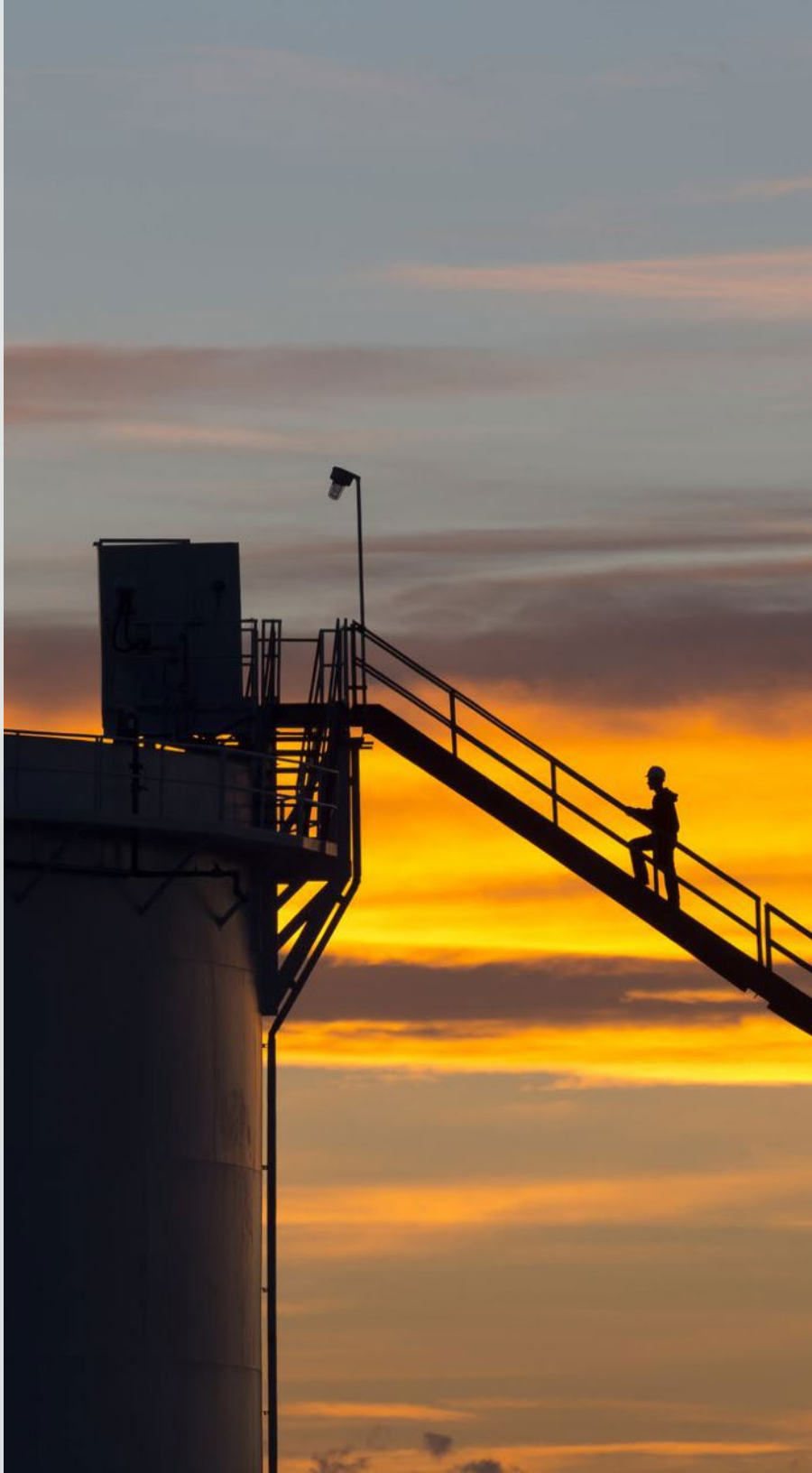
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# Responsible business

We're proud that Enbridge makes an essential contribution to society and we never forget the responsibilities placed upon us as stewards of a large, complex organization that transports, distributes and generates energy.

Our stakeholders count on us to do our work safely, reliably and in an environmentally-responsible way, respecting their interests and always conducting ourselves and our business with integrity. Through our governance policies and practices, we empower our people to innovate, while promoting consistently ethical and responsible conduct.

## In this section

Governance

Business ethics

Political advocacy and accountability

Risk management

Relevant SDGs associated with this section:



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## Governance

We are committed to strong and sustainable corporate governance, which promotes the long-term interests of our stakeholders, strengthens Board and management accountability, and helps build public trust in Enbridge.

Our Board of Directors is elected by Enbridge's shareholders and is responsible for overseeing the business and affairs of our company. Governance policies and practices are consistent with our values and with the various rules and requirements applicable to our business. Highlights are provided in the table below. For details, please see our [2021 Management Information Circular](#).

We believe in the importance of an independent board. [Our Corporate Governance Principles and Guidelines](#) require our Board to be comprised of a substantial majority of independent directors. The Board has determined that all but one of our current directors are independent; the only non-independent director is Al Monaco, our President and CEO. On an ongoing basis, the Governance Committee is responsible for ensuring that the Board functions independently of management.

We also recognize the importance of maintaining a Board of Directors with a range of perspectives, expertise and experience. Board diversity has long been a priority, supported by a Diversity and Inclusion Policy that applies to the Board and senior management. The Policy outlines

Enbridge's approach to establishing and maintaining diversity, and emphasizes the importance we place on varying skills and experience, as well as diversity and inclusion considerations.

