

# Indigenous financial partnerships

**Enbridge engages regularly with hundreds of Indigenous Nations, Tribes, Governments and Groups across North America. Many have a keen interest in resource development opportunities as a way to build economic prosperity—and economic sovereignty—for their people.**

We recognize that Indigenous communities want to be engaged in the energy transition – through the full life cycle of energy assets. With this in mind, in 2018 Enbridge adopted a company-wide approach to engagement based on respect for culture and the intimate connection Indigenous people have to the land, water and the environment.

Changing the lens through which we all view our relationships with Indigenous people is a big part of reconciliation. It represents the type of change needed across industry to better align business and Indigenous interests.

Exploring potential financial partnerships, including equity partnerships, is an example of the kind of commitment Enbridge made in its first-ever Indigenous Reconciliation Action Plan (IRAP), building on a growing track record of engagement with Indigenous communities and employees.

In September 2022, Enbridge and Athabasca Indigenous Investments announced the largest energy-related Indigenous partnership transaction in North America to date.

Enbridge is proud of this milestone agreement, our first involving existing assets. We've also forged partnerships on new projects like the East-West Tie power transmission line in northwestern Ontario and the proposed Wabamun carbon capture and storage project near Edmonton, which will be co-developed – and ultimately co-owned – with local Indigenous equity partners.



> 23 diverse Indigenous communities, inclusive of Cree, Dene and Métis people from northern Alberta, will steward an investment in seven Enbridge-operated pipelines.

## Questions and answers

Below are answers to some questions you may have about Indigenous partnerships. We are always pleased to have a discussion and encourage you to contact your local Enbridge representative if you'd like more information.

### How does Enbridge define 'equity partnership'?

An equity partner receives a financial share or ownership percentage in a proposed project or identified assets, may be involved in decision-making, governance and oversight, and assumes some level of operational risk.

### Following your Athabasca announcement, is Enbridge considering any other such partnerships?

We're committed to economic inclusion and – as outlined in our IRAP – we're committed to exploring opportunities for Indigenous economic participation. We're exploring financial partnerships across all of our assets, where it makes sense for the Indigenous partners and our business.

In our experience, some key factors are needed for equity partnerships to occur, including: willing and interested partners; assets that generate sufficient cash flow to provide the sustainable economic benefits that make these partnerships appealing to Indigenous partners; and, finally government programs like the Alberta Indigenous Opportunity Corporation and a similar program in Saskatchewan that provides financial backing to potential Indigenous partners so they can invest in opportunities.

### Aside from partnerships, are there other ways an Indigenous community can benefit from Enbridge projects and operations?

Every Indigenous community is unique and will have different needs and priorities.

Equity partnerships are one of many ways our projects and operations can benefit Indigenous communities financially. Depending on community needs and priorities, other ways to create sustainable benefits include – but are not limited to – things like employment, contracting and business development opportunities, education and training initiatives and community investment.



> Four First Nations Chiefs who are part of an entrepreneurial alliance, First Nations Capital Investment Partnership, have partnered with Enbridge in a proposed Enbridge carbon capture and storage hub west of Edmonton. A local Métis community is also a partner in the project.

**Is Enbridge’s desire to form partnerships with Indigenous communities driven by Indigenous reconciliation?**

Economic partnerships align with our IRAP commitments, which build on a growing track record of engagement with Indigenous communities and employees. We believe our business can play a critical role in advancing reconciliation, but reconciliation at Enbridge is more than any one business transaction. Reconciliation requires a long-term, company-wide focus and our full commitment to building a better future together with Indigenous peoples. We are on that journey now.

**By offering an Indigenous community a stake in your projects or operations, are you really just trying to buy our support?**

The economic opportunities we offer to Indigenous communities do not come with any obligation to support, implicit or otherwise, any Enbridge initiative, project or proposal. Nor does any such offer replace Enbridge’s engagement or consultation requirements.

**How does Enbridge benefit from Indigenous financial partnerships?**

Financial partnerships give Enbridge an opportunity to strengthen relationships with Indigenous communities and, as importantly, gives those communities an opportunity to benefit financially. Enbridge recognizes the value of partnering with Indigenous groups that have an intimate connection to the land and environment.

As identified in our IRAP, we are committed to building on our growing track record of engagement with Indigenous communities and employees – incorporating advice into facility siting, environmental and cultural monitoring, training and procurement opportunities and financial partnerships.

**How do you determine which communities you approach with financial partnership opportunities?**

We recognize that many Indigenous communities view resource development opportunities as a way to build economic prosperity for their people. They want to be engaged in the energy transition – we support those goals.

We’re looking at financial partnerships, including equity partnerships across all our assets that make sense for both Indigenous communities and our business. We’ve taken a big step in this process with our announcement of 23 Indigenous communities acquiring an interest in seven Enbridge-operated Athabasca pipelines.

More information on our commitments to steward future Indigenous Economic Partnerships can be found in our IRAP document.

**How can Indigenous communities finance the large investments required to partner on energy projects?**

We think this is best achieved with direct financial support from government.

The Alberta Indigenous Opportunities Corporation (AIOC) is a good example and a model we’d like to see in other jurisdictions, including federally.

The AIOC lowers the cost of borrowing for Indigenous communities seeking to participate in natural resource partnerships. Financial mechanisms such as loan guarantees enable access to capital, improve lending terms and make financing more affordable.

Participation of the AIOC was an important factor in enabling the 23 Athabasca communities to invest in our Athabasca pipeline assets.



> Enbridge is a joint venture partner in NextBridge, which operates a 450-kilometer East-West Tie power transmission line in northwestern Ontario. Local Indigenous communities are involved as partners and helped construct the line, which came into service in the spring of 2022.