



Addendum to Enbridge's 2013 Corporate Social Responsibility Report (with a focus on 2013 data)

Government Relations/Public Policy Position Performance Data Sheet

This performance data sheet relates to the following Global Reporting Initiative (GRI G3.1) Social Performance Indicators:

- SO5 – Public policy positions and participation in public policy development and lobbying
- SO6 – Total value of financial and in-kind contributions to political parties, politicians and related institutions by country

Context

Enbridge regularly interacts with governments in North America at the state, provincial and federal levels. The majority of this interaction relates to our compliance with regulatory requirements regarding our operations and our involvement with review processes for projects we're proposing to undertake.

We also take positions on public policy issues that affect our business. Examples of broader public policy issues that we engage on include: transportation; land use and environment; safety and emergency response; human rights and working conditions; climate change and greenhouse gas reduction; project review and assessment procedures; and government policies or initiatives related to renewable energy.

We also work with industry associations, such as the [Canadian Energy Pipeline Association](#) and the [Association of Oil Pipelines](#) in the U.S., to ensure governments understand current issues in our sector and how they relate to the broader public interest.

Management Approach and Background

Project Review and Assessment

As at June 2014, we're a \$42-billion company in terms of market capitalization, with \$41 billion of commercially secured growth projects currently in the works. We strive to comply in transparent and accountable ways with all relevant local, regional and national regulatory requirements regarding consultation, social and environmental impact assessments, and independent review. The vast majority of our projects and operations occur without incident or controversy. However, in recent years, a number of high-profile incidents and projects have elevated the level of attention that regulators and communities pay to the social, environmental and economic risks associated with fossil fuel production and transportation, and some of our projects have attracted public debate and, in some instances, organized opposition and protests. Depending on the circumstances, that debate has involved issues that fall within our control—such as project design, routing, and safety and risk management—or issues that are outside our decision-making scope. Examples of the latter include public policy issues involving climate change, Aboriginal rights and title, the pace and scale of development of Canadian oil sands production, and the design of public processes for regulatory review of major projects.

This performance data sheet has been structured to provide further information on our position on broader public policy issues that are often raised within the context of project review processes in which we participated in 2013.

For more information, please see the [Discussion of Significant Challenges and Our Responses](#) section in our [2013 CSR Report](#).

Compliance

We're committed to complying with all relevant local, regional and national regulatory requirements and established management systems to ensure accountability and transparency for our performance. Beyond complying with regulations, we also comply with our own company policies and objectives, including:

- Ensuring that safety and operational reliability remain our highest priorities
- Upholding strong corporate governance practices, including those we've committed to under our [Statement on Business Conduct](#) and [Whistle Blower Procedures](#)
- Operating our business to the highest ethical standards, with integrity, respect, honesty and transparency
- Meeting our corporate standards for health, safety and environmental management
- Investing in the tools, technologies and strategies that will ensure our energy transportation, transmission, generation and distribution systems perform safely, reliably and in an environmentally responsible manner
- Actively maintaining good working relationships and problem-solving capacity with customers, investors, employees, business partners and contractors, regulators, Aboriginal and Native American communities, communities in which we operate, and NGOs
- Working with our industry partners to find solutions to sustainability challenges related to energy production and infrastructure
- Tracking and publicly reporting on GHG emissions from our operations, and actively participating in the transition to a lower-carbon economy by investing in renewable energy projects and in technological innovations that advance the integration of conventional and renewable energy systems
- Operating in a socially responsible manner and in alignment with our [CSR Policy](#), [Climate Change Policy](#), [Aboriginal and Native American Policy](#), [Environment, Health and Safety Policy](#), [Community Investment Program Criteria and Guidelines](#) and [Neutral Footprint commitments](#)

Monetary value of significant fines and total number of non-monetary sanctions for noncompliance with environmental laws and regulations: We manage compliance with laws and regulations through system controls and regular reviews that include training and awareness, adopting best practices, inspections and third-party audits. We consider any regulatory notification or penalty to be important and expect our employees and contractors to fully comply with all regulatory, legislative and permit requirements. Corrective actions are usually specific to each event and facility, so, with the aim of achieving continuous improvement, training is conducted at the facility level to address the issue that led to the notification. In addition, corrective actions are discussed by local safety committees, tracked in regional compliance calendars and shared once a year at annual Environment, Health and Safety workshops.

