

# Resilient. Reliable. Responsible.

## 2019 Sustainability Report



➤ Lambertville, NJ solar installation

# Contents

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## Front cover

The 2.25-megawatt (MW) Lambertville solar farm will provide solar energy to our Lambertville, New Jersey compressor station beginning in the fall of 2020. We have a number of projects under construction or in planning to generate renewable power for our operations – accelerating the shift to a lower-carbon future.

## Forward-looking information and non-GAAP financial measures

This Sustainability Report contains forward-looking information, or forward-looking statements, and non-GAAP financial measures. Please see the “Forward-looking information” and “Non-GAAP financial measures” chapters on pages 98 and 99 of this report.

## Websites links

This report contains references to Enbridge’s website. These references are for the readers’ convenience only. This report 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](http://enbridge.com) or any third-party website.

## Conventions

The terms “we,” “our,” “us,” “Company” and “Enbridge” as used in this report 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.

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# Introduction

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Sustainability is core to how we do business.

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# A message from our President & Chief Executive Officer

GRI: 102-14

In a year in which we've faced a global pandemic and its unprecedented human and economic toll, and a reckoning around racial justice and equality, the ability of companies to be resilient, reliable and responsible in service of all of their stakeholders has taken on even greater importance.

At Enbridge, we have long integrated environmental and social considerations into our approach to the business. This year has reinforced both the need and the value of doing so, in particular, elevating the "S" (in "ESG") and how we treat our people, customers and communities during times of uncertainty and hardship.

I'm very proud of the resilience of the Enbridge team and the dedication and commitment of our people in remaining steadfast to our purpose: to safely and reliably deliver the energy that fuels peoples' quality of life and sustains economic prosperity.

I'm also proud of the openness of our team to have the tough conversations and seek to better understand and acknowledge the impacts of systemic racism. This has been a focus for our Board of Directors and leadership team, with engagement at all levels of our company. As an employer of thousands of people, and as a company whose energy infrastructure reaches communities across North America, we take seriously our responsibility to champion diversity, equity and inclusion, and to be part of societal change that will have lasting impact.

Our annual sustainability report shares our approach to the environmental, social and governance issues of greatest importance to our stakeholders and our business. It's one of the ways we hold ourselves accountable to each other and to our stakeholders for continuous innovation and improvement.

While this report is intended to focus on our performance and progress in 2019, as we move into the latter half of 2020 it's impossible to do so without acknowledging the events of this year. These events have impacted our company and our stakeholders and you'll see that reflected throughout the report.

Our sustainability priorities are critical to our business performance and achieving our strategic priorities and are focused in three key areas:

## Climate and energy transition

Last fall, we published our first climate report, Resilient Energy Infrastructure, which shares our perspective on the dual challenge of growing global energy demand while reducing carbon emissions.

It's a challenge we're up for – and to which we've been responding. Our strategy is built on understanding energy supply and consumer demand. As we look forward, our analysis of climate scenarios affirms that our infrastructure assets will remain critical to delivering the reliable, affordable energy people need and want for many years to come.

At the same time, it underscores the energy transition that's underway and our need to continue to adapt over time. We've done a lot – from diversifying our energy delivery businesses into cleaner natural gas, investing in wind and solar power and innovation including renewable natural gas and hydrogen, and achieving emissions targets. We're well positioned to manage climate-related risks and capture new opportunities.

Over the past year, we have been engaged in a rigorous enterprise-wide process to develop new emissions reductions targets and plans to meet them. We anticipate sharing our targets later this year.

## Reliable and safe operations

Safety is, and always will be, our number one priority and we work to engage every employee and contractor in building a stronger and more resilient company culture relentlessly focused on safety.

We are driven by our conviction that all injuries, incidents and occupational illnesses are preventable. We are disappointed when we experience any incident – of any magnitude – and we investigate to identify root cause, capture learnings and prevent future incidents. Incidents over the past year on our natural gas system, one of which resulted in the death of a member of the public, have deepened our resolve to get better.

We continue to invest heavily in maintaining and strengthening the safety and integrity of our assets and supporting innovation that enables our company, and our industry. We are seeing results – in our liquids pipelines business, our safety record in 2019 was on par with the strongest safety performance in our history – and we remain focused on our path to zero incidents across all our businesses.

## Community engagement and Indigenous inclusion

Contributing positively to the safety, health and vibrancy of our communities is important to Enbridge and building relationships of trust is critical to our ability to operate and grow. We focus on respectful, meaningful engagement over the lifecycle of our assets – from project proposals through to the day-to-day operation of assets in the ground.

We believe companies have a critical role to play in advancing Indigenous economic reconciliation. We're working to find solutions that respect Indigenous peoples' strong connection to the land and the natural environment, including shared economic growth. As an example, Enbridge's Line 3 replacement project – which went into service in late 2019 in Canada – included more than \$450 million in Indigenous economic opportunity. Twenty percent of all those working on the project were Indigenous.

We measure sustainability not only in terms of metrics or past achievement, but in the potential to perform better and aim higher – every day is a new opportunity to do even better and extend the reach of our corporate responsibility.

During this time of uncertainty, we are reminded of the need to be resilient, reliable and responsible, and steadfast in our commitment to the long-term sustainability of our business for all of our stakeholders.

Thank you for your continued engagement.



**AI Monaco**

# A message to our readers

## Welcome to Enbridge's 2019 Sustainability Report.

This report continues Enbridge's long commitment of disclosure and transparency about how we do business and how we strive to do well by the communities where we live and operate.

This report is also a reflection of a year that has posed unique challenges and events that have prompted us to focus on what truly matters – and the responsibilities we have as a company, and as people, to each other, our communities and our environment.

Our name, Enbridge, is meant to connote our commitment to build a bridge to a future that provides affordable, accessible and lower-carbon energy. This is all enabled by our focus on sustainable stewardship of the environment, fostering a diverse and inclusive workplace, developing our people and building the trust of communities.

The energy industry is in the midst of transition and we recognize the need to adapt to the changing expectations of our customers and positively impact the communities we serve. We are proud of the progress we've made during this transition, much of which is highlighted in this report, and are focused on our opportunities for improvement. In future reporting, you can expect us to refine our key indicators and set targets.

In conjunction with this report, you can find a detailed [Global Reporting Initiative \(GRI\)](#) index on our website. Additionally, this year for the first time, we've aligned our performance data with the [Sustainability Accounting Standards Board \(SASB\)](#) voluntary framework. In 2019, the Company issued a climate report to align with the recommendations of the Task Force on Climate-related Financial Disclosures (TCFD) to provide more details on how we are mitigating risk from climate change. We believe that alignment with SASB and TCFD is a positive step in measuring the progress we are making.

During these extraordinary times, we are reminded of that fact that what we do is so much more than energy we provide to society. It's about supporting the well-being and safety of our employees and customers and investing in our communities.

Thank you for your interest in the 2019 Sustainability Report and Enbridge.

### Chief Sustainability Officer

In September 2020, **Pete Sheffield** became Enbridge's new Vice President & Chief Sustainability Officer (CSO).



As CSO, Pete and his team will work with internal and external stakeholders to develop sustainability strategies and policies, and manage Enbridge's reporting and disclosure of environmental, social and governance (ESG) performance.

### Corporate reporting

In addition to this report you can find specific, complementary information in the following:

- Our stand-alone report on climate strategy — [Resilient Energy Infrastructure](#) — informed by the TCFD.
- Our discussion paper [Indigenous Rights and Relationships in North American Energy Infrastructure](#), developed in response to shareholder interest.
- The annual [Enbridge Safety Report to the Community](#), which details the progress we're making in safety and reliability of operations.
- Enbridge's [Notice of 2020 Annual Meeting of Shareholders and Management Information Circular](#) and [2019 Annual Report](#), which include details related to our corporate governance, financial performance and assessment of risk.

# About this report

GRI: 102-11; 102-12; 102-45; 102-49; 102-50; 102-52; 102-54; 102-56

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

## Reporting standards

This report was developed with guidance from the GRI Standards: Core option. The 2019 report is the first year Enbridge is disclosing sustainability data using the SASB standards for Oil and Gas – Midstream and Gas Utilities & Distributors. This provides another framework for disclosing information material to our stakeholders.

Our report also provides information relevant to the recommendations of the TCFD. The Financial Stability Board 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 [Content Index](#) for our mapping to these sustainability frameworks and standards.

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

## Reporting boundaries

We report on all aspects of Enbridge's businesses, assets and joint ventures that are owned and operated by Enbridge. Other data exclusions or additions are noted throughout the report.

This report focuses on performance and activities from January 1 to December 31, 2019, and significant events in 2020. Unless otherwise noted, all financial information is presented in Canadian dollars.

As of the date of release of our 2019 Sustainability Report, we are in the process of obtaining third-party limited assurance over select 2018-2019 environmental data. As such, reported data is subject to change as a result of this process. We expect to receive our final assurance report later this year and to post it on the Enbridge website. We intend to expand assurance of other key performance indicators over the next few years.

Additional information about our ESG performance can be found in our [ESG datasheet](#).

# Key sustainability topics

GRI: 102-46; 102-47

We report on the topics that matter most to our stakeholders and our business.

Enbridge regularly engages with various stakeholder groups, including shareholders, customers, employees, communities, Indigenous nations, governments, non-governmental organizations and others as part of our business approach. In addition to ongoing engagement, we periodically conduct ESG materiality assessments to affirm topics of importance to Enbridge's business and strategy and to our stakeholders' expectations. This assessment provides the foundation from which we prioritized our sustainability goals.

In late 2019, we engaged a third party to refresh our 2014 materiality assessment. Our process included the following steps:

# 1

## Identification

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

# 2

## Prioritization

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

# 3

## Validation

Our material topics have remained relatively consistent with our previous materiality assessment. The topics we identified as being of higher importance are: climate change and energy transition, safety and asset integrity and community and Indigenous engagement. Diversity and inclusion, governance and innovation were identified as increasing areas of interest.



Informed by these findings, our sustainability report and strategy emphasize these topic areas. We continue to gather feedback through continuous engagement with our stakeholders to validate our material topics and ensure we address our stakeholders' concerns.

## Priority topics

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### Asset integrity and reliability

Ensuring the safe and reliable delivery of energy and avoiding the safety and environmental impacts of spills by minimizing the risk of spills, continuously strengthening asset integrity and maintaining effective spill prevention and response plans.

### Climate change and energy transition

Identifying risks and opportunities related to climate change and energy transition, strengthening the resilience of the Company's businesses and strategies, managing the Company's operational GHG emissions and utility customer energy use.

### Community engagement

Engaging with stakeholders to manage impacts and opportunities and creating shared value in communities near Enbridge's operations.

### Health and safety

Protecting the health and safety of our employees and contractors and ensuring the safety of the communities where we operate.

### Indigenous inclusion

Collaborating and advancing reconciliation with Indigenous Peoples.

## Material topics

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### Cybersecurity

Protecting and enhancing system resilience against cyber attacks and operational disruption outages, data breaches and security threats.

### Diversity and inclusion

Creating a diverse and inclusive workplace that reflects the communities we serve.

### Energy affordability and reliability

Providing access to affordable energy for end-use consumers and improving livelihoods of people across the regions where we operate.

### Emergency preparedness and response

Preparing for and responding to incidents that may occur in our operations such that we minimize impacts to people, communities and the environment and ensure safety.

### Governance and risk management

Ensuring oversight of policies and procedures and being accountable to stakeholders for identifying and managing risk.

### Human capital management and talent attraction

Attracting, retaining, developing and engaging skilled employees, motivating them to remain engaged throughout their careers and maintaining a healthy workplace.

### Innovation, open thinking and agility

Investing in research and development and innovative technologies that improve the fitness of our systems and support energy transition.

### Land use and biodiversity

Minimizing impacts of pipeline construction, monitoring and maintenance on land use and biodiversity including natural habitat loss and fragmentation, changes in species movement and sedimentation.

### Water

Drawing on freshwater sources for hydrostatic pressure testing and safeguarding water crossings/water bodies.

# Stakeholder engagement

GRI: 102-40; 102-42; 102-43

Active stakeholder engagement and dialogue is an integral part of our sustainability commitment. Each stakeholder brings an essential perspective, and we value their collaboration and insights to ensure we have a full understanding of the issues and trends facing our industry and company. Throughout the year, we proactively engage with our diverse stakeholders in order to foster dialogue in support of our sustainability goals and priorities. Enbridge writes this report with these stakeholders, to whom we hold ourselves accountable, in mind.

We prioritize, engage with and incorporate feedback from individuals and groups who live and work near, or who can affect or are affected by, our pipelines, power lines, operations and facilities. We also use criteria outlined in our integrated management system to ensure a consistent and rigorous approach to engagement across all of our projects and operations. Due to their distinct rights, we consider Indigenous nations to be separate from other stakeholder groups. For more information, please see the [Community Engagement](#) and [Indigenous Inclusion](#) chapters of this report.

In 2019, we engaged with multiple stakeholder groups in a variety of ways, including, but not limited to:

Stakeholder group	Engagement approach	
Shareholders/investors	<ul style="list-style-type: none"> <li>• Annual meeting of shareholders</li> <li>• Annual Enbridge Day Investment Community Conference</li> <li>• Investor conferences and non-deal roadshows</li> <li>• Canadian and U.S. securities regulatory filings</li> </ul>	<ul style="list-style-type: none"> <li>• Analyst meetings and conference calls</li> <li>• Annual sustainability report and other specialized reports</li> <li>• Ongoing investor relations engagement and presentations</li> <li>• Quarterly earnings calls and business updates</li> </ul>
Employees and contractors	<ul style="list-style-type: none"> <li>• Leadership communications</li> <li>• Townhalls, employee forums, webcasts and podcasts</li> <li>• Employee bulletins and newsletters</li> <li>• Career development plans</li> </ul>	<ul style="list-style-type: none"> <li>• Yammer</li> <li>• Intranet (ELink)</li> <li>• Employee resource groups</li> <li>• Diversity and Inclusion advisory groups</li> <li>• Employee surveys</li> </ul>
Policymakers, regulators and community leaders	<ul style="list-style-type: none"> <li>• Community meetings/open houses</li> <li>• Facility and asset tours</li> <li>• Participation in conferences and panels</li> </ul>	<ul style="list-style-type: none"> <li>• Trade association and industry representation</li> <li>• Multi-stakeholder initiatives</li> <li>• Face-to-face meetings</li> </ul>
Customers and suppliers	<ul style="list-style-type: none"> <li>• Selection and contracting processes</li> <li>• Customer surveys</li> <li>• Face-to-face meetings</li> </ul>	<ul style="list-style-type: none"> <li>• Supplier relationship management meetings</li> <li>• Annual customer meetings</li> <li>• On-site visits</li> </ul>
Landowners, communities and Indigenous nations	<ul style="list-style-type: none"> <li>• Town halls and open houses</li> <li>• Landowner meetings</li> <li>• Community meetings and events</li> <li>• Community investment programs</li> <li>• Indigenous procurement</li> </ul>	<ul style="list-style-type: none"> <li>• Emergency response tabletop exercises</li> <li>• Facility tours</li> <li>• Volunteering</li> <li>• Process for managing grievances</li> <li>• Contributing to local emergency response readiness</li> </ul>

Stakeholder group	Engagement approach	
Industry groups and non-governmental organizations	<ul style="list-style-type: none"> <li>• Participate on committees</li> <li>• Board positions on relevant trade groups</li> <li>• Sponsor and participate in advocacy activities</li> </ul>	<ul style="list-style-type: none"> <li>• Participate in key conference and speaking opportunities</li> <li>• Support industry groups with data gathering and analytics to solidify beneficial public policy</li> </ul>
Media	<ul style="list-style-type: none"> <li>• News releases</li> <li>• Web and social media</li> </ul>	<ul style="list-style-type: none"> <li>• Media line</li> <li>• Interviews</li> </ul>

“ The Board understands the importance of constructive communication and engagement with our shareholders as part of its oversight of the Company. We believe active engagement with our shareholders and other stakeholders on an ongoing basis through a variety of avenues is key to transparency, facilitating open and informed dialogue and building relationships of trust. ”



**Karen Uehara,**  
Vice President & Corporate Secretary



> Al Monaco, President & CEO, is joined by members of the Executive Leadership Team for the 2020 All Company Forum hosted from Toronto. Employees from approximately 200 locations across North America participated in the Forum, our annual meeting for Enbridge team members.

# Our role in society

Energy heats homes. It cooks food. It keeps people moving and connected. It helps build and shape the world around us.

At Enbridge, we deliver the energy that fuels quality of life.

Enbridge is a leading North American energy infrastructure company. We safely connect energy supply to the continent's best markets through our three core businesses, and our growing renewable power generation business – providing the energy that's critical to everyday life and drives our economy.

We've evolved to meet growing global energy needs – delivering the energy mix of today and tomorrow, and helping to meet those needs in ways that are ethical, sustainable and socially responsible.

The work we do creates well-paying jobs in towns and cities. It generates tax revenue to build schools, hospitals and roads. It stimulates local economies. It provides grants and volunteer labor that strengthen communities.

Headquartered in Calgary, Canada, with major offices in Houston, Edmonton, Toronto, Duluth and Chatham, our 13,000-person team brings enthusiasm and ingenuity to work every day in support of this mission.

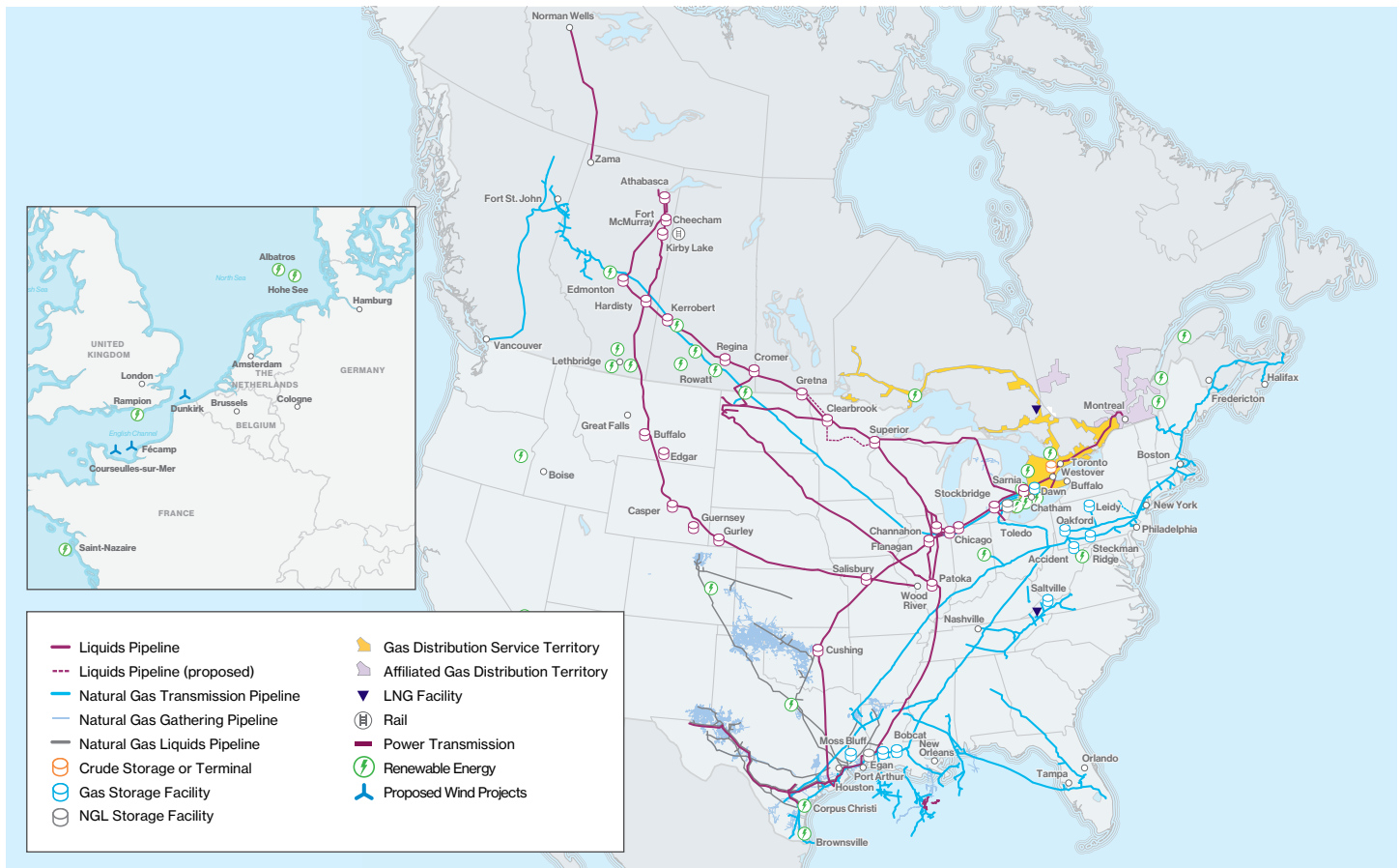
## Our core businesses

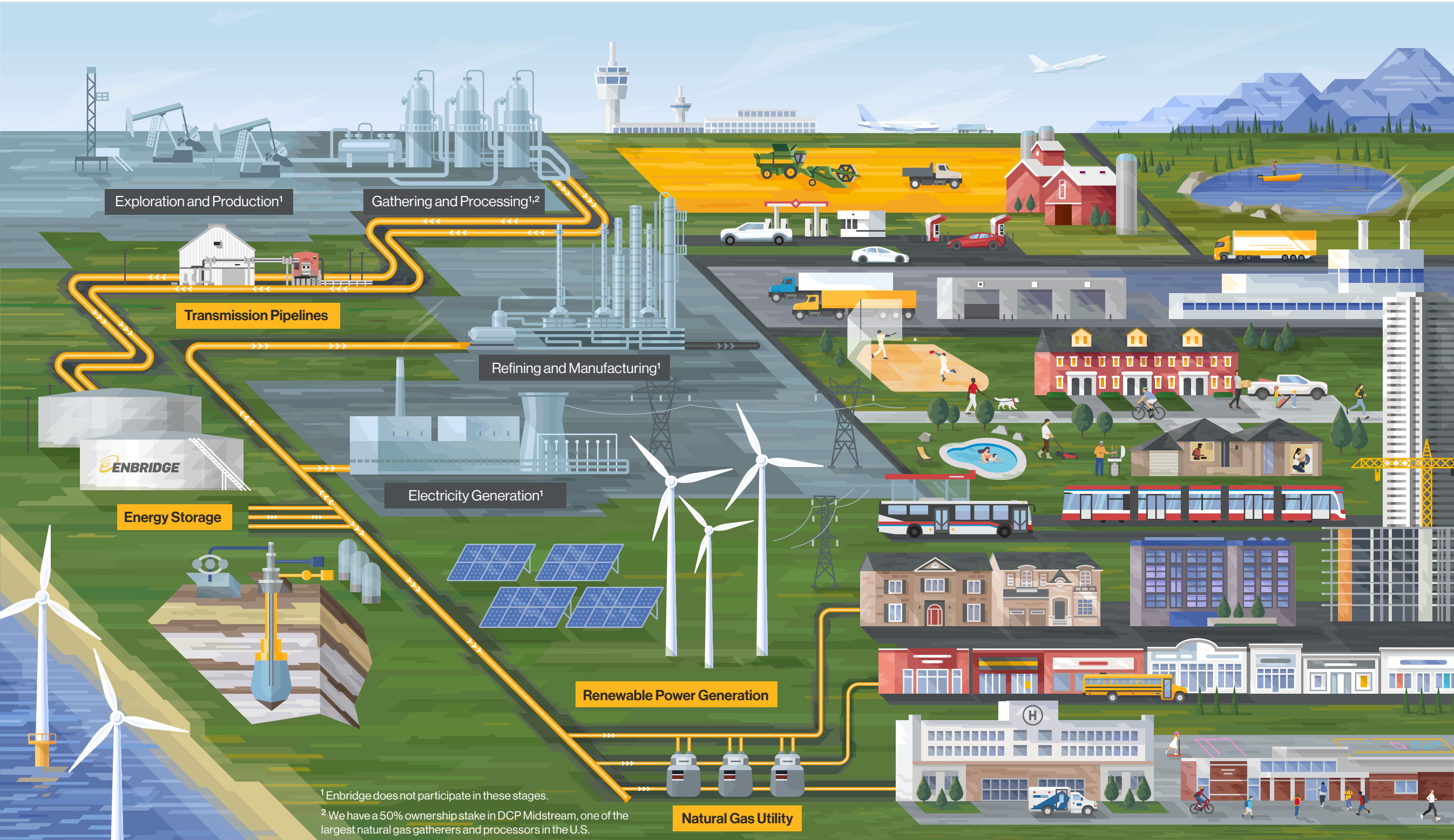
We play a significant role in the continental energy value chain. We own, develop and operate transmission, distribution and storage infrastructure across North America, including:

- Liquids Pipelines (LP), which serves 12 million barrels per day (bpd) of refining capacity and connects producers to the best markets in the U.S. Midwest, the U.S. Gulf Coast and Eastern Canada.
- Gas Transmission and Midstream (GTM), which connects natural gas supply with key residential, industrial and commercial markets totaling approximately 170 million people, as well as power generation facilities across the continent.
- Gas Distribution and Storage (GDS), which serves approximately 3.8 million retail customers in Ontario and Quebec and distributes about 2.3 billion cubic feet (Bcf) per day of natural gas.
- Renewable Power Generation, which has interests in more than 30 renewable power facilities and has a growing presence in offshore wind in Europe.

