



# Bridge to a cleaner **energy future**

2021 Sustainability Report



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At Enbridge, we deliver the energy that fuels people's quality of life—meeting the needs of today, while bridging to a more sustainable, reliable and affordable energy future.

### Learn more



The content in this report is focused on our performance over the past year. You can access more information on how we manage key topics by clicking the *Learn more* links found on the relevant pages.

### Note to users

This document contains references to Enbridge's website. These references are for the readers' convenience only. This document also has links to websites owned and operated by third parties. When clicking on those links, users will leave our website. These links are provided for additional information and convenience only. Enbridge is not responsible for third-party websites or their content. Enbridge is not incorporating by reference any information posted on [enbridge.com](https://www.enbridge.com) or any third-party website. The terms "we," "our," "us," "Company," and "Enbridge" as used in this document refer collectively to Enbridge Inc. and its subsidiaries unless the context suggests otherwise. These terms are used for convenience only and are not intended as a precise description of any separate legal entity within Enbridge. 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.

# Fueling people's quality of life

Whether it's crude oil, natural gas or renewable power, the energy Enbridge delivers heats homes, feeds families, powers the economy and empowers society. We are a leading North American energy infrastructure company. Our common shares trade on the Toronto and New York stock exchanges under the symbol ENB. For more information, visit [enbridge.com](https://enbridge.com).



## Liquids Pipelines (LP)

Crude oil is refined into gas, diesel, jet fuel and asphalt, as well as propane and other home heating fuels. It's used as a feedstock in the petrochemical industry to create plastics, vinyl, textiles, electronics, antibiotics and thousands of consumer products.

**Enbridge transports crude oil sufficient to meet ≈30% of North American demand.**

4 billion barrels



## Gas Transmission and Midstream (GTM)

Natural gas heats homes, businesses, hospitals and schools. It's made into consumer products, medications, vitamins, fertilizers, surgical masks, fabrics, chemicals and plastics. It's steadily replacing coal as a cleaner fuel for power generation and is an increasingly popular fuel for heavy-duty transportation.

**Enbridge transports 20% of the natural gas consumed in the U.S. to >170 million people.**

≈22.7 Bcf/d<sup>1</sup>  
of natural gas



## Gas Distribution and Storage (GDS)

Enbridge Gas Inc. (EGI) and its affiliates deliver safe, reliable service to people in Ontario and Quebec through 3.9 million residential, commercial, institutional and industrial meter connections. We are North America's largest natural gas utility by volume and third largest by customer count.

**Enbridge delivers natural gas utility service to markets with ≈15 million people.**

≈5.3 Bcf/d<sup>1</sup>  
of natural gas



## Renewable Power and New Energies

Renewable energy harnesses the power of sun, wind, organics and other sources, converting it to electricity that lights up cities, powers vehicles and heats and cools buildings. Renewables are expected to be the world's fastest-growing source of electricity generation through to 2050.

**Enbridge produces enough renewable energy to power ≈960,000 homes.<sup>2</sup>**

>2,175 MW zero-emission energy (net)

<sup>1</sup> Bcf/d (billion cubic feet per day)

<sup>2</sup> Homes equivalent based on net capacity

## 2021 highlights



**\$11B**  
spent on goods and services purchased from >10,000 suppliers



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



**\$10B**  
Placed \$10B of secured capital into service of communities



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



**13%**  
dividend growth over the last 10 years



**Five Indigenous groups**  
Agreement with four First Nations and one Metis group to advance the proposed Open Access Wabamun Carbon Hub



**\$23M**  
invested in community-strengthening initiatives across North America



**\$504M**  
generated in Indigenous economic opportunities



**Over 29%**  
improvement in both employee and contractor total recordable incident frequency rate over three-year average



**>\$8B**  
invested in renewable power since 2002, with the net capacity to deliver more than 2,175 MW of zero-emission power to customers in the U.S., Canada and Europe



**\$6B**  
invested in pipeline integrity over the last three years



**57.8M tonnes**  
of GHG emissions  
Since 1995, Demand Side Management programs have removed roughly 12.6M cars off the road for one year

## CEO message

At Enbridge, our focus is on tomorrow.

Our mission is to fuel people's quality of life by building a bridge to a cleaner energy future. We are doing this with a two-pronged approach – investing in conventional and low-carbon energy to advance the energy transition.

At Enbridge, our commitment to environmental, social and governance (ESG) leadership has been embedded in our culture and how we operate our business. In this, our 21st annual sustainability report, we share the progress we've made against our ESG goals, and how we're integrating sustainability across our businesses – it's who we are.

### Enhancing energy security and affordability

While this report centers on our performance and progress in 2021, we are keenly focused on events in the first half of 2022 which are further reshaping the debate around energy security, affordability and reliability.

It is clear that we are in an energy crisis, which is being caused by an inflection point in energy markets. Among other things, the devastating war in Ukraine has resurfaced questions about where – and from whom – we get our critical energy supplies. Energy security has now been elevated alongside affordability, reliability and sustainability. The war has strained already tight supply and demand balances, pushing up the cost of energy globally, with few shielded from the impacts, particularly the most vulnerable in our society.

Forecasts show that demand for energy will continue to increase as populations grow and developing nations raise their standards of living. Combined with heightened emphasis on energy security, we face the need for even more energy, and importantly, greater diversity and reliability of supply across conventional and renewable sources.

North American energy should be the top choice of global consumers. As an ESG leader with abundant, low-cost and efficient energy supply, well-developed regulatory and legal frameworks, and a deeply integrated infrastructure network, North America is well-positioned to get energy to where it is needed.

### Advancing a net zero future

Achieving global and North American climate goals has never been more important.

At Enbridge, we set and met emissions reduction targets in the past and we continue to lead our sector with new targets grounded in science and aligned with goals of the Paris Agreement. We have a focused plan – fully embedded in our operations and capital allocation framework – for achieving the targets and for ensuring resiliency through the transition. To hold ourselves accountable, we've linked incentive pay for the executives and all employees to our ESG goals. We've further integrated our targets into the business with \$3 billion in sustainable finance – including the first sustainability-linked loan and bond in our sector.

Given the nature of our business, our planning process places significant emphasis on understanding changes in energy systems and evaluating trends to help inform our approach. As part of that process, we routinely assess business fundamentals under a variety of scenarios which allow us to monitor and react to the pace of the transition. In this year's report, we test the resilience of our businesses with a 1.5 C scenario analysis. We believe the world is moving toward a cleaner energy future and Enbridge is well-positioned to play a key role in the energy transition – supporting the energy needs of people and maintaining a disciplined and deliberate approach to strategic and financial planning. Our ongoing push to



**Al Monaco**  
President and CEO

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*“All of us across the Enbridge team continue to look forward, building a bridge to a cleaner energy future and embracing the opportunity to deliver today's energy needs while we build a stronger foundation for the future.”*

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modernize our existing footprint to provide safe, reliable and lower-emission services will extend the life of our core businesses while low-carbon opportunities continue to emerge and scale.

It is early days, but we're making strong progress against our ESG goals – our emissions intensity is down 27% since 2018 and absolute emissions are down as well. In this report, we've outlined how we're reducing emissions, from improving efficiency to powering our pipelines with solar energy, as well as the investments we're making in hydrogen blending, renewable natural gas and carbon capture. We also illustrate where we see future progress on the road to net zero.

**Advancing inclusion and opportunity**

As we focus on meeting energy and environmental needs, we are keeping people at the forefront – reinforcing our commitment to diversity, equity and inclusion, and understanding the social and economic impact of energy transition on people and communities.

In 2021, we enhanced efforts to ensure that our workforce better reflects our communities; further embedded equity into our policies, programs and practices to ensure fairness for all; augmented board diversity; and elevated diverse talent. I was honored to represent the Enbridge team earlier this year in accepting the Catalyst Award recognizing our diversity, equity and inclusion program.

As a company that engages with hundreds of Indigenous nations across North America, we're prioritizing reconciliation. Earlier this year, we shared an update on our efforts to be a leader in our industry in Indigenous engagement, inclusion and awareness. Notable among them, the creation of more than \$900 million in Indigenous economic opportunity related to Line 3 replacement, and our innovative partnership with the First Nation Capital Investment Partnership to develop the [Open Access Wabamun Carbon Hub](#) – a great example of bridging a cleaner energy future with Indigenous economic reconciliation.

In 2022, Enbridge intends to further outline commitments in 2022 which will form the basis of our plan of action going forward. We produced an updated report in early 2022, which discusses our approach to Indigenous relationships and progress made since 2018.

All of us across the Enbridge team continue to look forward, building a bridge to a cleaner energy future and embracing the opportunity to deliver today's energy needs while we build a stronger foundation for the future. There's no question we'll face challenges; challenges with evolving science and policy, along with technology, economic and geopolitical developments, but we remain committed to continuous improvement and I'm confident our team has the drive and ambition to succeed.

Enbridge is leading the energy transition – we understand energy fundamentals, we have the right strategies and our people are aligned across the organization to make it happen.



**AI Monaco**  
President and CEO



AI Monaco celebrates Diwali – Festival of Lights with employees from the Houston Westheimer office.

## Message from our Board of Directors

Strong governance advances the long-term interests of all our stakeholders. Enbridge's Board of Directors takes its oversight role seriously. We are committed to leading corporate governance practices and cultivating public trust in the Company. We are focused on oversight of management's execution of sustainability objectives and we work to ensure that the Company's sustainability strategy aligns with Enbridge's purpose, vision, objectives and stakeholder expectations.

The Board engages in the Company's annual strategic planning process, which includes a focus on driving best-in-class ESG performance. The Board recognizes the importance and value that continued integration of ESG factors creates for the Company and all stakeholders. We review and receive regular updates from management on the Company's sustainability strategy and initiatives and play an active role in shaping ESG management plans and policies including the identification and mitigation of stakeholder-related risks.

In 2020, we focused with management on the development of new corporate ESG goals, including next-generation greenhouse gas emissions targets and accelerated diversity goals at senior management and workforce levels. We also looked inward, committing to achieving representation on the Board of 40% women and 20% underrepresented ethnic and racial groups by 2025. In 2021, the Board and Sustainability Committee closely monitored progress against these goals, including the development of processes designed to ensure that these goals are achieved.

We also reviewed and approved an updated Political Contributions Policy to further align participation in the political process to the Company's core values. We discussed actions taken by management to ensure that corporate and regulatory requirements for engagement with local communities and Indigenous peoples are met across all projects and operations, and we provided feedback on the Company's implementation of a more holistic, lifecycle approach to Indigenous and community engagement. We also oversee the Company's community investment strategy and program, including ongoing support related to the impacts of the COVID-19 pandemic and community investment and financial support to Indigenous communities.

The Board continues to listen and be involved in responding to our stakeholders. We are actively engaged with management on how we communicate with all our stakeholders and continue to be transparent in our approach. This year, for example, we were highly engaged on a shareholder proposal relating to our emissions reduction targets. Listening to our stakeholders and carefully analyzing their perspectives helps to ensure that we have the right approach to the energy transition, which is critical to our ongoing success.

We are proud of what the Company accomplished in 2021, how these actions are positioning the Company for tomorrow, and look forward to working with management to ensure sustainability remains foundational across the Company in coming years.



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



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

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*"Listening to our stakeholders and carefully analyzing their perspectives helps to ensure that we have the right approach to the energy transition, which is critical to our ongoing success."*

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### Learn more



Visit the [Governance section](#) to learn more on the role of the Board and the Sustainability Committee.

## ESG goals dashboard

Set in November 2020, our ESG goals are our ambition to be a global leader and ensure we're positioned to grow sustainably for decades to come. The progress we made in 2021 is captured in our ESG goals dashboard.

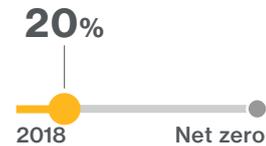
### ENVIRONMENT

#### GHG emissions



**Goal:**  
Reduce GHG emissions intensity by 35% by 2030

**Status:**  
Down ≈27% from 2018 baseline

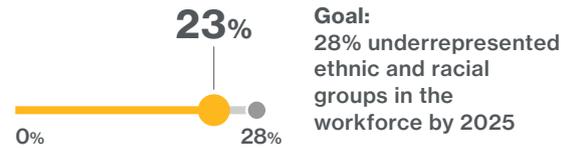


**Goal:**  
Net zero GHG emissions by 2050 (absolute emissions)

**Status:**  
Continued progress toward net zero goal from 2018 baseline

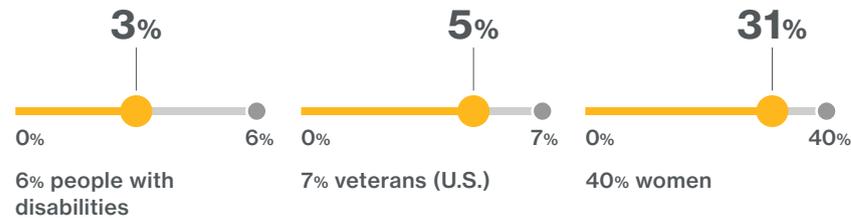
### SOCIAL

#### Workforce diversity

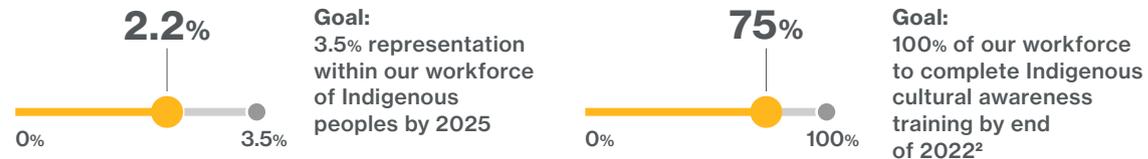


#### Diversity, equity and inclusion

**Goal:** By 2025, increase workforce representation to:



#### Indigenous inclusion<sup>1</sup>



<sup>1</sup> Because Enbridge's operations span North America, our use of the term "Indigenous" denotes Native American Tribes in the United States and First Nations, Métis Nation and Inuit peoples in Canada.

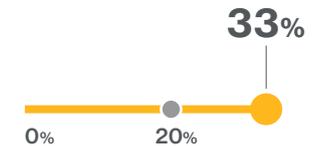
<sup>2</sup> As at May 1, 2022, 75% of our workforce has completed Indigenous cultural awareness training.

### GOVERNANCE

#### Board diversity



**Goal:**  
40% women on the Board by 2025



**Goal:**  
20% underrepresented ethnic and racial groups on the Board by 2025

## 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.

The content in this report is focused on our performance over the past year. For more information on how we manage key topics, we have included links to Management Approach narratives on the relevant pages of this report.

### 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 [2021 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 2021 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 (SDGs).

### 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, 2021, as well as significant events in 2022. 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, we engage a third-party verifier to conduct limited assurance on select environmental key performance indicators (KPIs). The select KPIs include Enbridge's underrepresented ethnic and racial workforce representation, total Scope 1 greenhouse gas (GHG) emissions, Scope 2 GHG emissions, Scope 3 GHG emissions, total energy consumption (fuel and electricity), methane, GHG emissions intensity and criteria air contaminants. To read the complete assurance statement, see our 2021 ESG Datasheet.

### Forward-looking information

This Sustainability Report contains forward-looking information, or forward-looking statements. Please see "Forward-looking information" on [page 61](#) of this report.

### Related publications



[2021 Annual Report](#)

[Notice of 2022 Annual Meeting of Shareholders and Management Information Circular](#)

[2021 ESG Datasheet](#)

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

[Continuing our path to reconciliation: Indigenous engagement and inclusion – An update on our progress](#)

# For a stronger tomorrow

Sustainability is a key enabler of our corporate strategy. We know that our ability to achieve our strategic priorities and create long-term value for all stakeholders is directly connected to our performance as a steward of our environment, a safe operator of essential energy infrastructure, a diverse and inclusive employer, and a responsible corporate citizen.



## In this section

- CSO message
- Emissions leadership in our sector
- Integrating sustainability into our business
- Sustainability topics
- Stakeholder engagement
- Sustainable Development Goals

## CSO message

I'm pleased to share our 2021 Sustainability Report, which reflects the tangible progress Enbridge has made since our announcement of ESG goals in late 2020.

These goals have galvanized our employees in common purpose to prioritize actions and track progress across a number of areas that speak to where we're heading as a company and to the role we aim to play in communities in which we operate and in broader society. Importantly, our work continues to be informed by ongoing engagement with our many stakeholders.