Regulatory notifications are formal written notices by regulators that we may not be adhering to legal, regulatory or permit requirements. Examples include enforcement actions, summonses, charges, stop and control orders, Notices of Violation (NOVs), Notices of Enforcement (NOEs) and formal warnings. In the event that our performance falls short of this expectation, we carry out rigorous reviews and institute corrective actions, as we did for each non-compliance issue noted below:

- Our Liquids Pipelines business unit (LP) experienced 20 major environmental incidents in 2013. This total included 13 regulatory notifications (level three non-compliances), six spills greater than 100 barrels (commodity and non-commodity) and one material "Other Environmental Effect" environmental incident. LP was not issued any fines for environmental issues in the U.S. in 2013.
- Regulators conducted 82 inspections of our Gas Transportation business unit (GT) facilities in 2013, compared with 89 in 2012. In 2013, GT also received 13 NOVs and NOEs from regulatory agencies. GT incurred fines of \$15,800 for three violations in 2012, and paid them in 2013. This total compares with the 16 NOVs that GT received and the \$10,197 in fines it paid in 2012. As part of Enbridge's Operational Risk Management plan, GT has implemented a program to develop a revised Environment, Health & Safety

compliance database in an effort to improve compliance and reduce violations due to reporting and administrative oversights.

- Enbridge Gas Distribution (EGD) did not receive any notifications, fines or orders for non-compliance with environmental regulations in 2013.

COMPANY-WIDE REGULATORY NOTIFICATIONS AND FINES

	2013	2012	2011	2010	2009
Regulatory Notifications ¹	32	35	24 ²	25	25
Regulatory Fines Incurred (thousands of Canadian dollars)	\$15.8	\$3,714.6 ³	\$29.7	\$1,176 ⁴	\$1,159.3 ⁵

- 1 Enbridge responded promptly to address the concerns associated with all notifications.
- 2 Includes 19 NOVs for GT and 5 NOVs for LP. Please note that in Enbridge's 2012 CSR Report we incorrectly reported that GT had 20 NOVs in 2011 and that LP had none.
- 3 Includes payment by Enbridge of the US\$3,699,200 civil penalty levied in 2012 by the U.S. Department of Transportation Pipeline and Hazardous Materials Safety Administration (PHMSA) regarding the Line 6B pipeline release in 2010 near Marshall, Michigan.
- 4 Includes US\$1-million settlement agreement with the Wisconsin Department of Justice for air compliance violations received at our crude oil pipeline breakout storage terminal at Superior, Wisconsin. We reported many of the violations to the Wisconsin Department of Natural Resources after we discovered them during the course of a facility audit. Since then, we have corrected the issues or are in the process of correcting them.
- 5 A settlement regarding three NOVs issued by the Wisconsin Department of Natural Resources was reached in January 2009 and included a US\$730,000 fine and a US\$370,000 statutory assessment. The NOVs pertained to environmental infractions that Enbridge allegedly committed while constructing its Southern Access pipeline in 2007.

For more information, please see the *Compliance and Ethics/Fair Operations performance data sheets* on www.csr.enbridge.com. Please also see our *Statement on Business Conduct* and *Whistle Blower Procedures*, as well as information on our *Ethics & Conduct Hotline*.

Safety

Millions of North Americans count on the energy we deliver daily. That's why our top priority is the safety and reliability of our operations. It's our duty and our responsibility to prevent incidents, stay safe, and reduce our environmental impact.

We've created a new governance structure and enhanced processes to strengthen Enbridge's culture to make it one that's focused on prevention of incidents.

We're also investing heavily in the tools, training and technologies needed to ensure our energy transportation and distribution systems operate safely, reliably and in an environmentally responsible manner. Since 2012, we've invested more than \$4 billion in programs and initiatives to maintain and further enhance our pipelines and facilities in all parts of our business.

Operational Risk Management—Six Performance Areas



In 2013, we continued rolling out more than 200 initiatives under our Operational Risk Management Plan to improve our safety culture and practices. Under the Plan, we are committed to achieving industry leadership in six key areas.

A key prevention measure for public safety is to provide information about underground infrastructure to individuals interested in excavating before they conduct any excavations. For this reason, our Gas Distribution business in Ontario supported the passing of new legislation, the 2012 Ontario Underground Infrastructure Notifications System Act, which requires all underground utility operators to participate in "Ontario One-Call," a call centre that provides answers to third-parties wanting to excavate. Our businesses and operations in other North American jurisdictions similarly support and participate in these types of public policy driven programs or measures.