**Above all else, we aim to make a difference, economically and socially – as an industry leader, as a responsible corporate citizen, as an exceptional employer.**

**Because life takes energy, and we deliver it.**





<sup>1</sup> Enbridge does not participate in these stages.

<sup>2</sup> We have a 50% ownership stake in DCP Midstream, one of the largest natural gas gatherers and processors in the U.S.

## What it means to you

The energy we move helps to heat homes, feed families, fuel vehicles, power industry and benefit society in thousands of ways. Examples include:

### Transportation

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

### Consumer goods

Natural gas is transformed into thousands of products, including plastics, fabrics, pharmaceuticals and chemicals. The petrochemical industry creates plastics, vinyl, textiles, detergents and dyes from crude oil.

### Electricity

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

### Heating

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

### Industry

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

## What we do

To appreciate the impact that energy has on our quality of life, it's important to understand the journey taken by various energy sources as they make their way to consumers.

### Transmission Pipelines

Enbridge is North America's leading energy infrastructure company. We move **about 25% of the crude oil** produced in North America, and **about 20% of the natural gas** consumed in the U.S. through our vast transmission pipeline networks.

### Energy Storage

Enbridge has a significant North American presence in contract storage across North America—about **37.6 million barrels of crude oil storage capacity**, and about **438 Bcf of net working storage for natural gas**.

### Natural Gas Utility

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

### Renewable Power Generation

Our operating **renewable energy assets** have the capacity to generate **3,641 megawatts (MW) gross**, or **1,750 MW net**, of zero-emission energy—enough to meet the electricity needs of nearly **700,000 homes**, based on net generation figures.

Although we don't participate in every stage, Enbridge plays multiple key roles in the energy value chain, including transmission, storage, gas distribution and renewable power generation.

# Sustainability at Enbridge

Enbridge delivers the energy that fuels people's quality of life and drives our economy.

We take seriously our responsibility to conduct our business in an ethical and socially responsible manner; to protect the environment and the safety of people; and to engage, learn from and respect and support the communities and cultures with which we work. Our values of Safety, Integrity and Respect reflect what is truly important to us as a company. These values guide our actions and decisions and how we engage with our stakeholders.

The world around us is changing rapidly, requiring us to adjust our strategies and actions to reflect the evolving expectations of stakeholders, technological advances and business and policy shifts. To ensure that we can successfully operate our company in a manner that meets those expectations and achieve our strategic priorities, we identified five key priorities to deliver on our strategy:

- Integrating ESG into our business decision-making and performance
- Engaging with diverse stakeholders to understand the issues most important to them
- Innovating new collaborative approaches to sustainability challenges
- Demonstrating strong governance of our operations and performance
- Measuring and reporting our performance to ensure transparency and robust disclosure

Our Board of Directors (“Board”) oversees our strategic direction. These strategic priorities position us to deliver resilient and sustainable value creation for our stakeholders and support our vision to be the leading energy delivery company in North America.

“While we may not have called it “ESG,” we’ve always had an acute sense of the importance of people and the environment to our ability to operate, grow and diversify. Sustainability is core to our approach and essential to our long-term success.”



**Mike Fernandez,**  
Senior Vice President &  
Chief Communications Officer


Enbridge’s Strategic Plan is our roadmap to the future, setting out the strategic priorities to enable us to achieve our vision. The Plan focuses on strong growth in our core businesses – each representing critical energy infrastructure and an unparalleled asset base. And it looks to the future, extending and diversifying our growth over the longer term.



In 2019, we added a new strategic priority: adapt to energy transition over time. The transition to a lower-emission economy continues, and our strategy seeks to ensure that we preserve and add value in the changing energy landscape. We’re already well positioned by diversifying into natural gas pipelines and renewable power to reflect an evolving global asset mix. We are confident in our ability to continue reducing emissions intensity while providing consumers with access to the affordable and reliable energy they need and want.


# 2019 highlights


**\$203M**   
 spent with **Indigenous-owned businesses, contractors and suppliers** in North America

  
 Invested **\$23M** in communities where we live and work

  
**28%** of **senior leadership roles** held by **women**

**\$9B**   
**new projects in service** to connect energy to growing demand regions

  
**\$15.7M** in **safe community grants** since 2002

Secured **\$11B**   
 in **new projects**


Since 1995, Demand Side Management programs **avoided**

**56.2<sup>1</sup>** million tonnes of greenhouse gas emissions

roughly equal to removing


**12.2M<sup>2</sup>** cars from the road for one year




**18.6%**   
 of our workforce identify as a **racial or ethnic minority**



**10%** approximate **annual dividend increase** consecutively for **25** years


  
**6%** decrease in **employee vehicle incident rate**

Mainline achieved **record annual throughput** averaging

  
**2.7** million barrels per day

  
**30%** total **shareholder return**

  
 Over **26,000** miles of **pipelines inspected** with in-line inspection tools

**1,750** MW<sup>3</sup>   
 of **renewable power generation (net)**—enough to meet the needs of **700,000** homes

  
**\$9B** of **goods and services** from **14,000** suppliers

<sup>1</sup> Assumes 1.875 kg of CO<sub>2</sub>e are emitted for each cubic meter (m<sup>3</sup>) gas that is consumed.

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

<sup>3</sup> In operation.



# Accountable, responsible, transparent governance

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Enbridge is committed to strong governance and the highest standards of professional and personal conduct. We always seek to act with openness and transparency.

In this section:

**Corporate governance**

**Risk management**

**Business ethics**

**Political advocacy and accountability**





# Corporate governance

GRI 102-18; 102-19; 102-20; 102-22; 102-23; 102-24; 102-31; 102-32; 102-37

Enbridge is committed to strong and sustainable corporate governance, which promotes the long-term interests of our shareholders, strengthens the accountability of our Board and management and builds stakeholder and public trust.

The framework for our corporate governance can be found in our [Corporate Governance Principles and Guidelines](#), our [Statement on Business Conduct](#) and in the written [Terms of Reference](#) for our Board, each of the five Board committees, the President & CEO and the Chair of the Board. Our articles and by-laws also set out certain matters that govern our business activities. All of these documents are available on our website at [enbridge.com](http://enbridge.com), and information regarding our corporate governance can be found in our Notice of 2020 Annual Meeting of Shareholders and Management Information Circular ([Proxy Statement](#)).

## Board and Board committee structure

The Board is ultimately responsible for governance at Enbridge and for stewardship of the Company, including review and approval of our strategic plan. It has full power to oversee the management of our business and affairs. It carries out many of its responsibilities through its five standing Board committees: Audit, Finance and Risk; Corporate Social Responsibility (CSR); Governance; Human Resources and Compensation; and Safety and Reliability.

Each Board committee has its own Terms of Reference setting out its oversight role. For information on each Board committee's risk oversight role in relation to ESG topics, see the [Risk Management](#) chapter of this report. For example, the CSR Committee has responsibility for corporate social responsibility and sustainability matters, including: climate and energy, government relations, Indigenous Peoples' rights and relations, stakeholder engagement, CSR reporting and disclosure, social, political and environmental trends and our progress on integrating ESG factors into business strategy and decision-making. For more information on each Board committee's area of responsibility and highlights of each Board committee's activities in 2019, please see our Proxy Statement.

## Sustainability governance

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

<b>Board and Board committees</b>	<ul style="list-style-type: none"> <li>Reviews and approves our strategic plan, provides guidance and monitors our progress and oversees the Company's approach to corporate governance and our culture of Safety, Integrity and Respect. Ensures appropriate systems are implemented to monitor, manage and mitigate our principal risks, including sustainability-related risks and oversees our sustainability-related and ESG matters and performance.</li> </ul>
<b>Chief Executive Officer and Executive Leadership Team</b>	<ul style="list-style-type: none"> <li>Responsible for the Company's sustainability performance, integration of sustainability considerations into strategic and financial plans and operational and functional responsibilities and performance and long-term success of the Company.</li> </ul>
<b>Chief Sustainability Officer</b>	<ul style="list-style-type: none"> <li>Responsible for the development and implementation of our sustainability strategy and ensures our sustainability commitments are communicated and embedded into business practices across the organization. Responsible for overseeing our annual Sustainability Report and our policies and reporting on climate change, energy transition and Indigenous Peoples. In September 2020, Enbridge appointed a Chief Sustainability Officer. Our CSO has responsibility for the Company's sustainability strategies and policies, and management of Enbridge's reporting and disclosure of ESG performance. The CSO also has responsibility for internal and enterprise-wide public policy. Our CSO has accountability to the CSR Committee of the Board.</li> </ul>
<b>Management</b>	<ul style="list-style-type: none"> <li>Establishes, oversees and ensures adherence to corporate policies and programs, integrates sustainability strategy and risk management into day-to-day operations. Includes Diversity and Inclusion Steering Committee, Indigenous Steering Committee and Operations and Integrity Committee, with executive oversight.</li> </ul>
<b>Employees</b>	<ul style="list-style-type: none"> <li>Implement departmental initiatives and conduct our business in a socially responsible and ethical manner consistent with our policies and our values of Safety, Integrity and Respect.</li> </ul>

## Board composition and diversity

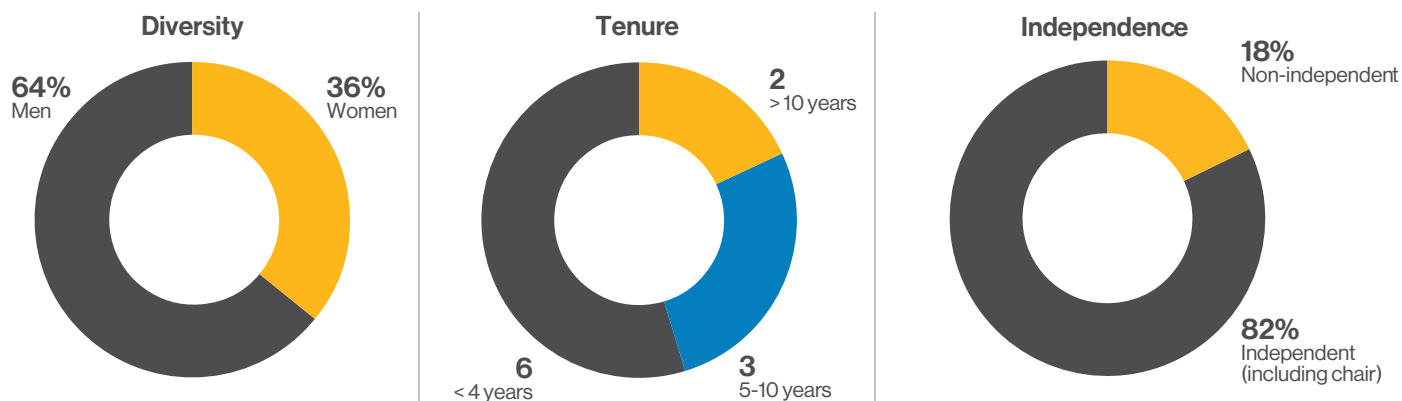
Enbridge is committed to leadership in corporate governance and recognizes the importance of independent directors with a range of diverse perspectives, expertise and experience. Our Board possesses a wide range of skills, experience and qualifications. The Governance Committee of the Board oversees Board succession planning and recommendations for new directors. We maintain a skills and experience matrix for our directors in areas relevant to our business and use it to annually assess our Board composition and in the recruitment of new directors.

Enbridge's Corporate Governance Principles and Guidelines set out general principles with respect to key corporate governance issues for Enbridge, including director independence, nominations, qualifications and diversity, annual Board performance evaluations,

our majority voting policy and tenure limits to enable continued Board refreshment. Directors stand for election each year at the annual meeting of shareholders. In 2019 and 2020, the Board continued its refreshment with the addition of four new directors, two in each year, respectively.

Our Board has adopted a written Diversity and Inclusion Policy applicable to the Board and senior management of the Company. The Diversity and Inclusion Policy highlights our approach to diversity and the importance we place on differences in skills and experience as well as diversity and inclusion considerations. The Diversity and Inclusion Policy sets out key criteria for the composition of the Board and senior management, including an objective that each gender comprise at least one-third of the directors.

### Board profile<sup>1</sup>



<sup>1</sup> As at June 30, 2020

As of the publication date of this report, four of our 11 directors are women and nine of our 11 directors are independent, including the Chair of the Board. Further, four of our five Board committee chairs are women. See Enbridge's Proxy Statement for more information.

For information on diversity and inclusion in our workforce, including our diversity and inclusion strategy, please see the [Building an Engaged and Energized Workforce](#) chapter of this report.

The Board also recognizes that proper orientation and continuing education are important for directors to fulfill their duties effectively. It has delegated these responsibilities to the Governance Committee, which has developed a comprehensive program for new directors and for directors who join a committee for the first time.

Our continuing education program for directors focuses on providing information relating to our business, industry, competitive environment and key risks and opportunities, which is inclusive of ESG topics. We offer education sessions for directors on key topics and encourage them to participate in associations and organizations that can broaden their awareness and knowledge of developments related to our business.

See Enbridge's Proxy Statement for more information on director skills, experience and continuing education.

Throughout their tenure, directors have discussions with the Chair of the Board, receive quarterly presentations from senior management on strategic issues and participate in tours of our operations. Quarterly briefings include reviews of the competitive environment, our performance relative to our peers and any other developments that could materially affect our business. Internal seminars and other presentations for directors in 2019 included: global energy trends/transition to a lower carbon economy, inside the minds of citizens, diversity, pipeline integrity, energy marketing and tour, emerging new worlds of petroleum and natural gas, mainline contracting and Texas Eastern rate case.

Please see page 35 of our Proxy Statement for more information.

## Executive compensation programs and philosophy

Our executive compensation program is grounded in a pay-for-performance philosophy and designed to attract and retain a highly effective executive team, align executives' actions with achievement of Enbridge's business strategy and the interests of Enbridge shareholders and other stakeholders, and reward executives for short-, medium- and long-term performance. Enbridge's approach to executive compensation is set by the Human Resources and Compensation Committee and approved by the Board.

Sustainability is integrated into the compensation structure of leadership in the form of expectations to meet strategic priorities and business unit goals that focus on the critical safety, system reliability, environmental, customer, employee and financial aspects of the business. Executive compensation is directly related to the achievement of these and other goals and aims to motivate management to deliver exceptional value to Enbridge shareholders through strong corporate performance and investing capital in ways that minimize risk and maximize return, while always supporting the core business goal of delivering energy safely and reliably.

Each year since 2011, we have provided shareholders with the opportunity to vote on our approach to executive compensation through an advisory vote commonly known as "say-on-pay". This advisory vote is an important part of the ongoing process of shareholder engagement. See Enbridge's Proxy Statement for details on our executive compensation.



# Risk management

GRI: 102-15; 102-30

We are committed to effective risk management across our company and operations.

Our ability to operate and ensure long-term success is linked to our ability to identify and manage potential risk to our company. Our Board oversees all risks with the goal of ensuring that we can achieve our long-term strategic priorities. This includes risks in the following areas: safety and operations, strategy and competition, cybersecurity, financial matters, brand and reputation, legal and compliance activities and regulatory requirements.

Enbridge's governance of specific risks, including ESG topics, is spread among our Board committees as follows:

Board committee	Risk oversight
<b>Audit, Finance and Risk</b>	<ul style="list-style-type: none"> <li>The Company's strategies, policies and practices relating to assessing, managing, preventing and mitigating risk and the integrity of our financial statements and financial reporting process, including the annual review of the company's principal and financial risks and insurance program</li> </ul>
<b>Safety and Reliability</b>	<ul style="list-style-type: none"> <li>Safety and operational risk, including pipeline and facility integrity management, security, emergency response, enterprise-wide safety culture and environment, health and safety</li> </ul>
<b>Corporate Social Responsibility</b>	<ul style="list-style-type: none"> <li>Corporate social responsibility and sustainability matters, including climate and energy, Indigenous rights and relationships, stakeholder engagement, government relations and ESG matters, as well as our reporting in this area</li> </ul>
<b>Human Resources and Compensation</b>	<ul style="list-style-type: none"> <li>People- and compensation-related risk, ensuring our compensation program and practices do not encourage inappropriate or excessive risks that could have a material adverse impact on the Company; succession planning; and pension, retirement and savings plans</li> </ul>
<b>Governance</b>	<ul style="list-style-type: none"> <li>Corporate governance framework, including director appointment, education and evaluation processes, Enbridge's corporate governance practices and Statement on Business Conduct</li> </ul>

Risk management activities are undertaken across Enbridge each and every day. The Corporate Risk Assessment (CRA) is a comprehensive annual process and report to the committees of Enbridge Inc.'s Board. The process engages risk management participants across Enbridge to consistently assess and prioritize enterprise-wide risks and treatments, highlight top risks, trends in the Company's risk profile and treatment effectiveness.

Mid-cycle CRA updates are provided to the Board for the Company's top risks. Pandemic and specifically COVID-19 risks and treatments have been an important focus in 2020.

The CRA provides management and the Board with valuable insights in carrying out risk management responsibilities. Following its completion, the CRA is provided to relevant internal departments, including Audit, Corporate Strategy, Financial Reporting, Safety and Reliability and Corporate Social Responsibility departments to inform their processes and drive continuous improvement. Enbridge's resiliency is further enhanced by fostering a strong risk management culture where people at all levels proactively anticipate and escalate risks, look out for each other and Enbridge and respond to evolving opportunities and threats in pursuit of our strategic objectives.

Complementary to the CRA, the annual Top Operational Risk report highlights the highest consequence operational risks across Enbridge and it 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 (ELT) and Operations and Integrity Committee (OIC) oversee the management of our most significant operational risks. The OIC is chaired by Enbridge's President & CEO.

Our internal risk controls are governed by our Statement of Business Conduct, management systems, organizational structure and procedures and processes that together form how we do business and manage risks.

## Climate change

Climate change is a key catalyst that drives the transition to a lower carbon future, advancements in energy technology, growing fossil fuel activism and government scrutiny. Climate-related risks are intensifying for the Company and society, and we are increasing our focus on them. Climate-related risks are integrated into multiple larger Enbridge risk categories that encompass operational, financial and stakeholder consequences. This is done because the interconnected nature of climate impacts (economically, socially and environmentally) requires a comprehensive review within the context of other risks impacting Enbridge.

The energy transition presents both risks and opportunities. In 2019, Enbridge voluntarily published a climate report using the recommendations of the TCFD. This report details our strategic decision-making approach as it relates to climate-related risks and opportunities. Our work includes scenario analysis that provides a view of future impacts with variable global warming outcomes.

The bottom-line result of this first report on the resiliency of our business is that we see strong utilization of our existing assets through 2040 and significant opportunity for growth within each of our businesses. We are investing to ensure that we are positioned to compete in a world that will be defined increasingly by both cost effectiveness and environmental protection, including through emission reductions. We are mitigating risk by employing a low-risk business model where the bulk of our revenue is generated by long-term contracts or highly reliable utility-like commercial constructs – that's a key part of our stakeholder value proposition.

To read more about more about climate change adaptation, see the [Climate Change and Energy Transition](#) chapter.

## Cybersecurity

We recognize that cyber attacks are a top risk and have continued to increase in sophistication and frequency over the years. As an operator of critical energy infrastructure, 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, regulatory agencies and take part in external events to learn and share.

As with any operational risk, Enbridge has a robust governance structure around cybersecurity. We have centralized the Technology and Information Services function across the Company to have a clear line-of-sight into how well our policies drive improvements and have created a senior level Cybersecurity Awareness team to assess issues. We have also engaged independent third parties to audit our cybersecurity program. We have embedded cybersecurity into the OIC where the Senior Vice President & Chief Information Officer discusses cybersecurity with the CEO and the Executive Vice Presidents (EVPs) quarterly besides meeting with the EVP for Corporate Services monthly.

