Climate change requires serious solutions. We are adapting to the energy transition over time—helping society transition to a lower-emissions economy, while reducing our own emissions.

Our targets

**Net zero emissions**

Eliminate GHG emissions from our business on a net basis (net zero) by 2050

Reduce the intensity of GHG emissions from our operations 35% by 2030

These targets focus on greenhouse gas (GHG) emissions generated from the combustion (carbon dioxide (CO2) and nitrogen dioxide (NO2)) and/or release of methane (CH4) (Scope 1 emissions) as well as emissions from the generation of purchased electricity consumed by the company (Scope 2 emissions).

Progress against these targets will be measured relative to a 2018 base year, the first full year of operations following the transformational acquisition of Spectra Energy and the roll out of a new long-term strategy for the combined Company.

To hold ourselves accountable, we’ve linked compensation to delivering on our ESG targets through objectives set out in annual business unit and corporate function scorecards.

1 Scope 1 accounts for direct GHG emissions which occur from sources that are owned or controlled by the Company.

2 Scope 2 accounts for GHG emissions from the generation of purchased electricity consumed by the Company.
Enbridge’s strategic planning process has consistently revealed opportunity in energy systems change. We have long focused on energy fundamentals and building optionality in our business. More specifically, we’ve taken a gradual approach which involves testing the technology, developing the capability and then expanding the opportunity set over time.

We will continue to focus on energy fundamentals while building optionality into our business. And, as we continue to diversify our business mix, we will continue to work to reduce the GHG emissions associated with our business.
Enbridge has a well-established track record of responsibly addressing environmental consequences of delivering carbon-based energy to North Americans. This includes past programs to successfully reduce GHG emissions.

**Building on proven success**

Enbridge has a well-established track record of responsibly addressing environmental consequences of delivering carbon-based energy to North Americans. This includes past programs to successfully reduce GHG emissions.

- **21% reduction** in direct GHG emissions from our Canadian operations below 1990 levels between 2005 and 2011.
- **5% reduction** in the GHG emissions intensity of our gas distribution business.
- **30B** cubic metre reduction in natural gas consumed by our gas utility customers since 1995 because of our Demand Side Management programs.

Much of this reduction was achieved through the replacement of approximately 1,800 kilometers (1,119 miles) of cast iron and bare steel pipe. Relative to the total number of customers between 2011 and 2015. That's enough energy to serve 12.5 million homes for one year and it amounts to a 56.2 million tonnes of carbon dioxide equivalent (tCO₂e) reduction in GHG emissions – or the equivalent of taking 12.2 million cars off the road for one year.
Innovation is required across the entire energy system if we are to address climate change and deliver GHG emissions reductions in line with the recommendations of the Intergovernmental Panel on Climate Change (IPCC) and the goals of the Paris Accord.

As we strive to provide secure, reliable and affordable energy that the world needs and wants, it is clear that existing energy systems need to be part of the climate solution.

With assets across the energy system, Enbridge is well-positioned to make a meaningful contribution.

Our 2030 and 2050 targets will be achieved via several initiatives that are aligned with Enbridge’s current strategy and longer-term business plans.

Pathways to reducing our emissions

1. Modernization and Innovation
2. Decarbonizing Energy Use
3. Investment in Renewables and Lower-carbon Infrastructure
4. Offsets and Carbon Credits
Enbridge is reducing GHG emissions by modernizing and applying innovation to existing energy transportation and distribution systems to increase efficiency and reduce the emissions intensity of existing infrastructure.

### Liquids Pipelines (LP)
- Application of machine learning and predictive analytics to increase system efficiency, reducing the overall energy consumption and emissions.
- Development of an enterprise-level strategy and decision-making framework to optimize power generation, procurement, and consumption in a safe and reliable way to maximize value for Enbridge across four dimensions (cost, revenue enhancement, GHGs, and employee experience), while managing risk and external stakeholders (e.g. customers, public, regulators). A pilot project has been initiated with our LP assets in Alberta and Saskatchewan.

### Gas Transmission and Midstream (GTM)
- Replacement of older and less efficient compression facilities on our long-haul natural gas transmission systems to improve energy efficiency and reduce GHG emissions. The first phase is expected to reduce GHG emissions on the Texas Eastern pipeline by more than 180,000 tCO2e annually beginning in 2024.
- Future phases of modernization have the potential to remove up to 850,000 tCO2e of additional GHG emissions each year from our gas transmission facilities by 2034.
- As a member of Our Nation’s Energy (ONE) Future1, Enbridge commits to voluntarily reduce methane emissions across the U.S. natural gas value chain to 1% (or less) of total produced natural gas by 2025. This helps to drive a specific focus on methane reductions, including the replacement and modernization of equipment to reduce fugitive emissions.