In this report, we provide details to help you track our performance as we strive for continuous improvement in all that we do. You will see that we have added a dashboard ([page 8](#)), highlighting how far along we are in achieving our ESG goals. We have also mapped our actions to specific targets within the UN Sustainable Development Goals ([page 18](#)) to provide greater clarity on how our actions complement these broader global priorities.

We hope that our new report format proves more user friendly and accessible for readers. In addition to highlighting key milestones and performance in 2021, the report incorporates links to specific topic pages and documents detailing our approach. I would draw your attention to two documents in particular: the enhanced TCFD disclosure in our standalone [ESG Datasheet](#), which includes a scenario analysis based on a net zero emissions pathway; and

our [Indigenous engagement and inclusion update](#), which lays the foundation for our Reconciliation Action Plan, to be released later in 2022.

In developing this year's report, we interviewed people from across Enbridge to breathe life into how our ESG goals are being operationalized and pushed to the center of decision-making. There's tremendous energy and passion to deliver on our goals and advance new opportunities in the process – and we've highlighted some of our teammates' insights in this report.

While the 2021 Sustainability Report offers a look back at our performance in key ESG areas, our focus is on tomorrow and continuing to make progress against our goals. Thank you for your interest in how Enbridge is performing on issues that matter to us and to our host communities and Indigenous peoples, customers, partners, investors and governments. We hope you enjoy our report and will continue to track our progress.

Sincerely,



**Pete Sheffield**

Vice President and Chief Sustainability Officer



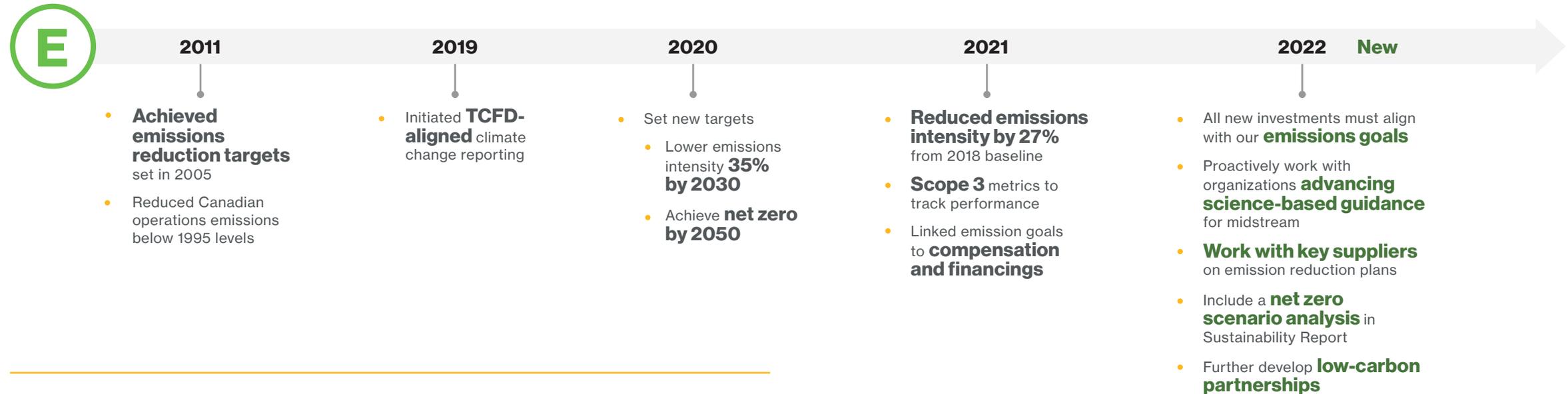
**Pete Sheffield**  
Vice President and  
Chief Sustainability Officer

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*“There’s tremendous energy and passion to deliver on our goals and advance new opportunities... and we’ve highlighted some of our teammates’ insights in this report.”*

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## Emissions leadership in our sector



For additional perspective on how we're integrating sustainability into our business, our CSO spoke to various Enbridge leaders. Their answers can be found on the relevant pages of this report.

# Integrating sustainability into our business

Since the announcement of our ESG goals in 2020, we've made considerable progress integrating sustainability into our governance, strategy, operations and decision-making.

Our strategic plan is our roadmap for the future, setting out the priorities to enable us to achieve our vision of being the leading energy delivery company in North America. Each year, we review our plan to ensure that we're on the right path. Employees are then engaged in strategy discussions held across the organization so they can all align their individual goals to Enbridge's strategic priorities.

Our people, technology and ESG are key enablers of our strategic plan, and our ESG goals help strengthen accountability and reinforce many of our commitments. In 2021, we laid the foundation for achieving our goals. This included embedding key emissions reduction and diversity, equity and inclusion metrics into employees' annual scorecards, which directly impacts their compensation; issuing \$3 billion in sustainability-linked financings that are tied to achievement of our ESG goals; and advancing our capital-allocation framework to ensure that all new investments account for carbon prices and are aligned with our emissions reduction goals. Cybersecurity was added to employee scorecards in 2020 and safety has been a key scorecard metric for quite some time.

**Learn more**



[Our Strategic Plan](#)

For further details on how we're integrating sustainability into our business, please visit our [Notice of 2022 Annual Meeting of Shareholders and Management Information Circular](#)

**Organizational alignment**

**Robust Board and committee oversight**

Board committees responsible for specific areas of ESG oversight

**ESG goals embedded in business plans**

Multi-year business plans incorporate well-defined ESG goals and actions

**Direct link to enterprise compensation**

Multi-year ESG goals embedded in annual incentive programs

**Transparent reporting and disclosure**

Reporting aligned with global standards

**CSO Q&A**



**Max Chan**  
SVP, Corporate Development

**Q: How are we at Enbridge demonstrating that we're serious about our ESG goals?**

For Enbridge, the answer is sustainability-linked bonds, which connect those goals to capital markets.

"Many companies are increasing the conversation around ESG, which is needed, but few have put their money where their mouth is so to speak. I'm proud that Enbridge has taken leadership on this by connecting financings to achievement of our goals, which is a clear demonstration of our commitment and alignment."

## Sustainability topics<sup>1</sup>

In 2021, we undertook a robust double materiality assessment aligned with the best practices approach prescribed by the GRI to update our view on the most material topics from an ESG perspective, and consider how we can further reduce risks and develop vision and leadership in our sector.

### Our prioritization process



#### Identification:

We researched peer companies and relevant ESG frameworks and standards to understand the evolution of material topics in our industry, and shortlisted ESG topics relevant to Enbridge's current business and operating environment.



#### Prioritization:

We identified a preliminary list of 22 topics that were included in surveys in which stakeholders were asked to assess their significance. Approximately 150 stakeholders responded to the surveys, and a subset of them participated in follow-up interviews on Enbridge's sustainability commitments, the importance of and Enbridge's ability to responsibly address specific topic areas, and its related communications and reporting practices. The results of the surveys and interviews were combined with desktop research to prioritize each topic according to its level of significance to our stakeholders and the overall impact on Enbridge's ability to deliver on its strategy.



#### Validation:

Nine primary ESG topics were identified through the assessment process and validated at working sessions with internal subject matter experts (SME).

### What we heard

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*"Enbridge has a strong conviction about continuing to use natural gas and how things will play out in the future. I'd like to know if their assumptions are in line with a safe climate and net zero scenarios."*

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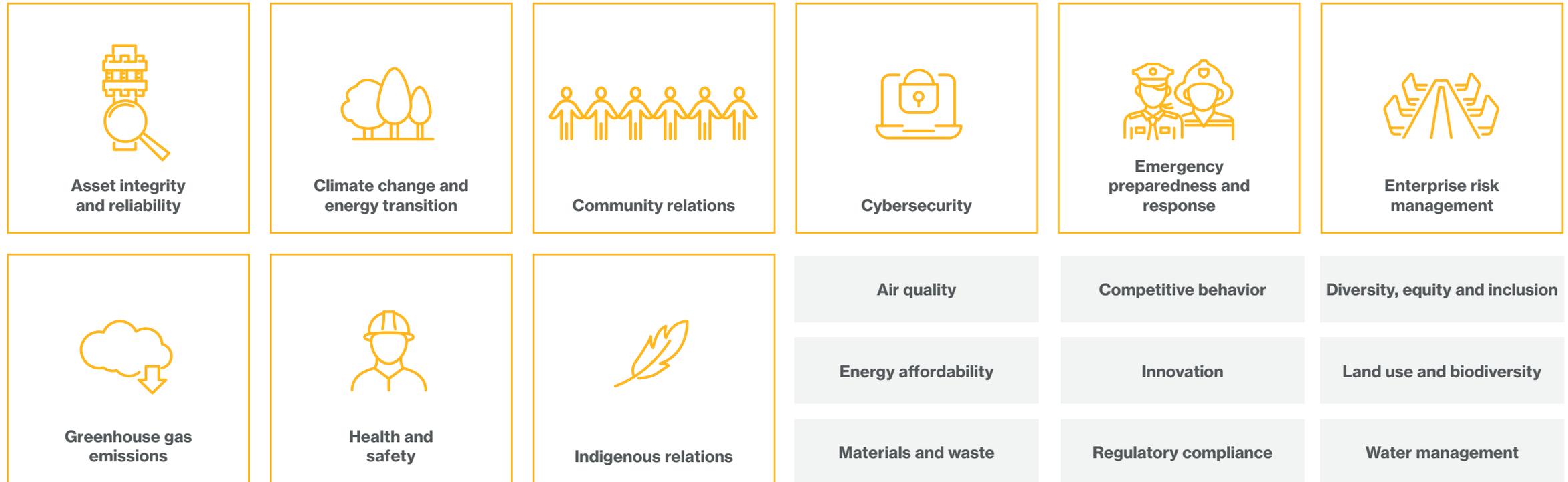
*"I've worked with a lot of companies, and I haven't seen them engage with tribes like Enbridge does. The only reason Line 3 is in the ground is due to their extensive engagement."*

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<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.

**Priority topics**

Priority topics are discussed in this report and in the Management Approach narratives available for download on the relevant pages of this report. Other significant topics are also addressed in this report, although not to the same extent as the priority topics.



- Priority topics
- Other significant topics

## Stakeholder engagement

We believe that consistent engagement with our stakeholders is critical for demonstrating transparency, facilitating open and informed dialogue, and sharing our story. We also engage with Indigenous groups,<sup>1</sup> 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 engagement and inclusion” to learn more about our 2021 engagement with Indigenous communities and businesses. Examples of our 2021 stakeholder engagement activities are below.

Employees and contractors	Customers and suppliers	Investors	Landowners and local communities	Industry groups	Government and regulators
<b>How we engage:</b>	<b>How we engage:</b>	<b>How we engage:</b>	<b>How we engage:</b>	<b>How we engage:</b>	<b>How we engage:</b>
<ul style="list-style-type: none"> <li>Supervisory communications</li> <li>Townhalls, employee forums, webcasts and podcasts</li> <li>Employee bulletins and newsletters</li> <li>Employee focus groups and surveys</li> <li>Intranet and internal social media channel</li> <li>Employee resource groups</li> <li>Safety toolbox talks, training, Stand Up for Safety sessions</li> <li>Career development plans</li> </ul>	<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>	<ul style="list-style-type: none"> <li>Annual meeting of shareholders</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 engagement and presentations</li> <li>Quarterly earnings calls and business updates</li> </ul>	<ul style="list-style-type: none"> <li>Townhalls and open houses</li> <li>Landowner meetings</li> <li>Community meetings and events</li> <li>Corporate citizenship programs</li> <li>Facility tours</li> <li>Grievance process</li> <li>Contributing to local emergency response readiness</li> <li>Letters, factsheets and newsletters</li> <li>Local government delegations and presentations</li> </ul>	<ul style="list-style-type: none"> <li>Committee participation</li> <li>Board positions on relevant trade groups</li> <li>Advocacy activities</li> <li>Conference and speaking opportunities</li> <li>Support industry groups with data gathering and analytics to solidify beneficial public policy</li> </ul>	<ul style="list-style-type: none"> <li>Trade association and industry representation</li> <li>Facility and asset tours</li> <li>Conferences and panels</li> <li>Multi-stakeholder initiatives</li> <li>Face-to-face meetings</li> </ul>
<b>Select 2021 initiatives/topics:</b>	<b>Select 2021 initiatives/topics:</b>	<b>Select 2021 initiatives/topics:</b>	<b>Select 2021 initiatives/topics:</b>	<b>Select 2021 initiatives/topics:</b>	<b>Select 2021 initiatives/topics:</b>
<ul style="list-style-type: none"> <li>COVID-19 protocols</li> <li>New ways of working (FlexWork)</li> <li>Diversity, equity and inclusion</li> <li>Employee volunteering</li> </ul>	<ul style="list-style-type: none"> <li>Supplier diversity</li> <li>Demand Side Management programs</li> </ul>	<ul style="list-style-type: none"> <li>Business results, initiatives, strategy and capital structure</li> <li>ESG goals, policies and performance</li> </ul>	<ul style="list-style-type: none"> <li>Completion of Line 3 Replacement Program</li> <li>Line 5 stakeholder communications</li> </ul>	<ul style="list-style-type: none"> <li>Carbon policy</li> <li>Low-carbon industrial strategy</li> <li>Canada/U.S. trade</li> </ul>	<ul style="list-style-type: none"> <li>Major projects engagement</li> <li>Industry association engagement on energy issues</li> <li>Facility tour with key ministers</li> </ul>

<sup>1</sup> In this report we are using the term “Indigenous groups” when referring to Indigenous nations, governments or groups in Canada and/or Native American Tribes and Tribal associations in the United States. We have the utmost respect for the unique rights and individual names of Indigenous groups across North America. This collective term is used solely for the purpose of the readability of the report and is not meant disrespectfully.

## Working together for change

### Teaming up with First Nation Capital Investment Partnership to advance CO<sub>2</sub> storage solutions

Enbridge and the First Nation Capital Investment Partnership (FNCIP) reached [an agreement](#) to advance the proposed Open Access Wabamun Carbon Hub (the Hub) west of Edmonton, Alberta. The Hub is being developed as an innovative combination of carbon transportation and storage solutions to support recently announced carbon capture projects in the region.

Four Treaty 6 Nations – Alexander First Nation, Alexis Nakota Sioux Nation, Enoch Cree Nation and Paul First Nation – formed the [FNCIP](#) to pursue ownership in major infrastructure projects with commercial partners who share Indigenous values. The Hub is the FNCIP's first partnership. The Lac Ste. Anne Metis Community will also have an opportunity to pursue ownership in future carbon transportation and storage projects associated with the Hub. Once built, it has the potential to sequester nearly 4 million tonnes of CO<sub>2</sub> emissions annually.



In February 2022, Enbridge and the First Nation Capital Investment Partnership announced an agreement to advance the Wabamun Hub. Colin Gruending, EVP & President, LP, is flanked by Treaty 6 Chiefs (from left): Chief Arthur Rain (Paul First Nation), Chief George Arcand Jr. (Alexander First Nation), Chief Billy Morin (Enoch Cree Nation) and Chief Tony Alexis (Alexis First Nation).

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*“This path creates an opportunity to generate wealth, but more importantly it allows sustainable economic sovereignty for our communities. We are creating a healthy future for the next seven generations to thrive. We’re looking forward to working with industry leaders who share our values of environmental stewardship and to collaborate with Enbridge on world-scale carbon transportation and storage infrastructure investments.”*

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**Chief George Arcand Jr., Alexander First Nation**

#### Learn more



[Read more here](#) about our Trade Association Climate Review, in which we provide detailed assessments of the alignment between our climate-related policy positions and those of key industry associations.

### Expanding natural gas to rural, northern and Indigenous communities

In 2021, we accessed [Ontario's Natural Gas Expansion Program](#) to support 27 projects to expand natural gas availability across the province, helping to keep the cost of energy low for families, businesses and farmers. The average household could save up to 50% in energy costs by switching to natural gas from costlier fuel sources, and businesses could save up to 30% on energy costs per year. These important impacts were made possible through the support of the Government of Ontario and our ongoing work with local communities.

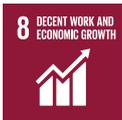
#### ONE Future

Enbridge is a member, and holds a seat on the board, of the Our Nation's Energy (ONE) Future coalition, a group of forward-thinking U.S. natural gas companies working together to minimize methane emissions and ensure the future of natural gas as a long-term clean energy source. Our pledge to ONE Future is to reduce our methane emissions intensity to as close to zero as possible.