Cybersecurity is a top risk for the Company and we have developed and implemented a risk-based cybersecurity control framework to manage our risks in addition to testing and measuring the effectiveness of controls. Specific areas of focus in 2019 included:

- Improved Cyber Incident Response process and operating procedures
- Increased security awareness and training for employees and contractors
- Enhanced Cybersecurity program for Enbridge vendors and partners
- Conducted external independent assessments to validate our controls

Our workforce is engaged in regular security awareness training, including exercises to build capabilities to identify and report suspect emails to our Security Operations Centre (SOC). Besides a trained workforce, our SOC team uses several layers of defense and protection technologies, a team of cybersecurity experts and automated alerting and response mechanisms reducing risk to Enbridge.

Enbridge's [Annual Report on Form 10-K](#), filed with the Securities and Exchange Commission (SEC) and System for Electronic Document Analysis and Retrieval (SEDAR), contains more information about the risks applicable to Enbridge.



# Business ethics

GRI: 102-16; 102-17; 102-33; 102-34; 307-1; 419-1

Our values of Safety, Integrity and Respect and our Statement on Business Conduct underpin our commitment to do business ethically and transparently and in service of our communities, the environment and each other.

## Ethics and compliance

Everyone who works for us understands that they are accountable for upholding high standards of conduct and that our transparency around our performance is essential to building trust with our stakeholders. Our commitment to ethics and compliance starts with our [Statement on Business Conduct](#) (“Statement”), which sets clear expectations for how we work at Enbridge. It applies to our employees, directors, officers, subsidiaries and controlled entities, as well as contingent workers, consultants and contractors in all countries where Enbridge conducts business.

We have a robust governance framework for Ethics and Compliance, which consists of shared responsibility among the Audit, Finance and Risk Committee of our Board, our Chief Compliance Officer and our ELT.

To support the Statement, Enbridge’s Ethics and Compliance Program (“Program”) provides a comprehensive system of ethics and compliance stewardship and accountability in all day-to-day operations. The Program establishes the accountabilities and responsibilities for our personnel and outlines processes to manage legal and regulatory risks with the goal of minimizing incidences of non-compliance. As a condition of employment, we require our employees and contingent workers to annually certify compliance with the Statement and complete the mandatory online Statement training.

We consciously strive to strengthen the Program and undertook initiatives in 2019 to enhance both our Ethics Helpline and our Anti-Bribery and Anti-Corruption program. In addition, we created and distributed an Ethics and Compliance Leadership Handbook (“Handbook”) to people leaders across the organization.

To further raise awareness and prevent non-compliance, hundreds of employees received comprehensive in-person training and awareness sessions in 2019 on our Program and supporting policies, including Anti-Bribery and Anti-Corruption and Privacy.

## Anti-Bribery and Anti-Corruption

Enbridge is committed to complying with all applicable legal requirements related to financial crimes. Our Anti-Bribery and Anti-Corruption program includes policies, procedures and training aimed at preventing violations of anti-bribery and anti-corruption legislation, as well as money laundering, facilitation of tax evasion and terrorist financing. As part of this program, Enbridge has in place a process for conducting due diligence in respect of third parties with which Enbridge does business, to the extent such third parties may pose a potential risk under Enbridge’s Anti-Bribery and Anti-Corruption program.

## Fostering an open culture

We strongly believe in maintaining a culture where our employees and contingent workers feel empowered and supported in conducting business the right way. Our people leaders have a special role in leading by example through acting with integrity and respect, as well as nurturing an open culture where everyone feels comfortable speaking up.

We encourage employees to turn to their people leaders first to share questions or concerns about potential misconduct or violations of law or policy. Other options include reaching out to the Ethics and Compliance Department, Chief Compliance Officer, Human Resources Department, Law Department, Internal Audit Department and via the Ethics Helpline. The Handbook, coupled with the Statement, provide our people leaders and other points of

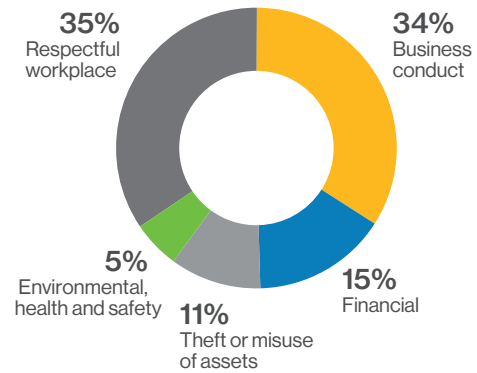
contact the resources they need to provide guidance and respond appropriately to ethics and compliance concerns.

In 2019, we introduced a new third-party Ethics Helpline (previously referred to as Ethics and Conduct Hotline), operated by Convercent. The Ethics Helpline is a modern and confidential platform that facilitates the anonymous reporting of potentially illegal, unethical or improper conduct at Enbridge and provides a mechanism for stakeholders to ask questions regarding the application of the Company's many governing policies. The functionality of the Helpline has been enhanced to provide the most flexible and innovative reporting methods in the industry, including 24/7 Helpline access via telephone, internet submission and mobile texting.

In 2019, a total of 118 inquiries were received through these channels, down from 122 in 2018. Anonymous reporting represented 54% of all reports, compared to 61% in 2018.

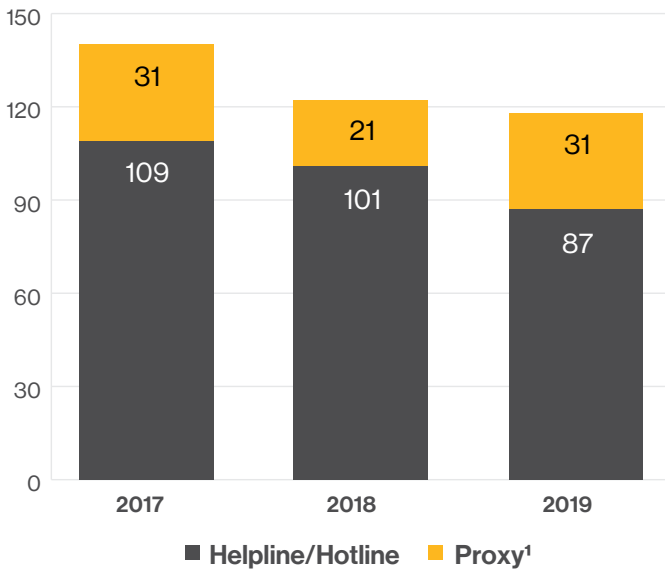
### Ethics reports by category

(% of reports)



### Ethics reports by source

(number of reports)



<sup>1</sup> Proxy refers to inquiries received in-person, letter, direct email or direct phone call to a member of the Ethics and Compliance Department.

### 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 report 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 2019, a total of US\$489,400 was paid and resolved with the appropriate regulatory agency. Details can be found in the [Appendix](#) of this report.



# Political advocacy and accountability

GRI: 102-13; 415-1

Enbridge is highly engaged in political, regulatory and public policy processes in the jurisdictions where we operate. In accordance with the letter and spirit of all applicable laws and ethical obligations, including our [Statement on Business Conduct](#), we directly engage policymakers, as well as participate in consultations, workshops, hearings, working groups, conferences and other events. We are active in business and trade associations and participate in the activities of think tanks and other civil society organizations.

Enbridge aims to lead on issues impactful to our industry, business and stakeholders. This starts with raising awareness about the role energy plays in people’s quality of life. We engage with policymakers at the state, provincial and federal levels in Canada and the U.S. to contribute to the development of responsible public policies and regulatory processes relevant to our business.

“ Across our system, we share our perspective on energy, environmental and economic policy priorities that will enable all communities to realize the benefits of clean, reliable and affordable energy. ”



**Mike Gladstone,**  
Director, External Affairs Canada

Our energy advocacy priorities include pipeline safety and security, regulatory certainty and stability, fiscal and trade policy, [climate change and innovation](#), and [engagement and economic inclusion of Indigenous Peoples](#).

As required by law, we file lobbying reports on a regular basis with the Office of the Commissioner of Lobbying in Canada, the U.S. Congress and state, provincial and municipal agencies, disclosing information about lobbying activities, including the issues lobbied and agencies contacted.



> State Sen. Wayne of Michigan looks out on the *Highland Eagle* in the Straits of Mackinac during a legislative tour with colleagues. The 236-foot-long marine vessel was positioned in the Straits last summer, completing the geotechnical investigation work in preparation of [Enbridge’s Great Lakes Tunnel Project](#) in Michigan.



## Political contributions

Federal and provincial laws in both Canada and the U.S. regulate a company's participation in the political process, especially in regard to donations. We guide all decisions about political contributions by what is in the best interest of the Company, our employees and our stakeholders. We have processes in place to ensure transparency, accountability and compliance with all applicable laws and regulations.

Enbridge supports individual employee participation in the political process in our communities, including involvement with political parties, candidates or on public policy issues. Individual employee participation in the political process must comply with the Statement on Business Conduct and all applicable laws.

In 2019, Enbridge Inc. made corporate political contributions in Canada totaling \$12,000, and its U.S. subsidiaries made contributions in the U.S. totaling US\$43,000 to U.S. state candidates. In addition, in 2019 the voluntary, U.S. employee-funded Enbridge (U.S.) Inc. Political Action Committee (Enbridge-DCP PAC) contributed in total approximately US\$237,000 to candidates, campaigns and committees at U.S. state and federal levels. All such 2019 U.S. political contributions by Enbridge-DCP PAC have been disclosed by Enbridge-DCP PAC in compliance with applicable U.S. federal and state laws and regulations and are available on the website of the U.S. Federal Election Commission and the websites of election regulators in the applicable U.S. states.

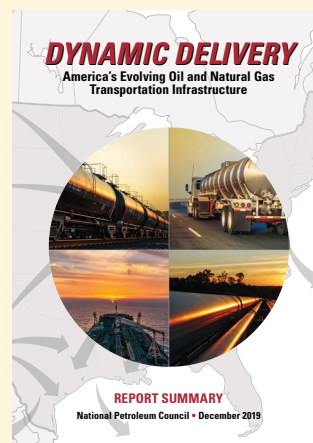
For more detailed information, please refer to our [Political Contributions Policy](#).

## Trade associations

Enbridge participates in trade and industry associations to share our experience and expertise and to inform the development of sound public policy and regulatory processes in our sector. We benefit from, and contribute to, the general business, technical and industry standard-setting expertise these associations provide. Active participation in industry associations provides a leadership opportunity and we believe by working within associations, we can, with other like-minded members, seek to exert a positive influence.

We express our own corporate objectives and priorities when industry policy priorities are established, and do not always agree with all positions taken by the associations with which we affiliate. Each year, we consider our membership in these associations as part of our annual strategic planning and budgeting process to ensure our memberships continue to align with our priorities.

Refer to our [Appendix](#) to see a list of the membership associations with which we are involved.



### SPOTLIGHT:

#### Lending our voice to industry leadership

Enbridge's participation in U.S. energy infrastructure study

Consistent with our advocacy position for the North American oil and gas sector, we brought our expertise to a National Petroleum Council (NPC) study on U.S. energy transportation infrastructure at the request of the secretary of energy.

Al Monaco serves on the Council, reflecting Enbridge's support of North America as a preferred source of responsibly-sourced energy to meet domestic and global demand while reducing emissions. Al was also one of the senior executives who served on the steering committee for this infrastructure study. This NPC study, titled [Dynamic Delivery: America's Evolving Oil and Natural Gas Transportation Infrastructure](#), was published in December 2019 after an 18-month effort.

It examines changes in supply and demand amidst shale development, current infrastructure and future outlook, the role of government and regulatory agencies in permitting, and impacts of emerging and future technologies. The study includes analysis, findings and policy recommendations with collaboration and input from industry, academia, non-governmental organizations and the U.S. government.

In terms of future outlook, the report aligns with [our view](#) that oil and gas will play critical roles in tackling global energy demand in the decades ahead; in fact, the International Energy Agency forecasts more than half of 2040 demand will be met by these two commodities.



# Protecting our environment

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We take our responsibility to a healthy, sustainable future seriously—from our efforts to minimize our impacts on land and water, to taking measurable steps toward a lower carbon future.

In this section:

**Climate change and the energy transition**

**Local environmental impacts**



# Climate change and the energy transition

GRI 102-12; 102-25; 103-1; 103-2; 103-3; 302-1; 302-2; 302-4; 305-1; 305-2; 305-3

Climate change requires serious solutions. As a leading energy infrastructure company—with assets across the energy system—we are positioned to help society transition to a lower-emissions economy, while working to reduce our own emissions.

## Business context and our approach

The world faces a serious dual challenge – meeting growing global energy needs while addressing climate change. As the world’s population continues to grow – from 7.7 billion people today to more than 9 billion in 2040 – as more people move to cities, and as we strive to raise standards of living and lift people out of poverty, access to energy that heats and cools homes, fuels transportation and generates electricity is an essential need.

And, while there is no doubt that an energy transition is underway, most forecasts suggest that more than half of 2040 energy demand will continue to be met by oil and gas. Put simply, if we are to meet our climate goals then we must find ways to produce and transport cleaner oil and gas. At the same time, we need to concentrate on developing more renewable energy, improving energy efficiency and switching to lower-carbon sources like natural gas.

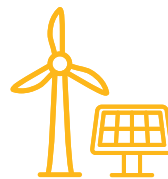
Enbridge is committed to doing our part. We’ve set a new corporate strategic priority – adapting to energy transition over time – to align our decision-making processes with the transition. This strategic priority helps to transform our decision-making processes to ensure we are adequately prepared for the risks and the opportunities presented by the energy transition.

In 2019, we published [Resilient Energy Infrastructure – Addressing Climate-Related Risks and Opportunities](#), our first climate-focused report, informed by the recommendations of the TCFD. The report provides insight into how we see the transition to a lower-emissions economy and the role for our company within the transition. It also provides analysis that tests the resilience of our strategy and existing assets against lower-emissions scenarios.

The process of drafting a climate-focused report was, and continues to be, highly valuable and a key part of our strategic thinking; it drives our actions including continued investments in renewable power generation, innovation to assess and power our systems and facilities, and pursuit of investments in other low-carbon infrastructure and assets that further diversify our business. It also includes the recognition that we must address our own carbon footprint, protect our assets from climate-related physical risk, and better understand and address emissions in our value chain. In this report, we update our disclosure on physical risks of climate change; in future reports we will continue to provide updates guided by the TCFD reporting framework.

## Our actions

Enbridge’s [Climate Policy](#) – first adopted in 2003, and refreshed in 2019 – clarifies the key principles that guide climate-related actions across our enterprise and provides the framework for our three-pronged approach:



**Diversification**



**Innovation**



**Reducing emissions**

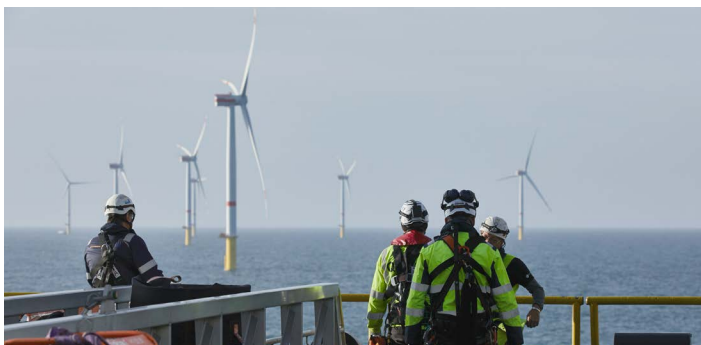
## Diversification

We believe that diversification and technological innovation by incumbent energy companies will play a significant role in the transition to a lower-carbon future. Although the transition to a lower-emissions economy poses risks, it also creates opportunities for companies to diversify and capitalize on new and emerging technologies and energy delivery options.

Over the past two decades, Enbridge has demonstrated its ability to diversify as it evolved from a transporter of crude oil to a highly diversified energy delivery company with a nearly equal balance of crude oil and natural gas delivery assets and a growing portfolio of investments in renewable energy. Our \$37 billion acquisition of Spectra Energy in 2017 was driven by our view of natural gas demand and the integral role it will play in North American and global economies in the decades to come. We were also early entrants to renewables, starting to build our power business nearly two decades ago with investments in solar and wind energy. We've deployed over \$8 billion in capital into this business and have built a solid operating and development capability that positions us well for the energy future.

Our capital allocation decisions and further diversification continue to be driven by market fundamentals and aligned to a changing energy mix, while staying ahead of customer and stakeholder needs and expectations.

Our renewable energy portfolio includes onshore and offshore wind, solar and geothermal projects in North America and Europe. We have nearly 2,000 MW of net renewable generation capacity, based on projects in operation or under construction; enough energy to power nearly 900,000 homes. In 2019, Maple Power Ltd., a joint venture between Enbridge and Canada Pension Plan Investment Board, was established with the objective of investing in and managing offshore wind projects in Europe. The projects are in phases ranging from early development, late development, construction or operational. The joint venture is domiciled in the United Kingdom, with staff based in London and Paris. In 2019, Enbridge allocated \$3.1 billion in capital to renewable power generation and made \$1 billion in long-term investments in renewable power generation. Additionally, two offshore wind projects that Enbridge has partial ownership of were completed in 2019: the Hohe See Offshore Wind Project, with 71 turbines and 497 MW of capacity, and the Albatros Offshore Wind Project, with 16 turbines and 112 MW of capacity. In 2019, Enbridge secured a long-term power purchase price agreement for the 600 MW Dunkirk wind project and an investment in 480 MW St. Nazaire offshore wind project in France.



> Power-to-gas plant in Markham, Ontario

### The critical role of natural gas

**Fuel-switching:** Over the past several years North America has capitalized on increased production of natural gas to enhance fuel-switching away from emissions-intensive coal-fired power generation. In 2019, fuel-switching in the U.S. power-generation sector resulted in an 18% year-over-year reduction in coal-fired generation, driving a 2.1% reduction in GHG emissions.<sup>1</sup>

**Reducing flaring:** Pipelines are playing an increasingly crucial role in the reduction of flaring in the U.S. Permian Basin. By increasing takeaway capacity, natural gas is shipped to market which improves netbacks for shippers and dramatically reduces the amount of natural gas that might otherwise be flared.

**LNG exports:** New export markets for natural gas are emerging and include the export of liquified natural gas (LNG) from the U.S. Gulf Coast (USGC) and British Columbia to southeast Asia and India. Replacing the world's existing and expected future fleet of coal-fired power plants with gas-fired generation would cut worldwide CO<sub>2</sub> emissions by approximately 5,700 megatonnes annually by 2040 — equivalent to cutting current global CO<sub>2</sub> emissions by more than 10%.

<sup>1</sup> Preliminary U.S. emissions estimates for 2019

## Innovation

As we diversify into lower-carbon businesses, we're also keenly focused on innovation as a catalyst for the transition to a lower-emissions future.

Our Technology + Innovation Lab (the Lab) is supporting the business through digital solutions that improve asset utilization and environmental performance. For example, the Lab has been working with our LP business to ensure our storage terminals work in unison by recommending the best flow paths, resolving bottlenecks. This helps to maximize throughput and make our system more efficient, reducing overall energy consumption and emissions.

Our GDS business continues to invest in innovation to reduce the carbon intensity of the energy it delivers, including 'greening' natural gas by blending renewable natural gas created from landfills and municipal organic waste. GDS is also working to pilot the blending of hydrogen, generated by its [Power-To-Gas facility](#), into our existing natural gas network to reduce GHG emissions beginning in 2021 (pending regulatory approvals). When completed, we will distribute the blended natural gas within a localized geographic area for both residential and commercial customers. This lower-carbon gas will reduce emissions across our energy value chain.

GDS is also partnering with [NRStor](#), Toronto Hydro and MPOWER Energy Solutions to pilot the first home battery rental program using the Tesla Powerwall to give eligible homeowners the opportunity to access reliable backup power during grid outages, better manage peak electricity usage and monitor real-time energy consumption. The battery will charge with lower cost off-peak electricity and use that stored energy during peak times to directly benefit the homeowner and the local electricity grid. This effort improves reliability for customers, reduces costs for everyone on peak energy days and lowers GHG emissions across our energy value chain.

Enbridge supports market mechanisms – including carbon pricing – as efficient and cost-effective means to reduce GHG emissions. We support the goals of the Paris Agreement and the use of Internationally Transferred Mitigation Outcomes as a way to reduce global GHG emissions, while incentivizing lower carbon economic activity in both the U.S. and Canada. Enbridge is an active participant on the American Petroleum Institute (API) Climate Committee which strives to ensure that the U.S. natural gas and oil sector is part of the climate solution.

## Reducing emissions

### *From our own operations*

Enbridge has previously set and met enterprise-wide and business unit specific GHG emissions reduction targets. Between 2005 and 2010 we achieved an initial target to reduce direct emissions from our Canadian operations to 15% below 1990 levels. Between 2010 and 2011 we achieved an additional 6% reduction below 1990 levels, for total reductions of 21% below 1990 levels. In 2012, our GDS business set a new target to reduce the emissions intensity of its operations relative to total number of customers. The goal was to reduce emissions intensity by 5% between 2011 and 2015. The target was achieved ahead of schedule, largely on the strength of the accelerated cast iron replacement program.

In 2019, we committed to developing next generation GHG emissions reduction targets. Since then we have established a rigorous process for the target setting process including the engagement of multiple external stakeholders and experts. Meanwhile, each of our business units has worked to establish emissions baselines and forecasts while also identifying and costing emissions reduction opportunities. To supplement the work done by our business units, we held internal and external innovation challenges to crowdsource emissions reduction ideas. We are also working to determine which internal processes will need to be updated to align with the targets we will set. At the time of publication, we continue to analyze different emissions reduction approaches as we work toward establishing new targets. We expect to announce new targets in the coming months.

### *Energy efficiency for our utility customers*

Through a wide range of Demand Side Management (DSM) programs, we encourage our natural gas customers – from homeowners to industrial facilities – to adopt energy-saving equipment and operating practices to reduce energy consumption. Between 1995 and 2019, GDS's energy efficiency programs reduced customer consumption by 30 billion cubic metres of natural gas, which is enough natural gas savings to serve nearly 12.5 million homes for one year. These gas savings have resulted in a reduction of 56.2 million tonnes of GHG emissions, roughly equal to removing 12.2 million cars from the road for one year – all lowering emissions in our value chain.

# Climate-related physical risk

As the potential for climate-related physical risk increases – and as a follow-up to the information provided in our [climate report](#) – we are working to further strengthen our risk-management framework to enhance our resilience to climate change. Enterprise-wide, functional groups are being asked to identify the climate-related physical risks which impact their area of responsibility and the mitigation in place to reduce or respond to these risks and where further treatment is required. While we will report on the results of these efforts in subsequent reports, this report provides an initial inventory of physical risks to our assets and outlines the steps we take to mitigate these risks.