Four of our 11 directors (approximately 36%) are women, each of whom chairs a Board committee, and one of our directors self-identifies as a member of a visible minority. Yet, we know that more can be done to strengthen diversity. In November 2020, we expanded our Diversity and Inclusion Policy, including enhanced Board diversity goals to achieve representation on the Board of at least 40% women and 20% racial and ethnic groups by 2025.

### Corporate governance practices

✔ Annual election of all directors	✔ 91% independent directors	✔ Share ownership guidelines for directors and executives
✔ Independent Chair	✔ 36% women directors, all of whom chair a Board committee	✔ Independent audit, compensation and nominating committees
✔ Separate Chair and CEO	✔ Objective of 40% women and 20% racial and ethnic groups representation on the Board by 2025	✔ Majority voting policy for directors
✔ D&I Policy for directors and senior management and diversity objectives of employees	✔ Statement on Business Conduct and Ethics and Compliance program	✔ Annual advisory vote on executive compensation
✔ Sustainability reporting	✔ Individual director election (no slate voting)	✔ Incentive compensation linked to ESG
✔ Shareholder engagement on ESG	✔ Annual Board, committee and director evaluation process	✔ Board renewal 55% directors <5 years tenure
✔ Regular executive sessions of non-management directors	✔ Incentive Compensation Clawback Policy	✔ Board orientation/education program
✔ Risk oversight by Board and Board committees	✔ Executive compensation pay-for-performance philosophy	✔ Prohibition on hedging or pledging for directors, executives and all employees
✔ No dual-class share structure; new generation shareholder rights plan	✔ Political Contributions Policy	✔ Whistle Blower Policy

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**Sustainability governance**

Driving continuous improvement in ESG performance requires an effective and accountable internal governance structure. Our approach to sustainability governance engages all levels of the Company, from the Board to our employees.





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## Business ethics

Everyone who works for Enbridge is accountable for upholding high standards of conduct and understands that transparency around our performance is essential for building trust with our stakeholders.

Our [Statement on Business Conduct](#) (SOBC) is the foundation of our commitment to ethics and compliance. Upon joining Enbridge and annually thereafter, all team members active in the Company's Human Resource system are required to complete SOBC training and certify their compliance with its provisions. They must also disclose any actual or potential conflicts of interest.

As part of our governance framework, both the Audit, Finance & Risk and the Safety & Reliability Committees of our Board, our Executive Leadership Team and our Chief Compliance Officer share oversight of our ethics and compliance programs and procedures, all of which are intended to ensure ongoing compliance with laws, regulatory requirements and fundamental internal policies.

In 2020, to raise awareness and prevent non-compliance, team members received policies and procedures training aimed at fraud detection and deterrence practices, preventing violations of anti-bribery and anti-corruption,

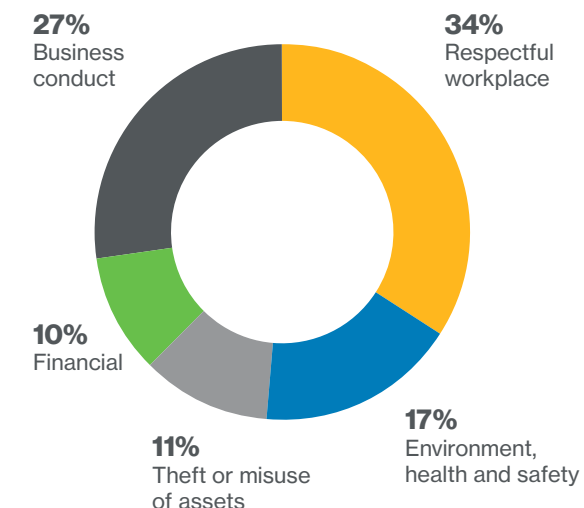
money laundering, facilitation of tax evasion and terrorist financing laws, competitive market-based rules that apply to our trading entity and Renewable Power Generation business unit groups, as well as procedures for complying with the Federal Energy Regulatory Commission regulations, and privacy laws.

To measure our ethical culture, we regularly disseminate Culture of Integrity surveys to a random selection of team members enterprise-wide. Our overall 2020 results indicated that a high percentage of our team members deem Enbridge is an ethical place to work.

We encourage employees to turn to their people leaders first to share concerns about potential misconduct or violations of law or policy. Other options include reaching out to the Ethics & Compliance Department, the Chief Compliance Officer, the Law Department, the Human Resources Department or the Internal Audit Department. Nevertheless, team members may not be comfortable reporting certain concerns directly to their people leader or to an internal resource. The Enbridge Ethics Helpline allows the option of filing a report confidentially and if they so choose, anonymously. In 2020, a total of 96 matters were received through the [Enbridge Ethics Helpline](#), compared to 118 in 2019. Anonymous reporting represented 55% of all reports, which is consistent with the level seen in 2019.

## 2020 Enbridge Ethics Helpline reports by category

(% of reports)



## Related policies

[Statement on Business Conduct](#)  
[Whistle Blower Policy](#)  
[Political Contributions Policy](#)

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## Political advocacy and accountability

Enbridge is engaged in political, regulatory and public policy processes in the jurisdictions where we operate, with a view to contributing to the development of responsible public policies and regulatory processes relevant to our business. In accordance with the letter and spirit of all applicable laws and ethical obligations, we directly engage policymakers, and participate in consultations, workshops, hearings, working groups and conferences. We file lobbying reports with the Office of the Commissioner of Lobbying in Canada, the U.S. Congress and state, provincial and municipal agencies.