Based on 2020 emissions data from ONE Future transportation and storage companies, the average methane emissions intensity for the sector was 0.142%. In 2020, Enbridge's methane emissions intensity was 0.036%. More information can be found in ONE Future's [2021 Methane Emissions Intensity Report](#).

# Sustainable Development Goals

The UN Sustainable Development Goals (SDGs) are a set of 17 goals that provide a framework for a more sustainable world by 2030. With less than a decade left to achieve the SDGs, strong action is needed across businesses and societies to put the world on a more sustainable path. 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. We made continued progress by mapping specific SDG targets with our ESG goals. Throughout the year we will progress our discussions on our alignment to these targets. We continue to indicate throughout our report where we align with the SDGs.

SDG	TARGET	OUR ESG GOAL	OUR PROGRESS	RELEVANT TOPICS
	4.5	3.5% representation within our workforce of Indigenous peoples by 2025	<p>2.2%</p>  <p>0% 3.5%</p> <p>3.5% Indigenous peoples</p>	<p>Indigenous engagement and inclusion</p> <p>Diversity, equity and inclusion</p>
	5.5	Build an inclusive environment – 40% women	<p>31%</p>  <p>0% 40%</p> <p>40% women</p>	<p>Diversity, equity and inclusion</p>
	8.5 8.8	<p>Build an inclusive environment (6% people with disabilities; 7% veterans (U.S.); 28% underrepresented ethnic and racial groups; 40% women)</p> <p>10% improvement in employee and contractor injuries over three-year average</p>	<p>3% 5% 23% 31%</p>  <p>0% 6% 0% 7% 0% 28% 0% 40%</p> <p>6% people with disabilities 7% veterans (U.S.) 28% underrepresented ethnic and racial groups 40% women</p>	<p>Diversity, equity and inclusion</p> <p>Safety</p>
	10.2	<p>Build an inclusive environment (6% people with disabilities; 7% veterans (U.S.); 28% underrepresented ethnic and racial groups; 40% women)</p> <p>3.5% representation within our workforce of Indigenous peoples by 2025</p>	<p>3% 5% 23% 31% 2.2%</p>  <p>0% 6% 0% 7% 0% 28% 0% 40% 0% 3.5%</p> <p>6% people with disabilities 7% veterans (U.S.) 28% underrepresented ethnic and racial groups 40% women 3.5% Indigenous peoples</p>	<p>Diversity, equity and inclusion</p> <p>Indigenous engagement and inclusion</p>
	13.1	<p>Net zero emissions</p> <p>Reduce emissions intensity by 35% by 2030</p>	<p>≈27%</p>  <p>2018 35%</p> <p>35% GHG emissions intensity reduction</p>	<p>Healthier planet</p> <p>Political advocacy and accountability</p>
	16.7	Representation on the Board of 40% women and 20% underrepresented ethnic and racial groups	<p>33% 33%</p>  <p>0% 40% 0% 20%</p> <p>40% women 20% underrepresented ethnic and racial groups</p>	<p>Corporate and ESG governance</p>

# For a healthier planet

In the face of increasing global temperatures and extreme weather events, strong action on climate change is more necessary and more urgent than ever. The global transition to a lower-emissions future is underway and Enbridge is transforming its business strategy to align with changing energy needs. We're pioneering the clean energy systems of tomorrow – while lowering our operational emissions today.



## Relevant SDGs associated with this section



## In this section

- Climate change and the energy transition
- Setting ourselves up for success
- Operational management

# Climate change and the energy transition

As the world's population grows and more people are lifted out of poverty, society faces a dual challenge – meeting the increasing global need for affordable, reliable energy, while reducing GHG emissions to address the pressing threat of climate change.

While renewable energy holds tremendous potential and is growing quickly, there simply won't be enough of it to quickly meet global emissions targets and satisfy energy demand. The reality is the energy systems require time to transition, particularly to achieve the degree of change necessary to address climate change.

Yet, we believe that reducing global emissions and transitioning to a lower-carbon economy are non-negotiable. What's required is innovation across the entire energy value chain – to introduce cleaner oil and gas into the energy mix, to reduce the emissions of existing processes, to turn promising technologies into scalable solutions, to re-purpose existing infrastructure, to invest in new low-carbon infrastructure – while building the energy systems that the future requires.

Enbridge's long-term success depends on our ability to meet society's dual challenge – to deliver more energy in new and better ways for a low-carbon future. Our strategy is well advanced, and focused on:

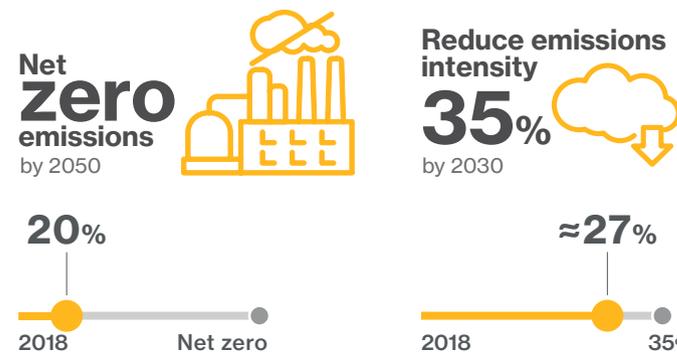
- Gradually, but deliberately, transitioning our asset mix
- Reducing GHG emissions from our operations on a net basis (net zero)
- Investing in wind, solar, hydrogen, renewable natural gas (RNG) and carbon capture utilization and storage (CCUS)
- Being a differentiated energy service provider

We're taking action on our own and together with partners inside and outside the energy sector, who share our commitment to bridging to a cleaner energy future.

In 2020, we set a target to eliminate GHG emissions from our business on a net zero basis by 2050, along with an interim target to reduce the intensity of GHG emissions from our operations by 35% by 2030.<sup>1</sup> These targets were grounded in science and aligned with the goals of the Paris Agreement to keep global temperatures well below 2 C above pre-industrial times while pursuing means to limit the increase to 1.5 C, and we continue to work with experts to develop appropriate standards for our sector.

We have integrated these targets into our plan. For example, our investment review process requires a path to net zero or we won't invest. We have already identified multiple pathways to achieving our goal – modernization and innovation, self-powering our assets, investing in renewables and low-carbon infrastructure, and procurement of low-carbon power – with the intent to use offsets and carbon credits only as necessary to balance residual emissions.

## Our ESG goals



<sup>1</sup> GHG emissions included within our target are from assets over which we have operational control (Scope 1 and Scope 2 emissions). **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). **Scope 2 GHG emissions** result from the electricity we consume.

### Learn more



In the current update to our TCFD disclosure, we provide insight into how we see the transition to a lower-emissions economy occurring and Enbridge's role within that transition. In this year's update, we've included a scenario analysis based on a net zero emissions pathway and enhanced analysis of climate-related physical risks. We also present analysis that tests the resilience of our strategy and existing assets against lower-emissions scenarios. We published our first [climate-focused report](#) in 2019 and have continued to disclose material updates in our annual sustainability reports. See our [2021 ESG Datasheet](#) for details.

### Pathways to 35% emissions intensity by 2030 (Scope 1 and 2)

#### Environmental target

Reduce emissions intensity  
**35%**  
by 2030



#### Reduction pathways

	Modernization and innovation	<b>30%</b>
	Procurement of low-carbon power	<b>45%</b>
	Self-powering our assets	<b>15%</b>
	Investing in renewables and low-carbon infrastructure	<b>10%</b>

### Pathways to net zero emissions by 2050 (Scope 1 and 2)

#### Environmental target

Net zero emissions  
by 2050



#### Reduction pathways

	Modernization and innovation	<b>20%</b>
	Procurement of low-carbon power	<b>15%</b>
	Self-powering our assets	<b>10%</b>
	Investing in renewables and low-carbon infrastructure	<b>30%</b>
	Offsets and carbon credits	<b>25%</b>

As Enbridge developed its emissions reduction targets, we modeled financial implications associated with multiple pathways and scenarios to achieving our goals, which gave us the comfort we needed to make our commitments. This multiple pathway approach allows us to shift our reduction strategy based on the nature and pace of technological innovation and public policy. We are monitoring signposts closely – including electric vehicle market penetration, coal to gas switching, and renewable cost competitiveness – and working to ensure that public policy initiatives aimed at energy transition are both effective and efficient.

In 2021, business units developed more detailed plans for meeting our 2030 emissions intensity target. We built a prioritization framework and a marginal abatement cost curve to drive efficiency into our processes and investments. We have worked hard to integrate budget and long-range forecast processes to ensure financial and emissions performance are aligned.

We have confidence in our net zero roadmap, despite heightened uncertainty inherent in a longer timeframe. While the reduction pathways dimensioned here are illustrative and subject to change along with policy and technology innovation, they provide a strong basis for our net zero roadmap. Today, offsets comprise approximately 25% of our net zero roadmap. Yet, as we prioritize efforts to reduce emissions along other pathways, we expect that the percentage of offsets required to achieve net zero will decrease over time.

## Setting ourselves up for success

We have a robust governance framework to support the development and oversight of our GHG roadmap. We continue to enhance our governance structure and teams while building action plans to accelerate progress. Across the organization, employees are involved in identifying potential projects, and detailed cost and emissions reduction estimates are developed for the most promising ones.

We've integrated emissions considerations into compensation, financings and capital allocation to drive the right behaviors.

### Modernization and innovation

Modernizing and applying innovation to our existing assets play a major role in helping us increase energy efficiency and reduce GHG emissions intensity.

Many of our projects within our GTM and GDS businesses are focused on modernizing our existing system to improve efficiency, reduce methane emissions and enhance leak detection. One of the largest, GTM's US\$2.1-billion modernization program – which involves replacing older, less efficient natural gas-fired compressors on our gas transmission system – will increase station efficiency and system reliability and is expected to reduce GHG emissions by 25% at replaced compressors. The first phase 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, and our second phase will further reduce emissions. Additional modernization works include piloting methane abatement technologies and changing design and operating standards. One example is GDS using portable blowdown recovery units to avoid venting at compressor stations and segments of the gas pipeline during maintenance and construction. We are also exploring advanced controls which give us greater visibility into operating conditions and the flexibility to better allocate compression

horsepower to changing demand profiles and more efficient units that need less fuel per million BTU transported.

GDS direct decarbonization projects include investments into low-carbon value chain (RNG, H2, CCUS). Additionally, GDS is committed to reducing GHG emissions through modernization initiatives on existing facilities. Our Facility GHG Emission Reduction Program has identified opportunities over the years to address the needs of various drivers, including the Federal Methane Regulations and the cancelled Cap and Trade program. For 2021, the GHG reduction work was initiated to support Enbridge's GHG emission reduction targets; some of these opportunities include: Compressor Modernization, which is replacing older, less efficient units with newer, lower-emission units; Copper Service Replacement, which is a proactive strategy to replace remaining copper services to reduce leaks; Portable Blowdown Recovery to remove gas from a section of pipeline under repair or maintenance; and LED Lighting Conversion in operated buildings and facilities.

Within our LP unit, the focus is on reducing electricity consumption by optimizing system operations and upgrading equipment. The system optimization includes, for example, allocating larger volumes of crude oil to more energy-efficient pipelines, using a drag reducing agent to reduce pipeline fluid friction and allow for certain pump stations to be bypassed, and rightsizing pumps and equipment based on flow rates to improve efficiency. The installation of variable-frequency drives on pumping units at key Line 4 stations is saving energy and improving reliability, while a newly developed “energy optimizer” uses AI technology to optimize pump operations on Line 5. We will look to expand these programs to other lines in the coming years. These initiatives are estimated to reduce over 100,000 Mt of CO<sub>2</sub>e emissions annually.

## Meeting our 2050 goals through innovation



As a company, Enbridge has committed to company-wide net zero emissions by 2050. Through initiatives like solar self-power, infrastructure modernization and exploration of greener fuels, the 2050 target is absolutely achievable with the right roadmap.

## Procurement of low-carbon electricity

Procurement of low-carbon electricity is purchasing power from less emissions intensive sources, which involves active engagement and collaboration with our utility providers to accelerate their own decarbonization plans; for example, advocating on initiatives to convert coal-fired power generation and repower with natural gas combined cycle units or renewable power generation. Supporting our regional power utilities' ambition to increase the mix of low-carbon power generation of their fleet, in turn, lowers the emission intensity of the power we consume for operations. Additionally, seeking out partnerships with utilities on renewable power projects is another example of how we can influence a "greener" grid in the regions where we operate.

## Self-powering our assets

By building and operating on-site solar energy facilities to power electric compressors and pumps at our stations, we are reducing our Scope 2 emissions and lowering power costs. The 13 projects approved are estimated to reduce emissions by approximately 100,000 tCO<sub>2</sub>e in the year of in-service and generate a strong return on equity.

In 2021, our first Canadian self-power facility – Alberta Solar One – came into service. The facility supplies a portion of our Canadian Mainline crude oil and liquids network's power requirements. We also have two self-power facilities operating in the U.S., our [Lambertville Solar Project](#) and [Heidlersburg Solar Project](#), which offset a portion of the electric load at the nearby gas compressor stations and help power the compressor units that keep natural gas flowing along our cross-continent Texas Eastern pipeline. We currently have 10 more projects under construction across our liquids and gas transmission systems. In total, with these (13) approved projects we expect to reduce emissions by more than 858,000 tCO<sub>2</sub>e by 2030 with further avoided emissions over the 30-year life of the projects.

## Renewables and low-carbon infrastructure

Enbridge's low-carbon portfolio has grown from investment in a single wind farm in 2002 to more than \$8 billion invested in renewable energy projects at year-end 2021. Today, we have net renewable energy capacity – either operating or under construction – of 2,178 MW of zero-emissions energy, avoiding approximately 2 million tonnes of CO<sub>2</sub>e emissions annually. Over the past 20 years, we have also established strong in-house capabilities, including significant experience developing and operating our renewable energy projects.

We have three offshore wind projects under construction off the coast of France, and our first floating facility, also off France's coast, secured funding in 2021 and is preparing for construction. These projects,

which are being developed in partnership with large European energy companies and often include the Canada Pension Plan Investment Board, are progressing on schedule with the first offshore wind project (St. Nazaire) expected to enter into service by the end of 2022.

We are a leader in establishing new energy technologies, including early investments and development of RNG, hydrogen and CCUS.

We're creating partnerships to develop new sources of RNG that can be added to our natural gas transmission and distribution system. We are targeting a 5% blending of RNG in our utility's system by 2028. We have several Canadian RNG ventures, including a partnership with [Walker Industries and Comcor Environmental](#) and a [partnership with Vanguard Renewables](#) to design and build eight RNG project sites across the United States. Under this agreement, Vanguard would build and operate digesters used to convert food and farm waste into RNG, while Enbridge would invest in the upgrading equipment that will turn RNG into pipeline-quality natural gas. We would also help transport and sell that natural gas to companies with decarbonization goals.

We believe that RNG provides a cost-effective way to reduce carbon in sectors like heavy transport and we are working with several municipalities to use RNG for their fleets. For example, the City of Toronto is now using carbon-negative RNG to fuel garbage trucks and the City of Hamilton is operating Ontario's first carbon-negative bus, also fueled with RNG. Enbridge Gas also launched a [voluntary RNG program in Ontario](#), OptUp, which invites its Ontario-based residential customers to pay an additional two dollars a month to help green the natural gas supply and support the Ontario government's environment plan.