### Gas Distribution and Storage (GDS)
- Modernization of equipment, capturing of vented emissions from compressor stations, and enhanced leak detection and repair programs at company facilities is expected to reduce both combustion-related and methane emissions.
- Development and commercialization of new energy sources that will reduce the GHG footprint from its own operations and further reduce the carbon intensity of the energy that it delivers to its customers (see Reducing Scope 3 Emissions section for more detail).

---

1 ONE Future is an industry-led initiative formed in 2018 to achieve a science-based average rate of methane emissions across U.S.-based upstream production, transmission and distribution. The goal of ONE Future is to ensure the future of natural gas as a long-term sustainable fuel and to advance industry leadership in energy production and reduction of emissions.
Enbridge is actively developing and executing on opportunities to “self-power” – to build and operate renewable power generation facilities to meet our own electric power requirements.

The first of several planned solar energy facilities to power electric compressors on Enbridge’s natural gas transmission pipelines was placed into service at Lambertville, New Jersey, in October 2020. The 2.25-megawatt (MW) project is expected to reduce GHG emissions from electricity generation by nearly 60,000 tCO₂e over the operation’s lifetime. We are advancing the development of similar facilities at several other locations on our gas transmission network which are expected to come into service over the next two to three years.

A 10.5-MW solar facility is currently under construction in Alberta that will provide power to Enbridge’s Liquids Mainline beginning in 2021. We have identified and are actively developing similar self-power solutions for pump stations across our network of liquids pipelines.

Enbridge is pursuing options to meet the balance of electricity needs through the purchase of power from less emissions intensive (“green”) sources of electricity in the jurisdictions where we operate. This includes policy advocacy to support the implementation of cost-effective policies to reduce the carbon footprint of the electricity grid.

---

Enbridge is reducing the emissions intensity of the electricity we procure with solar self-power projects and advocating for policies that decarbonize the power grid.

**Lambertville, New Jersey solar project**

- **2.25 MW**
- GHG reduction of **60,000 tCO₂e** from electricity generation

**Alberta Solar One solar project**

- **10.5 MW**
- to supply power to Enbridge’s Liquids Mainline
Investment in renewables and lower-carbon infrastructure

We continue to focus on disciplined investment in lower-carbon infrastructure and business lines, including wind and solar power generation, hydrogen and renewable natural gas.

Since 2002, Enbridge has invested C$8 billion in renewable power generation facilities (in operation and under construction) with the capacity to deliver more than 2,000 MW of net zero-emissions power to customers in the U.S., Canada and Europe. This equals the energy consumption of about 950,000 homes or a city about the size of San Francisco, CA. We are currently advancing another 371 MW of net renewable development projects in Europe and actively pursuing opportunities to profitably expand this rapidly growing segment of our business. In Europe, we’ve leveraged our major project execution capabilities and offshore pipeline construction skills to find excellent partners. This allows us to expedite the development of commercial, operating and construction capabilities specific to the offshore wind context.

Enbridge is working across businesses and with partners to develop facilities and programs for the production, marketing, transportation and distribution of renewable natural gas (RNG), hydrogen and compressed natural gas (CNG). With our vast network of pipelines, Enbridge is also well-positioned to participate in what is expected to be a growing opportunity for investment in Carbon Capture Utilization and Storage (CCUS) facilities. Enbridge is actively working with potential private and public partners and stakeholders to advance opportunities to build, own and operate these facilities.

\[\text{\$8B} \text{ invested in renewable power with the capacity to deliver more than 2,000 MW of net zero-emissions power to customers in the U.S., Canada and Europe which is equivalent to the energy consumption of about 950,000 homes.}\]

\(^1\) In operation and under construction.
Offsets and carbon credits

We will balance residual emissions through procurement of carbon offset credits generated by nature-based solutions and Renewable Energy Credits, with a primary focus on areas proximate to our operations.

Selective investment in nature-based solutions and offsets, including afforestation and soil carbon sequestration and through enhanced agricultural practices proximate to our operations.
Reducing Scope 3 emissions

Enbridge’s GHG emissions reduction targets focus specifically on Scope 1 and Scope 2 emissions. Yet, operational emissions from the midstream comprise only a small portion of total GHG emissions on a lifecycle basis. Consequently, Enbridge is designing emissions reduction strategies with a view to delivering Scope 3 emissions solutions. Over the next three decades, we are looking to help our suppliers and customers to deliver emissions reductions in line with recommendations of the IPCC.