For more information, please see the following performance data sheets on www.csr.enbridge.com: Asset Integrity and Reliability; and Human Health and Safety. Please also see Enbridge's December 2013 Operational Reliability Review.

Public Policy Development and Lobbying

Enbridge supports democratic and regulatory processes in the jurisdictions in which we conduct business. We do so in accordance with the letter and spirit of all applicable laws of the countries in which we operate. As such, all of our activities pertaining to public policy development, lobbying and political donations comply with the country, provincial and state laws governing those activities, as well as with our Statement on Business Conduct.

Enbridge does not have a formal policy on disclosure or communication regarding public policy development or lobbying. We're currently reviewing best practices with a view to developing corporate policies and guidelines in this area.

Political Contributions

Our Statement on Business Conduct addresses political contributions by stating that, "no funds or assets of Enbridge shall be contributed to any political party or organization, or any candidate for public office, except where such contribution is permitted by applicable law and authorized by senior management or the Board of Directors."

In 2013, Enbridge contributed approximately \$60,000 to provincial political parties in Canada. We did not contribute to federal political parties or politicians in Canada. In Canada, the Federal Accountability Act prohibits corporate political donations at the federal level. Laws governing corporate political donations to provincial entities vary by province. Enbridge strictly adheres to them.

In 2013, Enbridge did not make any contributions to political parties, politicians or related institutions in the U.S.

Taxes

Our tax governance system is based on our tax mandate, our code of conduct and our risk philosophy. Our tax mandate is to comply with all applicable tax laws, pay our fair share of tax in every community in which we operate and carry out business transactions in a tax-efficient and legal manner.

Our tax code of conduct upholds our core values and requires that we act with integrity and demonstrate respect for the tax laws and tax authorities in all jurisdictions in which we operate through timely and accurate compliance, transparent communication and a spirit of cooperation.

Our tax risk philosophy aligns with Enbridge's overall low risk tolerance and seeks to minimize tax uncertainty and tax risk through strong leadership, engagement in the organization, compliance and executive accountabilities.

As a result of our tax mandate and our operations within communities across North America, we pay income, property, business and other required taxes to local, state, provincial and federal governments in Canada and the U.S. In 2013, we paid \$461 million in income taxes, property, business and other taxes and sales and use taxes.

For more information, please see the Economic Benefits/Contributions to Local Economy performance data sheet on www.csr.enbridge.com.

Public Consultation and Engagement

On all of our projects and operations, we're mandated by law, and by our own corporate policies, to engage with stakeholders in a respectful, open and transparent manner to provide them with information about our activities and operations and respond to their concerns.

Beyond regulatory compliance, there are many long-term social, environmental and economic benefits that result from developing and maintaining good relations with stakeholders, and to building trust and goodwill with landowners and communities along our rights-of-way.

The effectiveness of our performance on our stakeholder and community engagement responsibilities is evaluated at both a regulatory and company level. For example:

- Canada's National Energy Board (NEB) conducts at least six comprehensive audits of NEB-regulated companies each year. Each of the audits focuses on one of six required areas of a company's management system, which include: Safety; Environmental Protection; Integrity; Pipeline Crossings and Public Awareness; Emergency Management; and Security. Audit results are released publicly.
- In the U.S., we're required by federal regulation to conduct an annual implementation review of our Public Awareness Program, and to evaluate the program's effectiveness once every four years. The effectiveness evaluation is conducted through a collaborative survey that incorporates feedback from emergency responders, public officials, excavators and people who live and work near our pipelines. The survey measures stakeholders' understanding of pipeline safety and their retention of information they would have received as part of our pipeline public awareness direct mail program. This information is paired with statistics and metrics from the annual implementation review to help determine if the program is effective, and whether any changes to the program are indicated.
- In Canada, we commission outside reviews of our Public Awareness Programs to obtain recommendations for improvement, and to ensure that we're continuously improving the program.
- We also use informal measures of media interest (news and blog clips) to gauge stakeholder interest in topics such as proposed pipeline construction in a particular area, as well as to develop educational and open-house materials that are responsive to questions that stakeholders raise in media stories.

We're expanding our stakeholder relationship management systems to improve our ability to track and be accountable for outcomes. We're involved with more frequent presentations to municipal governments, as well as open houses and information and sessions with communities along our rights-of-way. We're also working on creating better alignment between our Safe Community program and the work we're doing with emergency first responders in our areas of operation.