## Our low-carbon portfolio

	Wind	Solar & other	RNG/H <sub>2</sub>
<b>Capacity</b> and equivalent homes powered by renewables	<ul style="list-style-type: none"> <li>4.9 GW (2 GW net)</li> <li>&gt;910,000 homes</li> </ul>	<ul style="list-style-type: none"> <li>322 MW (217 MW net)</li> <li>&gt;55,000 homes</li> </ul>	<ul style="list-style-type: none"> <li>RNG: 1,400 GJ (Q1 2023)</li> <li>H<sub>2</sub>: 283,000 kg</li> </ul>
<b>Investment</b> since 2002	<ul style="list-style-type: none"> <li><b>\$7.6 billion</b></li> </ul>	<ul style="list-style-type: none"> <li><b>\$0.985 billion</b></li> </ul>	<ul style="list-style-type: none"> <li><b>\$0.1 billion</b></li> </ul>
<b>Projects</b>	<ul style="list-style-type: none"> <li>20 operating</li> <li>4 in pre-construction and/or construction</li> </ul>	<ul style="list-style-type: none"> <li>14 operating<sup>1</sup></li> <li>10 in construction</li> </ul>	<ul style="list-style-type: none"> <li>4 operating</li> <li>5 in construction</li> </ul>

<sup>1</sup> Includes seven solar facilities, five waste heat recovery facilities, and a hydro and geothermal facility

Hydrogen represents a tremendous emissions reduction opportunity, and Enbridge was an early investor. We started building our hydrogen expertise in 2018 and – in partnership with Cummins – developed North America’s first utility-scale green power-to-gas plant in our distribution utility. Enbridge moves about 20% of the natural gas consumed in the U.S. and we’re working to determine how much hydrogen can be blended into our natural gas transmission and distribution system. In Quebec, we’ve [partnered with Evolugen](#) to produce and inject green hydrogen into Gazifère’s natural gas distribution network. We are part of several major blending studies to keep our pipes used and useful, including the HyBlend Study which was selected and awarded funds from the U.S. Department of Energy in 2020.

We are also focused on CCUS, which allows us to leverage what we’re good at – namely, constructing, maintaining and operating pipelines and storage. In 2021, we signed agreements with Capital Power and LeHigh Cement to collaborate on CCUS solutions in the Wabamun area west of Edmonton, Alberta, near Capital Power’s Genesee Generating Station. We are partnering with the First Nation Capital Investment Partnership which would have equity ownership in the project.

We have been partnering with Smartpipe Technologies Inc. since 2013 on the development of Smartpipe technology. This technology has the ability to retrofit existing pipeline infrastructure for hydrogen and CO<sub>2</sub> transportation. Using Smartpipe’s internal replacement sleeve could also result in less environmental disruptions for communities or environmentally sensitive areas and create less emissions from construction – with a 70% reduction in emissions compared to traditional construction methods. We also announced a [memorandum of understanding \(MoU\) with Shell](#) to develop low-carbon energy solutions across North America, leveraging both companies’ extensive experience and complementary assets. Under the MoU, we will explore opportunities to collaborate on potential green and blue hydrogen production, renewable power generation and CCUS opportunities.

**Discover the potential of renewable hydrogen**



The urgency of achieving net zero emissions has never been greater. As we transition toward a clean energy future, renewable hydrogen is emerging as the key to reducing emissions, storing renewable energy and enabling energy systems to work together in a way that’s viable and affordable.

**Green hydrogen enters the energy mix**



In January 2022, Enbridge Gas and our partner Cummins announced that [North America’s first hydrogen blending initiative](#) was fully operational and serving the southern Ontario city of Markham. We now have the capacity to deliver blended gas – that is, green hydrogen injected into the natural gas distribution network to reduce the fuel’s carbon footprint – to about 3,600 customers in Markham.

It’s a prime example of how we’re using existing infrastructure to accelerate the energy transition. When we blend even a small percentage of hydrogen into the distribution system, we create the opportunity to scale hydrogen production and kickstart a hydrogen economy.

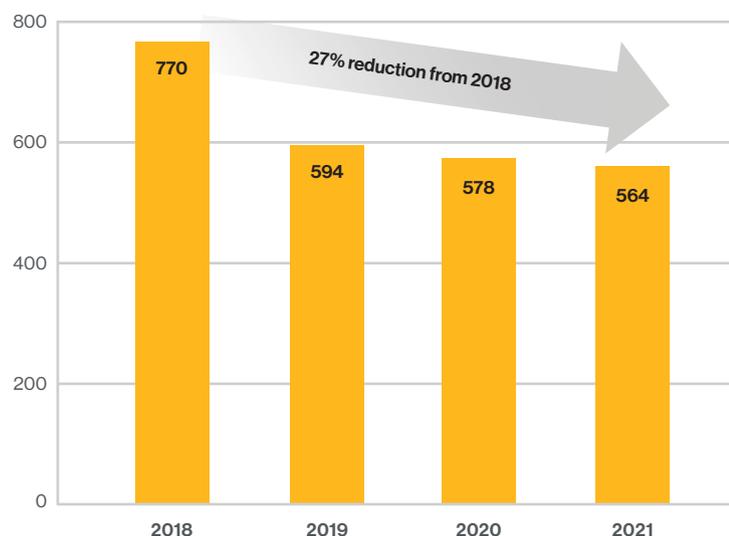
The success of this project will enable us to validate and pursue larger-scale hydrogen-blending activities in other parts of our distribution system.

## 2021 GHG emissions performance

### GHG emissions intensity target

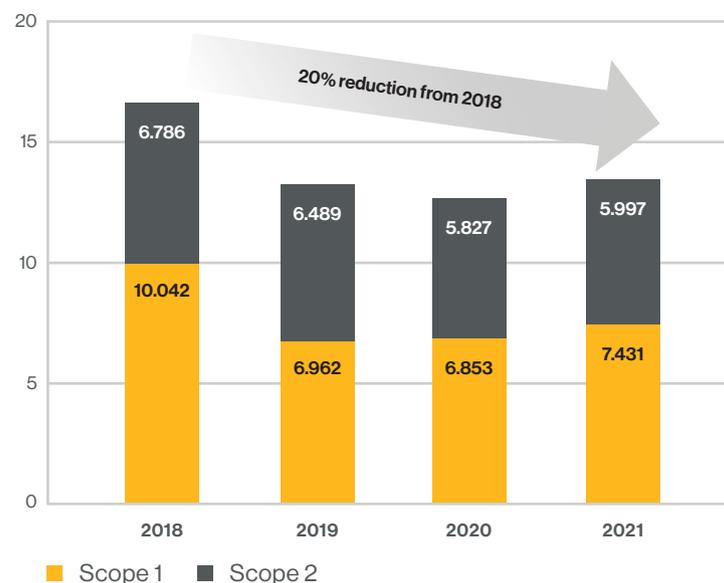
In 2020, we announced new ESG targets, including a goal to reduce GHG emissions intensity 35% by 2030. This metric aggregates emissions and throughput for each business unit on the basis of tonnes of carbon dioxide equivalent per energy delivered in petajoules (PJ).

### Enbridge GHG emissions intensity (tCO<sub>2</sub>e/PJ)



In 2021, Enbridge reduced emissions intensity by an additional 2% – primarily through improved system efficiency and lower intensity of consumed power. Since 2018, Enbridge has reduced emissions intensity by 27%. While challenging, we remain confident in our plan while maintaining focus on delivering in-year emissions intensity reductions.

### Scope 1 and Scope 2 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. Company-wide Scope 1 emissions fell sharply between 2018 and today. Yet, in 2021 – partly as a consequence of COVID-19 and because our natural gas throughput increased – our Scope 1 emissions increased slightly.

**Scope 2 GHG emissions** result from the electricity we consume. Our LP business has primarily Scope 2 emissions because it uses electric pump stations to push crude oil through its pipelines. Again, company-wide Scope 2 emissions have fallen since 2018. Yet, in 2021, our Scope 2 emissions increased slightly due to an increase on throughput and power demand within LP. We've included both Scope 1 and Scope 2 emissions at Ingleside Energy Center in our 2021 emissions inventory reporting.

**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 2021, our grid loss-related Scope 3 GHG emissions were slightly higher than 2020 – the result of a higher electricity consumption. Our Scope 3 GHG emissions from employee business air travel were reduced by 57% relative to 2020. This was a direct result of reducing employee travel during the pandemic. Our Scope 3 customers' natural gas consumption was increased by 2% from 2021, due to increased customer sales at GDS.

### Scope 3 emissions (tCO<sub>2</sub>e)

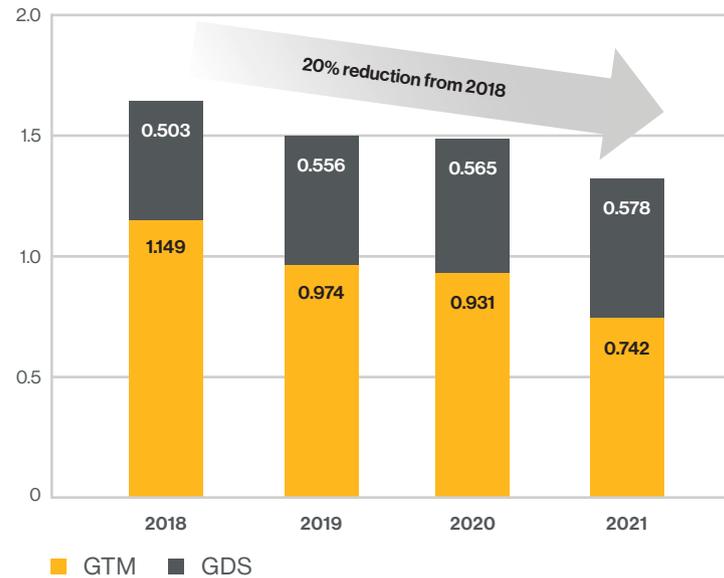
	2019	2020	2021
<b>Transmission and distribution loss</b>			
Total	396,000	176,000	188,000
<b>Employee business air travel</b>			
Total	6,600	11,400	600
<b>Our customers' natural gas consumption</b>			
GDS	50,500,000	47,300,000	48,300,000

**Methane**

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 2021, the total volume of methane released from our operations was approximately 12% less than it was in 2020 and is 20% less since our baseline in 2018. Methane is one of the three main GHGs included in our Scope 1 GHG emissions inventory. As a percentage, methane comprised 18% of total Scope 1 emissions in 2021, which is 4% lower than it was in 2020.

**Methane emissions (million tonnes CO<sub>2</sub>e)**



**Demand Side Management**

Through a wide range of 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 2021, GDS’ energy efficiency programs reduced customer consumption by 30.9 billion cubic meters of natural gas, which is enough natural gas savings to serve nearly 13.5 million homes for one year. These gas savings have resulted in a reduction of 57.8 million tonnes of GHG emissions, roughly equal to removing 12.6 million cars from the road for one year – all lowering emissions in our value chain.

## Upstream emission intensity

### Emissions intensity of the energy we deliver

This Scope 3 metric represents the average upstream emissions intensity of the commodities we transport on Enbridge's pipeline systems; it is intended to reflect the changing emissions intensity profile of producers and the emissions impact of our own assets over time.

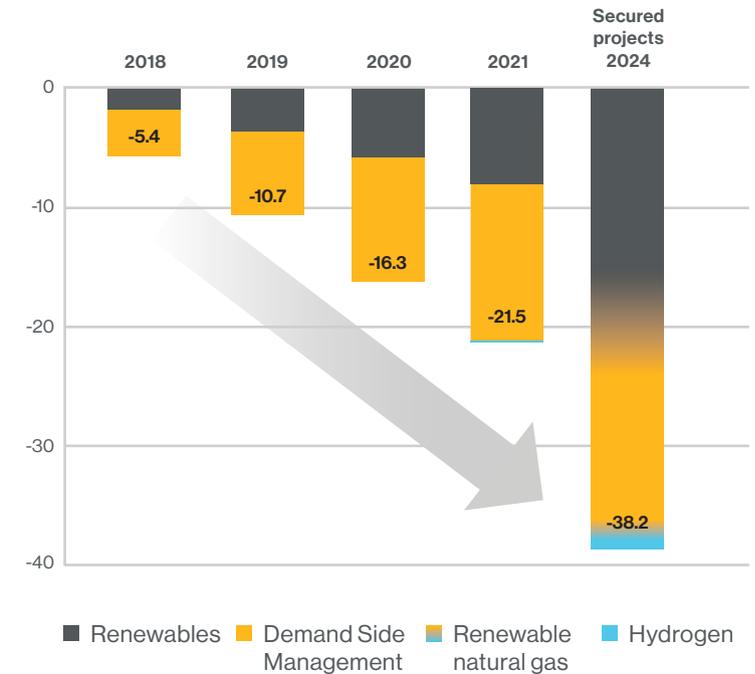
In 2021, the emissions intensity of the energy we delivered increased by 1.6%. The increase is explained, in part, by higher volumes of crude oil and natural gas on our systems as the economy accelerated in 2021 and a higher percentage of heavy versus light oil transported on our systems in 2021. We expect this number to decrease in the future as the publicly available sources used to model upstream emissions intensity are updated more regularly to reflect current production conditions and recent investments in upstream GHG management. Moreover, the usefulness of this metric is expected to be enhanced as available data becomes more granular. This will be particularly important as consumers increasingly seek to differentiate product based on its emissions profile. We'll continue to press for – and seek out – more granular and up-to-date data for this metric.

	2018	2019	2020	2021
Enbridge upstream emission intensity (kgCO <sub>2</sub> e/GJ)	12.89	12.81	12.78	12.98

## Enbridge's contribution to avoidance of third-party emissions

This metric recognizes how Enbridge's investments in low-carbon projects, including wind and solar investments, Demand Side Management (DSM), hydrogen and RNG, help to advance the energy transition and support customer efforts to reduce their GHG emissions. The chart on the right illustrates that our investments have consistently avoided more than 5 million tCO<sub>2</sub>e per year since 2018.

## Contribution to lower third-party emissions (cumulative million tonnes CO<sub>2</sub>e)



For a further breakdown of our GHG emissions, please refer to our [2021 ESG Datasheet](#).

# Operational management

## 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. Our asset integrity practices are aimed at ensuring that our 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 ESG goal

Continuous improvement toward a goal of

**zero incidents** 

## Safe excavation portals

Excavation damage to buried pipelines is a pervasive and significant risk to public safety and the reliability of critical assets. Each year, we conduct extensive public and municipal awareness and education outreach programs aimed at raising awareness of the importance of safe digging and providing resources to make digging safer. We leverage multiple interactive digital media platforms to support our community outreach throughout the year.

We also place a high priority on building and maintaining strategic partnerships and relationships with industry organizations and third-party excavators. In 2021, we developed a safe excavation [online resource portal](#) for various types of excavating contractors and launched an excavator excellence certificate program to recognize excavation contractors that safely conduct sizeable volumes of work throughout the year.

### Why take the risk? Know what's below before you dig.



## Dig safely around natural gas lines to avoid:



Seriously hurting yourself, your family or neighbors.



Damaging property from a leak, fire or explosion.



Interrupting natural gas service to your community.



Incurring expensive repairs, charges or legal action.



Causing harm to the environment.

### Learn more



[Management approach: Asset integrity and reliability](#)  
[The Proving Safety infographic](#)

## 2021 highlights

### Advancing pipeline safety

Enbridge has taken a leadership position to develop the Integrity Management Continuous Improvement (IMCI) initiative at the Interstate Natural Gas Association of America (INGAA). Through the IMCI initiative, INGAA members reaffirm their proactive commitment to advance pipeline safety, incorporating the latest advanced technologies and processes to ensure the safe, reliable and clean transport and delivery of natural gas to families and businesses across the country. The IMCI initiative is comprised of a series of projects defined by INGAA members working collaboratively with numerous stakeholders to improve integrity management capabilities while working toward the goals of reducing emissions and achieving zero pipeline incidents.

Projects include:

- Develop an Industry Stakeholder Engagement Standard
- Define industry best practices to foster the safe transportation and storage of renewable natural gas and hydrogen
- Improve the speed of rupture detection and response
- Develop industry best practices to lower emissions related to integrity and maintenance work
- Introduce new technology to facilitate detection and develop an industry standard to more consistently manage stress corrosion cracking in gas pipelines
- Develop a new industry standard for managing geohazards

In 2020, our Director of Pipeline Integrity, along with Enbridge, chaired an effort to develop a compendium of industry-best and leading practices for managing ground movement hazards. Through a current joint industry partnership, the findings of the previous study are being published as a recommended practice and will support all pipeline operators in reducing the potential for pipeline leaks and ruptures occurring as a result of landslides and other types of unstable slope movements.

### CSO Q&A



**Andy Drake**  
VP, Asset Integrity  
GTM

### **Q: What makes the INGAA IMCI initiative so important to Enbridge and others?**

“The INGAA IMCI initiative was developed to create a platform to work collaboratively and proactively with other stakeholders to identify opportunities to most effectively advance pipeline safety and lower environmental impact related to our integrity and operations activities. This initiative has really fostered better dialogue across a wide range of stakeholders including the PHMSA, NTSB, State Pipeline Safety Commissioners and Regulators, as well as environmental and public advocacy NGOs. These discussions and materials will also likely inform and influence future regulatory development for use beyond INGAA members.”