Our energy advocacy priorities include support for our assets and projects; pipeline safety, security and reliability; regulatory certainty and stability; fiscal, tax and trade policy; climate change, energy transition and innovation; and engagement and economic inclusion of Indigenous peoples.

In 2020, we shifted to virtual engagement, which ultimately enabled us to conduct more meetings than in previous years. Our Government Affairs team worked diligently throughout 2020 to ensure all pandemic protocols were followed and communicated in all the provinces, territories, states and jurisdictions in which we operate. There were continuous communications shared with our various stakeholders to ensure everyone stayed safe and there were no disturbances to delivering the energy we all rely on. In the U.S., we produced a white paper to help inform the development of policies that give the public access to sustainable, affordable energy sources. The paper provided an analysis of the opportunity to focus on climate change and build on America's energy advantage through policy

recommendations to: (1) promote economic stability and growth through affordable, reliable access to energy; (2) modernize regulatory systems; and (3) accelerate investment and innovation.

In Canada, our leadership and advocacy on energy transition and innovation this past year has helped advance business objectives and position Enbridge as a trusted advisor on strategy and implementation. We continue to advise governments on development and implementation of low-carbon fuels (hydrogen and RNG) and carbon capture, utilization and storage strategies through participation in numerous federal and provincial initiatives.

In 2020, we did a review of our Political Contributions Policy and released an [updated policy](#) in 2021. It follows all applicable laws and regulations while adhering to our highest standard of ethical conduct and our company values of Safety, Integrity, Respect and Inclusion.

### 2020 political contributions

**\$20,846**

**Corporate**

political contributions (Canada)

**\$84,750**

**Corporate**

political contributions (U.S.)

**\$261,500**

**Enbridge-DCP**

Political Action Committee (U.S.)



L to R: Employee Ritu Talwar, Wayne Hinson and Andrew Nelson on a tour at the Delmont compressor station, Texas Eastern System in Pennsylvania.

The energy transition requires sound policy at the local, state, provincial and federal levels. It is therefore essential for Enbridge to engage in public policy discussions, including policies that support net zero, on behalf of our company and through trade associations – to advocate for the long-term interests of all our stakeholders.

**Ritu Talwar**

Manager, Enterprise Public Policy

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## Risk management

Our ability to operate and ensure long-term success is linked to how well we identify and manage potential risks to our company. Our Board oversees all risks with the goal of ensuring that we can achieve our long-term strategic priorities, and is responsible for ensuring that appropriate systems are implemented to monitor, manage and mitigate those risks. Risks affecting Enbridge include: safety and operations; strategy and competition; cyberattacks and security breaches; financial matters; brand and reputation; and legal, regulatory and compliance requirements. See our [2020 Annual Report](#) to learn more.

Risk management activities are undertaken across Enbridge each and every day. The Corporate Risk Assessment (CRA) is a comprehensive annual process that includes reporting to the Board and its committees. The process engages risk management participants across Enbridge to consistently assess and prioritize enterprise-wide risks and treatments.

Mid-cycle CRA updates are provided to the Board for the Company's top risks. The pandemic, and specifically COVID-19 risks and treatments, were an important focus in 2020.

The CRA provides management and the Board with valuable insights in carrying out their risk management responsibilities. Following its completion, the CRA is provided to relevant internal departments to inform their processes and drive continuous improvement. Enbridge's resiliency is further enhanced by fostering a strong risk management culture where people at all levels proactively anticipate and escalate risks, look out for one another and Enbridge, and respond to evolving opportunities and threats in pursuit of our strategic priorities.

Complementary to the CRA, the annual Top Operational Risk Report highlights the highest consequence operational risks across Enbridge and includes further detail on the risks and treatment. This information helps inform the Board about the potential impact of Enbridge's top operational risks and demonstrates that appropriate treatments are in place to manage these risks.

Our Executive Leadership Team and Operations and Integrity Committee (OIC) oversee the management of our most significant operational risks. The OIC is chaired by our CEO.

### Climate risk

Climate-related risks are intensifying for Enbridge and for society, and we are increasing our focus on them. See our [2019 Climate Report: Resilient Energy Infrastructure](#) and our [2020 ESG Datasheet](#) for details on how we are managing these risks.



[2019 Climate Report](#)



[2020 ESG Datasheet](#)

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## Cybersecurity

Cyberattacks are a top risk and have continued to increase in sophistication and frequency over the years. As an operator of critical energy infrastructure, we must apply the same mindset to our cyber safety as we do to physical safety—being constantly vigilant, erring on the side of caution and immediately reporting any concerns. This is how we help protect Enbridge and our customers.

We conduct continuous assessments of our cybersecurity standards, perform regular tests of our ability to respond and recover, and monitor for potential threats. To further mitigate threats, we collaborate with governments and regulatory agencies, and take part in external events to learn and share.

As with any operational risk, Enbridge has a robust governance structure around cybersecurity. We have centralized the Technology and Information Services function across the Company to have a clear line-of-sight into how well our policies drive improvements. We also engage independent third parties to audit our cybersecurity program, track their recommendations, and use those to inform road-mapping to further improve the program. Cybersecurity is embedded in the OIC, where the Senior Vice President & Chief Information Officer discusses cybersecurity with the CEO and the Executive Vice Presidents (EVPs) quarterly besides meeting with the EVP for Corporate Services monthly.