Enbridge owns and operates assets across vast geographic areas and is therefore exposed to a wide variety of acute and chronic climate-related physical risks which include extreme precipitation, flooding, wildfires, heat stress, hurricanes, cold snaps and winter storms. Enhanced monitoring, inspection and maintenance of assets, emergency response planning and training, business continuity planning and mock exercises minimize the potential for negative impacts resulting from these events. Improved alignment with third parties on contingency planning in broadly based logistics networks enables us to coordinate on shutdowns in advance of severe weather events and on resumption of energy supply as a priority after a storm.

## Extreme Temperatures

Larger fluctuations in temperature are driving increased demand for energy and creating challenging physical working conditions for our employees. Some of the ways in which we are increasing the ability of our network to respond and enhance safety include:

- Reinforcement of natural gas supply (i.e. pipelines and associated transmission infrastructure) into significant growth markets
- Expansion of natural gas storage capacity enabling greater flexibility and resiliency

## Extreme Precipitation

Our energy delivery infrastructure is situated both above- and below-ground and as a result can be negatively impacted by extreme precipitation events which contribute to overland flooding, ground shifting and watercourse erosion. Some of the ways in which we are protecting our assets include:

- Instituted a Real-Time Flood Monitoring System for our liquids pipelines
- Partnered with a marine survey company to conduct unmanned autonomous bathymetric surveys of our pipelines at water crossings, including during peak flood conditions
- Partnered with Japan Aerospace Exploration Agency to analyze satellite images to identify land-based movement near our pipeline right-of-way (ROW) and terminals (including in vegetated areas)
- Enhanced protection of our buried pipelines at water crossing by adding cover such as sandbags and large rocks and/or replacement of existing pipelines at increased depths beneath water crossings
- Conducted a geotechnical assessment revealing an exposed pipeline to water forces and debris. The findings recommended the pipeline be replaced using horizontal directional drilling to prevent future exposure. The work was completed in early 2020.

## Hurricanes

Hurricane activity continues to increase in frequency and intensity particularly around the USGC where GTM owns and operates both manned and unmanned facilities. Some of the ways in which we are protecting our assets include:

- Designing our offshore pipelines to withstand increasing strength of waves, underwater currents and associated scouring
- Enhanced weather monitoring to forecast weather events, including wave heights and wind strength
- Participation in a cooperative which stores deep water repair tools used to repair or replace pipelines impacted by hurricane damage

## Performance

### Scope 1 GHG Emissions

Scope 1 GHG emissions include those that result directly from our operations such as natural gas-fired combustion from compressors used for transmission, along with fugitive and vented emissions. In 2019, our Scope 1 emissions reduced significantly mainly due to the divestment of our gas gathering and processing assets.

### Scope 2 GHG Emissions

Scope 2 GHG emissions include those that result from the off-site generation of electricity, which we buy and consume. Our LP business uses electricity to operate the pumps that push crude oil and other liquid hydrocarbon products through its pipelines. Note that as our pipelines become fuller, the amount of energy needed to push crude oil and other liquid hydrocarbon products increases proportionately due to several factors, including the type of flow and liquid viscosity. In 2019, our company-wide Scope 2 GHG emissions were about the same as 2018 levels.

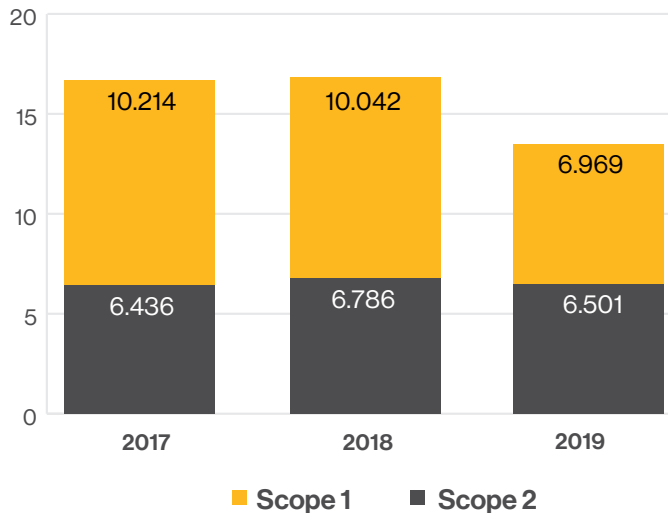
### Scope 3 GHG Emissions

We track Scope 3 GHG emissions that result from our utility customers' natural gas use, from our employee business air travel and from electricity grid transmission and distribution loss (grid loss). In 2019, Scope 3 GHG emissions were slightly less from both grid loss and employee travel relative to 2018 levels. Our Scope 3 emissions from customers' natural gas consumption increased by 7% relative to 2018. This is a direct result of an increase in customer sales at GDS.

To see a further breakdown of our GHG emissions please refer to our [ESG Datasheet](#).

### Scope 1 and Scope 2 GHG emissions

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



As part of our assurance process, we have made some changes in methodology and emissions factors. Therefore, our 2018 Scope 1 and Scope 2 emissions are restated.

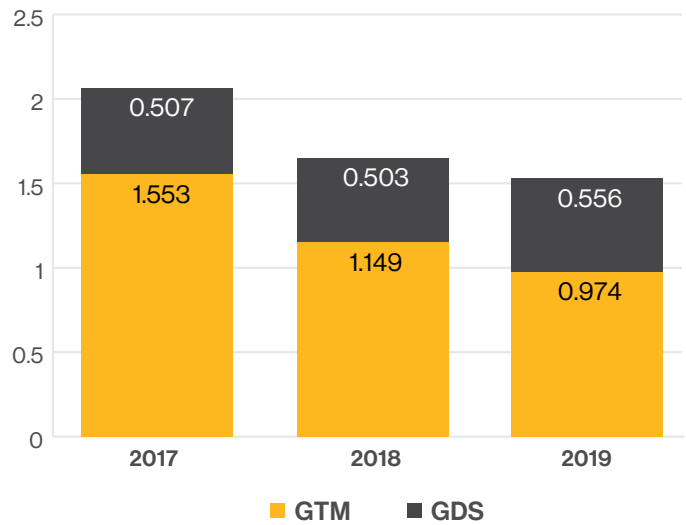
## Methane performance

The majority of our methane emissions are from our natural gas transmission, storage and distribution business units, namely GTM and GDS.

In 2019, the total volume of methane released from our operations was approximately 1.5 million tCO<sub>2</sub>e, which is approximately 7% less than in it was in 2018. Methane is one of the three main GHGs which are included within our Scope 1 GHG emissions inventory. As a percentage, methane comprised 22% of total Scope 1 emissions in 2019, which is a 7% increase over 2018. This is due to the divestment of our gas processing assets in 2018, which resulted in a reduction in carbon dioxide emissions while our methane emissions remained largely the same. Therefore, methane emissions from venting and fugitive sources became more pronounced (in the absence of carbon dioxide).

### Methane emissions

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



This chart only includes Scope 1 methane emissions at GTM and GDS. Scope 2 methane emissions are not included here. LP operations are not a major source of Scope 1 methane emissions.

As part of assurance process, we have made some changes in methodology and emissions factors. Therefore, our 2018 Scope 1 methane emissions are restated.



# Leading the way to methane reductions

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 then we need to find ways to reduce methane emissions.

Methane is 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. Methane can be released from compressor stations that move gas through pipelines, maintenance activities (including venting), small leaks and third-party damage.

Enbridge is committed to taking proactive steps to reduce methane emissions as we work to address our own operational emissions while realizing the environmental benefits of natural gas and its role in the energy transition.

## Detection

At Enbridge, we use a range of methods to detect methane emissions:

- Optical gas imaging cameras to detect small leaks of fugitive emissions
- Hand-held 'sniffer' gas detectors
- Air patrols on transmission pipelines to enable repair or replacement of faulty equipment

## Reduction

Where possible, we use multiple approaches at our facilities to reduce methane emissions:

- Using portable compressors to capture natural gas which would have otherwise been vented to the atmosphere (when safely isolating segments of pipeline infrastructure)
- Replacing and modernizing equipment to reduce fugitive emissions (e.g. replacement of high-bleed controllers with low- or no-bleed controllers)
- Using compressed air rather than natural gas to start compressors
- Replacement of wet seals with dry seals in compressors to minimize fugitive emissions

## Collaboration

We are collaborating with our peers through joint industry partnerships on initiatives aimed at innovation and promoting energy efficiency solutions across the natural gas value chain. We also support advocacy that advances smart, cost-efficient regulations that complement voluntary reduction efforts.



### Environmental Protection Agency's Natural Gas STAR Program

Provides a framework for the implementation of methane-reducing technologies and practices and documentation of voluntary emission reduction activities. Enbridge has been a member since 2004.



### Interstate Natural Gas Association of America's (INGAA) Methane Emissions Commitments

Signatories aim to continuously improve natural gas transmission and storage operations. By measuring and monitoring emissions over two decades, INGAA member companies have gained knowledge about potential sources. Enbridge made this voluntary commitment in 2018.



### American Petroleum Institute's The Environmental Partnership (TEP)

TEP for the midstream oil and gas sector is designed to further reduce emissions of methane and volatile organic compounds using cost-effective technology, while providing a forum for participants to share information and analyze best practices and technological breakthroughs in order to improve our understanding of emissions and how best to reduce them. We joined TEP in 2020.



### ONE Future

An industry-led partnership that is driving toward a collective goal of reducing the industry's methane emissions rate or intensity to less than 1% by 2025 across the value chain. Enbridge joined ONE Future in 2020.



# Local environmental impacts

GRI: 1031-1; 103-2; 103-3; 303-1; 303-3; 303-4; 303-5; 305-7; 306-2 | SASB: EM-MD120a.1; EM-MD-160a.1

We work hard to minimize and mitigate our impact on the environment and respect the natural resources of the communities we serve.

## Business context and our approach

Energy development is vital for economic growth and prosperity. As energy development grows to meet the needs of our society, we must be aware of how natural resources and habitats may be impacted by this development. At Enbridge, we are committed to minimizing our impacts, reducing habitat disturbances, and integrating conservation efforts while complying with all applicable laws and regulations.

We work with local and Indigenous communities and other stakeholders and invest in projects and initiatives that promote environmental values and priorities that are mutually important and create benefits for the communities in which we operate. We recognize some of our operations are located near environmentally-sensitive habitats and ecosystems. We work toward safeguarding the land and protecting the local habitats, land, water and air. Our decision to operate in these areas are made only after careful consideration.

## Our actions

Our commitment to the environment is guided by the Enbridge Management System Structure (MSS), which provides consistent expectations, standards and levels of discipline across our enterprise – and across asset lifecycles. This structure has built in all dimensions of safety and reliability, including risk management and process safety. The development and implementation of these risk management frameworks is informed by industry-leading protocols including, but not limited to, ISO 14001.

Each Enbridge business unit must establish, implement and maintain an Integrated Management System and Environmental Protection Program (EPP) for its defined assets and business processes that meet the enterprise minimum requirement and ensure regulatory and permit compliance. The goal of the EPP is to anticipate, prevent, manage and mitigate environmental risk and conditions that could adversely affect the environment. This allows our local teams to focus on environmental risks, opportunities and compliance.

## Land use and biodiversity

Our EPPs include Land Management and Wildlife Management plans to support both project development and operations and to identify and monitor any potential impact to land or wildlife. For each project, we develop unique Species at Risk plans that include identification and avoidance measure for at-risk species, as well as all necessary mitigation steps. We also utilize an enhanced electronic Environmental Screening Checklist during environmental planning in relation to projects in our GDS business.

Our engineering operations and technical services teams integrate biodiversity considerations into the design, construction, maintenance and operation of our assets to balance the protection of land, plant sensitivities and animal life with project requirements. Accordingly, we:

- Conduct environmental and cultural assessments to identify sensitive areas and use pre-existing ROW where possible
- Work with landowners and regulatory agencies to address the spread of invasive species that threaten valuable native species and natural plant and animal diversity
- Monitor wetland and watercourse crossing sites regularly following construction, to ensure they are fully restored to their previous function and value
- Restore pipeline ROW through rural areas so agricultural activities can resume promptly following construction
- Use appropriate vegetation management methods at our facility and pipeline ROW locations
- Employ habitat restoration methods including reclamation, environmental monitoring and mitigation and follow-up landowner outreach

We work cooperatively with regulatory agencies such as the U.S. Environmental Protection Agency (EPA), the U.S. Fish and Wildlife Service, the Bureau of Land Management, U.S. Army Corps of Engineers, National Parks Service, Environment and Climate Change Canada and Fisheries and Oceans Canada, as well as state and local permitting and wildlife management agencies. Our philosophy is to meet, if not exceed, expectations set by any state, provincial or federal regulator. We fund environmental research projects with universities and other research agencies, including topics such as habitat preferences that inform restoration activities. We invest in projects that support environmental initiatives and create benefits for the communities in which we operate and serve.

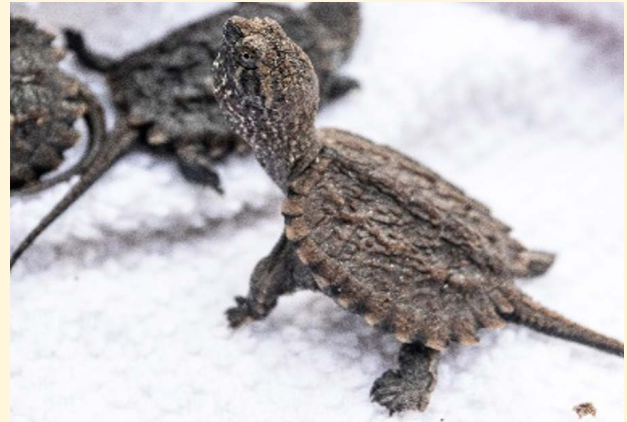
“ Enbridge has been an industry thought leader and premier partner to Texan by Nature in our mission to bring conservation and business together. In 2019, Enbridge’s support of the TxN Conservation Wrangler program helped bring over 200 leaders across Texas together to build public-private partnership, resulting in collaborative efforts that yield positive return on conservation—benefiting people, prosperity and natural resources. Enbridge’s leadership and commitment to conservation is deeply appreciated and has helped replicate and maximize the impact of our program’s science-based projects.”



**Joni Carswell, CEO**  
Texan by Nature



In 2019, we continued the [Line 3 Replacement Program \(L3RP\)](#) Canada reclamation work to return the land to its former and agreed-upon conditions. We conducted more than 348 miles (560 km) of topsoil replacement on the Line 3 ROW that was not reclaimed in 2018, due to wet or frozen conditions. Proper topsoil handling is imperative to prevent compaction and support ROW revegetation. Straw crimping was used to protect the soils from wind and water erosion in all agricultural areas. Reclamation activities also included noxious weed spray programs and ongoing environmental inspection across all nine spreads to identify and repair construction deficiencies.



#### **SPOTLIGHT: Snapping Turtle hatchling release**

Snapping Turtles are a wildlife species at risk due to high predation rates of their nests and road mortality they face when trying to find a suitable habitat. As a result, very few of them reach maturity, with as few as 1% of the eggs hatching and hatchlings surviving to maturity. On June 20, 2019, a Snapping Turtle nested and laid eggs at our Kingsville East Take-off Station construction site in Ontario. To protect the turtles, the team retained a biologist to collect the eggs and take them to the Hobbitstee Wildlife Refuge in Jarvis, ON for incubation. On September 10, 22 baby Snapping Turtles hatched and were relocated to a suitable habitat near the nest location.



### **SPOTLIGHT: Caribou Habitats Restoration Program**

Caribou is one of the most vulnerable boreal forest species in Canada. Changes on land use have the potential to greatly impact caribou habitats negatively.

To help restore caribou habitats, several reclamation programs were completed for multiple projects in northeast British Columbia in 2019, including the High Pine Expansion Project. The High Pine Expansion Project is one of the first where we planted conifer tree seedlings within the ROW in an effort to restore caribou habitats. Some areas on the ROW had uneven terrain and terraces that presented significant logistical challenges for the team to overcome. To access remote and inaccessible parts of the ROW, the team used helicopters to transport tree seedlings. Enbridge seeded approximately 17 miles (27 km) of the ROW through the reclamation program on the Wyndwood Project and our plan is to leave it un-mowed and minimally maintained, to allow the seedlings to grow.

The project team committed to put measures in place to deter off-road vehicles to protect the reestablishment of vegetation, and to slow down predators and protect the caribou. The team also installed specially designed screens to limit predators' lines of sight down straight stretches of the ROW to further protect the caribou from predation.

This reclamation project helped us understand the ecology of these species and helped inform other project activities and protect the pipeline ROW.

### **Managing water resources**

Water is a fundamental societal, environmental and economic resource and we are committed to using it in a responsible and sustainable way. Primary risks include impacts to water quality as a result of spills or hydrostatic testing, increased sediment loading due to flooding or heavy rainfall, withdrawing water from water-stressed areas and implications for marine wildlife.

Our primary water use is for hydrostatic pressure testing and Enbridge's operations and engineering groups carefully manage water used for this purpose. Our teams have detailed procedures in place to evaluate water quality prior to release or disposal – either returning it to the original source or via other approved disposal methods. Our water usage fluctuates year over year driven by the number of hydrostatic pressure testing we need to perform. On average, over 99% of water used in the hydrostatic pressure testing was returned to its natural environment.

Enbridge has robust operational practices focused on the protection of water quality and extensive experience in protecting water resources when pipeline infrastructure crosses a waterway. When pipelines are submerged, such as Line 5 beneath the Straits of Mackinac, we employ divers to inspect the infrastructure at select locations.

### **Air emissions**

Local air quality is increasingly of interest to communities, regulators and other stakeholders, driven mainly by environmental and public health concerns. We design all Enbridge facilities to ensure we keep air emissions from our operations in line with regulations and guidelines designed to protect the environment and the health of local communities.

The air emissions released from our facilities include carbon monoxide, nitrogen oxides and volatile organic compounds. Other contaminants released in much smaller quantities include sulfur dioxide, hydrogen sulfide and particulate matter. Industrial processes and fuel combustion result in these types of air emissions. We have established management programs that define our roles, responsibilities and timelines for managing and reporting emissions to government agencies in both Canada and the U.S.

### **Hazardous and non-hazardous waste**

Waste minimization, source reduction and recycling offer both environmental and economic benefits. We look for opportunities to reuse or recycle construction materials, utilize recycled steel in construction projects and implement waste recycling and compost programs at our office locations, where possible.

We follow all applicable regulations to manage waste from our operations, including placing waste in labeled containers; maintaining waste storage areas; and proper disposal and removal of waste. Common types of waste from our assets and operations include construction debris, commercial waste and contaminated soil.

In our corporate office and several of our major office locations we recycle items such as paper, plastic, cans and batteries. We continue to seek practical opportunities to reduce waste from our offices and field operations.

## Our performance

### Reducing air emissions

We continue to make significant investments in equipment to reduce air emissions associated with our operations and to meet regulatory requirements. In 2019, we kicked off a five-year modernization program on some of our U.S. pipeline assets where we'll be investing over US\$1 billion to reduce air emissions at several of our compressor stations. This modernization program is, in effect, an environmental benefit above and beyond the Reasonable Available Control Technology requirement and will result in 80% lower emissions than required by regulations. We continue to review our reporting methodology and are developing a harmonized plan for criteria air contaminants (CAC) reporting. We plan to provide our CAC numbers after third-party assurance is complete.

### Engaging our employees

GTM's Market Innovation Team launched their first ever Shark Tank Challenge in 2019. The purpose of this challenge was to engage our talented employees to discover the next great business idea on how to improve our operations and reduce our environmental footprint. One of the winning ideas selected was "The Path to Zero Waste Office Culture." Several waste management initiatives were initiated in various office locations in response, including installing additional dishwashers, upgrading to eco-friendly coffee machines and working to continually reduce the use of single-use cups across all locations.

### Waste

We continue to conduct recycling and organics collections programs to divert solid waste from landfills. The number and scale of construction and maintenance projects undertaken within the past year drives – and contributes to the fluctuation of – our waste generation volume. In GDS, we diverted 59% of waste from landfills through recycling and organics collection in 2019. The waste reduction within GTM in 2019 was largely a result of the divestment of Canadian gathering and processing assets. Details can be found in the [Appendix](#).



# Operating safely and reliably

Safety is our number one priority. We are committed to continuously improving how we work to reduce health, safety and environmental risks.

In this section:

**Safety**

**Asset integrity**

**Our innovation mindset**

**Emergency preparedness and response**



# Safety

GRI: 103-1; 103-2; 103-3; 403-1; 403-2; 403-3; 403-5; 403-7; 403-8; 403-9; 403-10

At Enbridge, we are all responsible for safety. Safety is the foundation of everything we do and guides all our actions and commitments.

## Business context and our approach

At Enbridge, safety is our top priority and a core value that shapes decision-making all the time, at every level. We are committed to keeping the public and the environment safe and ensuring every member of our team returns home safely at the end of every day. To meet our objectives, we must keep safety at the forefront of our thoughts and actions. We strive to build a robust safety culture involving every member of our team, based on a shared sense of ownership and vigilance.

Maintaining and continually improving upon our safety and reliability performance requires us to conduct our activities in a systematic, comprehensive and proactive manner that manages risks and prevents incidents across the lifecycle of our assets. We continuously evaluate and improve our personal and system safety procedures to reduce the risk of incidents.

While our goal is zero incidents, we've experienced incidents on our gas pipeline systems over the past two years that have impacted communities, including one that resulted in the death of a member of the public. These incidents are a stark reminder of the very real hazards we must manage in our business and why safety is our number one priority. We discuss our approach to incident prevention and our track record in the [Asset Integrity](#) chapter of this report.

We believe all injuries, incidents and occupational illnesses are preventable. In pursuit of our goal of zero incidents, we hold ourselves accountable for achieving these performance objectives:

- Improving our safety performance and targeting a continuous improvement in our total recordable incident frequency for our employees and contractors
- Sustaining an incident frequency rate below industry average

## Our actions

Our culture of safety begins with leadership and a governance framework that sets the standard for rigor, discipline and accountability required to improve safety performance.

We have a Board-level Safety and Reliability Committee and an Operations and Integrity Committee, chaired by our CEO with a membership reflecting senior executives from all business units. Supporting these committees is the Safety and Reliability Governance Team, which has accountability for the overall corporate direction, policy, standards and objectives to ensure operational reliability is achieved across Enbridge. At the business unit level we have Joint Business Unit Councils to provide enterprise-wide collaboration, alignment and strategic direction on safety and reliability matters.