### Pipeline system safety events

In 2021, we continued to strengthen our asset integrity and operational practices, resulting in our lowest-ever incident counts on the liquids system. In gas transmission, we achieved an overall reduction in severity compared to 2020 events, largely due to proactive changes to asset integrity and winterization improvements. A description of Tier 1<sup>1</sup> system safety events (leaks and releases of greater consequence) are included in the appendix on [page 60](#).

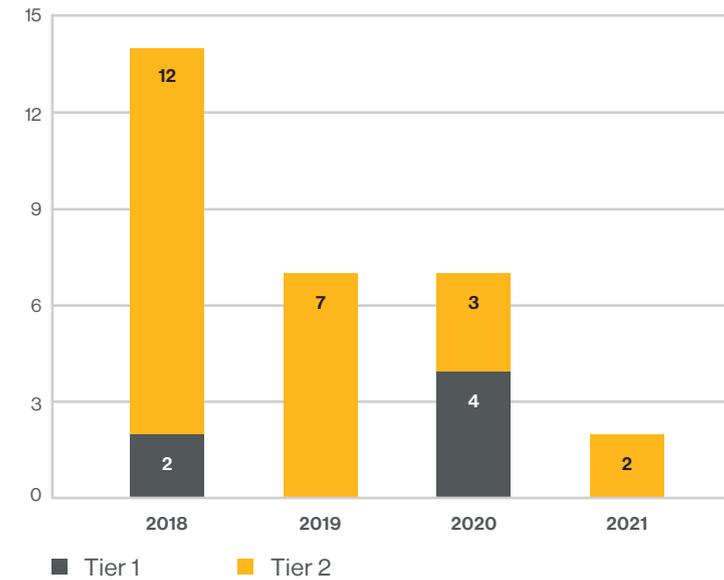
Given our record-setting system safety results, we have committed to advancing our safety culture leadership to guard against complacency and maintain operational discipline. We have made it a priority to conduct in-depth investigations into the root causes of incidents and near-misses, and to identify leading factors and corrective actions when safety barriers fail. Proactive enhancements have been made to the maintenance strategies relied on to control or prevent off-site releases and we have embarked on a comprehensive three-year damage prevention strategy to drive awareness with [third parties](#).

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.

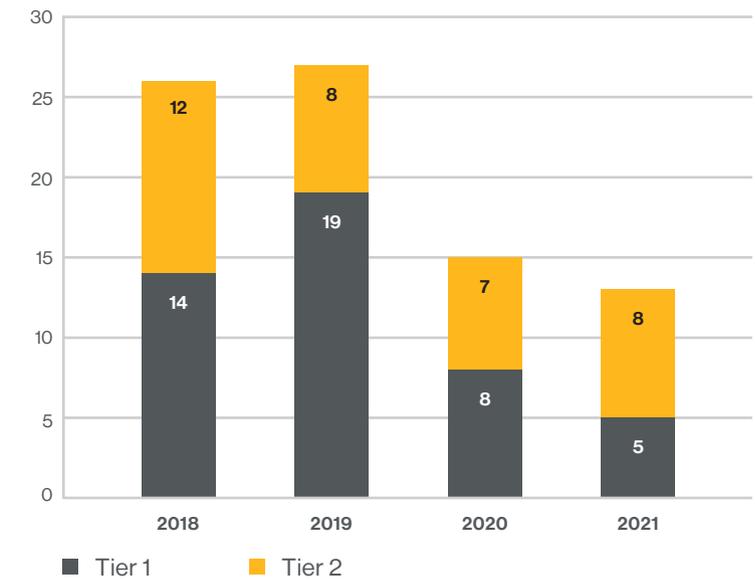
The low-hazard nature of these small leaks means the majority fall below our reportable (Tier 2<sup>2</sup>) process safety event criteria. Leaks due to third-party damage to pipeline assets make up a significant portion of these releases. To help prevent third-party damage, Enbridge has an extensive 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

<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.

Number of process safety events for liquids systems



Number of process safety events for natural gas



identifying opportunities through the advancement of technologies. Enbridge also supports and is a member of One Call and locate services to drive excavation safety.

	2019	2020	2021
Damages per 1,000 third-party locate requests (natural gas distribution network)	1.93	2.24	1.92

## 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.

### 2021 highlight

For the first time, we held a full-scale emergency response exercise with the inclusion of Indigenous perspectives in the planning and participation as virtual observers (COVID-19 restrictions prevented in-person attendance). The training commenced with an Indigenous cultural assessment and blessing at the site the day before the exercise. A total of 121 individuals representing 56 Indigenous groups throughout Alberta, Saskatchewan and Manitoba were invited to participate in the exercise, which took place along a bend of the Souris River in Wawanesa, Manitoba. Sixty invitees tuned in to their computer screens to observe the exercise at some point during the day.

#### Learn more



[Management approach: Emergency preparedness and response](#)



Elder Dave Daniels provided a tobacco offering and traditional knowledge assessment in advance of the exercise.

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# 197

exercises and emergency response drills conducted in 2021 based on real-life scenarios

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## Biodiversity, land and water use

Biodiversity is the variety of life on earth, connecting us to nature through food, water and air. By safeguarding and respecting biodiversity, ecosystems essential to sustainable human development will thrive and benefit us all.

At Enbridge, we integrate biodiversity considerations into our operations and the communities where we work to balance the protection of land, plant and animal life. We do so through a lens of cultural priorities and social equity.

Our commitment to environmental protection is articulated in our Safety and Reliability Policy. The Environmental Management System is part of an Integrated Management System that encompasses safety, security, and protection of the environment, and defines environmental management accountabilities and responsibilities in our organization. We continually monitor our environmental performance and conduct regular internal audits of our Environmental Management System to assess and enhance our environmental management practices.

Enbridge completes all necessary impact assessments for our projects – including environmental, species at risk, siting, noise and cultural – and we develop avoidance and/or mitigation measures that aim to protect and maintain wildlife and environmentally sensitive

areas, and reduce land and habitat disturbances. We work with landowners and local and Indigenous communities that are potentially affected by our projects and operations to meaningfully address their environmental priorities and concerns. Enbridge respects designated protected areas located near or adjacent to our operations and operates in accordance with all associated conservation management requirements and objectives.

Additionally, we invest in programs that promote environmental stewardship, conservation, habitat remediation and environmental education, working closely with local and Indigenous communities, our employees and other stakeholders to promote shared environmental values and priorities.

We offer employees opportunities to contribute to biodiversity through company-led activities in which they can gain new knowledge and experiences in nature. Partnerships with local stakeholders and local and national conservation organizations are vital in responding to the most significant short- and long-term needs of the communities in which we operate. We conduct environmental and cultural assessments to identify sensitive areas and use of pre-existing rights of way, consulting with partners such as Wildlife Habitat Council, The Nature Conservancy of Canada, Shirley Heinze Land Trust, and a variety of Indigenous groups.

### Learn more



[Safety and Reliability Policy](#)

[Corporate Social Responsibility Policy](#)

[Climate Policy](#)

[Indigenous Peoples Policy](#)

[Fueling Futures](#)



Visit our [biodiversity page](#)

## CSO Q&A



**Aly Root**  
Manager,  
Stakeholder  
Engagement

### Q: Can you give an example of an Enbridge partnership that's tackling environmental issues in an innovative way?

“We're proud to continue our support of the Friends of RGV Reef with a \$250,000 Fueling Futures grant to study biodiversity and carbon sequestration on artificial reefs in the Rio Grande Valley. The partnership between Friends of RGV Reef, the University of Texas Rio Grande Valley and Enbridge is such a great example of Texan ingenuity at work – industry, conservation and academia working together to explore unique solutions to natural resource conservation.”



### Fighting to preserve Lake Erie's disappearing shoreline

In Ontario, Lower Thames Valley Conservation Authority's (LTVCA) pilot project targets shoreline erosion along the north Erie coastline of southwestern Ontario, from Ridgeway to St. Thomas within the Lower Thames Valley watershed. The LTVCA's plan involves engaging with Indigenous groups, local schools, and post-secondary students and staff to join plug planting events at locations along the shore that are deemed most "at risk" by surrounding municipalities.

[Fighting to preserve Lake Erie's disappearing shoreline](#)



### A 20-acre pollinator plot, brought to you by tomorrow's leaders

The Operation Endangered Species (OES) program was started in 2011 near Pontiac, Illinois, through the Pontiac Township High School. A group of students wanted to begin a [biodiversity conservation initiative by reintroducing endangered species](#) to benefit surrounding agricultural land on community pollinator plots. Enbridge donated the plot of land to the Pontiac Township High School as [part of our commitment to sustainability](#) – helping to meet North America's growing energy needs in ways that are economically, environmentally and socially responsible.

[A 20-acre pollinator plot, brought to you by tomorrow's leaders](#)

# For a thriving world

As we bridge to a cleaner energy future, we also want to pave the way for a healthier, more inclusive and more resilient society. We prioritize the health and safety of our people and communities, champion diversity, equity and inclusion, and strive to help individuals – within and beyond our company walls – to reach their full potential.

## Relevant SDGs associated with this section



George Ogunkelu, a member of our Internal Audit team based in Calgary, Canada.

## In this section

- Employee and contractor safety
- Our people
- Indigenous engagement and inclusion
- Community engagement
- Corporate citizenship

## Employee and contractor safety

Safety is not only a core value at Enbridge – it’s the foundation of everything we do. 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.

Safety performance metrics are tied to each Enbridge employee’s short-term incentive pay.



### 2021 highlights

We launched our updated [Lifesaving Rules](#), which highlight key behaviors and actions that are necessary to limit or eliminate the potentially deadly hazards associated with our work. Each of the seven Lifesaving Rules focuses on an area of high risk and high consequence, and was developed in response to a real-life incident. They include, for example, the need to complete a hazard assessment prior to starting work and to reassessing if conditions change.

Our continued response to the COVID-19 pandemic presented opportunities to engage with employees about other hazards as well. This included a focus on personal risk tolerance, which helps people proactively evaluate factors that can subconsciously influence their identification and tolerance of risks they may encounter.

We updated two company-wide programs (Fresh Start and Stand Up for Safety) designed to engage workers and help them reset their safety focus. These programs reinforce a proactive safety mindset – being on the lookout for weak safety signals and being prepared to address them in the moment should they arise – and include concrete actions workers can take to address hazards they are likely to encounter based on incident data from prior years.

To sustain awareness of how human factors can contribute to incidents even when we think we’re being safe, we continued to share incident case studies, highlighting factors that played a causal role in the events.

#### Our ESG goal

**10%**   
**improvement**  
 over three-year average total recordable incident frequency (TRIF) rate for employees and contractors

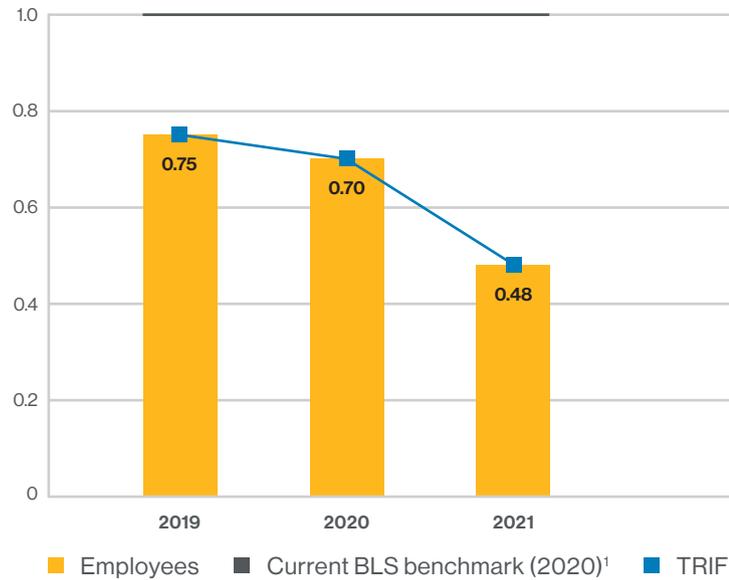


#### Learn more

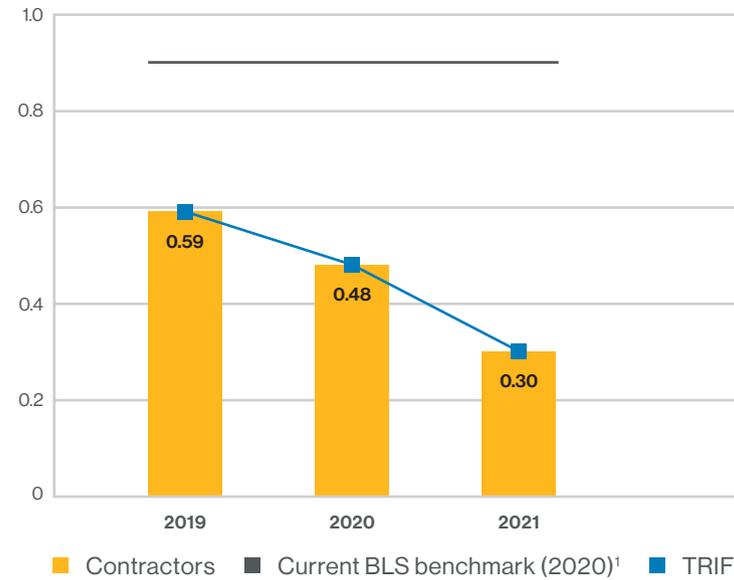


[Management approach: Health and safety](#)

**Total recordable incident frequency for employees  
(per 200,000 hours worked)**



**Total recordable incident frequency for contractors  
(per 200,000 hours worked)**



2021 continued to be a year that presented challenges in the way we work as a result of the COVID-19 pandemic. Despite these challenges, Enbridge continued to have an engaged workforce, which is demonstrated by our strong safety performance, hitting new record-setting lows. For additional safety metrics and performance, see our [2021 ESG Datasheet](#).

<sup>1</sup> Bureau of Labor Statistics (BLS) benchmarks lag a year based on industry data availability.

CSO Q&A



**Vik Kohli**  
VP, Safety & Reliability

**Q: What's the key to achieving Enbridge's ESG safety goal?**

“At Enbridge we all take continuously improving safety performance seriously and ensure everyone is walking the talk when it comes to committing to safe work habits. This commitment ensures our safety culture remains strong so that everyone makes it home safe and sound at the end of the workday and that we are aligned with achieving our safety ESG goal.”

## Our people

Our people are our most valuable asset, and our ability to bridge to a cleaner energy future is highly dependent on them. We must effectively engage, develop, retain and reward our employees, and promote their well-being to fulfill our purpose and achieve our ESG goals.

### Talent management

We are intent on cultivating a workplace that draws out the best ideas from our people with an emphasis on inclusion and collaboration. Our starting point is *What we stand for*, which, along with our strategic plan, helps our teams focus on what is important and outlines how we will work together to deliver results.

### What we stand for



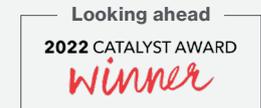
### Strategic intents

- Delivering the energy people need and want
- First choice of our customers
- Trusted by our stakeholders
- A must-own investment
- An energized and proud team

### Ways of working

- Being accountable
- Communicating effectively
- Building relationships and collaborating as one team
- Leading by example
- Engaging and developing our people

### Awards and recognition



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

HRC Foundation's Corporate Equality Index (CEI)

Bloomberg Gender Equality Index (GEI)

Canada's Best Diversity Employers

Top Employers for Canadians Over 40

Alberta's Top 75 Employers

2022 Catalyst Award

**2021 highlights**

In a second year dominated by the pandemic, we continued to prioritize the health and safety of our employees, their families and our communities. For employees returning to their offices, after working remotely in 2020, we implemented a phased approach, anchored in safety-based and data-driven principles – in line with the advice of medical experts and state and provincial health authorities.

The safety of our people and customers remained paramount to our return to office plans. To further protect our people, we adopted mask mandates, enhanced workspace sanitation and cleaning, implemented in-house testing for critical and essential functions, conducted daily health check-ins facilitated by a mobile application, and introduced a Vaccine and Testing Policy, requiring regular testing of unvaccinated staff, which represented only 15% of employees company-wide.

**Learn more**



[Management approach: People practices](#)

The pandemic has had a dramatic impact on our ways of working, and we are evolving our practices to meet changing employee expectations. We are incorporating more flexibility into where, when and how work happens and making it easier for people to balance personal and professional responsibilities.