Our workforce participates in regular security awareness training, including exercises to build capabilities to identify and report suspect emails to our Security Operations Center. In the last year, our employees have continued to perform well in simulated phishing tests. Employees are identifying and reporting real and simulated phishing attempts while click rates continue to trend downwards. Besides having a trained workforce, our Cybersecurity team uses several layers of defense and protection technologies, cybersecurity experts, and automated alerting and response mechanisms to reduce risk to Enbridge.

We have a cyber defense program to further protect the confidentiality, integrity, availability and reliability of our information and services. Focus areas in 2020 included:

- Continued enhancement and regular testing of Cyber Incident Response processes and operating procedures.
- Expanded threat detection and vulnerability management capabilities for timely mitigation of potential threats.
- Enhanced layers of defense with additional network controls, workstation controls and access controls to mitigate cyber risk.
- Regularly assess cybersecurity maturity and defense capabilities through both internal audits and independent third-party engagements, including an annual maturity assessment against the National Institute of Technology Cybersecurity Framework.

## Privacy

Enbridge is committed to providing excellent service and to ensuring that our stakeholder relationships are conducted with integrity and in a responsible, fair, honest and ethical manner. Consistent with these objectives, we maintain high standards of confidentiality with respect to the personal information in our possession.

To uphold this responsibility, we established a Privacy Office managed by the Chief Privacy Officer and supported by dedicated staff. The mandate of the Privacy Office is to foster a culture of privacy that enables us to handle and safeguard our stakeholders' personal information, including customer, personnel and landowner personal information, in accordance with our core values. The Privacy Office sets privacy policies and standards driven by our commitment to maintain stakeholder trust.

To minimize the risk of privacy breaches, Enbridge has implemented a Privacy Management Program, including the development of an internal governance structure and implementation of program controls that give effect to our Privacy Policy and align with applicable privacy legislation. Enbridge's [Privacy Statement](#) summarizes these fundamental privacy commitments.



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# Appendix

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## In this section

Trade association memberships

Fines, penalties and violations

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Trade association memberships

In 2020, we contributed more than C\$50,000 and US\$50,000 in membership dues to the following organizations in Canada and the U.S., respectively. Please note that we have only listed our executive-level involvement in these organizations. We also participate in various committees associated with these trade associations.

Organization	Purpose	Examples of our involvement
Canada		
Canada West Foundation	An independent, non-partisan public policy think tank that focuses on the policies that shape the West, and by extension, Canada.	Committee participation
Canadian Association of Petroleum Producers	Represents Canada's upstream oil and natural gas industry.	President & CEO serves on the CEO Oil Sands Council
Canadian Chamber of Commerce	Connects businesses from all sectors and regions of the country to advocate for public policies that will foster a strong, competitive economic environment that benefits businesses, communities and families across Canada.	Committee participation
Canadian Gas Association	Represents Canada's natural gas distribution industry. Members include distribution companies, transmission companies, equipment manufacturers and other service providers.	Executive Vice President, GDS serves on the Board
Canadian LNG Alliance	Represents Canada's LNG industry.	Director, Business Development NGL & LNG serves on the Board
Ontario Energy Association	Represents Ontario's energy sector, serving as a bridge between business, government and other groups to foster common understanding of each other's positions and interests.	Executive Vice President, GDS serves on the Board
U.S.		
American Gas Association (AGA)	Represents more than 200 local energy companies that deliver clean-burning natural gas throughout the U.S.	Committee participation
American Petroleum Institute (API)	As the primary trade association of the oil and natural gas industry, API represents nearly 600 members involved in all aspects of petroleum. Membership in API is open to corporations involved in the oil and natural gas industry or that support the industry.	President & CEO serves on the Executive Committee, Finance Committee and Board
American Clean Power (ACP) [Formerly American Wind Energy Assoc. (AWEA)]	Represents 800 member companies including global leaders in wind power and energy development, turbine manufacturing, and component and service suppliers to promote wind energy as a clean source of electricity for consumers in the U.S. and around the world.	Senior Vice President, Strategy and Power serves on the Board
Association of Oil Pipelines (AOPL)	Represents the interests of owners and operators of liquid pipelines in the U.S.	Executive Vice President & President, LP serves as the Chair of the Board
Interstate Natural Gas Association of America	Advocates regulatory and legislative positions of importance to the natural gas pipeline industry in North America, and initiates industry-wide safety and asset-integrity improvement efforts.	Executive Vice President & President, GTM served as Board Chair in 2019
Pipeline Research Council International (PRCI)	Represents the world's leading pipeline companies, and the vendors, service providers, equipment manufacturers and other organizations supporting our industry.	Vice President, Pipeline Integrity serves on the Board

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Fines, penalties and violations

Our intention is to work according to all external regulations and laws to prevent fines, penalties and violations that are monetary or non-monetary in nature. We are reporting all fines, penalties and violations (monetary and non-monetary) in excess of C\$10,000 and US\$10,000 (depending on the country in which they occurred). In 2020, we remitted the following fines, penalties and violations:

Year	Regulatory authority	Enforcement action summary
2020	Pennsylvania Department of Environmental Protection (PDEP)	In October 2020, Enbridge received an Executed Consent Order and Agreement from PDEP for Texas Eastern Transmission Uniontown and Delmont stations; findings were from 2019, citing Enbridge failed to comply with turbine shutdown duration limits at both stations and failed to timely comply with stack testing requirements at the Delmont Station. Enbridge received a penalty in the amount of US\$10,260.00.
2020	Connecticut Department of Energy and Environmental Protection (CDEEP)	In December 2020, Enbridge received a Final Consent Order from the CDEEP; findings were from 2018, citing not monitoring and recording “startup,” “shutdown,” and “transient” events; not reporting deviations, and failure to operate the oxidation catalysts for the turbines in accordance with specifications; failure to accurately monitor the oxidation catalyst inlet temperature; and failure to accurately calculate and report shakedown emissions. Enbridge received a penalty in the amount of US\$22,000.00 and emission fees of US\$643.00.
2020	Texas Commission of Environmental Quality (TCEQ)	In November 2020, Enbridge received a Revised Proposed Agreed Order from the TCEQ; findings were related to events that occurred in 2016, 2018 and 2019. Enbridge failed to report all instances of deviations; maintain accurate records/continuously record the thermal oxidizer exhaust temperature; and failed to perform stack sampling no later than 180 days after initial start-up. Enbridge received a penalty in the amount of US\$15,300.
2020	Massachusetts Division of Fisheries and Wildlife	During June and July of 2019, right-of-way mowing was conducted during a prohibited time window for protection of state-listed turtles and snakes. Enbridge received a US\$746,412 penalty in the form of restricted funding to wildlife habitat restoration, protection and monitoring.

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Year	Regulatory authority	Enforcement action summary
2020	Canada Energy Regulator (CER)	On September 17, 2020, Enbridge received a Notice of Violation (NOV) from the CER, with a penalty amount of C\$40,000, for violating Canadian Energy Regulator Onshore Pipeline Regulations. During its investigation of the October 9, 2018 Westcoast pipeline rupture, the CER found that Enbridge failed to conduct a Stress Corrosion Cracking In-Line Inspection (SCC ILI) on Segment 4AL2 of the pipeline within the required period (five to nine years) or follow its established procedures for identifying and managing changes required to defer the SCC ILI for one year (an SCC ILI was performed on July 30, 2008 and an SCC ILI was scheduled for October 2018).
2020	U.S. District Court for the Western District of Michigan, Southern Division	Enbridge received two sets of stipulated penalties from the U.S. Environmental Protection Agency (EPA) for multiple instances where the EPA alleges that Enbridge failed to comply in a timely manner with Consent Decree provisions. On January 17, 2020, the EPA stipulated penalties in the amount of US\$3,697,150 for adding identified potential integrity issues to corresponding Dig Lists beyond the specified deadline. There were six instances beyond the deadline ranging from two days to 240 days late. On January 22, 2020, the EPA stipulated penalties in the amount of US\$3,075,000 for failure to identify shallow dents with indications of metal loss, cracking or stress issues, and failure to establish corresponding pressure restrictions. Enbridge completed the initial payment of US\$3,697,150 on June 5, 2020.
2020	U.S. Department of Transportation (DOT): Pipeline and Hazardous Materials Safety Administration (PHMSA)	In March 2019, PHMSA issued a Notice of Probable Violation related to Sabal Trail Transmission (STT) Project inspections conducted from October 2016 to April 2017. The notice alleged three violations: two related to welding and one failure to conduct post-installation tests on mainline valve assemblies. Enbridge responded to PHMSA in May 2019, requesting a reduction in penalty based on mitigating factors and lack of evidence in respect of one of the welding violations. PHMSA issued its Final Order in April 2020, lowering the monetary penalty from US\$52,500 to US\$19,000. Enbridge paid the fine on May 20, 2020.
2020	U.S. Department of Transportation (DOT): Pipeline and Hazardous Materials Safety Administration (PHMSA)	In July 2019, PHMSA issued a Notice of Probable Violation related to Algonquin Gas Transmission, L.L.C. (AGT) pipeline inspections from May 2018 to June 2018. The notice alleged two violations: one related to atmospheric corrosion inspections that were not completed within the required timeframe at multiple locations and one alleging that an AGT corrosion technician did not document that emergency valves were operated during annual maintenance in 2016. Penalties of US\$293,700 and US\$47,700 were proposed. AGT had a hearing with PHMSA in January 2019 to contest the second violation; the penalty was reduced from US\$47,700 to US\$43,300. Enbridge submitted the payment of US\$337,000 on August 31, 2020.



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The following is a list of the more significant leaks or releases from the past year. While most leaks and releases result in no harm to the environment, property or people, Enbridge treats all incidents and near misses as an opportunity to learn and strengthen our systems against threats and other demands, regardless of cause.