On an annual basis, senior management sets detailed performance metrics at the business unit level related to safety and reliability. We directly link safety performance to leadership compensation through incentives, rewarding effective and proactive safety behaviors and excellent safety performance.

To support our actions to sustain a robust safety culture, in 2019, we completed the centralization of the safety functions by incorporating the Gas Utility (GDS) and Renewable Power Generation business units. This involved moving safety

professionals previously embedded in the business units into a larger, centralized team and establishing a new centralized governance structure and approach to safety across the Company. All business units are now supported by the centralized Safety and Reliability team, completing the effort initiated following Enbridge's merger with Spectra Energy in 2017. This centralized function has allowed for an improved line of sight to safety throughout Enbridge, which increased efficiencies and the expansion of safety best practices.

“ Safety is not something that can be prescribed or controlled through process alone. It relies on a culture that is nurtured from the top. Our safety culture inspires people to take ownership, not only for their personal safety, but also for the safety of others. ”



**Brianne Metzger-Doran,**  
Vice President, Safety & Reliability

## Safety and Reliability Policy

Enbridge's [Safety and Reliability Policy](#) represents our overarching commitment and is an umbrella policy which wraps around policies related to individual, mandatory management programs. We operationalize our governance of safety through our MSS, which supports us in assessing and mitigating risk, as well as designing and implementing programs that ensure effectiveness. The MSS sets enterprise-wide minimum safety and reliability requirements, including risk management and system safety, and guides implementation of the programs across all business units. This structure allows us to direct the application of our systematic risk management – good design principles, engineering and operating practices – throughout the Company.

## Safety culture

Creating and maintaining a positive safety culture is an essential part of operating safely.



The success of our safety and reliability programs is a measure of both our competence in executing the policies, procedures and processes defined through regulatory and business requirements; and our overall commitment to working and operating safely, with thoughtful intention as defined by our values, beliefs and norms.

2019 was the start of our three-year Safety Culture Strategy defined primarily by tactics focused on supporting education and awareness events and assessment and improvement activities.

## Safety culture in practice

Our leaders are responsible for developing and supporting improved safety performance and a positive safety culture, as well as for demonstrating and exercising safety leadership. In addition, all workforce personnel (employees and contractors) have a role in helping us sustain our strong safety culture, including the responsibility for reporting hazards, potential hazards and incidents.

In 2019, we implemented our Enterprise Safety Culture Framework, which works in partnership with our MSS in achieving safety excellence. The framework provides a structured approach to building an industry-leading safety culture. The framework is built on a foundation of traits, attributes and characteristics that articulate our desired safety culture and is being implemented through three strategic priorities, focused on education, assessments and ongoing monitoring of our progress.



### Leadership

How management at all levels of the organization promote and reinforce safety as a core value.



### Ownership

How individuals are empowered, take personal responsibility and are held accountable for managing risk.



### Vigilance

How the organization anticipates, senses and learns from risk.



### Resilience

How the organization manages risk and the strategies to respond under pressure.

Our Safety Culture Framework has three strategic priorities:

- Creating a model that defines the traits, attributes and characteristics of a healthy safety culture that enhances overall Safety and Reliability
- Communicating with, educating, and developing our highly capable people to influence and improve our safety culture
- Measuring and monitoring our safety culture across all areas of the business to continuously improving in and uphold our value of safety



Our well-established safety principles and Lifesaving Rules serve as important touchstones of our safety culture. These programs have helped sharpen our focus on safety, improve safety performance in line with our goals and reinforce the belief that everyone should demonstrate safety leadership. Read more about our [Safety Principles](#) and [Lifesaving Rules](#).

We provide employees with training on risk and safety topics, such as hazard management, Lifesaving Rules, incident prevention and emergency preparedness and response, as well as the technical training to ensure they can complete their work safely.

Sustaining a robust safety culture is a journey that requires focus and continuous effort. We regularly assess and validate the effectiveness of our tools and approach and consult other high-hazard industries, academics and our regulators to identify and share best practices. Continuous improvement remains top-of-mind to ensure a best-in-class safety culture through continuous learning, assessment and targeted action.

We thoroughly investigate serious incidents and near misses to identify root causes. The learnings from our root cause analysis shapes new behaviors, provides insights for training improvements and informs our broader program.

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At Enbridge everyone has the authority to stop unsafe work. Our leaders are accountable for helping to build this culture in their teams and every employee is responsible for keeping themselves and each other safe.

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## Our Lifesaving Rules



### Hazard Management

Always ensure an analysis of potential hazards has been completed and proper authorization received prior to starting the work.



### Driving Safety

Only drive a vehicle or operate equipment when not under the effect of alcohol or any substances that cause impairment.



### Confined Space Entry

Always follow procedures for Confined Space Entry.



### Ground Disturbance

Always follow procedures for locating, positively identifying and excavating buried facilities.



### Isolation of Energized Systems

Always follow procedures for Lockout/Tag-out.



### Reporting of Safety-Related Incidents

Always report significant safety-related incidents.

### SPOTLIGHT: Safety in action

Pipeliner Dan Stevens works in the Lake Charles, Louisiana area for Enbridge. While passing through one of the Company's ROW areas, he noticed workers from the local parish cleaning out ditches over the Company's pipeline using a backhoe. Dan could have driven by, assuming that the work had been properly permitted, but decided to stop and check. He requested to see the "One Call" ticket to verify that the equipment operator had notified the One Call system prior to excavating. The equipment operator could not provide the ticket, nor confirm that notification was made. Dan then initiated a stop work order on the party, requested that they leave our easement and reported it to his supervisor. Later, we learned that the parish had failed to make the legal notification to the One Call system. We followed up with Damage Prevention, resulting in corrective action to the parish. Dan's focus on safety, throughout his daily routine, exemplifies Enbridge's safety culture in action.

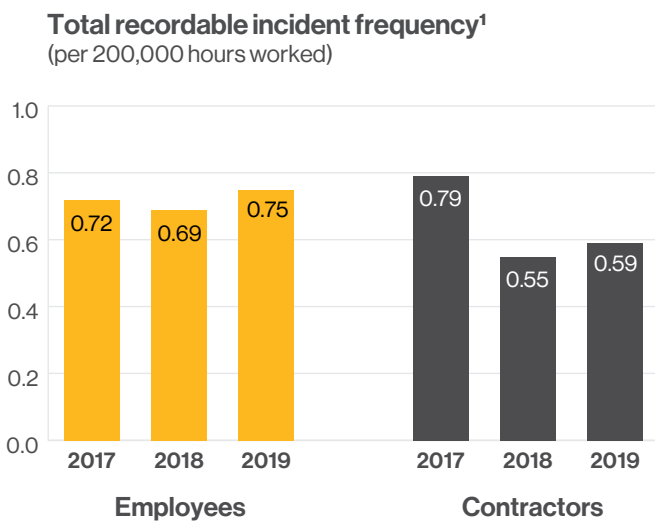


## Our performance

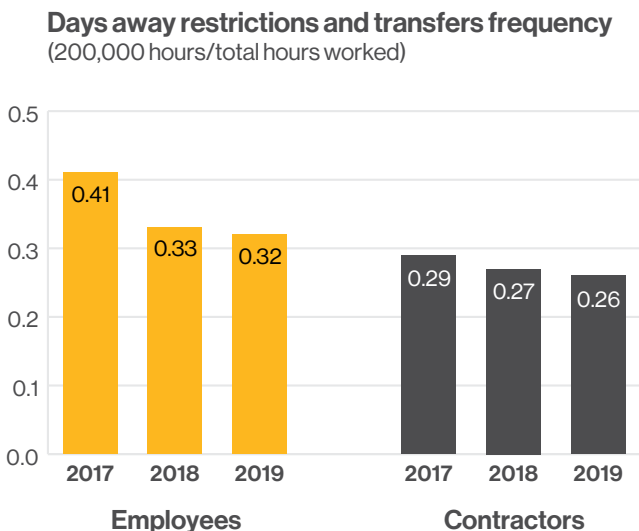
We monitor and report on key workforce safety metrics for both employees and contractors. Our overall focus on employee and contractor safety continues to result in strong performance compared against industry benchmarks.

Our employee total recordable incident frequency (TRIF) rose slightly in 2019, with 81 recordable employee injuries in 2019, compared to 80 recordable injuries in 2018. Contractor incident rates rose slightly in 2019. Our days away restrictions and transfers (DART) frequency decreased across Enbridge in 2019. While we made slight improvements in personal safety, we know we must maintain our efforts to continue improving safety in our operations.

For additional safety metrics see [ESG Datasheet](#) and Enbridge's [2019 Safety Report to the Community](#).



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



## Executing on our Enterprise Safety Culture Framework

We developed and delivered the first Leadership Safety Culture Workshop in 2019, attended by over 200 operational leaders from our company. We plan to hold additional workshops in 2020 and 2021.

In 2019, we participated in the INGAA and Canadian Energy Pipeline Association survey for a first-of-its-kind, cross-border industry association effort. Over 9,000 Enbridge employees and contractors participated. The results provided critical insights to our strengths and areas of opportunity to advance our safety culture. We are using what we learned from this survey to improve our safety culture across the organization.



> Pipeliners buffing the pipe following welding; more than 46,000 pieces of pipe were welded together to make one continuous pipe on our L3RP between Hardisty, Alberta and Gretna, Manitoba, which began commercial service in December 2019.

L3RP is the largest single-build infrastructure project in company history. This monumental undertaking was successfully executed over four seasons by a peak construction force of roughly 5,300 workers and a steadfast commitment to safety—both on and off a ROW encompassing more than 40 rural communities. In 2019, we spent approximately two million work hours on the project with a total recordable incident frequency of 0.78.

## Awards

In 2019, Enbridge received the First Principle Award from the Association of Science and Engineering Technology Professionals of Alberta, Canada. This award is given to a company in Alberta that holds paramount the safety, health and welfare of the public, the protection of the environment and the promotion of health and safety within the workplace. The award also reflects the Company's championing of volunteerism, leadership and community involvement and its support of Engineering Technology Professionals in the workplace.

[Enbridge Gas Inc.](#) received the [Worker Safety Award](#) for Enbridge's Safety Leadership in Action (SLIA) program. Enbridge created the company-wide SLIA program to promote and measure the key safety leadership behaviors that build and drive a strong safety culture.



## Responding to COVID-19

COVID-19 has created an extraordinary set of circumstances and challenges. As a company that provides an essential service across North America, we know people count on us everyday for the safe, reliable delivery of energy. At all our operating sites, from our facilities and offices to the frontlines, we are maintaining safeguards to ensure safe access to facilities and continuity of operations. We follow a robust COVID-19 Safe Work Protocol which sets common expectations and new ways of working.

To complement the protocol, Enbridge has developed and extensively tested a Site Assessment Tool which focuses on the actions we might take to ensure the continued safety of our people and project quality—up to and including potential shutdown of a construction site. The tool considers regulatory approval, exposure of our people, access to medical services, food, water and housing, sanitation and personal protective equipment, among other considerations. Visit [Enbridge COVID-19](#) to learn more about our safety protocols.



## Copper recycling strengthens community safety initiatives

Copper recycling provided a unique way to strengthen the response capacity of communities along the L3RP route.

Approximately 110,000 pounds of copper cable—collected and recycled following pump station construction—resulted in more than \$200,000 pumped back into communities along the pipeline ROW. The funds were used to support a variety of safety initiatives, including upgraded fire protection equipment in communities located at strategic points across the vast Canadian prairies where 18 pump stations keep oil flowing safely and reliably along the pipeline.

[Learn more](#)



# Asset integrity

GRI 103-1; 103-2; 103-3; 306-3SASB EM-MD-160a.4; EM-MD-540a.1; EM-MD-540a.2; EM-MD-000.A; IF-GU-540a.1; IF-GU-540a.4; IF-GU-000.C

We continually strive to achieve and maintain industry leadership in safety and system reliability. Everything we do at Enbridge begins and ends with the understanding that we must ensure our energy infrastructure is fit for service.

## Business context and our approach

As North America's largest energy infrastructure company, we operate more than 131,000 miles (200,000 km) of crude oil and natural gas pipelines across 37 U.S. states and nine Canadian provinces. We are one of North America's largest natural gas utilities, serving 3.8 million residential, commercial and industrial customers in Ontario and Quebec. Pipelines are the safest and most reliable way to transport the oil and natural gas that powers our economy and enables modern society. While infrequent, spills or releases of oil or gas are possible and have the potential to impact the safety of people, communities and the environment. That is why we actively manage the integrity of our assets and ensure the reliable and safe delivery of energy to our customers.

We believe every incident can be prevented – a mindset that drives every one of our decisions, actions and interactions. We continually strive to make our operations safer, to strengthen the system of barriers and controls that will prevent leaks and releases and to build a stronger safety culture, where every member of our team demonstrates leadership, ownership, vigilance and resilience in their pursuit of safety. Unfortunately, since 2018 we experienced incidents in our gas transmission business, one of which resulted in the death of a member of the public. These incidents reinforced the importance of diligently and effectively managing the hazards we face.

We've investigated these incidents to understand the root causes, and we're transforming our gas transmission business and our approach to integrity management across Enbridge based on the lessons we've learned. The guiding principle behind this transformation is our affirmative duty to confirm that our assets are safe and reliable before we will operate them.

## Our actions

Oversight of safety and reliability starts at the top of our organization with the Board and our ELT. Additionally, Enbridge's Safety and Reliability Team sets high standards for the organization and our auditors routinely conduct extensive assessments of our risk and integrity management programs.

We take a lifecycle view of integrity management, encompassing design and construction, monitoring, prevention and leak detection to verify continually the integrity of our pipelines and to identify and mitigate signs of degradation. New approaches to improve the safety and operational reliability of our existing assets through innovative leak detection and prevention, and investments in new, emerging technologies is a strong focus of Enbridge's asset integrity management.

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**Over the past three years, we've invested approximately \$4 billion in the fitness of our systems.**

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Because every pipeline faces unique threats and stresses, Enbridge employs a wide range of risk assessment, inspection and surveillance techniques. Once threats and hazards have been identified, we select an optimal combination of controls to preserve integrity over the lifecycle of the pipeline. As inspection technology, pipeline materials and construction practices improve with time, and as we gather new data on threats and pipeline condition, our methods of maintaining fitness for service evolve.



## A safer company

July 26, 2020 marked 10 years since the rupture of Line 6B near Marshall, Michigan. The incident at Marshall forever changed how Enbridge operates. The hard-earned lessons we learned from this incident have ultimately made us a safer company.

We've since put in place a wide range of measures to enhance the safety and reliability of our entire North American pipeline system. We have enhanced organizational structures, strengthened our public awareness programs and continually sharpen our emergency response capacity and expertise through frequent exercises, simulations, drills and equipment deployments.

[Learn more](#)

## How we take action

### Design and construction

- Carefully select pipeline routes and facility locations
- Follow strict standards for engineering and design
- Conduct extensive testing and validation before introducing new materials and technology
- Incorporate special design considerations for areas such as road, river and creek crossings
- Set rigorous standards for pipeline materials received from manufacturers and continually confirm those standards are met
- Employ professional inspectors to oversee every facet of construction; use X-ray or ultrasound technology to inspect welds for potential defects

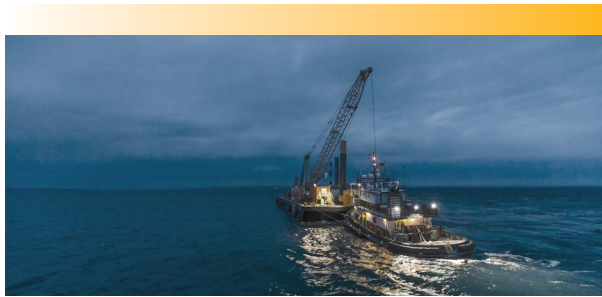
### Monitoring, prevention and operations

- Once pipelines are commissioned and operating, continuously monitor them for any signs of trouble
- Conduct inline inspections to detect any signs of internal and external corrosion, cracking, strain, fatigue, dents and legacy manufacturing defects; repair any defects found
- Recognize conditions that previously caused failures and carefully analyze failures from our peers. Take a structured, systematic and methodical approach to mitigate or eliminate the risks
- Provide adequate cathodic protection for steel pipelines
- Minimize pressure cycling to limit fatigue
- Conduct regular preventative maintenance
- Monitor land use changes and ground disturbance work around pipelines
- Inform the public, public works and excavating companies about the presence of pipelines, and how to dig safely
- Locate pipelines for parties digging near or on our ROWs
- Investigate unauthorized activities on ROWs
- Devote resources – both people and automated systems – on a continuous basis to ensure control of pipelines and rapid response to abnormal situations
- Apply comprehensive, multi-layered liquids leak detection system using several independent methods
- Monitor pipelines for possible leaks and damage using multiple, redundant methods

## Liquids Pipelines

In 2019, we safely transported nearly 4 billion barrels of oil, the highest volume in our 71-year history.

A key component of our Liquids Pipelines safety and reliability is our approach to integrity management that uses reliability targets and safety case assessments. Our long track record of extensive inline inspection has provided us with detailed insight and knowledge of the integrity of our assets in the liquids pipeline system. To prevent leaks and ensure we meet stringent reliability targets, we proactively assess and maintain every segment of every pipeline. Furthermore, we independently check the results of our integrity assessments to validate the effectiveness of our program and to ensure the risk remains as low as reasonably practicable throughout our integrity inspection and assessment cycle.



### Safeguarding the Great Lakes

Our proactive inspection program allows us to monitor the fitness of our pipelines from both the inside and the outside to protect the Great Lakes. We monitor Line 5 around the clock, using both human and automated resources, as part of our commitment to safe operations.

[Learn more](#)

## Gas Transmission and Midstream

While we had good results in many areas of safety and reliability in 2019, we experienced incidents in our GTM business which deepened our resolve to strengthen our safety performance and culture, based on our firm belief that every incident can be prevented. We've taken steps in response to these events to further enhance the safety and integrity of our systems.

Our revised approach includes performing a comprehensive fitness-for-service assessment on all our GTM natural gas pipelines across the U.S. and Canada. This massive undertaking applies best practices from across Enbridge and high-hazard industries, as well as what we learned from our incident investigations. While working aggressively to ensure we had the

best information possible regarding the integrity of our assets, we implemented several self-imposed pressure restrictions across our system and will leave them in place until we can confirm our assets are safe. Pressure restrictions reduce the amount of oil and gas flowing through pipes to address safety concerns.

We performed more than 200 inline inspections on our gas transmission network in 2019, covering a distance of 10,000 miles (16,300 km) or the equivalent of 52% of the system, to verify the integrity of our pipelines. Additionally, voluntary pressure restrictions on 18% of our gas transmission system were imposed until such time fitness for service could be proven.

As part of our commitment to continually improve the safety of our system we assessed all 19,500 miles (31,400 km) of gas transmission pipeline with a cold-eyes expert review, where an outside party assesses problematic scenarios.

Prevention is a critical component of pipeline safety at Enbridge, and we focus on prevention—with vigorous monitoring, maintenance and inspection programs—before issues arise.

## Gas Distribution and Storage

Enbridge's gas distribution network extends over 93,000 miles (150,000 km) and provides clean-burning natural gas for heat and power generation to over 3.8 million homes and businesses. While a small percentage of that mileage is composed of larger diameter, high pressure transmission pipelines and storage laterals, the majority of the distribution system is low pressure, small diameter services and mains which we may not be able to inspect using inline inspection tools. Maintaining the safety of the distribution network puts a greater focus on prevention and detection. To prevent deterioration, corrosion resistant materials (i.e. plastic pipe) are used extensively throughout the system. Wherever steel mains are used, we rigorously and regularly inspect them to ensure their integrity, and we also confirm sufficient and effective cathodic protection to inhibit corrosion. Enbridge is an industry leader in the removal and replacement of deterioration-susceptible materials, such as cast iron or bare steel mains.

Timely utility locates, extensive public outreach and customer communication are a keystone of Enbridge's damage prevention strategy. Enbridge was a founding member of the Ontario Locate Alliance to ensure that parties conducting excavations and underground installations could do so safely, without striking buried utilities.

Detection of leaks is similarly important to distribution integrity. In addition to adding odorant to gas in order to alert the public of

a leak or an appliance being left on, Enbridge has implemented a longstanding and extensive leak survey program. Building-to-building surveys are completed on a continuous cycle and state-of-the-art equipment allows Enbridge to reliably detect leaks from buried mains and services.

Cross bores (where a gas service line has intersected with a residential sewer pipe) are a significant concern for safety and Enbridge has adopted a novel and industry-leading position to tackle this problem. In addition to providing free sewer inspections when a residence experiences a blockage, Enbridge has developed a risk assessment tool to predict where cross bores are likely to have occurred to schedule proactive inspections and repairs.

### Technology and innovation

At Enbridge, we are committed to pursuing innovation and technology solutions to achieve higher levels of safety, both in our operations and throughout the pipeline industry. Our Technology + Innovation Lab is a leading-edge, data-driven workspace based in both Calgary and Houston and tasked with enabling rapid evolution and adoption of new technologies.

The Technology + Innovation Lab melds traditional industry expertise in engineering and operations with skillsets in data science, technology and design. [Read more here.](#)



### Accelerating the flow of innovation down the iPIPE

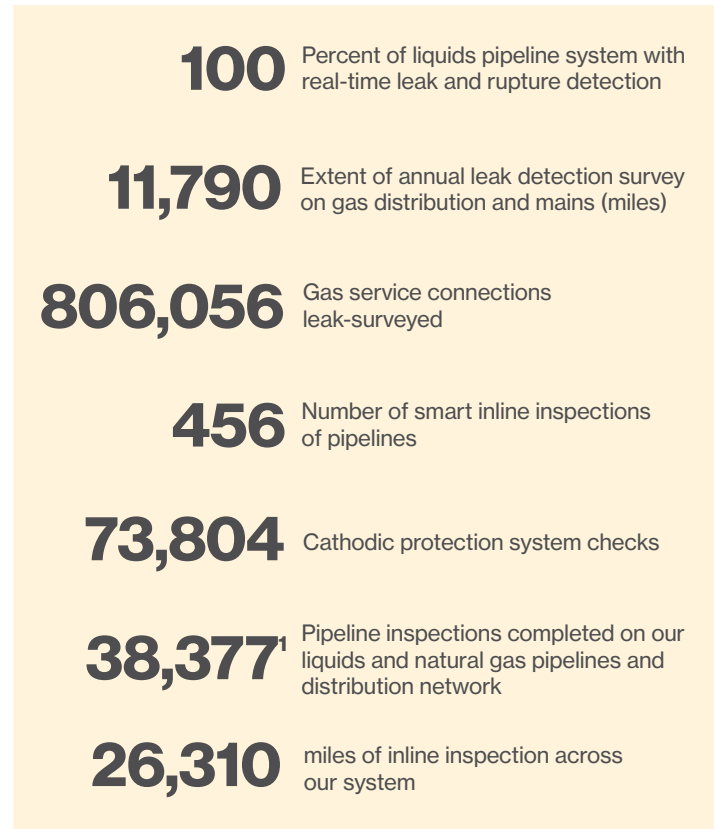
In 2019, Enbridge joined the intelligent Pipeline Integrity Program (iPIPE), an association of companies in the upstream and midstream pipeline industry. The association works with entrepreneurs in the pipeline integrity space, driving innovation and accelerating the development of leak detection and prevention technologies.