In early 2022, we piloted a FlexWork program. FlexWork offers eligible employees the opportunity to adjust their schedule (when you work), annual working hours (how much you work) and location (where you work; for example working from home on Wednesday and Friday). Role requirements determine eligibility for each option or combination of options. We will monitor the program to understand its impact on business performance, access to talent and collaboration – adjusting as needed.

**Our ESG goals**

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

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

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

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

**28%**   
 from **underrepresented ethnic and racial groups**  
 in our workforce by 2025

## Diversity, equity and inclusion

We believe having a workforce that closely reflects our communities strengthens relationships and helps build trust. Representation matters, and monitoring our progress ensures we remain steadfast in our commitment to diversity, equity and inclusion (DEI).

Building on previous years' efforts, we launched our new inclusion, diversity, equity and accessibility strategy (IDEAS) in 2021. This enterprise-wide strategy addresses several dimensions of diversity, including ethnicity and race, gender identity and expression, sexual orientation and veteran status. It covers four years of programs and actions designed to move the organization toward the vision of a representative and connected workplace, and to achieve our DEI-related ESG goals.

Stewarded by an executive steering committee and supported by a dedicated DEI team, the three main goals of IDEAS are as follows:

- **Engage and empower employees** – educate and equip people to connect on a personal level, to amplify others and to consciously include

This includes engaging our workforce through regional advisory groups and employee resource groups, increasing awareness and empathy by sharing stories of inclusion and equity, investing in learning programs to build knowledge of core concepts (including inclusive leadership), and establishing strategic external partnerships to increase equity for underserved communities.

- **Embed equity** – embed policies, programs and practices that are fair for all and reinforce respect

By this, we mean embedding DEI policies and principles into key strategies, implementing best practices in human resources programs, and ensuring compliance with all applicable legislation.

- **Elevate diverse talent** – seek, develop and retain people with diverse backgrounds and perspectives at all levels of the organization

We seek to understand our workforce composition and labor market availability, embed representation goals for diverse market access, and ensure hiring practices and talent programs enable greater diversity that reflects our communities.

### 2021 highlights

A greater awareness of systemic racism against Black and Indigenous people over the past two years highlighted a need to revisit and accelerate some of our DEI plans. Beginning in 2020 and continuing into the spring of 2021, we conducted more than 100 listening sessions with employees and hiring leaders from all equity-seeking and well-represented groups to inform enterprise-wide equity plans and ensure people felt heard and included.

These sessions informed our 2021 Black Equity and Inclusion Plan, which includes specific milestones for:

- Recruitment – including diverse candidate slates; partnerships, scholarships and internships with organizations serving equity-deserving groups and historically Black colleges and universities; and diversity coaching for all hiring leaders
- Development and succession – including representation in leadership programs, sponsorship and mentorship, and inclusion in succession plans
- Unconscious bias and anti-racism training for all employees

Toward these milestones, we launched an online learning module that explores the impact of racial injustice, how racial injustice comes into play in the workplace and how we all can act as allies. In 2021, 99% of Enbridge employees attended these live learning opportunities.

### CSO Q&A



**Hailey McBurney**  
SBO Capability  
Building Lead

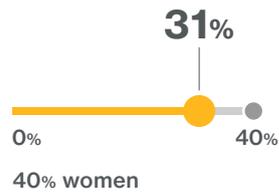
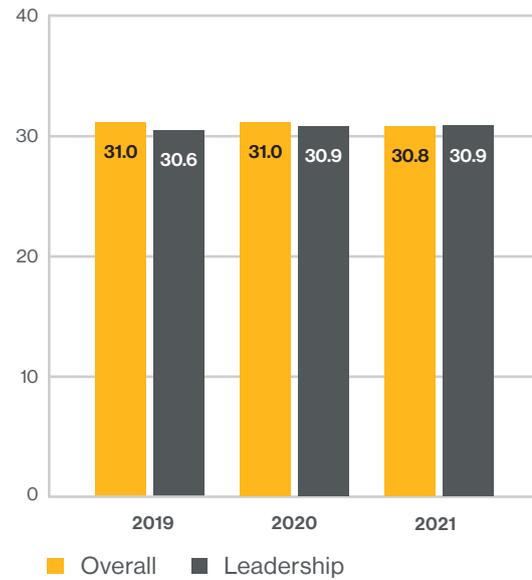
### Q: What is it about Enbridge's DEI journey that inspired you to become involved and contribute to driving impact?

"I'm so thankful for the opportunity to combine my passion for and expertise as a communications strategist with my steadfast focus on creating inclusive and equitable spaces for all. Though the journey is ongoing, and there is always more to do, I'm proud of the work that Enbridge is doing in the DEI space and even prouder to contribute to that work every day. Winning the Catalyst Award is an incredible honor and speaks to the commitment of the organization and the people within it. This recognition serves as both a signal that we're on the right path and a challenge to do better and do more. I'm certain we're up to the challenge as a team."

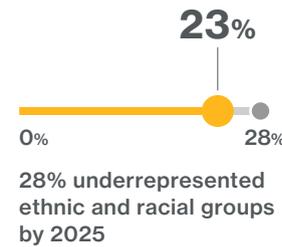
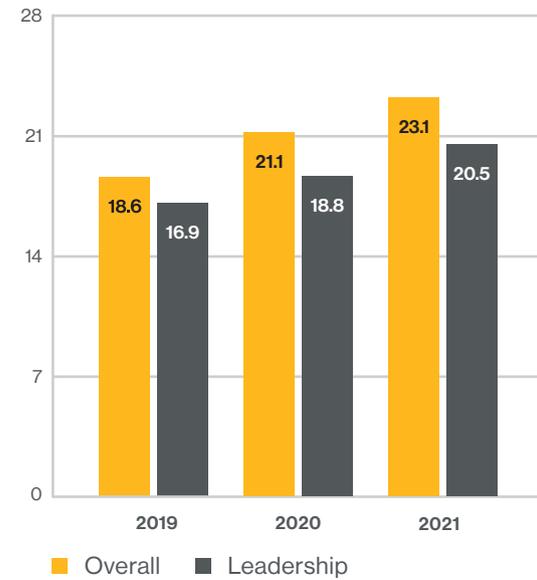
## 2021 workforce representation

Here we present our three-year representation data.

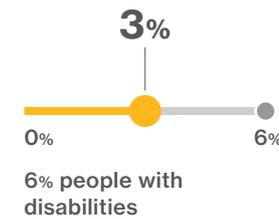
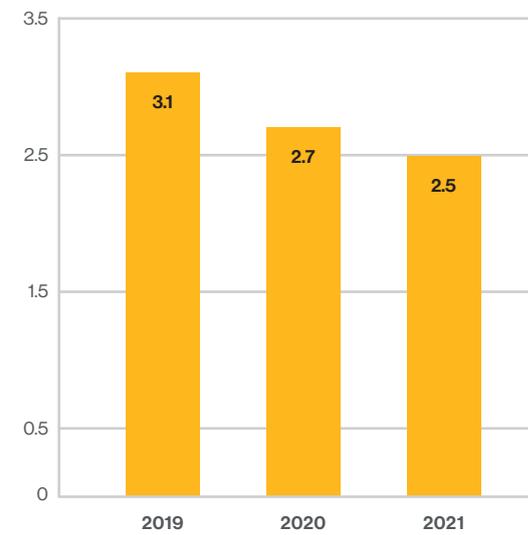
### Women (%)



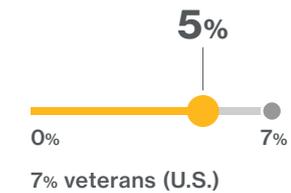
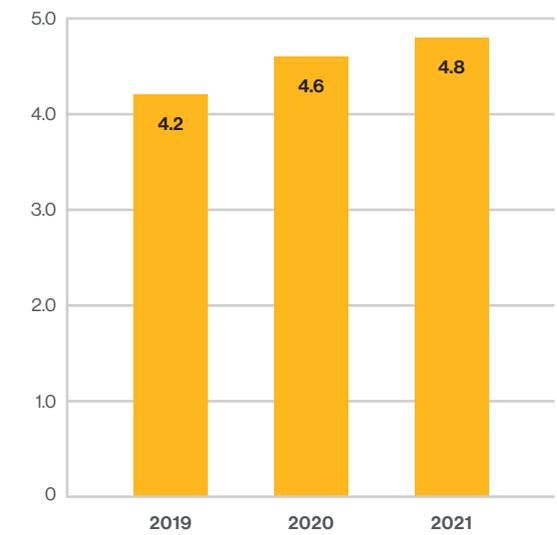
### Underrepresented ethnic and racial groups (%)



### Persons with disabilities (%)



### U.S. protected veterans (%)



## Indigenous engagement and inclusion

Across North America, there's an awakening to Indigenous history, culture, rights, engagement and inclusion, which is placing more focus on the evolving legal and constitutional framework, fostering greater political and societal attention, and providing opportunities to weave Indigenous knowledge, teachings and perspectives into decision-making.

Along with this, the recent and ongoing discoveries of the unmarked graves of Indigenous children at former residential schools in Canada are a painful reminder of the inequities and injustices Indigenous peoples across North America have endured and continue to face today. We have all inherited this position in time together – and we all have a role to play in educating ourselves about the truth of the history of Indigenous peoples and then embarking on a path toward reconciliation.

### Learn more



[Continuing our path to reconciliation: Indigenous engagement and inclusion – An update](#)

[Our approach to Indigenous relations](#)

While we, at Enbridge, have expanded Indigenous inclusion within our projects and operations, we recognize our journey toward reconciliation is just that, a journey. More time is needed to listen, learn, understand and adapt. We are committed to this, and we are committed to bridging the gaps that exist to develop meaningful and sustainable outcomes for Indigenous groups for generations to come.

We intend to further outline commitments in 2022 which will form the basis of our plan of action going forward. In the interim, we produced an updated report in early 2022, which discusses our approach to Indigenous relationships and progress made since 2018.

### Indigenous engagement and lifecycle approach

We are committed to building respectful, constructive and enduring relationships that foster trust with and generate benefits for Indigenous groups over the lifecycle of our assets. In 2019, we adopted our Indigenous Lifecycle Engagement Framework, which operationalizes our commitment and outlines internal guidelines for engagement with Indigenous groups. Through the implementation of the framework, we have introduced a number of standards of practice to provide a consistent, respectful approach that aims to recognize the diversity and uniqueness of the Indigenous groups with whom we engage. Please refer to our [Indigenous Update Report](#) for more details.

### CSO Q&A



**Mark Shilliday**  
Advisor, Indigenous Recruitment

### Q: What motivated you to take on the Indigenous recruitment role at Enbridge?

“Being the son of a residential school survivor, I have a personal commitment to do everything I can to move towards reconciliation. Also, as part of Enbridge’s Human Resources team, I can make a positive impact in removing employment barriers and increasing our Indigenous employee representation. I am proud and honored to be working for a company that values inclusion and to contribute to the reconciliation journey.”

## 2021 highlights

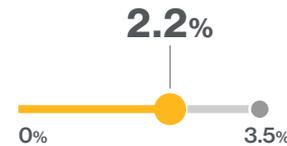
As of 2021 year-end, there were 245 self-identified Indigenous people employed by Enbridge across North America. This accounts for 2.2% of our workforce.

To meet our ESG goal, we established an internal Indigenous employment initiative working group, hired an Indigenous recruiter, and expanded Indigenous employee resource groups within Enbridge, among other things. We also offer apprenticeship/intern programs, and annually allocate at least one of our six rotational engineering internship positions for an Indigenous engineer in training. Over the past two years, 183 self-identified Indigenous people have completed workforce training sponsored by Enbridge in the U.S.

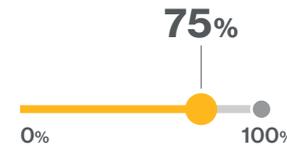
We believe that deepening our collective understanding of the history, rights, culture and knowledge of Indigenous peoples is essential to recognizing the necessity of reconciliation. At the end of 2021, around 20% of employees had completed Indigenous awareness training; as of May 2022, 75% have completed the training across Canada and the U.S. In 2022, we aim to have 100% of all employees complete Indigenous awareness training.

### Our ESG goals

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



**100%**   
 of all employees to complete  
**Indigenous awareness**  
**training** by end of 2022<sup>1</sup>




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*“THANK YOU Enbridge! The online Indigenous awareness training is absolutely the best education on this subject to date. I felt sad, angry and motivated. I also deepened my understanding of the activism toward governance and community support in the movement toward Indigenous reconciliation. I couldn’t feel prouder that this is being taken so seriously at Enbridge. It has changed me personally, and I feel that I’m a better person because of this.”*

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**Gregory Krauss, Specialist II TIS Platform Delivery**

<sup>1</sup> As at May 1, 2022, 75% of our workforce has completed Indigenous cultural awareness training.

Case study




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**\$960 million**  
 spend with Indigenous businesses  
 and communities in 2021

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**Progress together**  
**An update on the Line 3 Replacement Program**

Enbridge's Line 3 Replacement Program (Line 3) is the largest project in Enbridge's history. The replacement pipeline is now fully in service in Canada and the U.S. Indigenous businesses and workers on both sides of the border played a significant role in completing this essential maintenance project.

Our focus has now turned to safely removing the existing Line 3 pipeline from service in accordance with Canadian and U.S. environmental and other regulatory approvals. To learn more about Line 3, please visit the [project page](#). Key project achievements are outlined on the right.

With our Indigenous partners in Canada, we:

- Generated more than \$480 million in spend with Indigenous businesses and communities, including \$124 million in wages for Indigenous workers
- Employed over 1,100 Indigenous workers on the construction of Line 3 in Canada, which comprised 20% of the workforce
- Focused on Indigenous-only requests for proposal processes whereby the decommissioning work would be completed by Indigenous businesses and their partnerships

With our Indigenous partners in the U.S., and with the construction of Line 3 in the U.S. completed in September 2021, we:

- Generated more than US\$378 million in spend with Indigenous businesses and communities, including US\$41.8 million in wages for Indigenous workers, surpassing our commitment of US\$100 million of economic opportunity
- Employed over 892 Indigenous workers on construction of Line 3 in the U.S., ultimately comprising 7% of the overall workforce

## Community engagement

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

Our engagement efforts are more important now than ever. We want to hear and understand our stakeholders' points of view and use every opportunity we have to partner with communities where we live and work to build the bridge to a cleaner energy future.

We are committed to clear, honest, respectful and timely engagement, and adhere steadfastly to our values of safety, integrity, respect and inclusion. Our efforts are customized to meet the needs of regional and local communities where we operate.

### Learn more



[Management approach: Community engagement](#)

### Community expansion phase two

In June 2021, the Government of Ontario announced the second phase of natural gas community expansion projects for Enbridge Gas Inc. Phase 2 of the *Natural Gas Expansion Program* will allocate more than \$234 million to support approximately 8,750 connections in 43 rural, northern and Indigenous communities. This substantial expansion program requires meaningful consultation and engagement with Indigenous communities and groups in Ontario, both currently being served by gas, prospective service communities, and communities in proximity to our existing and new operations. The consultation program seeks to ensure alignment with our Indigenous Peoples Policy and regulatory requirements, whilst integrating shared Indigenous knowledge and recognizing the unique realities of communities in the face of these many proposed projects.

### Building monitoring capacity

Enbridge is committed to having Indigenous monitoring and safe participation in pre-construction archaeological and environmental studies. However, we acknowledge the capacity support required to engage in timely participation in field work associated with proposed projects and to engage in meaningful consultation. As such, in 2021 Enbridge worked with various communities in the province of Ontario to support opportunities for training additional Indigenous community monitors and build internal community capacity to work in collaboration with us on these sites.

### CSO Q&A



**Lorraine Little**  
Director, Strategic Partnerships

### Q: Can you give an example of how Enbridge has worked with others to tackle social issues that matter to us all?

“According to Truckers Against Trafficking, ‘Modern-day slavery, or human trafficking exists whenever people are bought and sold for forced labor or commercial sex.’ Indigenous women and girls represent a disproportionate number.

Enbridge has a zero-tolerance policy for illegal and exploitative behavior. Any employee, contractor, vendor or supplier caught engaging in illegal activity is fired immediately. During the L3RP, more than 11,000 workers received training to learn how to identify and report suspected trafficking. We also implemented a Human Trafficking Awareness plan which involved Minnesota state agencies, Tribal Nations, our contractors and union leaders.