For more information please see Enbridge's December 2013 Operational Reliability Review. Please also see the following performance data sheets on www.csr.enbridge.com: Stakeholder Engagement; Aboriginal and Native American Rights and Engagement; Human Health and Safety; and Emergency Preparedness and Response.

Aboriginal and Native American Consultation and Engagement

We consistently and rigorously strive to uphold the highest human rights standards in all of our work. Our commitment applies to all aspects of our business, but is particularly relevant to our extensive relations with Aboriginal and Native American communities.

More than 60 First Nations communities are located along our rights-of-way in Canada alone; and in both Canada and the U.S., energy infrastructure development requires the involvement of Aboriginal and Native American persons who live and work in areas where development is located.

Additionally, in Canada, Aboriginal persons have a constitutionally protected right to be consulted if any government decision has the potential to impact treaty or other Aboriginal rights. The Crown (the federal and provincial governments) therefore recognizes Aboriginal groups as being separate and distinct from stakeholders, and has a legal duty to consult with them. Project proponents, such as Enbridge, must consult with Aboriginal groups as part of the regulatory process and, in doing so, must take into consideration their distinct nature and interests. Aboriginal

groups can challenge or appeal decisions made by regulatory authorities if they are not satisfied with the decision from a rights and title perspective.

In the U.S., as required under [Section 106 of the National Historic Preservation Act](#), the federal government must consult with recognized Native American tribes and other designated agencies on projects that have the potential to cause adverse effects on historic properties. Under federal law, the U.S. Bureau of Indian Affairs must grant a right-of-way before a company can proceed with construction on any Indian Reservation; on lands held in trust for a tribe, band or individual Indian; or on lands held by individual Indians or Indian tribes or bands that are subject to restraints against alienation.

Given our commitment to human rights, as well as given the regulatory framework within which we operate, our goal is to engage with Aboriginal and Native American communities regularly, consistently and respectfully over the life of our projects—from the planning and regulatory approval phases all the way through to and during the operational phase.

While our work has resulted in many examples of successful consultation, engagement and collaboration with Aboriginal and Native American communities, we do face a number of significant challenges.

For more information, please see the Discussion of Significant Challenges and Responses section of our [2013 CSR Report](#) as well as the performance data sheets on [Aboriginal and Native American Rights and Engagement](#) and on [Human Rights](#).

Community Investment

By investing our dollars, partnerships and human capital in charitable, non-profit and community organizations that have the skills and expertise to affect change, we're able to contribute to the economic and social development of communities near our operations. We believe these investments are essential to us being a good neighbour, and that they contribute to our ability to earn and maintain our social license to operate.

Our approach to community investment is governed by our Board of Directors and by our [Community Investment Program Criteria and Guidelines](#), which specify that we invest in charitable, non-profit and community organizations that:

- Are located in communities within a 20-kilometre (10-mile) radius of our pipeline rights-of-way or near our operations
- Are important to our communities, as determined by best-practice comparisons, community-based research and information we gather through our stakeholder relationships
- Benefit the greatest possible number of people
- Create significant long-term benefits for our communities
- Align with at least one of our three focus areas

Under our criteria and guidelines, we invest in organizations involved with medical research and infrastructure, community-based emergency services, health, education, social services, environmental and safety initiatives, and arts and culture (professional and amateur).

We structure our community investments around three focus areas:

- Everyone's Community
- Everyone's Wellbeing
- Everyone's Environment

For more information, please see the [Community Investment](#) performance data sheet on www.csr.enbridge.com.

Climate Change

We recognize that climate change is a critical global issue and believe that meaningful greenhouse gas (GHG) reductions require governments to collaborate with industry and consumers to establish clear, realistic GHG emissions objectives, public policies and effective regulations.

We also recognize that climate change is a critical issue for us, given that our business is focused on transporting fossil fuels.

While we don't produce the fossil-fuel-based products we ship, we understand that some stakeholders oppose our pipeline projects due to concern over climate change. We address this issue by working with all of our stakeholders and all levels of government to ensure that our industry is a proactive participant in the development and implementation of climate change solutions. We track and publicly report on our own GHG emissions and continue to take steps to lower them. Many of the jurisdictions in which we operate have adopted or are adopting different mechanisms for carbon pricing, including taxes and emissions trading systems. We participate in and comply with these requirements.