[Learn more](#)

## Our performance

In 2019, Enbridge invested over \$1.75 billion in programs that help us maintain the fitness of our systems and detect leaks across our operations.

As part of our integrity management programs, we investigate and repair anomalies found by in-line inspection. These [integrity digs](#) are another key element of our commitment to pipeline safety and integrity. In 2019, we completed 1,975 integrity digs and direct assessments and 4,016 inspections of bridges, slopes and watercourse crossings.



<sup>1</sup>The number of pipeline inspections includes direct assessments of pipeline integrity, inline inspections and follow-up digs, hydrostatic pressure tests, inspections completed on bridges, inspections completed on slopes and water courses and other inspections completed, such as storage-well integrity inspections and valve inspections.

## Spills, leaks and releases

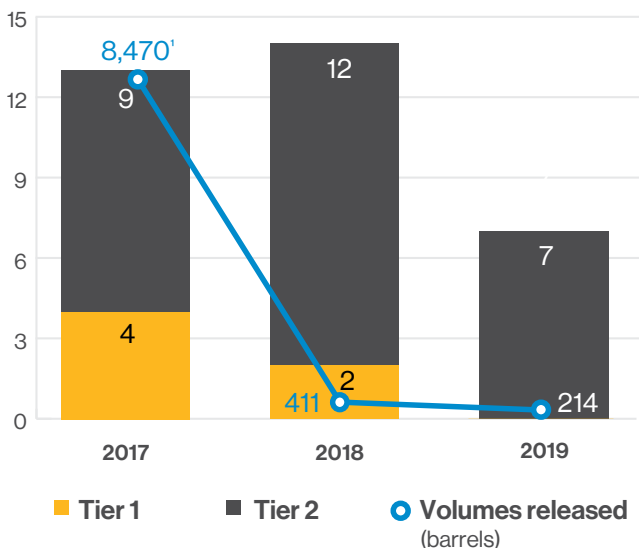
For the purpose of this Sustainability Report, we include incidents from all our businesses that are consequential and reportable to our Board:

- Tier 1 events are commodity releases with greater consequences and/or higher release volumes
- Other reportable incidents, termed Tier 2 events, are commodity releases with lesser consequences

## Liquids Pipelines

Over the course of 2019, we experienced seven incidents, six of which were contained on Enbridge property. The total volume from the 2019 liquids spills was 214 barrels. All but 106 barrels were contained within plant/terminal boundaries or secondary containment. Based on volumes spilled and our gross delivery volumes, we achieved a safe delivery rate greater than 99.99999% in 2019.

### Liquids/Liquids Systems process safety incidents (number of incidents)



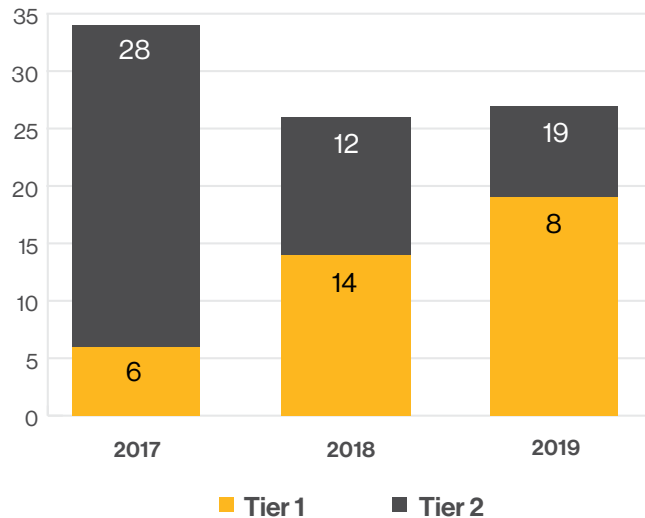
<sup>1</sup>2017 results were due to a third-party strike.

Process safety incident count in 2019 is based on business-specific industry criteria. For 2020, criteria is being harmonized based on a broader industry standard which will allow comparison across our businesses on a more consistent basis.

## Gas Transmission and Midstream

In 2019, Enbridge transported and distributed more than 9.5 trillion cubic feet (Tcf) of natural gas through our natural gas pipelines and our natural gas distribution network. We experienced 27 reportable (Tier 1 and 2) process safety events involving the release of natural gas from pipelines, stations and other process equipment on our natural gas systems.

### Natural gas process safety incidents (number of incidents)



Process safety incident count in 2019 is based on business-specific industry criteria. For 2020, criteria is being harmonized based on a broader industry standard which will allow comparison across our businesses on a more consistent basis.

## Gas Distribution and Storage

We detect a large number of small leaks on our utilities network each year due to 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 gas odorization, which serves as a warning sign of a leak.

The low-hazard nature of these small leaks means the majority fall below our reportable (Tier 2) process safety event criteria. Leaks due to third-party damage to pipeline assets make up a significant portion of these releases. To help prevent third-party damage, Enbridge has an extensive public education program for pipeline awareness and safe digging. Enbridge also supports and is a member of one-call and locate services.

Natural Gas Distribution Network	2017	2018	2019
Damages per 1,000 third-party locate requests	1.92	1.96	1.93

Read more about our safety performance in our [ESG Datasheet](#) and our [2019 Enbridge Safety Report to the Community](#).



# Our innovation mindset

Every success story around innovation starts with people. Walter Kresic, Vice President, Pipelines Integrity and Kristen Higgins, Strategist, Internal Communications, discuss how our innovative culture encourages all employees to work collectively and think creatively to solve the most pressing problems faced by our industry and society.



**Walter Kresic,**  
Vice President,  
Pipeline Integrity



**Kristen Higgins,**  
Strategist, Internal  
Communications

## **Higgins: Why is innovation important to an infrastructure company like Enbridge?**

**Kresic:** I know that when some people think about innovation, they immediately associate it with large technology firms, but it really applies to all enterprises. When you look at how fast the world around us is changing, you start to recognize that your company needs to be resilient to succeed in those conditions over time. It has to have the right people, with the right mindset, and the right processes and technology to be competitive.

## **Higgins: How did Enbridge go from recognizing the importance of innovation to actually making it work?**

**Kresic:** First, we understood that innovation depends on having a culture that is open to new ideas, and having people who are willing to step up and work on tough challenges. We were fortunate to have both at the outset. Second, you need to build a structure and have discipline to guide participation and outcomes, but do this in a way that allows for some flexibility and freedom. Without this structure, you end up having solutions looking for a problem, rather than being clear about the problem that needs a solution. In our LP business, we call this structure I-Frame, our innovation framework. Third, you need to tap the collective knowledge and imagination of your team to find the best ideas. Last, but not least, you have to support the best ideas with funding. In the past two years, we have invested over \$18 million in technology development and innovation.

## **Higgins: What does this look like in practice?**

**Kresic:** At the most simplistic level, it is an innovation process: define the need(s), ideate on solutions, select a set to test, and execute the best solution(s). To define needs in 2019, we worked with 12 teams across our business units to help build out their technology roadmaps. A roadmap gives each team the opportunity to use thought leadership and a network of minds to kick things into gear.

Moving from defining needs to ideation, we support this step in a number of ways. We created Technology + Innovation Labs in Calgary and Houston that help spark innovative thinking and collaboration, and use the power of data to make breakthroughs on tough issues such as evaluating pipeline integrity across tens of thousands of miles. We also have an ideation tool – “Excellerate” – that provides access for employees to participate in Innovation Challenge events. In 2019, we had 4,400 employees access the tool, with 50% of them collaborating and submitting 500 ideas for consideration. We advanced the top 45 to solution projects, with six of those completing the pilot stage of development. In addition to challenges, our Innovation, Research and Development team has also been busy conducting many of the other innovation efforts – 170 projects in total for 2019.

## **Higgins: What is an example of an innovation project completed in 2019?**

**Kresic:** I think the best example is our \$20 million multi-year joint venture with NDT Global that created the Next Generation Crack Tool (NGCT). We asked this vendor not for an existing solution, but rather a solution to a clearly defined problem in how we analyze the integrity of our liquids pipelines. We challenged them to take the best elements of existing inline inspection tools and create a new solution with an array of sensors that would reliably differentiate benign features from tiny imperfections, dents, metal loss, corrosion and cracking in pipelines with respect to integrity. We successfully tested the NGCT at Gretna, Manitoba, demonstrating its capabilities to analyze the integrity of our most challenging pipelines, and eliminating the environmental disturbance and other impacts associated with verification hydrostatic tests. This change in mindset – starting with an outcome and working to produce a solution to a specific problem – is how we achieved a step-change in integrity testing for the industry.

[Learn more](#) about innovation at Enbridge.



# Emergency preparedness and response

GRI: 103-1; 103-2; 103-3; SASB: EM-MD-540a.4

We have robust emergency preparedness and response systems—which we constantly test, review and improve—to prepare us for a range of possible hazards.

## Business context and our approach

At Enbridge, we plan for safe, reliable, incident-free operations, in keeping with our belief that all incidents can be prevented—and that no release is acceptable. However, potential threats to our business come in many forms, such as health alerts, 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 respond to minimize impacts.

Our emergency preparedness and response systems are regularly tested and continually enhanced through our experience and learnings and through best practice within and beyond our industry. We partner proactively with local first responders, emergency management groups, industry associations and state and federal agencies to ensure our preparations are sound and the coordination will be effective in the event of an incident. Our employees and contractors are well trained and equipped to ensure a safe, rapid and effective response.

## Our actions

### Emergency response program

Emergency preparedness requires a systematic approach to identify potential hazards and plan mitigations so that a response is rapid and ensures the safety of responders, the community and the environment.

Our programs use an organizational structure for incident management that, depending on the nature and magnitude of an incident, covers all levels of the organization—from front-line workers to executive leadership—and can be activated immediately. These programs are regularly reviewed and periodically audited to ensure their continual improvement and proper functioning. An overview of our Emergency Management Programs is available [here](#).

We have comprehensive [emergency response plans](#) tailored to each business unit to cover their operations and associated risks, including geographic-specific information. We regularly test these plans to ensure they work as expected. All our regulated plans were updated in 2019. Plans are shared with local first responders and most are available publicly on our website.

### Training and exercises

We place high importance on training our employees and direct contractors that may be involved in an emergency response. The training individuals receive aligns with the role they would fill during a response and covers potential hazards or risks that may be encountered during an emergency.

Our emergency response training uses the [Incident Command System](#) (ICS) which is a federally-recognized emergency response methodology to manage the emergency response process. We also design emergency response training programs that meet the specific needs of each of our business units, and that reflect their specific risks and types of emergency situations.

Exercises are performed to assess the effectiveness of the training, to test the emergency response plans and to refresh skills and knowledge obtained through training. In general, each major operating region within our system is required to complete a full exercise cycle every three years. A full exercise cycle includes at least one full scale exercise, multiple tabletop exercises and equipment deployments.

To keep our employees and contractors prepared, we stage both discussion-based and operations-based exercises across our company, including workshops, tabletop exercises, notification drills, equipment deployments, functional exercises, and full-scale exercises involving equipment, our employees and contractors, local first responders, other third-party agencies and Indigenous communities. These exercises give them the opportunity to observe the process and have a firsthand look at how we are prepared to respond in the event of an incident and to provide feedback on how they would react or assist during an emergency.

We also maintain the Enbridge Enterprise Emergency Response Team (E<sup>3</sup>RT). The E<sup>3</sup>RT is a cross-business unit group trained to respond to large-scale events in Canada and the U.S.

In the U.S., we actively participate in public awareness groups sponsored by the API, the Association of Oil Pipe Lines, the INGAA and the Common Ground Alliance. In Canada, we engage with the Canadian Gas Association. We are also a member of the Pipeline Operators Safety Partnership, a group of pipeline operators who work together to build relationships with first responders and promote pipeline safety.

“ Seeing the equipment being deployed and meeting with personnel during the exercise has led to a greater understanding of the training, technology and professionalism that support Enbridge's emergency management planning. Enbridge has provided us with a lot of good information and hands-on learning. ”

**L3RP's Indigenous Advisory and Monitoring Committee** former co-chair **Joe Daniels**, from the **George Gordon First Nation**, following an **emergency response exercise on the Red Deer River** near **Jenner, AB.**



### Bringing safety advocates to the table in Hamilton

In 2019, the E<sup>3</sup>RT participated in a simulated gas supply disruption and a gate station damage resulting in a major customer outage in our gas distribution area in Ontario, Canada. The exercise included 204 Enbridge team members.

[Learn more](#)

## Our performance

In 2019, we conducted a total of 225 exercises and emergency response drills based on real-life scenarios across our operations to hone our emergency preparedness skills and capabilities.



### A team event : Testing our preparedness

This video demonstrates our robust emergency response drill in Wisconsin Rapids, WI.

[Learn more](#)

## Industry partnerships and collaborations

We are committed to strengthening our partnerships with the first responders who protect people's lives and secure the area in an emergency. This is completed through meetings, training exercises, personal contact, information updates and our [Emergency Responder Education Program](#).

Through industry associations, we exchange best practices with other operators and participate in committee activities and joint exercises to improve our emergency response capabilities.



# Engaging with partners, communities and customers

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Our respectful approach has enabled us to build strong relationships and an environment of respect and trust with communities, Indigenous Peoples and customers.

In this section:

**Indigenous inclusion**

**Feature: A conversation with Chief Sellars**

**Community engagement**

**Meeting our customers' needs**



# Indigenous inclusion

GRI: 102-43; 102-44; 103-1; 103-2; 103-3; 203-1; 204-1; 413-1

We are committed to building respectful, constructive, enduring relationships that foster trust and generate benefits for Indigenous nations. At Enbridge, reconciliation is a priority.

## Business context and our approach

Enbridge maintains extensive relationships with Indigenous nations, governments and groups spanning our operations across North America. In recent years, our operations and approach to Indigenous engagement have become more closely aligned, enabling greater collaboration and partnerships with Indigenous nations, governments and groups. We value the input and increased participation of our Indigenous partners in our business activities.

Opportunities for greater economic participation for Indigenous nations in our projects and operations has emerged as a key area of collaboration. In Canada, the Truth and Reconciliation Commission’s Call to Action 92 calls on companies to expand their efforts to ensure that Indigenous Peoples are included in and benefit from their business activities. Enbridge believes economic reconciliation involves the effective alignment of the goals and priorities of Indigenous nations within the broader economy. We have the same approach to economic inclusion and building genuine partnerships with Native American Tribes in the U.S. Together, we have made good progress to advance that objective in 2019, although there is more work to do.

Our focus on long-term engagement means building our understanding of Indigenous Peoples’ history, rights, culture, traditions and worldviews to ensure that Indigenous perspectives are included throughout our business. It also means creating employment and contracting opportunities, incorporating input from our Indigenous partners in our projects and operations, including traditional and ecological knowledge to protect valuable cultural resources, and a deeper respect for Indigenous points of view.

“ We’ve learned to approach and engage with Indigenous communities differently than we have in the past. We must first ask questions, listen, learn and work meaningfully and collaboratively to build a foundation of trust, which leads to increased environmental, cultural and economic performance. ”



**April Holdren,**  
Technical Manager Tribal Engagement

In support of our objective to build and sustain long-term relationships that contribute to the resilience of Indigenous communities, we have adopted the following performance objectives:

- Strengthening involvement of Indigenous businesses in our supply chain
- Exploring equity participation opportunities for Indigenous Peoples
- Implementing a lifecycle engagement approach in 2020-2021, including an Indigenous employment strategy
- Enhancing our Indigenous engagement performance data tracking and reporting

## Our actions

Enbridge's [Indigenous Peoples Policy](#) outlines the key principles that guide our approach to engaging with Indigenous communities that have interests in lands on which our assets are located. The policy recognizes the importance of the United Nations Declaration on the Rights of Indigenous Peoples within the context of existing Canadian and U.S. law and the commitments of both governments to protect those rights.

We engage early on projects with Indigenous communities, and work towards understanding and establishing a consensus within the existing legal and regulatory framework. We regularly review our policy and engagement approach, guidelines and management system to ensure they are aligned with best practices and the expectations of Indigenous nations and groups.

As part of this process, in 2019, we finalized our Indigenous Lifecycle Engagement Framework ("Framework"), which sets out the guidelines for our engagement with Indigenous nations, governments and groups over the life of our assets through direct, regional and landscape-level engagement in several key areas. Oversight of the Framework's implementation is through an Executive Steering Committee.



Lifecycle engagement	Methods of engagement	Areas of engagement
<p><b>Direct engagement</b> is focused on Indigenous nations, governments, groups and Tribes whose communities are proximate to our infrastructure.</p>	<ul style="list-style-type: none"> <li>• In-person meetings</li> <li>• Enbridge subject matter experts at open houses</li> <li>• Community meetings</li> <li>• Emergency response deployment exercises</li> <li>• Tours of Enbridge facilities</li> <li>• Indigenous inclusion in our supply chain</li> <li>• Regional roundtables</li> <li>• Collaboration on initiatives of mutual interest</li> <li>• Indigenous Chambers of Commerce and Business Associations</li> <li>• Participation in public policy and other forums</li> </ul>	<ul style="list-style-type: none"> <li>• Training, employment, operational contracting opportunities and potential business partnerships</li> <li>• Safety and emergency response preparedness</li> <li>• Environmental stewardship</li> <li>• Traditional land use</li> <li>• Cultural protection</li> <li>• Archaeological work</li> <li>• Construction monitoring</li> <li>• Community investments</li> <li>• Indigenous rights and interest in renewable energy infrastructure</li> </ul>
<p><b>Regional engagement</b> includes Indigenous nations, governments and groups located in geographic proximity to one another. Regional initiatives focus on establishing opportunities for regional dialogue and collaboration around key issues.</p>		
<p><b>Landscape-level engagement</b> captures engagement with Indigenous Peoples outside of our projects and operations on topics relevant to Indigenous communities and to our business.</p>		

Enbridge's goal is to integrate the Framework into all our operating regions to ensure we maintain a consistent but flexible approach across our business. With this in mind, we have begun the process of identifying and setting Indigenous engagement targets. We are working to develop and implement a strategy for recruitment and retention of Indigenous and Native American employees.

With the unprecedented events brought on by the [COVID-19 pandemic](#), in 2020 our immediate focus has shifted to supporting Indigenous communities in their response to the pandemic. During this challenging time, we are utilizing virtual and other solutions to ensure continuity of our engagement with and support for Indigenous and Tribal nations in communities located near our assets across North America. We remain deeply committed to building relationships for the long-term through a lifecycle approach to engagement.

## Community-specific engagement and collaboration

Every Indigenous nation we engage with is unique. We strive to address the specific priorities, goals and concerns of the Indigenous communities near our projects and operations through direct as well as regional engagement and collaboration. Indigenous perspectives on safety and the protection of cultural and environmental resources have informed our planning and execution of projects and operational activities. Indigenous and community-based input has led to increased Indigenous participation in archaeological and environmental work, monitoring and cultural studies and surveys.

In recent years, Indigenous monitors have been involved on several of our projects. The focus of the monitoring role is to provide Indigenous perspectives and ensure cultural resources are protected during the project construction phase.

### Building constructive, long-term relationships with Canadian First Nations Leaders

[It's possible to work successfully with Enbridge](#)

Indigenous and Tribal monitors have been involved from the pre-construction through post-construction phases on our L3RP. In the U.S., an extensive [cultural resources survey](#) conducted along the entire L3RP ROW with participation and input from more than 30 Tribes was subsequently assessed by the U.S. Army Corps of Engineers as “a multi-disciplinary and thorough effort that far surpassed the standard for the identification of historic resources.”

### SPOTLIGHT: Working with First Nations on Environmental Stewardship

In 2016, five Treaty 4 First Nations in the province of Saskatchewan and Enbridge launched a joint five-year initiative to exchange information and best practices on water protection and stewardship in the Qu'Appelle Valley. The Qu'Appelle Valley Water Protection and Stewardship Joint Forum was created in response to First Nation concerns about the potential impact of a spill at Enbridge's Mainline crossing of the Qu'Appelle River. Utilizing a joint decision-making approach, the Joint Forum's activities include developing a baseline study that involves testing water and sediment samples collected from sites along the Qu'Appelle River for the presence of hydrocarbons. Other activities include the development of a web platform for use by participating First Nation communities, including in an educational setting, that incorporates information on the baseline study, traditional knowledge and Enbridge's emergency response system.

In 2019, cultural monitoring training was provided on two Tribal reservations. In Wisconsin, 36 Tribal monitors were employed on our Line 5 Segment Relocation Project.



### Indigenous and Tribal monitors

Watch this video testimonial from Ed Wiggins, explaining his experience and learnings as a Tribal monitor. For best viewing, please open in Google Chrome.

[Learn more](#)

In Canada, we supported two Indigenous communities in their application for a permit to conduct the archaeological scope of work on two projects within their respective traditional territories in British Columbia. In the Prairies, we maintained our commitment to have Indigenous monitors on the L3RP embedded in the final clean-up crews. In Ontario, we engaged several nations with an archaeological interest in reclamation and post-construction environmental monitoring activities on our Line 10 Replacement Project. We have also had active monitoring from seven Indigenous nations on the East-West Tie Transmission Project in Ontario during both pre-construction field surveys and for the duration of construction activities.

Enbridge also invites Indigenous communities to emergency response deployment exercises, open houses and meetings on our emergency management system and tours of our facilities. Our engagement in these areas in 2019 included the development of workshops on our emergency response protocols and activities across British Columbia for Indigenous communities, groups and organizations and [an emergency response exercise in the province of Alberta](#).

Enbridge is always honored to participate in, and support events and initiatives that promote Indigenous history, culture, arts, languages and traditions. These activities include Pow Wows and cultural festivals, Elder and youth gatherings, educational programs and cultural preservation projects – all of which [promote awareness](#) and [understanding](#). In 2019, we launched a three-year sponsorship of the Elbow River Camp at the Calgary Stampede. For more information about our involvement in these and other initiatives please see the [Corporate Citizenship](#) chapter of this report.