Human trafficking is an ongoing issue in our communities and society. We encourage everyone to join us in bringing awareness to this issue and end this behavior.”



### Help at a time of need

The safety of communities near our projects and operations, and the people who live and work along our system, remains our highest priority.

In 2021, COVID-19, tornadoes, fires, floods, hurricanes and unprecedented winter storms left a wake of devastation across our operational footprint. Enbridge provided more than \$1.2 million in funding to support organizations that provided critical aid during these natural disasters. Many Enbridge employees supported recovery efforts by sourcing much-needed supplies, including food, fuel and generators in their local communities. Employees also gave generously through a Fueling Futures matching grant, raising nearly \$175,141 for recovery.



### Spruce Ridge project in Chetwynd, B.C.

During the construction of the Spruce Ridge Program Chetwynd Loop, we piloted an Indigenous Junior Environmental Monitor, which involved two community members from Sauleau First Nations and West Moberly First Nations. They joined our lead environmental inspectors on the job site to provide them with a mentor and learning opportunity on the western science while providing an Indigenous and community perspective to the inspection team. This became important when a pair of eagles built a nest close to our right-of-way (ROW) while it was under construction. Part of the mitigation during construction was to monitor the nest to ensure there were no impacts to the nesting eagles. This opportunity provided on-the-job training concerning all aspects of pipeline construction and learning about environmental protection while being able to be home in their community each night.



### Engagement in the District of Taylor, B.C.

In the District of Taylor, we began work on one of our compressor stations to improve the efficiency of the pipeline system through the installation of state-of-the-art equipment. Through our engagement with the community on this project, we were able to jointly identify some key projects which would benefit the whole community: the Community Orchard, the Veterans Project and the Mercy Box. The Community Orchard planted various fruit trees for the community in which members could come tend to and supply fresh fruit for their families. The Veterans Project assisted with cleaning the current cemetery and the installation of signage for veterans who served, so that the community could pay remembrance. Last but not least, the Mercy Box is a community initiative to provide food and other necessities for those affected by COVID-19. These are prime examples of how we engage with the communities in which we work and operate to provide support.

Case study



To learn more, please see our [Line 5 newsroom](#).

**Community engagement on the Line 5 Great Lakes Tunnel Project**

Our goal is to have open, transparent communications to answer all questions associated with relocating a segment of the Line 5 pipeline at the Straits of Mackinac into the Great Lakes Tunnel. Enbridge's engagement on the proposed Line 5 Great Lakes Tunnel Project (GLTP) in Michigan is ongoing and includes engagements with local governments and communities, emergency response organizations, chambers of commerce and business organizations, and members of the public. The opening of the [Enbridge Informational Center](#) in St. Ignace, Michigan, provides local residents and other stakeholders a place to go for more information about the project and to speak directly with on-site Enbridge representatives.

[Our methods of engagement](#) include in-person and virtual meetings and open houses, presentations, and tours of Enbridge's facilities. These activities are in addition to the public input that was collected through multiple public meetings and hearings, and hundreds of comments provided during the review of Enbridge's permit application requesting authorization to begin construction of the GLTP.

The Michigan Department of Environment, Great Lakes and Energy issued permits for the project in early 2021. We

continue to seek additional permits from the Michigan Public Service Commission and the U.S. Army Corps of Engineers prior to construction. In addition, more than 30 counties in Michigan have passed resolutions in support of the GLTP.

Tribal engagement is an equally important focus area. Enbridge's Tribal engagement efforts in connection to the Line 5 pipeline and the proposed GLTP in Michigan are ongoing and include the following:

- Native-owned businesses are providing tribal monitoring services in the Straits of Mackinac.
- To improve integrity and transparency of tunnel design and data collection, all 12 Michigan Tribes were invited to observe Enbridge's marine and geophysical cultural survey work in 2021 in the Straits of Mackinac. Staff from three Michigan Tribes did observe significant portions of these surveys.
- As part of our efforts to embed Indigenous perspectives across our business, Indigenous awareness training is available to Enbridge employees and contractors in the U.S., and all Enbridge employees and contractors are required to undertake the training by the end of 2022.

## Corporate citizenship

Our corporate citizenship program, [Enbridge Fueling Futures](#), provides resources and opportunities that energize communities and improve their quality of life. It focuses in three areas:

- Safe communities – supporting local safety initiatives and first-response organizations
- Vibrant communities – supporting programs and projects that are inclusive, future thinking and help bring out the best in people
- Sustainable communities – supporting initiatives that help improve, grow and nurture the natural environment




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\$21 million invested in 1,454 community-strengthening initiatives in 2021. See our [interactive community investment map](#) to learn more about our partner organizations.

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### 2021 highlights

#### Fueling generosity in our communities

In 2021, Enbridge employees contributed to communities through volunteering and giving in greater numbers than ever before. In January, we launched a revitalized employee volunteering and giving program, offering more ways employees can boost their charitable efforts. The Fueling Futures employee volunteering and giving program provides up to \$5,000 per year of matching funds to full- and part-time Enbridge employees in Canada and the U.S. for any combination of hours volunteered, community project and leadership grants, or funds donated.

We also launched the Fueling Futures Volunteer Ambassador Network to amplify our employee efforts. Some 140 employees across North America answered the call and completed the training program aimed at creating unique, transformational volunteer opportunities that energize our people and make a meaningful impact in local communities.

#### Virtual Volunteering Accelerator

As non-profit and community organizations continued to feel the pinch of the pandemic, we supported our community partners' participation in Realized Worth Institute's [Virtual Volunteering Accelerator program](#). This two-week intensive course helps non-profits develop the tools and knowledge to deliver great volunteer experiences.

One of our partners, the [South Central Eco Institute](#) (SCEI), made good use of the training, upgrading its website with the help of three Enbridge volunteers. The website is used for publishing data collected by elementary and high school students from Manitoba through the Enbridge-supported Riverwatch program. In addition to learning about the importance of water resource management, schools collect, analyze and report water samples from various points in the Lake Winnipeg watershed. Read the full [story](#).

#### Equitable access to internet in rural Minnesota

In the northern Minnesota communities of Mahanomen, Waubun, Ogema and White Earth, internet access can be spotty at best. The problem is twofold. First, modern telecommunications infrastructure is lacking. And second, many families can't afford the high costs of rural high-speed internet.

Inequitable access to the internet affects the community at large, including young students whose future depends on accessing online resources for education, skills development and technological literacy, all needed in our connected world.

The digital divide between those with internet and those without was amplified throughout the COVID-19 pandemic, with students needing to do home-based learning online.

A grant from Enbridge covered home internet costs for families in need, ensuring all students can take advantage of the online learning opportunities that are integral to a modern education. Read the full [story](#).

#### Home cultural kits spread STEM awareness

With the pandemic pausing in-person learning in schools, Actua, the national charity that has helped more than five million Canadian youth [become innovators and leaders in STEM \(science, technology, engineering and mathematics\) fields](#), faced the challenge of reaching students in targeted, underrepresented communities.

To address the issue, Actua developed and sent out cultural kits to some of the 200 Indigenous communities that it works with across the country. The kits contained materials to build things like tipis and canoes with locally harvested materials, which dovetailed the cultural significance of these materials with the science behind their structure.

Enbridge provided support to Actua, for both their cultural STEM kits as well as their National Girls Program, designed to strengthen the connection girls have to STEM in their lives. Read the full [story](#).

# For a sustainable future

Bridging to a cleaner energy future requires strong ESG leadership and responsible practices that balance stakeholder interests, uphold our values and bring others in our supply chain along with us. Our governance policies and practices provide the framework for doing what's right, for today and for a sustainable future.

## Relevant SDGs associated with this section



## In this section

- Corporate and ESG governance
- Supply chain management
- Ethics and compliance
- Political advocacy and accountability
- Enterprise risk management
- Privacy
- Cybersecurity

# Corporate and ESG 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 principles, policies and practices are consistent with our values and with the various rules and requirements applicable to our business.

Board composition reflects our governance principles and commitment to our ESG goals:

- 4 of 12 directors are women (33%)
- 3 of 5 committee chairs are women (60%)
- 4 of 12 directors represent underrepresented ethnic and racial groups (33%)
- 11 of 12 directors are independent (92%)
- All five of our Board committees are comprised entirely of independent directors
- 67% of directors have less than five years tenure on our Board, representing strong Board renewal
- 67% of directors are in their 60s and 17% are less than 60

Board diversity has long been a priority at Enbridge, supported by our written Diversity and Inclusion Policy, which outlines the importance of diversity in meeting the Board's oversight and stewardship responsibilities. As part of our Board succession planning process, we regularly assess overall Board composition, using a skills matrix to maintain a balance of diverse perspectives, backgrounds and experiences. We strive to ensure that our Board members are well-equipped to oversee ESG matters, including climate change and the energy transition. The Company also maintains a Board composition plan, with an inventory of potential Board candidates and use of third-party executive search consultants as needed.

**Learn more**



[2022 Management Information Circular](#)

[Corporate Governance Principles and Guidelines](#)

## Board governance principles

**Accountability**

Strong Committee oversight and risk management practices

**Independence**

11 of 12 independent directors, including Board Chair; Separate Chair and CEO

**Diversity**

Diversity of thought, experience, perspectives and skills

**Transparency**

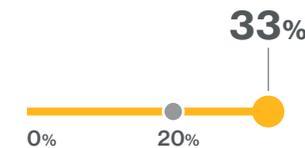
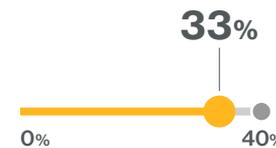
Robust financial and sustainability reporting aligned with SASB, GRI & TCFD

## Our ESG goals

Representation on the Board of  
**40%** women and  
**20%** underrepresented ethnic and racial groups by 2025



**Sustain leading ESG reporting standards**  
and evolve with best practices



## ESG governance

Board of Directors					
	Sustainability Committee	Human Resources & Compensation Committee	Audit, Finance & Risk Committee	Safety & Reliability Committee	Governance Committee
<b>E</b>	<ul style="list-style-type: none"> <li>Climate risk</li> <li>Emissions goals and targets, including overseeing progress</li> </ul>	<ul style="list-style-type: none"> <li>Alignment of ESG goals to compensation</li> </ul>	<p><b>Annual corporate risk assessment &amp; financial reporting</b></p>	<ul style="list-style-type: none"> <li>Asset integrity</li> <li>Incident response</li> <li>Environmental management system</li> </ul>	
<b>S</b>	<ul style="list-style-type: none"> <li>Indigenous inclusion</li> <li>Stakeholder engagement</li> </ul>	<ul style="list-style-type: none"> <li>Workforce engagement</li> <li>Diversity &amp; inclusion</li> </ul>		<ul style="list-style-type: none"> <li>Safety culture</li> <li>Safety and operational risks, including physical and transition climate-related risks</li> </ul>	<ul style="list-style-type: none"> <li>Board shareholder engagement</li> <li>Board diversity &amp; inclusion</li> </ul>
<b>G</b>	<ul style="list-style-type: none"> <li>ESG reporting</li> </ul>	<ul style="list-style-type: none"> <li>Compensation &amp; management succession</li> </ul>		<ul style="list-style-type: none"> <li>Security (physical data and cybersecurity)</li> </ul>	<ul style="list-style-type: none"> <li>Board governance &amp; succession</li> <li>Director performance</li> <li>Statement on Business Conduct</li> </ul>
Annual Strategic Plan Development					
Oversight of ESG is fully integrated into the responsibilities of the Board and all five Board Committees					

Enbridge earned strong positioning in sustainability rankings in 2021. This included a favorable review from CDP (formerly the Carbon Disclosure Project). The full [story](#) is posted to our blog channel. We also received the 2021 Excellence in Governance Award, in the Sustainability/ESG category, from the Governance Professionals of Canada.

## 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. Our contractors and suppliers are often the face of Enbridge and help drive our business and ESG performance; so we need them to be aligned with our values and goals.

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've increased the ESG-focused information in our procurement processes 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.

### Our ESG goal

**Increase procurement**  
from diverse suppliers and from suppliers that support and invest in diversity, equity and inclusion

### 2021 highlights

We evaluated and selected a third-party provider for collecting more rigorous sustainability performance data from our suppliers, such as their carbon emissions data. Once implemented in 2022, key suppliers will be expected to provide evidence-based ESG data that will drive their sustainability scorecard. This data will help us track suppliers' ESG performance and will ultimately be used in our supplier selection and relationship management processes.

Toward our ESG goal, we completed an inventory of our suppliers to confirm which of them are diverse (i.e., are at least 51% owned, managed and controlled by a diverse person or group with U.S. or Canadian citizenship), and to identify opportunities to increase spending with those that are certified by a nationally or regionally recognized third party.

Our corporate Supply Chain Management team also strengthened our supplier diversity data collection and reporting capabilities and connected with Enbridge business teams to introduce them to prospective diverse suppliers that are a good fit for their business area.

As a result of this work, we're now able to track Tier 1 diverse dollars (where we buy directly from a diverse supplier) and, where available, [Tier 2](#) diverse dollars (a supplier's subcontracted work).

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\$1.59 billion spent directly with one diverse supplier on the construction of Line 3 in Minnesota and an additional \$0.12 billion with 159 other certified diverse suppliers (Tier 1). We spent \$56 million with verified Tier 2 (subcontract) diverse businesses. This is in addition to our Indigenous economic engagement spend.

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### CSO Q&A



**Linet Middlebrooks**  
Senior Specialist,  
SCM Sustainability &  
Supplier Diversity

### Q: What makes for an effective diverse supplier program?

"When I think of a diverse supplier program it is one that is intentional and inclusive; a diverse supplier program that is included in an organization's objectives elevates the intention and inclusiveness of the program."

## Ethics and compliance

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 Workday are required to complete SOBC training and certify their compliance with its provisions. They must also disclose any actual or potential conflicts of interest.

The Audit, Finance & Risk and the Safety & Reliability committees of the 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.

### Related policies

[Our Statement on Business Conduct](#)

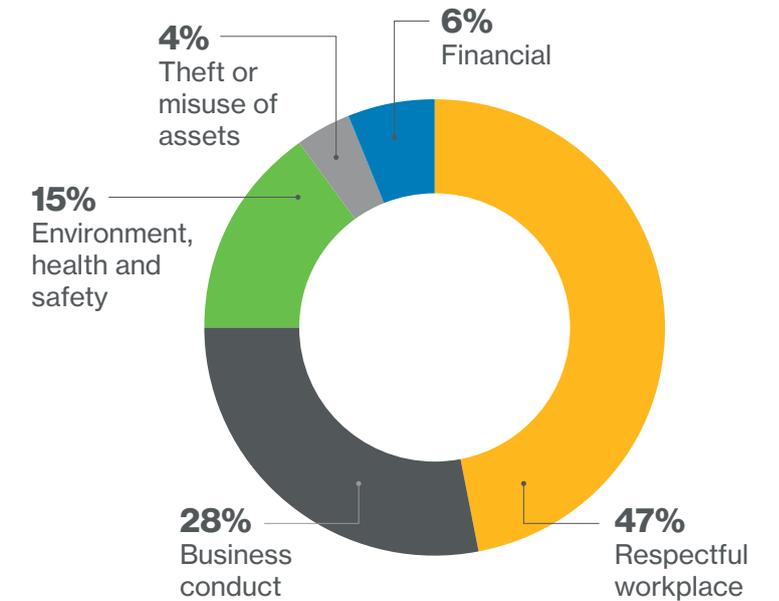
[Whistle Blower Policy](#)

[Political Contributions Policy](#)

In 2021, we introduced a third-party risk management program that enhances our due diligence in vetting suppliers for sanctions, anti-bribery, anti-corruption and human rights risks. The automated process screens potential new suppliers and gives them a low-, medium- or high-risk ranking. For those with medium- and high-risk initial rankings, the Ethics & Compliance team develops plans to mitigate compliance risks and, when warranted, conducts enhanced due diligence screenings.

We encourage employees to turn to their people leaders first to share concerns about potential misconduct or violations of law or policy. Should team members feel uncomfortable reporting certain concerns to their people leader or to an alternative internal resource, the Enbridge Ethics Helpline allows the option of filing a report confidentially and anonymously. In 2021, a total of 137 matters were received through the ethics helpline, compared to 96 in 2020. Anonymous reporting represented 52% of all reports.