We're also actively diversifying our business by investing in alternative and renewable energy technologies that support the development of a low-carbon economy. Since 2002, we've invested more than \$3 billion in wind, solar, geothermal, waste heat recovery, and a host of other alternative energy technology projects that, together, have the capacity to generate more than 1,800 megawatts of emissions-free energy and result in the avoidance of approximately 1.6 million tonnes of GHG emissions each year. We plan to add to this capacity by 2016.

In addition, as we generate more renewable energy, we're participating in efforts to find ways to store it—particularly during non-peak demand hours—which is why we invest in technologies that support large-scale electricity storage. By investing in these technologies, we're helping to advance society's use of intermittent energy sources such as wind and solar.

And we continue to support our [Neutral Footprint commitments](#). Currently, our commitments are to plant a tree for every tree we remove; help conserve an acre of natural habitat for every acre we permanently alter when building new energy infrastructure; and generate a kilowatt hour of renewable energy for every kilowatt hour of additional energy consumed by our liquid pipeline business.

For more information, please see the following performance data sheets on www.csr.enbridge.com: [Energy and Climate Change](#); [Renewable Energy](#); and [Innovation](#).

National Canadian Energy Strategy

Because energy is so important to the health of the Canadian economy, Enbridge supports the development of a national Canadian energy strategy. We believe the strategy should be flexible enough to respond to significant changes in circumstances, and should be integrated with a national environmental strategy and initiatives on GHG reduction, a national transportation strategy and a national education strategy.

A coordinated approach to energy development by the provinces together with the federal government strategy would help Canada negotiate with trading partners on issues pertaining to energy and the environment, and enhance market access and competitiveness for Canadian energy products and services.

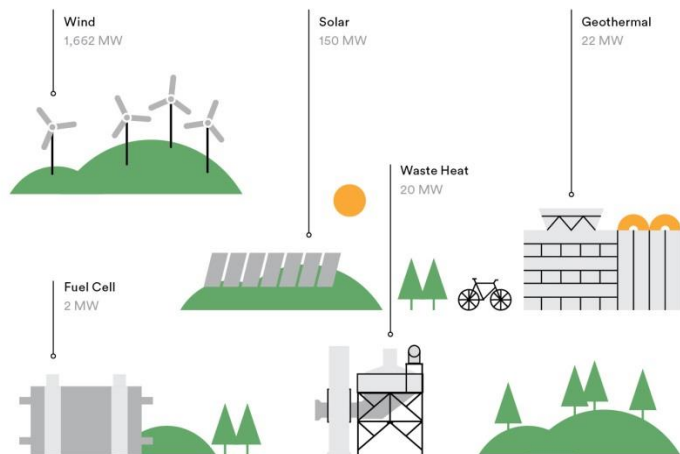
Renewable Energy and Energy Innovation

While it is widely recognized that global demand for energy from all sources will continue to grow, we support a wider use of renewable energy—and believe that finding lower impact energy solutions is in everyone's best interests. As one of the largest renewable energy generators in Canada, we're already playing a part in that bigger picture and we're planning to do even more in the future.

Our investments in renewable and alternative energy technologies are a key element of our business strategy, as are our investments in innovative technologies designed to lower the environmental impact of hydrocarbons. Where they

are available and applicable, we subscribe to government-sponsored incentives, subsidies and grants designed to help accelerate investment in renewable energy and/ or new technologies.

Enbridge's Renewable and Alternative Energy Investments—Total Capacity by Type



Enbridge is Canada's largest solar and second largest wind power producer, and in the United States, we are a growing renewable energy player with investments in wind, solar and geothermal.

For more information, please see the following performance data sheets on www.csr.enbridge.com: [Energy and Climate Change](#); [Renewable Energy](#); and [Innovation](#). Please also see Enbridge's December 2013 [Operational Reliability Review](#) and Enbridge's [2013 Annual Report](#).

For More Information

Please see the following performance data sheets on www.csr.enbridge.com: [Aboriginal and Native American Rights and Engagement](#); [Stakeholder Engagement](#); [Human Rights](#); [Asset Integrity and Reliability](#); [Human Health and Safety](#); [Energy and Climate Change](#); [Renewable Energy](#); [Innovation](#); [Community Investment](#); and [Economic Benefits/Contributions to Local Economy](#). Please also see Enbridge's December 2013 [Operational Reliability Review](#) and Enbridge's [2013 Annual Report](#).