### **SPOTLIGHT: U.S. Employment Training Program aims to deliver more than just job skills.**

In early 2019, Enbridge partnered with [Five Skies Training](#) and Consulting Services to develop a Tribal training program in advance of L3RP construction in the U.S. The development of a program that prepares Tribal members for a construction career involved collaboration with Tribal leadership and community members, contractors, unions and others. We also wanted to focus on the cultural, financial and geographical barriers that exist for Tribal members in gaining and keeping employment. The result is a five-week empowerment curriculum that addresses career development, goal setting, financial literacy and cross-cultural communications. A critical component of the training addresses intergenerational trauma and healing through the Mending Broken Hearts program. Enbridge's commitment to safety is addressed by including Occupational Safety and Health Administration 30 certification and cardiopulmonary resuscitation, first aid and automated external defibrillator training. The training is open to all enrolled members of federally recognized Tribes, descendants or anyone who is financially responsible for enrollees or descendants. As of December 2019, the program had 30 graduates and nearly 200 applicants. Additional empowerment classes will be held in advance of project construction. All graduates will be offered hands-on union training for operators, welder helpers, laborers and teamsters prior to L3RP construction.

### **Engaging Indigenous businesses in the supply chain**

A specialized team within our Supply Chain Management function focuses exclusively on expanding opportunities for socioeconomic participation by Indigenous businesses. The team includes Indigenous engagement specialists with the skill sets required to support the achievement of our goals for Indigenous procurement.

We implemented the Socio-Economic Requirements of Contractors (SERC) to drive increased Indigenous economic inclusion on our L3RP. The SERC requires that contractors completing work for Enbridge submit a Socio-Economic Plan that demonstrates how they will include Indigenous businesses and Indigenous employment. The SERC process is being implemented to support increased Indigenous participation in our other projects and operations. In addition to implementation of the SERC, we also work with Indigenous communities and businesses for opportunities directly with Enbridge and with local, regional and national Indigenous business groups and associations. Following our work with Indigenous nations, governments and groups to create employment and procurement opportunities on projects like L3RP and the East-West Tie Transmission Project, we are exploring how we might replicate that in our operations and at the corporate level.

## **Our performance**

### **Direct engagement with Indigenous and Tribal nations**

In 2019, we engaged with over 300 Indigenous nations and Native American Tribes in our projects and operations across North America. We strive to achieve support for our projects and operations and recognize that in some cases, consensus can be difficult to achieve for various reasons. Over the last several years, we engaged in discussions with the Bad River Band of the Lake Superior Tribe of Chippewa Indians regarding our agreement with the Band on our Line 5 pipeline and renewal of certain easements across the Band's Reservation in northern Wisconsin. Enbridge remains open to continued dialogue with the Bad River leadership and reaching a new agreement to renew some easements for the Line 5 segment on the Band's Reservation. In the meantime, we are moving forward with permitting for a relocation of the line. We have invited the Band's input on the proposed relocation project and offered opportunities to collaborate in areas of interest to the Band.

### **SPOTLIGHT: Generating long-term benefits for Indigenous communities through equity participation**

Through Enbridge's involvement with the East-West Tie Transmission Project in Ontario, this critical energy infrastructure asset will result in a 20% equity ownership stake for six Indigenous communities engaged on the project. One of the first of its kind in Ontario, this equity partnership represents a sound investment that will deliver long-term economic benefits for these communities. The project is also building long-term economic development capacity through the economic development arm structured by the six communities called Supercom, which is managing the hiring and procurement for local Indigenous businesses on the project. Approximately 65% of the workforce on the East-West Tie Transmission Project has been comprised of Indigenous workers.

### **Generating economic inclusion opportunities**

Working in partnership with [Indigenous nations, businesses and our general contractors](#), in 2019 we generated \$203 million in Indigenous economic opportunities.

The successful completion of the Canadian portion of the L3RP was due in no small part to the participation of over 150 Indigenous businesses and over 1,100 workers – representing more than 20% of the overall workforce – in the project's construction. With over \$465 million in economic opportunities realized for Indigenous businesses, communities and individuals, our experience on the L3RP project will be a key driver behind our engagement approach moving forward. In the U.S., we are well on track to meeting our commitment to spend US\$100 million focused on Indigenous businesses on the L3RP in Minnesota.



In 2019, we worked with Indigenous nations and governments to ensure utilization of Indigenous businesses on other projects, including our T-South Reliability and Expansion Program in British Columbia, East-West Tie Transmission Project in Ontario and Cheecham Corridor Relocation Project in Alberta. Indigenous businesses engaged for both general and sub-contracting services on these projects have provided a wide range of services and supplies.

## Employee cultural awareness education

We deliver cultural awareness education across our company to improve understanding of Indigenous history, traditions, rights, cultures and governance. To extend the reach and impact of our cultural awareness program, we introduced online awareness training in 2019 for our Canadian employees. The training provides an overview of Indigenous and Treaty rights through key concepts, including Canada's assimilation policies and their effects on its treaty relationship with Indigenous Peoples and the protection of Treaty rights under the Canadian Constitution.

A similar online version focused on Native American history, rights and culture within the U.S. context is in development and expected to be ready for deployment in 2020. Approximately 650 employees and contractors received in person or online Indigenous awareness training in 2019, bringing the total number to approximately 2,000 employees that have completed the training since the program's inception in 2016.

## SPOTLIGHT: Renewing relationships through cultural awareness education

Building stronger ties with Indigenous communities in the operational context is a priority for Enbridge. As part of our efforts to rebuild constructive and open dialogue with Indigenous Peoples in our Eastern region operations, in 2019 the leadership of a local First Nation delivered on-site cultural awareness training to approximately 40 employees at Enbridge's Westover Terminal in Ontario. This partnership grew out of concerns raised by the First Nations about the lack of site-specific knowledge of non-Indigenous Peoples in the area. The knowledge shared by Indigenous leaders was welcomed by employees at the terminal and Enbridge has committed to continued enhancement of employee awareness about the history and presence of Indigenous Peoples in central-southwestern Ontario, including through several future cultural awareness training sessions in the region.



> As part of our virtual 2020 National Indigenous Peoples Day celebrations, Elder Kelly Good Eagle and his wife Daphne (pictured here) provided a video on the significance and performance of the jingle dress. Elder Kelly and his family are from the Siksika First Nation (Treaty 7) and have been a constant presence at our celebrations over the last several years.

# Chief Sellars shares perspective on working with industry while respecting culture and tradition

“It’s exciting times to be a First Nation. If you’re able to get the right team under you, you can do some positive things—not only for your own community but also the surrounding community. That’s what fires me up every day.”



**Chief Willie Sellars,  
Williams Lake First Nation (WLFN) in British Columbia**

WLFN is one of many First Nations participating in upgrading Enbridge’s T-South natural gas transmission system. The WLFN owns and operates businesses in petroleum services, forestry, professional services, ranching, land development and retail sales. Recently, Ivana Suta, Strategist, Indigenous Policy, had an opportunity to sit down with Chief Sellars to gain his perspective on the Band’s work with Enbridge and how industry and First Nations can work to align interests and economic engagement.

**Suta: How can proponents like Enbridge more closely align its projects with the environmental, social and economic priorities and goals of Indigenous communities?**

**Chief Sellars:** For industry, it’s always go-go, the price is high, and you’re rewarded for getting things done in a timely manner. But what we all look at as leaders is having a healthy community. So, it’s about finding that balance, making sure people go to work every day and have an opportunity to provide for their families but also keeping in mind the cultural, ceremonial and traditional components of our way of life.

For example, when we opened the compressor station upgrade at 150 Mile House with Enbridge, we made sure our traditional coordinator and an Elder were there. We blessed the grounds and started the project off in a good way by praying and singing. It’s about introducing workers to that way of life so they can understand and hopefully respect what we’re doing.

**Suta: Where do you see opportunities for Indigenous communities and the corporate sector to advance reconciliation?**

**Chief Sellars:** Industry needs to continue the dialogue and get out into communities. I’m a big supporter of education—cultural sensitivity or Indigenous awareness training that will help industry leaders have a better understanding of what First Nations communities are going through.

I’ll go back to the compression station upgrade—Enbridge was awesome. We were able to put together opportunities for different partners and get this First Nations liaison position. This brings an educated Band member back to work for the community part-time and that individual starts to believe in the vision of the Williams Lake First Nation and all the exciting things we’re doing.

Now that individual is applying for higher level positions and with her education and job experience, it makes sense. That’s something Enbridge should be proud of—giving communities the opportunity to get these educated Band members home and building capacity in the nation. That’s Enbridge embracing reconciliation and the implementation of the United Nations Declaration on the Rights of Indigenous Peoples in First Nations communities.

That’s a good legacy to leave behind after this project is done.

To read the full interview with Chief Sellars please visit [enbridge.com](http://enbridge.com).



**Ivana Suta,  
Strategist,  
Indigenous Policy**

**Suta: How would you describe the relationship between Enbridge and Williams Lake First Nation and how it’s evolved over the years?**

**Chief Sellars:** We have a historical agreement with Enbridge. When we—seven First Nation communities—requested a meeting, Enbridge came to the table right away. We looked at projects in the different territories and the (preventative maintenance) digs in the region. It’s evolved into major projects like Soda Creek and the compressor station upgrade in our territory. We now have a First Nation liaison working out of the project office and getting boots on the ground for construction and archaeology, medics and security.

The spin-offs of these projects have been really cool to see, especially in a small town like ours which is very dependent on mining, forestry and resource extraction. If we can capitalize on these and other opportunities, it’s great for our membership and it’s great for the region.



# Community engagement

GRI 102-42; 102-43; 102-44; 103-1; 103-2; 103-3; 413-1

We work collaboratively with our stakeholders to make a positive contribution to the resilience of communities in which we operate.

## Business context and our approach

Our long-term success depends on engaging locally with those who may be affected by our business, understanding their values and interests and forging a meaningful dialogue. Our ability to construct and operate safely and reliably is not only about getting permits but earning trust.

We believe the communities where we live and operate should benefit from our presence. We work hard to create shared value and build long-term, mutually beneficial relationships. Therefore, we strive to learn about the context and the particular social, economic and cultural aspects of the areas where we operate and identify how our operations may affect them.

Continuous dialogue helps all parties understand each other's expectations. Over the years, we have learned much from engaging with our neighbors and have evolved our approach to reflect those learnings.

In support of our commitment to contribute to economic opportunities in our communities, we have the following performance objectives:

- Extend local benefits from our infrastructure and activities by investing in community-based projects or initiatives in areas of shared interest and priority that we have identified through our project and regionally-based engagement plans
- Build trust through our Public Awareness Programs with our local and regional stakeholders by ensuring they are aware of our operations and how to live and work safely near them

## Who are our stakeholders?

Our stakeholders include the individuals and groups who live or work near—or who can impact or are impacted by—our pipelines, power lines, operations and facilities. They include, but are not limited to, landowners, communities, governments, businesses, industry, emergency responders, non-government organizations and regulators. We also engage with Indigenous individuals and groups and governments living near our projects and operations in Canada and the U.S. It is important to note that because in both countries Indigenous Peoples have distinct rights, we recognize them separately from other stakeholders. We have distinct policies, management systems and accountabilities for addressing Indigenous rights and building community-based relationships. We provide more information on our relationships with Indigenous Peoples in a [discussion paper](#).

## Our actions

Our approach to community engagement is guided by our [Corporate Social Responsibility Policy](#) which commits us to clear, honest and respectful interactions. We strive to ensure both the consistency and flexibility of our community outreach efforts. Initiatives we undertake must adhere steadfastly to our values and be customized to local needs and issues. We also engage with Indigenous Peoples and groups living near our projects and operations in Canada and the U.S. However, because in both countries Indigenous Peoples have distinct rights, we recognize them as being separate from other stakeholders. For more information, please see the [Indigenous Inclusion](#) chapter of this report.

We have an integrated management system for engagement that supports our multi-disciplinary and strategic, relationship-based approach to managing engagement, inclusion and communication activities. The system is coordinated, scalable and incorporates standardized processes, procedures, tools and templates to enhance its effectiveness and provide consistency in our approach across all Enbridge projects and operations. It is based on leading industry practices and global benchmarking systems, and further advances accountability, documented reporting and continuous improvement.

As shown in the diagram below, the system involves four stages, each with its own requirements.



## Engagement approach

Due to the nature of our operations and our presence in different geographic regions, we are aware that our activities affect different populations in very different ways. We follow the same high standards of community engagement responsiveness in all regions where we operate while tailoring our approach to the unique circumstances of each community, from development and planning to operations and integrity management. We develop and execute specific engagement plans for all new projects requiring regulatory approvals. Foundationally, it begins at the regional level for our liquids pipelines and natural gas pipelines businesses to build unique strategies based on a region's asset footprint, stakeholder impact and priorities. Regional engagement plans act as the integration platform for all engagement activities in the region, including community outreach, public awareness activities, project agreements and community investment. This ensures stakeholder engagement and communication is consistent and ongoing over the lifecycle of our assets and across our different operating regions.

### Regional engagement

Our engagement is based on a solid understanding of the regional environment to learn about what matters – the priorities, interests and concerns of our communities and stakeholders. These plans – renewed annually – ensure our engagement is consistent, relevant and ongoing and that we build meaningful relationships with stakeholders.

These also serve as a foundation of stakeholder information when new projects are initiated within a region. Plans are developed and measured using best practices. They help us build and maintain stakeholder relationships in each region and ensure coordination between project planning, operations and community engagement. Multidisciplinary teams execute on the operational engagements in an integrated manner, incorporating experience and learnings from community engagement.

### Project engagement

Engagement begins in the development stages of a project. One of the most important steps in pipeline design is gathering input from the community. We meet and review pipeline routes early in the process with local leaders, landowners and other interested stakeholders. Learn more in the [Local Environmental Impacts](#) chapter of this report.

We create customized engagement plans for each project designed to align with project permitting requirements and to understand stakeholder issues, answer questions and obtain input on our project plans, improve awareness of community interests and perspectives and adapt our plans based on what we learn. They involve identifying stakeholders, tailoring engagement methods according to stakeholder priorities, identifying and analyzing issues and risks and developing mitigation plans and processes to respond to issues and risks that might occur.

To ensure these plans are effective and appropriate, we reach out to stakeholders and their communities to get to know them, the local environment and the relevant issues.

Ways we engage	Landowners and tenants	Community members	Emergency responders	Government and regulators
Face-to-face meetings	●	●	●	●
Newsletters, brochures and other collateral mailouts	●	●	●	●
Town halls and open houses	●	●		
Websites	●	●	●	
Social media	●	●		
Landowner advocacy group workshops and presentations	●	●		
Community events (such as BBQs)	●	●	●	
Employee volunteer projects		●		
Partnerships with local and regional organizations		●		
Community investment projects		●	●	●
Online emergency responder training			●	
Facility and ROW tours	●	●	●	●
Emergency response tabletop exercises			●	●
Regulatory compliance				●

## Addressing stakeholder input

While we work hard to anticipate community questions and concerns, as well as their interests and capabilities for economic participation through our robust stakeholder engagement process, we have a formal process for stakeholders to share concerns or interests with us and for us to be able to document, address and resolve those issues.

It is important we understand our stakeholders' concerns or grievances about our projects and operations. Enbridge welcomes and encourages respectful, two-way dialogue and problem-solving, and we take all stakeholder concerns and requests seriously. We log issues as they emerge, identify and prioritize potential issues and develop appropriate engagement or communication actions to resolve them. Concerns raised by communities near our projects or operations have included pipeline safety, routing, site remediation, security, noise and environmental impacts. We also receive inquiries around project benefits such as business and job opportunities, as well as community investment.

We offer stakeholders a variety of methods through which they can reach us, including toll-free telephone numbers, in-person meetings, landowner informational meetings, open houses, responses recorded with the regulators and dedicated email addresses. Our plans also include opportunities for stakeholders to contact us and for us to listen and respond to any concerns or inquiries that arise.



### Growing a robust relationship with Toronto gardeners

At Enbridge, our primary goal is the prevention of all spills. When a preventative maintenance dig was required on a pipeline flowing under a garden in Toronto, Enbridge worked with concerned gardeners to reduce impacts of the dig and restore gardens before the 2020 growing season.

[Learn more](#)

## Public awareness programs

In Canada and the U.S., we take a comprehensive approach to public awareness through an enterprise-wide program that meets, and often exceeds, regulatory requirements. This safety communication program is dedicated to informing and educating our neighbors, landowners, the digging community – including developers, excavators and farmers – Indigenous groups, municipal and emergency officials and others, about the presence of pipelines and associated facilities in their communities and how to continue living and working safely around them.

While specific outreach requirements for public awareness vary across North America, our Public Awareness Program drives quality, consistency and continual improvement. We provide a standard for safety engagement and communication with the public, including information mailings and online content, and we educate the public on best practices regarding damage prevention measures to safeguard underground infrastructure assets. We contribute to local emergency response readiness, and we train our employees on how to deliver key messages to emergency officials, share information about our pipelines and initiate safe and effective responses in the event of an emergency. We track emergency official outreach on a three-year cycle; over the past three years, we have carried out these liaison activities with more than 1,000 emergency response agencies across Canada and the U.S. and continue to formalize our tracking across all public awareness activities.

## Emergency responder education and engagement

We participate in industry-aligned training offered by the API and the Association of Oil Pipe Lines. This free online training portal continues to assist in educating first responders on the techniques and skills necessary to address liquids or natural gas pipeline emergencies. This program is best-in-class, as it features content from the National Association of State Fire Marshalls, and we have promoted it to all first responders along Enbridge's system. It is not, however, available in multiple languages. Enbridge continues to invite our French-speaking emergency responders to email or contact us directly to facilitate in-person training sessions. Program information is available [here](#).

## Our performance

In December 2019, the Canadian portion of [Enbridge's L3RP](#) went into commercial service. At an estimated cost of \$5.3 billion, the new Line 3 is the largest project in Enbridge's history, running more than 665 miles (1,070 km) between Hardisty, Alberta and Gretna, Manitoba. The project also represents the largest stakeholder and Indigenous engagement undertaking in Enbridge's more than 70-year history in Western Canada. We recorded over 30,000 engagement activities with interested parties and project land agents conducted more than 31,000 landowner outreaches – garnering the support of all 1,087 ROW landowners – along with 4,000 outreaches to 41 rural municipalities.

We had 57,000 direct and indirect engagements with stakeholders and Indigenous communities in the U.S. for our L3RP between 2015-2019. During that same period, we held 3,262 outreach engagements. At the time of publication of this report, we continue to await final permitting before construction can begin in Minnesota, to enable completion of the US\$2.9 billion American portion of the [project](#).



### Atlantic Bridge builds crucial connections with communities and customers

Over the past four years, Enbridge has committed to fostering dialogue and building relationships with stakeholders along our Atlantic Bridge Project. Once complete, the expansion will bring an additional 132,700 dekatherms of capacity to our pipeline systems.

[Learn more](#)



# Customer relations

GRI: 102-43; 418-1 | SASB: IF-GU-240a.1; IF-GU-240a.2; IF-GU-240a.3; IF-GU-240a.4; IF-GU-420a.1; IF-GU-420a.2; IF-GU-000.A; IF-GU-000.B

While our customer base is diverse and varied, our approach to customer service is not. Our unwavering focus on safe, reliable operations is critical to our customers and to our business success.

## Business context and our approach

Our customers are a fundamental priority for us and we work hard every day to meet or exceed their expectations. For our business customers, we recognize the role we play in their value chain and we strive to build strong partnerships. For residential customers, we prioritize safe, reliable energy delivery and responsive customer service, knowing they count on us to meet their day-to-day energy needs. We're also focused on meeting our customers' growing expectations to decrease negative—and increase positive—impacts on society and the environment. Enbridge's sustainability performance, along with our services and programs for customers, illustrate how seriously we take our commitment to be the first choice of our customers.

Our customer base is varied and includes:

- **LP:** oil producers, marketers and refiners
- **GTM:** onshore and offshore gas shippers, including local distribution companies, producers, marketers, power plants and end users
- **GDS:** approximately 3.8 million residential, commercial, institutional and industrial gas users, producers and marketers

## Our role in society

To learn how we deliver the energy that fuels peoples quality of life, please read [Our Role in Society](#) chapter.



Providing the energy our customers need and want has been a focus at Enbridge throughout our history. We understand that access to affordable energy is a need for many in North America, and Enbridge believes that everyone deserves the same opportunities.

Our values guide us in how we manage and treat all our customers: delivering energy safely; doing business with integrity, as a responsible business partner and member of society; and

respecting our customers' needs, concerns and expectations. We put these values into practice through our customer-facing teams across the Company who aim to provide respectful and reliable service and identify opportunities for improvement. Enbridge's teams listen to customers to understand their needs and priorities, so they may respond appropriately.

We take a varied approach with each of our customer groups to respond to their needs:

<b>LP</b>	<ul style="list-style-type: none"> <li>Numerous meetings with top-ranked customers</li> <li>Regular meetings with our broader customer base</li> <li>Quarterly shipper meetings</li> </ul>	<ul style="list-style-type: none"> <li>Annual customer conference</li> <li>Online systems for convenient scheduling</li> <li>Regular reporting and monitoring of their service</li> </ul>
<b>GTM</b>	<ul style="list-style-type: none"> <li>Online systems for convenient contracting, scheduling, reporting and monitoring service</li> <li>Annual marketing/business development meetings</li> <li>Webinars throughout the year to keep customers apprised of capacity implications resulting from system maintenance and integrity work</li> </ul>	<ul style="list-style-type: none"> <li>Annual customer service users group meeting with LINK® customer interface system users</li> <li>24/7 hotline for system issues</li> </ul>
<b>GDS</b>	<ul style="list-style-type: none"> <li>Qualtrics customer tool</li> <li>My Account tool on <a href="http://enbridgegas.com">enbridgegas.com</a></li> <li>Chatbot – enabling customer inquiries to be handled automatically</li> </ul>	<ul style="list-style-type: none"> <li>Energy conservation programs</li> <li>Customer satisfaction surveys conducted by third parties</li> <li>Office of the Ombudsman provides impartial review of unresolved complaints</li> </ul>

## Supporting our utility customers in challenging times

We recognize the first half of 2020 was a particularly difficult time for our natural gas utility customers who may be facing unexpected financial challenges from work interruptions or slowdowns due to the pandemic.

We didn't want anyone to worry about keeping their homes cool or warm, or if there would be enough hot water to take a shower or do the dishes. That is why we did not disconnect residential or small business customers for non-payment from the onset of the pandemic to August 1, 2020. We also offered enhanced payment plans for customers to avoid late fees for their utility bills. To read more please, visit [Enbridge Gas](http://Enbridge Gas).