**2021 Ethics Helpline reports by category** (% of reports)



### 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 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.

### 2021 political contributions

\$3,500

corporate political contributions (Canada)

\$70,000

corporate political contributions (U.S.)

\$100,000

Enbridge-DCP Political Action Committee (U.S.)

### Case study



In 2021, Enbridge was the leader in establishing a policy initiative of the Public Policy Forum on Canada’s low-carbon export strategy. The effort brought together representatives from industry sectors, environmental non-governmental organizations, business associations and academia to discuss and offer recommendations to government on how to approach shaping international frameworks, while also strengthening domestic conditions for emissions-reducing innovation and technological adoption. The final report, [Climate-tiveness: What it Takes for Canada to Thrive in a Net Zero Exporting World](#), was issued ahead of the United Nations Climate Change Conference (COP26), accompanied by a *Globe and Mail* op-ed written by the report’s export advisory panel, which included an Enbridge executive.

## Enterprise 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 [2022 Management Information Circular](#) and our [2021 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 CRA process:

- Is a bottom-up review of enterprise-wide risks
- Assesses the potential impact of each risk
- Enables continuous risk management improvement
- Informs multi-year operations, integrity and maintenance plans
- Includes performance measures for risk management efforts

Mid-cycle CRA updates are provided to the Board for the Company's top risks. Management also provides reports at every Board meeting to identify trends and help manage risk. For example, with cyberattacks identified as a top risk that continues to increase in sophistication and frequency, the Board received quarterly reports on information technology and cybersecurity matters in 2021.

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.

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.

### CSO Q&A



**Walt Tyrrell**  
Director, Risk,  
Standards &  
Assurance

#### **Q: What additional steps have you taken to account for climate change in your risk management processes?**

“We understand that climate change is causing more extreme and changing weather events. We consider climate change–driven physical hazards in our operational risk assessments and treatment measures to help ensure safe, reliable operations.”

## Privacy

We are 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.

Focus areas in 2021 included:

- Continued enhancement and automation of privacy processes, including privacy metric development and tracking
- Development of a Privacy Steward Network to champion sound data governance practices across the organization
- Improvements in third-party privacy risk assessment capabilities
- Continued monitoring of privacy program effectiveness through internal audits and assessments

## Cybersecurity

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. The Board of Directors provides effective oversight. Regular updates are provided to both the Safety & Reliability Committee and the Audit, Finance & Risk Committee of the Board. The Technology and Information Services function is centralized under the Senior Vice President, Technology & Chief Information Officer, which provides 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.

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, we have focused on expanding the cybersecurity training and simulated testing we administer to high-risk groups within the organization. This focused training is in addition to our pre-existing phishing training, tailored to each group, and helps further improve the resilience of our employee populations most likely to be targeted.

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 2021 included:

- Bolstering cybersecurity metrics and analytics capabilities to better inform risk-based decision-making and identify areas for further improvement
- Further expansion of threat detection and vulnerability management capabilities for timely mitigation of potential threats
- Sustained focus on layers of defense with additional network controls, workstation controls and access controls to mitigate cyber risk
- Continued assessment of 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

### Our ESG goal



**Advance effective cyber defense programs** to protect information and services

# Appendix



## In this section

- Trade association memberships
- Fines, penalties and violations
- Process safety incidents
- Forward-looking information
- Content indices

## Trade association memberships

In 2021, 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
<b>Canada</b>		
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
<b>U.S.</b>		
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 on 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

## 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 2021, we remitted the following fines, penalties and violations:

Year	Regulatory authority	Enforcement action summary
2021	U.S. Department of Transportation (DOT): Pipeline and Hazardous Materials Safety Administration (PHMSA)	In November 2020, Enbridge received a Notice of Probable Violation resulting from inspections of the Lakehead System between January 16 and July 20, 2018, citing 10 probable violations and issuing six corrective actions. Enbridge implemented the required corrective and preventive actions and paid a penalty of US\$98,800.
2021	U.S. Department of Transportation (DOT): Pipeline and Hazardous Materials Safety Administration (PHMSA)	In December 2020, Enbridge received a Notice of Probable Violation resulting from a failure to notify PHMSA of the Colerain compressor station construction rehabilitation project more than 60 days prior to construction. Enbridge implemented the required corrective and preventive actions and paid a penalty of US\$18,100.
2021	U.S. Department of Transportation (DOT): Pipeline and Hazardous Materials Safety Administration (PHMSA)	In February 2021, Enbridge received a Notice of Probable Violation resulting from inspections of Cushing storage, Patoka storage, Illinois Extension Pipeline and CCPS Transportation in Oklahoma, Kansas, Illinois and Missouri between March 5 and June 29, 2018, citing five warning items and nine probable violations, including a compliance order (concerning failure to install proper impoundments at Cushing Tank Farm). Enbridge implemented the required corrective and preventive actions and paid a penalty of US\$282,900.
2021	U.S. Environmental Protection Agency (EPA)	In March 2021, Enbridge received a Potential Notice of Violation resulting from a virtual compliance evaluation conducted in July 2020. The evaluation alleged that Enbridge failed to identify an overall person responsible for implementing the Risk Management Plan regarding a facility servicing offshore operations and several violations of the Risk Management Plan Rule. Enbridge implemented the required corrective and preventive actions and paid a penalty of US\$58,125.
2021	U.S. Department of Transportation (DOT): Pipeline and Hazardous Materials Safety Administration (PHMSA)	In April 2021, Enbridge received a Notice of Probable Violation resulting from a failure to meet two special permit requirements on the Texas Eastern pipeline. Enbridge did not receive the report on two anomalous conditions within 90 days following the completion of an in-line inspection (ILI) tool run as required by the permit and hence its analysis was not timely. Enbridge implemented the required corrective and preventive actions and paid a penalty of US\$49,000.
2021	U.S. Department of Transportation (DOT): Pipeline and Hazardous Materials Safety Administration (PHMSA)	In May 2021, Enbridge received a Final Order, following receipt of a Notice of Probable Violation and Proposed Civil Penalty in March 2020, related to Express Holdings (USA), LLC alleging non-compliance with certain inspection requirements and other regulations observed between November 14, 2016, and February 3, 2017, during an on-site inspection conducted in Casper, Wyoming. Enbridge contested certain violations and following a hearing, PHMSA modified the violations and Enbridge implemented the required corrective and preventive actions and paid a penalty of US\$264,500.

Year	Regulatory authority	Enforcement action summary
2021	Texas Commission on Environmental Quality (TCEQ)	In May 2021, Enbridge received an Agreed Order, resulting from a February 2020 inspection that identified six violations of reporting and record-keeping requirements as well as a failure to perform a stack sample at the Moss Bluff Storage Facility. Enbridge implemented the required corrective and preventive actions and paid a penalty of US\$15,300.
2021	Connecticut Department of Energy and Environmental Protection (CT DEEP)	In July 2021, Enbridge received a Consent Order with respect to notices of violations previously received in 2016, 2017, 2018 and 2019 at the Cromwell compressor station, for failing to complete a VOC Reasonably Available Control Technology plan and emission control issues. Enbridge implemented the required corrective and preventive actions and paid a penalty in the amount of US\$193,460.
2021	Ontario Energy Board (OEB)	In July 2021, Enbridge provided an Assurance of Voluntary Compliance to the OEB following its inspection of disconnection practices which were found to be non-compliant with the OEB's recently amended Gas Distribution Access Rule (GDAR). Approximately 18,500 disconnection notices sent in August 2020 did not comply strictly with the GDAR; however, no customers were disconnected pursuant to these notices. Enbridge implemented the required corrective and preventive actions, paid an administrative monetary penalty of C\$40,000, and made an additional payment of C\$60,000 to the social agency that runs the Low-income Energy Assistance Program to support low-income customers in paying their gas bills.
2021	Pennsylvania Department of Environmental Protection (PA DEP)	In August 2021, Enbridge received a Consent Assessment of Civil Penalty from PA DEP for NOx and CO exceedances occurring between 2017 and 2019 at the Armagh compressor station. Enbridge implemented the required corrective and preventive actions and paid a penalty of US\$74,331.
2021	Pennsylvania Department of Environmental Protection (PA DEP)	In November 2021, Enbridge received a final Consent Assessment of Civil Penalty for findings related to NOx emissions exceedances at the Enriken compressor station that occurred from Q1 2017 to Q1 2019. Enbridge implemented the required corrective and preventive actions and paid a penalty of US\$70,961.
2021	U.S. Environmental Protection Agency (EPA)	In December 2021, Enbridge received a formal demand from the U.S. EPA for penalties in the amount of US\$2,978,700 for 13 alleged non-compliances in relation to the Enbridge/EPA Consent Decree. The violations relate to an alleged failure to take certain pipeline integrity steps within a set timeline; however, many involved actions of an administrative nature and language interpretation issues. Enbridge implemented corrective actions to prevent recurrence, where necessary, and paid the penalties.

## Process safety incidents

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.

### Ontario, Canada

A third-party excavating company damaged a 20" high-pressure gas main. Twenty-seven customers were temporarily evacuated while Enbridge crews stopped the flow of gas. There was no fire or explosion associated with this damage.

### British Columbia, Canada

A pressure relief valve at a compressor station failed to properly close again after activation, resulting in the release of natural gas to atmosphere for a prolonged period of time (12 minutes). There were no fires or explosions associated with the release.

### Maine, USA

A small diameter fitting at a compressor station failed, resulting in an employee checking the line seeking treatment for first aid.

### Offshore – Gulf of Mexico

Enbridge detected a gas release from a pinhole leak while patrolling an offshore gas transmission line. There were no injuries associated with the release, nor were there liquid hydrocarbons in the line.

### British Columbia, Canada

A third-party excavating company struck a gas transmission line. There were no injuries, fires or explosions associated with the damage.

## Forward-looking information

This Sustainability Report includes certain forward-looking statements and information (FLI) to provide information about Enbridge Inc. (Enbridge or the Company) and its subsidiaries and affiliates, including management's assessment of their future plans and operations, which FLI may not be appropriate for other purposes. FLI is typically identified by words such as "anticipate", "expect", "project", "estimate", "forecast", "plan", "intend", "target", "believe", "likely" and similar words suggesting future outcomes or statements regarding an outlook. All statements other than statements of historical fact may be FLI. In particular, this Sustainability Report contains FLI pertaining to, but not limited to, information with respect to the following: Enbridge's strategic plan, priorities, outlook and expected performance; expected supply of, demand for, exports of and prices of crude oil, natural gas, natural gas liquids (NGL), liquefied natural gas (LNG) and renewable energy; energy transition and low carbon energy, and our approach thereto; environmental, social and governance (ESG) goals and targets, including those related to greenhouse gas (GHG) emissions reduction, diversity, equity and inclusion and safety; our plans to achieve our ESG goals and targets and to monitor and report our progress thereon; ESG engagement, commitments and disclosure; expected resiliency of our assets and growth opportunities under climate change scenarios; our intention to release a Reconciliation Action Plan; industry and market conditions; anticipated utilization of our assets; expected performance of the Company's businesses, including customer growth and organic growth opportunities; financial strength, capacity and flexibility; expected capital expenditures; capital allocation framework and priorities; expected future growth, including secured growth program, development opportunities and low carbon and new energies opportunities and strategy; our plans regarding the Line 5 Great Lakes Tunnel Project; and expected future actions of regulators and courts and the timing and anticipated impact thereof.

Although we believe that the FLI is reasonable based on the information available on the date such statements are made and processes used to prepare it, such statements are not guarantees of future performance and you are cautioned against placing undue reliance on FLI. By its nature, FLI involves a variety of assumptions, which are based upon factors that may be difficult to predict and that may involve 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 the FLI. Material assumptions include assumptions about the following: energy transition, including the drivers and pace thereof; global economic growth and trade; the expected supply of, demand for, exports of and prices of crude oil, natural gas, NGL, LNG and renewable energy; anticipated utilization of our existing assets; exchange rates; inflation; interest rates; availability and price of labour and construction materials; operational reliability and performance; customer, regulatory and stakeholder support and approvals; changes in

legislation, regulations or government policy applicable to our businesses; weather; announced and potential acquisition, disposition and other corporate transactions and projects, and the timing and impact thereof; litigation; impact of capital project execution on the Company's future cash flows; credit ratings; capital project funding; hedging program; financial strength and flexibility; debt and equity market conditions; cost of debt and equity capital; economic and competitive conditions; changes in tax laws and tax rates; the development and performance of technology and new energy efficient products, services and programs; long-term energy future scenarios; successful collaboration with partners and others to advance ESG goals; the ability of management to execute key priorities; and the effectiveness of various actions resulting from the Company's strategic priorities.

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 FLI, as they may impact current and future levels of demand for our services. Similarly, energy transition, including the drivers and pace thereof, exchange rates, and inflation and interest rates 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 FLI. 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 FLI is subject to risks and uncertainties pertaining to the realization of anticipated benefits and synergies of projects and transactions; successful execution of our strategic priorities, operating performance, legislative and regulatory parameters; changes in regulations applicable to our business; litigation; acquisitions, dispositions and other transactions project approval and support; renewals of rights-of-way; weather; economic and competitive conditions; public opinion; changes in tax laws and tax rates; exchange rates; interest rates; commodity prices; political decisions; the supply of, demand for and prices of commodities, including but not limited to those risks and uncertainties discussed in this Sustainability Report and in our other filings with Canadian and United States securities regulators. The impact of any one risk, 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, we assume no obligation to publicly update or revise any FLI made in this Sustainability Report or otherwise, whether as a result of new information, future events or otherwise. All FLI in this Sustainability Report and all subsequent FLI, whether written or oral, attributable to Enbridge, or any of its subsidiaries or affiliates, or persons acting on their behalf, are expressly qualified in its entirety by these cautionary statements.

**2021 Content Indices**

GRI Standards: General Disclosures

GRI Standard number	Disclosure number	Disclosure title	Page/Link	SDG
GRI 102	102-1	Name of the organization	<a href="#">Enbridge</a>	
GRI 102	102-2	Activities, brands, products, and services	<a href="#">Sustainability Page 11</a>	
GRI 102	102-3	Location of headquarters	<a href="#">Sustainability Page 11</a>	
GRI 102	102-4	Location of operations	<a href="#">Sustainability Page 11</a>	
GRI 102	102-5	Ownership and legal form	<a href="#">Investment Center Dashboard</a>	
GRI 102	102-6	Markets served	<a href="#">Annual Report</a>	
GRI 102	102-7	Scale of the organization	<a href="#">Sustainability Page 11</a>	
GRI 102	102-8	Information on employees and other workers	<a href="#">Our Employees Page 24</a>	
GRI 102	102-9	Supply chain	<a href="#">Sustainability Page 11</a>	
GRI 102	102-10	Significant changes to the organization and its entity chain	<a href="#">Sustainability Page 11</a>	
GRI 102	102-11	Procautionary Principle or approach	<a href="#">Sustainability Page 11</a>	
GRI 102	102-12	External initiatives	<a href="#">Sustainability Page 11</a>	
GRI 102	102-13	Membership of associations	<a href="#">Sustainability Page 11</a>	
GRI 102	102-14	Statement from senior decision-maker	<a href="#">Sustainability Page 11</a>	
GRI 102	102-15	Key impacts, risks, and opportunities	<a href="#">Sustainability Page 48</a>	
GRI 102	102-16	Values, principles, standards, and norms of behavior	<a href="#">Sustainability Page 52</a>	
GRI 102	102-17	Mechanisms for advice and concerns about ethics	<a href="#">Sustainability Page 52</a>	
GRI 102	102-18	Governance structure	<a href="#">Sustainability Page 49</a>	
GRI 102	102-19	Designating authority	<a href="#">Sustainability Page 49</a>	
GRI 102	102-20	Executive-level responsibility for economic, environmental, and social topics	<a href="#">Sustainability Page 49</a>	
GRI 102	102-22	Composition of the highest governance body and its committees	<a href="#">Sustainability Page 49</a>	
GRI 102	102-23	Chair of the highest governance body	<a href="#">Sustainability Page 49</a>	
GRI 102	102-24	Nominating and selecting the highest governance body	<a href="#">Sustainability Page 49</a>	
GRI 102	102-25	Conflicts of interest	<a href="#">Sustainability Page 49</a>	
GRI 102	102-26	Role of the highest governance body in setting purpose, values, and strategy	<a href="#">Sustainability Page 49</a>	

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## 2021 Content Indices

## Contact us

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