Accordingly, in addition to tracking and reporting progress against our Scope 1 and 2 GHG emissions and targets, we will also systematically measure and periodically report on the contribution that our investments make to the avoidance of third-party GHG emissions, focusing on two supplementary metrics.

1. The absolute reduction and/or avoidance of GHG emissions enabled by Enbridge operated facilities (tCO2e per annum) including, for example, generation of zero-emissions electricity, Demand Side Management and Renewable Natural Gas.

2. The carbon intensity of the energy delivered by Enbridge (tCO2e per petajoule (PJ) of energy delivered) based on the total amount of energy contained in the crude oil, natural gas and electricity delivered to customers on a per annum basis.

### Lifecycle emissions intensity (Scope 1 and Scope 2)

(Canadian Oil Sands, Average Produced, kg CO2e/bbl)

<table>
<thead>
<tr>
<th>Lifecycle Activity</th>
<th>Enbridge 2018</th>
<th>Midstream Industry Average 2012</th>
</tr>
</thead>
<tbody>
<tr>
<td>Crude production and upgrading</td>
<td>89 (98%)</td>
<td>10 (1.8%)</td>
</tr>
<tr>
<td>Crude transport</td>
<td>10 (1.8%)</td>
<td></td>
</tr>
<tr>
<td>Refining</td>
<td>70 (10.6%)</td>
<td></td>
</tr>
<tr>
<td>Refined product transport</td>
<td>2 (0.4%)</td>
<td></td>
</tr>
<tr>
<td>Combustion</td>
<td>385 (63.2%)</td>
<td></td>
</tr>
</tbody>
</table>

1. Scope 3 GHG emissions result from our utility customers’ natural gas use, our employee business air travel and from electricity grid transmission and distribution loss (grid loss).

#### Renewable Natural Gas

In partnership with the City of Toronto, we will capture approximately 3.2 million cubic metres of RNG per year to fuel the city’s waste collection fleet or heat city buildings. More recently, Enbridge announced a $42-million partnership in Niagara Falls, ON to build a RNG plant which is expected to generate enough energy to heat 8,750 homes and reduce GHG emissions by 48,000 tonnes per year.

#### Compressed Natural Gas

A partnership between Enbridge and the City of Hamilton, ON will fuel 137 CNG buses at a fast-fill compressor station. CNG buses produce 20% fewer GHG emissions than diesel and can reduce fleet costs by up to 50%.

#### Hydrogen

GDS produces green hydrogen in Markham, ON and we are working to blend that hydrogen into a portion of our distribution network in the city—the first project of its kind in North America and will result in the distribution of a ‘greener’ gas mixture, with fewer carbon emissions.
Disclosure and accountability

Enbridge has been publicly reporting GHG emissions data in its annual sustainability report since 2001 and has regularly reported to the CDP (formerly Carbon Disclosure Project) since 2010. In 2019, the Company evolved its disclosure in alignment with the recommendations of the Task Force on Climate-Related Financial Disclosures (TCFD), broadening the scope of its data reporting to both emissions intensity and absolute emissions, as well as providing insight to the Company’s strategy with respect to the risks and opportunities that arise from climate change. In 2020, Enbridge officially became a TCFD supporter.

Beginning in 2021, Enbridge plans to disclose its Scope 1 and Scope 2 absolute emissions and along with intensity metrics and progress against its 2030 and 2050 targets, together with the supplementary metrics and other GHG related information, in our annual sustainability report. Emissions data will also continue to be reported to the CDP.

Also beginning in 2021, all executive and staff compensation will be tied to progress towards Enbridge’s emissions targets with leading and lagging indicators embedded in business scorecards. More details will be provided in our reporting and in discussion of executive compensation in our annual management information circular.

Enbridge retained a third party to provide limited assurance on our 2018 and 2019 GHG and energy consumption data. The final report will be made publicly available.

Related reports

For complementary information, please reference the following reports:

- 2019 Sustainability report
- 2019 ESG datasheet
- 2019 Resilient Energy Infrastructure: Addressing climate-related risks and opportunities

Enbridge Inc.
200, 425 – 1st Street S.W.
Calgary, Alberta, Canada T2P 3L8

Telephone: 1-403-231-3900
enbridge.com