Saskatchewan, Canada
In January 2020, staff performing the morning station inspection discovered a leak from a fitting on a valve within the station property. Approximately 26 m³ of product was released and contained on site.
Ontario, Canada
During a planned leak investigation on a residential gas service, tests near the meter resulted in a gas migration from the test hole and subsequently ignited. Two townhome units were damaged.
Saskatchewan, Canada
In April 2020, a release of approximately 50 m³ of crude oil occurred when a flexible hose connection failed. Approximately 10 m³ migrated off-site into a roadside ditch via the storm water drainage system. All product was recovered and the property fully remediated.
Kentucky, USA
In May 2020, a rupture occurred on a gas transmission mainline within a rural wooded area. The releasing gas ignited; however, there were no injuries or structures damaged.
Ontario, Canada
In May 2020, a high pressure, small diameter fitting sheared off inside an unoccupied and unmanned building at a gas distribution station. The leak was detected by gas monitoring equipment and the system safely shut down. This is a tier 1 event due to the rate of the release inside a building.
British Columbia, Canada
In June 2020, the exhaust vent of a boiler ruptured inside a compressor station building. This is a tier 1 event due to the cost of the inspection and repair.
Ontario, Canada
In June 2020, a plastic service line was struck by a third party performing horizontal directional drilling. After the damage to the pipe occurred, the escaping gas ignited, damaging the underground pipe, regulator and customer piping, and causing some smoke damage to the inside of the adjacent building. A nearby third party reported that they sustained minor injuries.
Alberta, Canada
In August 2020, approximately 200 m³ of crude oil migrated onto the roof of a floating roof tank during a heavy rainfall. All product and water was contained within the tank shell.
British Columbia, Canada
In August 2020, gas detectors at a meter station identified a release from small diameter tubing within the meter station building. This is a tier 1 event due to the rate of the release inside a building.
Michigan, USA
Upon restart of a compressor station turbine in September 2020 following maintenance, a sudden gas release outside of the compressor building resulted in fires near the inlet and outlet valves. The station emergency shutdown activated upon detection of a flame. There were no injuries as a result of the incident. This is a tier 1 event due to the cost of the inspection and repair.
Ontario, Canada
In September 2020, a third party was completing waterproofing work at a residential home when their propane torch flame contacted a plastic service line they had exposed. The service line caught fire and was extinguished by the local fire department. There were no injuries; however, the fire caused slight damage to the side of the house.
Alberta, Canada
In October 2020, Enbridge employees detected a leak from a pressure safety valve at a pumping station. Approximately 66 m³ of product was released with approximately 76 liters of crude oil migrating off-site as spray and liquid product flow. All product was recovered and the property fully remediated.

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## Measurement methodology

Enbridge has developed supplemental metrics to track avoided 3<sup>rd</sup> party greenhouse gas (GHG) emissions and the upstream GHG emissions intensity of the products we deliver. Enbridge initiated the reporting of 3-year historical data for these two supplemental metrics in the 2020 Sustainability Report. The measurement methodology has been developed to include accurate and credible publicly available emission factors (EF). However, due to lack of more granular and/or real-time data, the GHG emissions, particularly upstream emissions, might be over or under-estimated with outdated EFs. We will continue to refine our methodology as better data become available.

### Enbridge's Contribution to the Avoidance of 3<sup>rd</sup> Party GHG Emissions

This metric enables Enbridge to measure its annual contribution to the avoidance of 3<sup>rd</sup> party GHG emissions – measured in tonnes of carbon dioxide equivalent (tCO<sub>2</sub>e) – achieved through our investments in renewable electricity, Renewable Natural Gas (RNG), Hydrogen (H<sub>2</sub>), Demand Side Management (DSM) and future investments in carbon capture and storage (CCS). The following key performance indicators (KPIs) are used to calculate the metric:

- Megawatt-hours (MWh) of renewable electricity generated;
- Cubic meters (m<sup>3</sup>) of renewable natural gas (RNG) blended into the Gas Distribution and Storage (GDS) distribution system;
- Cubic meters (m<sup>3</sup>) of hydrogen (H<sub>2</sub>) blended into GDS's distribution system;

- Cubic meters (m<sup>3</sup>) of natural gas 'saved' through Demand Side Management (DSM) programs; and,
- Cubic meters (m<sup>3</sup>) of CO<sub>2</sub> captured through CCS (future investment – not currently quantified or included in the approach below).

Each of these KPIs are normalized to tCO<sub>2</sub>e to calculate total GHG emissions avoided. The normalized method is explained in detail below.

#### Renewable Electricity

Typically, Scope 2 emissions are calculated based on the electricity grid emissions intensity in the jurisdiction where the electricity is generated. Calculating the avoidance of Scope 2 emissions (of a third party) enabled by Enbridge's investment in zero-emissions electricity (i.e., solar, wind & geothermal) requires the grid EF of the jurisdiction in which the asset is located. Enbridge applies the equity control approach to calculate the quantity of 3<sup>rd</sup> party Scope 2 emissions avoided. That is, for the purposes of this metric, Enbridge only takes credit for 3<sup>rd</sup>-party Scope 2 emissions achieved by a particular asset to the extent of our net interest in that asset. This is consistent with our approach to external reporting of our renewable assets on capacity and annual generation.

Enbridge utilized location based approach with the most current electricity grid emission factors from the [United States Environmental Protection Agency's \(EPA\) eGrid database](#); [Canada's National Inventory Report 1990-2019](#); [Greenhouse Gas Sources and Sinks in Canada](#); [Association of Issuing Bodies \(AIB\) 2019](#); and [United Kingdom Government – Defra/BEIS](#).

The calculation used to determine the jurisdiction-based avoided Scope 2 GHG emissions is below and is applied to each jurisdiction where we have operational projects:

**Avoided Scope 2 Emissions (tCO<sub>2</sub>e) = Renewable Electricity Generated (MWh) x Grid Emission Factor (tCO<sub>2</sub>e/MWh)**

#### Fuel Gas

The blending of RNG and H<sub>2</sub> into the natural gas stream can be viewed as reducing the overall emissions intensity of the natural gas we deliver to our utility customers and measured as an 'avoidance' of the combustion of marketable conventional natural gas.

Enbridge aggregates the total volume of RNG and H<sub>2</sub> injected into the pipeline and assumes these are natural gas 'savings' to calculate the avoidance of Scope 1 emissions by its end-use customers.<sup>1</sup> Like renewable energy, Enbridge applies the equity control approach (based on the generation of RNG and/or H<sub>2</sub>) to determine the volume of RNG and/or H<sub>2</sub> that it may take credit for injecting into the natural gas stream.

Emissions reduced through the natural gas DSM program have been publicly reported since 1995. The methodology used for reporting these avoided Scope 3 emissions will be employed for use in this supplemental metric, as opposed to the aggregate number (e.g., 1995 to 2020) reported in the annual Sustainability Report.

<sup>1</sup>Upstream emissions attributable to the production of RNG and/or H<sub>2</sub> are assumed to be less than or equal to those attributable to the production of conventional natural gas. A similar consideration is made for CCS – the net impact of CCS is the amount of CO<sub>2</sub> stored minus the emissions associated with separation, dehydration, and compression of the CO<sub>2</sub>.

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Enbridge utilizes a GHG emissions avoidance factor of 1,875 g CO<sub>2</sub>e/m<sup>3</sup> of natural gas consumed. The calculation used to determine avoided Scope 1 emissions is below:

**Avoided Scope 1 Emissions (tCO<sub>2</sub>e) =** Volume of RNG, H<sub>2</sub> and/or DSM Savings (m<sup>3</sup>) x 1,875 gCO<sub>2</sub>e/m<sup>3</sup>

where, H<sub>2</sub> volume is converted to natural gas volume equivalent based on standard energy densities and assumed energy density of RNG is equal to marketable conventional natural gas.

### Aggregation

The avoided Scope 1 and 2 emissions from renewable electricity and fuel gas are aggregated to calculate the total avoided GHG emissions enabled by Enbridge's investments in lower emissions projects and programs.

### Upstream Emissions Intensity

This metric enables Enbridge to measure the emissions intensity of the energy it delivers on behalf of its shippers and to demonstrate both the impact of the diversification of Enbridge's business mix and the impact of emissions reduction initiatives implemented by upstream producers. The emissions include not just producers' emissions, but all other major emissions sources across upstream value chain including the emissions associated with producing the energy used by producers, upstream transportation and logistics emissions, and other relevant categories of Scope 3 emissions.

Upstream emissions intensity is measured in kgCO<sub>2</sub>e per gigajoule (GJ) of energy delivered. Energy delivered is calculated by applying EFs for the products (crude oil and natural gas) we delivered and normalizing the energy content in the products to GJ. The EFs are retrieved from publicly available data sources – California Air Resources Board Oil Production Greenhouse Gas Emissions

Estimator (CARB OPGEE) or the *Global Carbon Intensity of Crude Oil Production* report by Mohammed S. Masnadi et al, 2018 for crude oil EFs and lifecycle analysis (LCA) model tool [GHGenius](#) for natural gas EFs. The following KPIs are used to calculate the metric:

- Upstream emissions of crude oil Enbridge delivered (kgCO<sub>2</sub>e);
- Upstream emissions of natural gas Enbridge delivered (kgCO<sub>2</sub>e); and
- Energy (crude oil and natural gas) Enbridge delivered (GJ)

### Crude Oil

Enbridge provides shipping services for crude oil primarily produced in the Western Canadian Sedimentary Basin (WCSB) in Alberta and the Bakken region in Montana and North Dakota. GHG emissions intensity can vary across different types of crude oil dependent on its geographic location, extraction and production (E&P) method, age of the facility, etc. To calculate the GHG emissions produced by the upstream extraction and production (E&P) of crude oil transported on our pipelines we have disaggregated shipped volumes into over 20 different categories, including:

- Conventional (light and heavy)
- In-Situ and Mined bitumen blended with diluent (dilbit)
- Natural Gas Liquids (NGL)
- Synthetic Crude Oil (SCO)
- Synthetic Bitumen (Synbit)
- Refined Products
- Regional Products as described in CARB documents and/or via Crude Monitor (i.e. Cold Lake, Bakken, Christina Dilbit Blend)

Each of the categories of shipped product has been assigned an EF sourced from either CARB OPGEE when available or the *Global Carbon Intensity of Crude Oil Production* article by Mohammed S. Masnadi et al, 2018. These approaches use a similar modelling approach for upstream emissions and were chosen due to the availability of publicly disclosed methodology and industry engagement in their development. The calculation used to determine the total volume of upstream E&P GHG emissions is below:

**Upstream Crude Oil E&P GHG Emissions (kgCO<sub>2</sub>e) =** Crude Oil Delivered (GJ) x Crude Oil Production EF (kgCO<sub>2</sub>e/GJ)

### Natural Gas

Enbridge provides shipping services for natural gas produced across North America. In some instances, the gas we receive is from other midstream companies which contributes to a large amount of mixing within transportation pipelines. Therefore, attributing a location specific upstream E&P EF to every molecule of natural gas shipped on our pipelines would be extremely challenging. Therefore, we take a more generic approach by using country level EFs to calculate the natural gas E&P emissions. We will continue to refine our methodology to improve the accuracy of the data we report.

To calculate the GHG emissions produced by the upstream E&P of natural gas transported on our pipelines we have disaggregated shipped volumes into three categories by Business Unit and country:

- Gas Transmission and Midstream (GTM) Canada
- GTM United States
- GDS Canada

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Each of these three categories of shipped product has been assigned an EF sourced from [GHGenius](#). The calculation used to determine the total volume of upstream E&P GHG emissions is below:

**Upstream Natural Gas E&P GHG Emissions (kgCO<sub>2</sub>e) =**  
Natural Gas Delivered (GJ) x Natural Gas Business Unit  
EF (kgCO<sub>2</sub>e/GJ)

*Aggregation*

The upstream emission intensity (kgCO<sub>2</sub>e/GJ) is calculated by aggregating upstream E&P GHG emissions from both crude oil and natural gas and dividing by the intrinsic amount of energy delivered.



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## Forward-looking information

Forward-looking information, or forward-looking statements, have been included in this report to provide information about Enbridge and its subsidiaries and affiliates, including management's assessment of our and our subsidiaries' future plans and operations. This information may not be appropriate for other purposes. Forward-looking statements are typically identified by words such as "anticipate", "believe", "estimate", "expect", "forecast", "intend", "likely", "plan", "project", "target", "goal" and similar words suggesting future outcomes or statements regarding an outlook. Forward-looking information or statements included in this report include, but are not limited to, statements with respect to the following: the positioning of Enbridge as a bridge to the energy future; plans to continue to provide access to affordable, reliable and increasingly sustainable, low emission energy; our goal to achieve the most aggressive emissions reduction targets in our sector; our plans for future diversification and advancing our position in low-carbon energy infrastructure; our environmental, social and governance (ESG) goals and targets, including those related to greenhouse gas emissions reduction, safety performance and standards, diversity and inclusion, procurement practices, Indigenous inclusion, ESG reporting and cyber defense programs; our plans to achieve our ESG goals and targets and to monitor and report our progress thereon; our incentive compensation programs; the further integration of sustainability considerations into our business; our corporate vision and strategy, including strategic priorities and enablers; the COVID-19 pandemic and the duration and impact thereof; expected supply of, demand for, and prices of crude oil, natural gas, natural gas liquids (NGL), liquefied

natural gas and renewable energy; the expected roles of different energy sources and our Company in the transition to a lower-emission economy; anticipated utilization of our existing assets; our plans to collaborate with partners and trade associations to advance climate goals; the alignment of future investment decisions with our GHG emissions reduction goals; and our investments in programs to promote environmental stewardship.

Although we believe these forward-looking statements are reasonable based on the information available on the date such statements are made and processes used to prepare the information, such statements are not guarantees of future performance and readers are cautioned against placing undue reliance on the forward-looking statements. By their nature, these statements involve a variety of assumptions, known and unknown risks and uncertainties and other factors, which may cause actual results, levels of activity and achievements to differ materially from those expressed or implied by such statements. Material assumptions include assumptions about the following: energy transition, including the drivers and pace thereof; the COVID-19 pandemic and the duration and impact thereof; the expected supply of, demand for, and prices of crude oil, natural gas, NGL and renewable energy; anticipated utilization of our assets; exchange rates; inflation; interest rates; availability and price of labor and construction materials; operational reliability and performance; weather; litigation; maintenance of support and regulatory approvals for our projects; anticipated in-service dates; changes in legislation, regulations or government policy applicable to our businesses; impact of capital project execution on our future cash flows; credit ratings; capital project funding; expected

future cash flows; the development and performance of technology and new energy efficient products, services and programs; long-term energy future scenarios; and successful collaboration with partners and trade associations to advance climate goals. Assumptions regarding the expected supply of and demand for crude oil, natural gas, NGL and renewable energy, and the prices of these commodities, are material to and underlie all forward-looking statements, as they may impact current and future levels of demand for our services. Similarly, exchange rates, inflation, interest rates and the COVID-19 pandemic impact the economies and business environments in which we operate and may impact levels of demand for our services and cost of inputs and are therefore inherent in all forward-looking statements. Due to the interdependencies and correlation of these macroeconomic factors, the impact of any one assumption on a forward-looking statement cannot be determined with certainty.

Our forward-looking statements are subject to risks and uncertainties pertaining to the successful execution of our strategic priorities and ESG goals; operating performance; legislative and regulatory parameters; project approval and support; economic and competitive conditions; availability and reliability of technology; public opinion; exchange rates; interest rates; commodity prices; political decisions; supply of, demand for and prices of commodities; the COVID-19 pandemic and the duration and impact thereof; and the pace of the energy transition, including but not limited to those risks and uncertainties discussed in this report and in our filings with the Canadian and U.S. securities regulators (including our most recently filed Form 10-K and any subsequently filed Form 10-Q, as applicable). The impact of any one risk,

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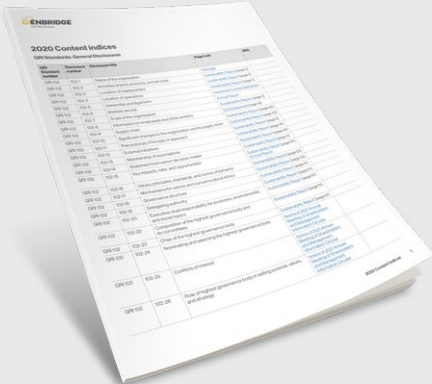
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uncertainty or factor on a particular forward-looking statement is not determinable with certainty as these are interdependent and our future course of action depends on management's assessment of all information available at the relevant time. Except to the extent required by applicable law, Enbridge assumes no obligation to publicly update or revise any forward-looking statement made in this report or otherwise, whether as a result of new information, future events or otherwise. All forward-looking statements, whether written or oral, attributable to us or persons acting on our behalf, are expressly qualified in their entirety by these cautionary statements.



[2020 Content Indices](#)



## Contact us

If you have any inquiries concerning the 2020 Sustainability Report and/or the 2020 ESG Datasheet, please contact [csr@enbridge.com](mailto:csr@enbridge.com).

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