## Providing energy to the community

With almost 4 million natural gas utility customers relying on us for their energy needs, we take seriously the role we play in providing it safely and reliably. Yet, not all people can afford – or have access to – the energy they need.

We are leveraging our knowledge and our capacity to deliver energy to the individual needs of isolated communities. One example is in Ontario, where, throughout 2019, Enbridge expanded access to affordable energy to 5,000 customers in Ontario communities, including several First Nations, with an ultimate goal of expanding access to as many communities and households as possible over the next three years. Given these communities are farther away from an existing infrastructure and have lower energy densities, there are greater hurdles to overcome, but we are working diligently to deliver natural gas to those who have been relying on propane, electricity, oil or wood for their energy.

In another example, and reaffirming its commitment to the communities it serves, GDS presented in early 2020 a rebate payment of approximately \$95,000 to the Canadian Mental Health Association (CMHA) Sudbury/Manitoulin to apply toward the recent installation of new heat recovery systems and higher-efficiency space heating boilers. The equipment installations were part of the building retrofit project recently repurposed by the CMHA to provide 38 housing units for the homeless and feature space for nurse practitioners and rehabilitation services. These new high-efficiency systems have the potential to save as much as 41,000 cubic meters of natural gas per year compared to standard efficiency equipment, with possible annual cost savings of \$14,350. In addition to these savings, the project helps to avoid 1.86 kg of GHG emissions with every cubic meter of natural gas saved.

We believe everyone should have the same opportunities and providing affordable, accessible energy supplies individuals and families with what they need to succeed.

## Enbridge Gas Demand-side Management Programs

Enbridge Gas Distribution has created a variety of programs and rebates to help homes and businesses save energy, money and the environment. These programs include:

- **Rebates for upgrades** – customers may receive up to \$5,000 for upgrades such as insulation, window replacements and other changes
- **Free upgrades and winter proofing** – if income thresholds are met, customers may receive free insulation, draft proofing or a smart thermostat to reduce heating and cooling costs

- **Rebate for smart thermostats** – customers can qualify for a \$75 rebate when purchasing ecobee, Emerson, Honeywell or Nest smart thermostats.
- **Education** – tips and information on how to save energy around the home or in a business
- **Expert help for businesses** – energy experts provide advice on equipment upgrades, retrofit projects, long-term energy management plans and more

## Safeguarding customer privacy and data

At all levels of our company, we have robust systems, policies and processes in place to protect our customers' and stakeholders' privacy and data. Enbridge employs a comprehensive privacy governance program and is committed to earning and maintaining our customers' trust by continuing to:

- Ensure we respect legal privacy requirements in collecting, handling and safeguarding personal information
- Provide transparency to our customers and stakeholders on Enbridge's personal information handling practices
- Work in conjunction with cybersecurity team to carefully consider privacy and data security risks on new projects, system upgrades and/or initiatives
- Provide privacy training and awareness to personnel who handle personal information

Through our risk management process, we identified cybersecurity as a top risk for the Company. Therefore, Enbridge has developed and implemented a risk-based Cybersecurity control framework to manage its cybersecurity risks, and measure the effectiveness of controls. It addresses cybersecurity threats unique to Enbridge, and in keeping with best practice. Specific areas of focus in 2019 included:

- Improving Cyber Incident Response process and operating procedures
- Increased security awareness and training for employees and contractors
- Enhanced Cybersecurity Program for Enbridge vendors and partners
- Conducted external independent assessments to validate our controls

## Our performance

### Customer service

Our LP business delivered more than 3.98 billion barrels of crude with a safe delivery record of 99.9999%. We also transported approximately 7.7 Tcf of natural gas in our GTM business to our customers in North America, while our GDS business transported and distributed roughly 1.8 Tcf of natural gas to our 3.8 million customers. We used several metrics to gauge customer satisfaction in 2019, as outlined in the table below.

	Our customers	Engagement tactics used	Customer satisfaction
<b>LP</b>	<ul style="list-style-type: none"> <li>Producers</li> <li>Marketers</li> <li>Refiners</li> </ul>	<ul style="list-style-type: none"> <li>&gt;500 meetings with top-ranked customers</li> <li>&gt;1,000 meetings with broader customer base</li> <li>Annual customer conference</li> <li>Quarterly shipper meetings</li> <li>Online systems for convenient scheduling</li> </ul>	<ul style="list-style-type: none"> <li>Received positive feedback on LP's ability to safely and reliably operate the network and resolve issues collaboratively. Based on that feedback, LP believes that its customer satisfaction continues to be achieved. Going forward, it intends to continue its efforts to meet and exceed its customers' expectations.</li> </ul>
<b>GTM</b>	<ul style="list-style-type: none"> <li>Onshore and offshore gas shippers, including local distribution companies, producers, marketers, power plants, and end users</li> </ul>	<ul style="list-style-type: none"> <li>Holds regular, informal conversations</li> <li>Annual Marketing/Business Development customer meetings</li> <li>Webinars throughout the year with presentation materials to keep customers apprised of capacity implications resulting from system maintenance and integrity work</li> <li>Annual Customer Service Users Group Meeting with LINK® Customer Interface System users, along with periodic customer training sessions throughout the year</li> <li>24/7 hotline for LINK® system issues</li> <li>Regular communications with customers in advance of and during rate proceedings to work towards collaborative solutions</li> </ul>	<ul style="list-style-type: none"> <li>Anecdotal feedback from our customers indicates an appreciation for GTM's responsiveness to their changing needs and its customer-focused approach</li> <li>Continuous innovative improvement of LINK® system</li> <li>Received positive feedback on communication style and transparency during maintenance and integrity activities over the past year</li> <li>High contract renewal rates</li> </ul>
<b>GDS</b>	<ul style="list-style-type: none"> <li>Residential</li> <li>Commercial</li> <li>Institutional</li> <li>Industrial users</li> </ul>	<ul style="list-style-type: none"> <li>Qualtrics customer tool</li> <li>My Account tool on <a href="http://enbridgegas.com">enbridgegas.com</a></li> <li>Chatbot – enabling customer inquiries to be handled automatically</li> </ul>	<ul style="list-style-type: none"> <li>Residential customer satisfaction tracking studies for EGD and Union Gas were consolidated starting in July 2019. Seventy-five percent of customers provided a Top 3 Box rating (score of 8, 9, or 10 out of 10) for overall satisfaction with the call centre and field service experiences during the July–December 2019 period.</li> <li>In the 2019/2020 Mastio Study that measures and benchmarks customer perceptions of major pipelines and gathering systems across North America, the Enbridge Gas Energy Service group was ranked first among Canadian pipelines for customer satisfaction.</li> <li>Customer Care responded to approximately 2.1 million customer inquiries and approximately 13,000 issues went through EGI's Office of the Ombudsman.</li> </ul>

### Cybersecurity

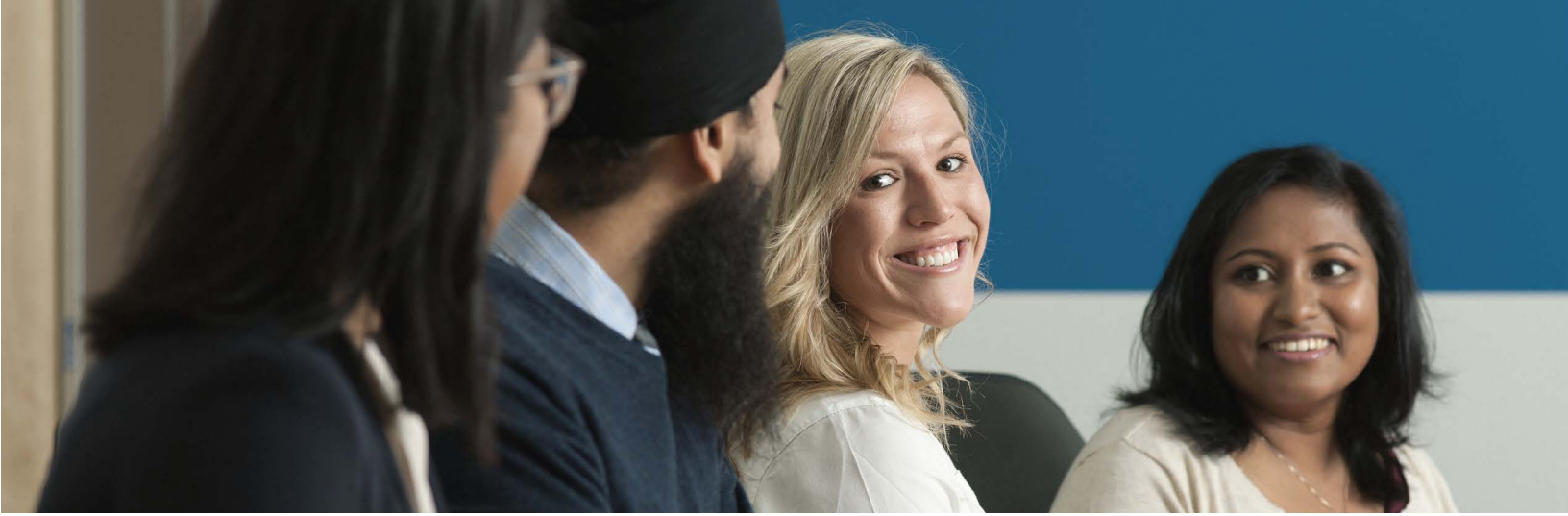
No significant substantiated cybersecurity complaints were received by any of our business units regarding breaches of customer privacy or losses of customer data in 2019.



# Building an engaged and energized team

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At Enbridge, we celebrate our employees' unique life experiences, diversity, talents and the contributions they make that drives innovation.



# Building an engaged and energized workforce

GRI: 102-7; 102-41; 103-1; 103-2; 103-3; 401-1; 401-3; 404-1; 404-2; 405-1; 405-2

We aspire to build a culture that champions diversity and inclusion, inspires innovation, supports wellness and enables our people to achieve their full potential.

## Business context and our approach

Our people are our most valuable asset and vital to our success. Effectively engaging, developing, retaining and rewarding our employees is a priority for us; one that enables us to fulfill our purpose to safely deliver the energy that people need and want. We are committed to fostering a diverse and inclusive environment in which our employees feel welcome, valued and connected – and form a team that’s energized and proud of what we do.

Like many others within and beyond our sector, we see challenges and opportunities related to the need for advanced new competencies and knowledge transfer and navigating approaching retirements without disruption. We continue to understand the requirements of our workforce to ensure we attract and develop talent to fulfill these future needs. This includes building competency through technical training, assignments and mentoring to ensure we have the resources, the expertise and the knowledge transfer practices to effectively meet future business needs.

We are committed to supporting our employees and taking action to drive sustainable progress to:

- Build an inclusive environment of talent that represents the communities we serve and achieve workforce targets for ethnic and racial minorities, veterans, gender and people with disabilities
- Invest in workforce development to ensure a robust pipeline of highly-skilled workers
- Support employees’ health and wellbeing

## Our actions

To remain competitive and sustain the long-term success of our company, we need to attract, develop and retain talented employees. This includes fostering a diverse and inclusive culture where everyone feels valued, respected and treated equally.

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As of December 31, 2019, we had 11,212 regular employees across our operations spanning North America; including contractors, our workforce totals more than 13,000 people.

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## What we stand for – Our ways of working

In 2019, we introduced “What we stand for” to help employees know and consistently rally around the enduring elements that define and guide Enbridge. “What we stand for” assembles in one place – as a quick reference – our purpose, vision, values, strategic intents and our ways of working. These elements are the foundation of our company – connecting our people, bringing meaning to each individual’s contributions, and inspiring our teams to safely and reliably deliver the energy society needs and wants.

Our ways of working are the actions or behaviors that our people have told us are most important to achieve our strategy and create a working environment that helps to energize our teams and build pride in our company. “What we stand for” complements the goals and strategic priorities outlined in our strategic plan. Together, they help our teams focus their energy on what needs to be achieved and how we’ll work together to deliver results.

### **Purpose**

We fuel people's quality of life

### **Vision**

To be the leading energy company in North America

### **Values**

Safety, Integrity and Respect

### **Strategic Intent**

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

### **Ways of Working**

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

## **Diversity and inclusion**

Diversity is the cornerstone of an energized workplace - diversity of thought, perspectives, culture and physical characteristics make us a stronger, more engaged corporate citizen.

It's the right thing to do and it's good business.

We champion diversity and inclusion in our workplace, recognizing its value in strengthening employee engagement, fostering innovation and creativity and enhancing our decision making and problem-solving capabilities. We pursue a strategy that integrates diversity and inclusion into everything we do and strive to create a workforce that is representative of the communities we serve.

### **Stewardship and strategy**

We have an enterprise-wide Diversity and Inclusion Strategy, stewarded by an executive Steering Committee and supported by a dedicated team. Our multi-year strategy focuses on building awareness, delivering learning programs, supporting employee resource groups (ERGs), engaging the workforce through initiatives and implementing action plans to close representation gaps. Our aim is to fully integrate diversity and inclusion into our structures, processes and practices.

We proactively support leaders and coach them to review talent decisions through a diversity and inclusion lens to mitigate the risk of unconscious bias. For example, we leverage opportunities to coach our leaders at critical decision points that affect an employee's career, such as during performance reviews and succession planning. Additionally, we conduct a thorough analysis throughout these activities to ensure equitable representation of different demographic groups.

Enbridge has been working toward a culture of inclusion. We've made strides in many ways, from building awareness and commitment, to ensuring inclusion is embedded within our processes. In response to recent injustices experienced in society by Black and Indigenous communities, Enbridge is exploring ways to elevate anti-racism and equity.

With the current movement around social justice and equality, there is a spotlight on what companies are doing to ensure that Black employees, Indigenous employees and members of other racialized groups, have an equal opportunity to achieve career success. We are part of an important moment in history, and we want to build on this momentum to make a positive difference at Enbridge.

The Company, in consultation with Black and Indigenous employees, is holding a series of voluntary online focus group sessions to understand how Enbridge should act next concerning our diversity and inclusion initiatives. This information will support the development of multi-year equity and inclusion plans and recommendations around future policies and programs for under represented groups.

Our enterprise-wide Diversity and Inclusion Strategy prioritizes three main goals:

<b>Empowering employees</b>	<b>Building a diverse and inclusive workplace</b>	<b>Attracting and retaining talent</b>
<p>Educate and equip all employees to model the right diversity and inclusion attitudes and behavior.</p> <ul style="list-style-type: none"> <li>• Build awareness of the diversity and inclusion strategy, goals and priorities</li> <li>• Engage the workforce through regional advisory groups; expanding ERGs across the Company</li> <li>• Invest in learning programs to build inclusive leadership</li> </ul>	<p>Embed diversity and inclusion into policies and programs to create a workforce where people feel valued and respected for who they are.</p> <ul style="list-style-type: none"> <li>• Understand our workforce composition and labor market availability</li> <li>• Increase representation for diverse groups</li> <li>• Embed diversity and inclusion best practices into Human Resources processes and programs</li> <li>• Assess and build organizational maturity as an inclusive culture</li> </ul>	<p>Improve attraction, progression and retention of diverse talent. Increase representation of diverse talent in leadership positions.</p> <ul style="list-style-type: none"> <li>• Embed attraction goals for diverse market access and ensure hiring practices enable greater diversity</li> <li>• Engage with Indigenous organizations to develop strategies for increasing Indigenous employment</li> <li>• Ensure diverse representation in Talent Programs</li> </ul>

### **Employee resource groups**

We engage our employee community through initiatives, activities, education and networking. Enbridge has 10 affinity groups, also known as ERGs. ERGs are employee-led and company-sponsored entities that:

- Promote understanding and support for historically underrepresented populations
- Educate and create development opportunities for members and allies via events
- Promote a diverse and inclusive work environment

### **Transparency and targets**

Tracking and monitoring our progress is important as we progress on our diversity and inclusion journey. With an accurate, transparent view of our workforce, we can address barriers and ensure equal opportunities for everyone. To that end, in 2017 we introduced a Gender Dashboard – a platform available to all employees through our intranet to provide transparency about who we are as a company and to compare our progress as it relates to both internal representation targets and external labor market benchmarks.

In 2018, we evaluated external benchmarks for our industry and the communities in which we work. We used this data to assess how we compare to industry labor availability and where we can increase representation across multiple dimensions of diversity.

We set aspirational representation targets as a means of measuring inclusion – near-term (2022) and 10-year (2028) targets. These targets were shared with all employees in 2018 and are reflective of the diversity of individuals available for employment in the locations where we operate.

In 2019, we expanded the Gender Dashboard to Diversity Dashboard by including ethnicity and race, disability status and veteran status in the U.S. Metrics about representation, advancement and retention across Enbridge are based on self-identified demographic data. Our HR team consulted employees

who represent these groups, in partnership with our ERGs, and included the insights we gained into developing the dashboard.

Our targets are guided by the following principles:

- We endorse pluralism over polarity. Increasing a focus on underrepresented groups does not diminish, devalue or deemphasize highly-represented groups.
- Our targets are not quotas. People are selected for roles based on their qualifications. Setting aspirational targets ensures a fully representative workforce.
- Setting targets helps mitigate unconscious bias. Targets highlight areas where unconscious bias and systemic issues may unintentionally create hiring or career barriers. We can use these insights to protect practices that will foster greater diversity and inclusion.

### **Partnerships and advocacy**

Our leadership understands the value of a diverse and inclusive workplace in meeting our strategic priorities. Enbridge's President & CEO, Al Monaco, is a member of the 30% Club, an international campaign focused on improving representation of women on boards and in senior management, as well as the Catalyst Canada Advisory Board. In 2019, Enbridge signed on to Equal by 30, an international commitment by both public- and private-sector organizations to work toward equal pay, equal leadership and equal opportunities for women in the clean energy sector by 2030.

### **Employee rights and freedoms**

We act in accordance with all laws and legislation, and abide by our own policies including our Respectful Workplace, Harassment and Violence Policy, Duty to Accommodate Policy and Statement on Business Conduct. We provide each of our business units with a training package that addresses components of human rights training, including anti-harassment, violence in the workplace and maintaining a respectful workplace. Each of our business units has implemented human rights policies and procedures that contain provisions for investigation and resolution of incidents.

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

## Attracting and retaining talent

We focus on enhancing the capability of our people through accelerated leadership programs, rigorous succession planning of critical roles and facilitating career development and opportunities for mobility throughout the enterprise.

We strive to maintain competitive compensation and programs that provide both short- and long-term performance incentives to our employees. We link executive compensation to performance in areas including safety, system reliability, environmental impacts, financial performance and compliance.



> Technology + Innovation Lab

The Enbridge Technology + Innovation Lab leverages the Enterprise Co-op/Summer Student programs to attract future talent. The Lab space (with locations in Houston and Calgary) has been intentionally designed to foster creativity, collaboration and diversity of thought, by bringing technical and business experts together.

Investment in the Lab is anchored on a belief in our people, and that by bringing diverse (business/operations) teams from across the Company together with technology specialists, we create conditions where complex problems can be tackled and breakthroughs emerge. Getting our teams together in a boundaryless way means freeing up the experts from the routine of data gathering and encouraging them to apply ideas and energy in unconventional ways that will unlock new value. The Lab is an enabler for this to happen and for diverse teams to come together, collaborate and think outside the box. Encouraging innovation is a vital component to our future success. It requires effort to nurture a culture and mindset of openness and fearless leadership, where people are free to speak up, collaborate, and do and be their best towards achieving organizational outcomes.

We provide competitive benefit and pension plans and continuously look for ways to offer additional flexibility so our employees can balance their personal and professional responsibilities. In 2019, we reviewed our parental leave and effective in 2020, we added three weeks of parental leave at full pay in Canada and the U.S. This additional paid time off is provided for all employees becoming parents through birth or adoption.

## Engaging and developing our people

Providing our employees with personal and professional development to help them achieve their full potential is an investment in their success and ours. We provide a range of development opportunities for our employees through a variety of channels, including: Enbridge University, which offers a large catalogue of courses; educational reimbursement programs; developmental relationships with mentors; and rotational assignments. We make a substantial investment in employee development and in 2019 spent approximately \$18 million on learning and development.

Career development is a shared responsibility between our employees, their leaders and Enbridge. We continue to build on this to ensure we adapt to the changing needs of our organization and people. Currently we focus on:

- Meaningful ongoing career discussions with tangible action plans
- Enhancing opportunities for on-the-job learning and growth
- Encouraging employees to build new skills, explore opportunities and gain diverse experiences throughout their career at Enbridge

In 2019, we paired 100 senior leader mentors, at a Director level or above, with mentees. We believe the career engagement and growth opportunities we provide help to create a stronger and more adept team.

Our approach to gathering and incorporating employee feedback into our programs and policies involves multiple channels of engagement, including regular engagement surveys, more frequent pulse surveys, town halls, company-hosted social media (Yammer) and coffee chats. We work to understand the employee experience and take action to address opportunities identified via this feedback. To further alignment, we cascade this feedback from our leaders down through their direct reports throughout the organization and have assigned leaders to develop and execute action plans to respond to the results.



## Wellness and mental health

Our Wellness Program provides benefits and resources to support every aspect of employees' well-being – physical, mental and financial. We have an employee and family assistance program that provides confidential counseling and other services. Many of our office locations have on-site health clinics and fitness facilities.

We recognize that mental health can have a significant impact on the safety of our employees and is a contributing factor in business performance. We are taking a proactive, ongoing approach to be a mentally healthy workplace that supports employee success at work, home and in the community. In early 2020, we launched a mental health awareness campaign and programs for all our employees; the program took on increased importance with the additional mental health concerns and anxiety brought on because of COVID-19. Enbridge senior leadership is committed to advancing this important initiative, which has been focused on improving resilience and decreasing stigma associated with mental health by providing company-wide training, topical webinars and resources to support our employees.

“ We want to ensure we have a workplace where employees feel safe and comfortable discussing mental health. And that together, we are helping to create a culture of support. The hardest part for anyone dealing with a mental health concern is recognizing they are struggling and reaching out for help. We want everyone to know it's ok to say: “I'm not ok.” ”



**Laura Sayavedra, SVP Unify Program and Marc Weil, SVP & Chief Human Resources Officer Workplace Mental Health Co-Chairs**

This initiative centers on increasing education and awareness, building resilience and reducing the stigma of mental health issues and creating a culture of support. This includes providing training for leaders and employees, which will empower them to recognize and address poor and declining mental health and support a mentally healthy workplace. We will also align and embed mental health best practices in existing programs, policies and procedures to ensure it remains an ongoing focus of the organization.

## Our performance

We made progress on several important initiatives in 2019.

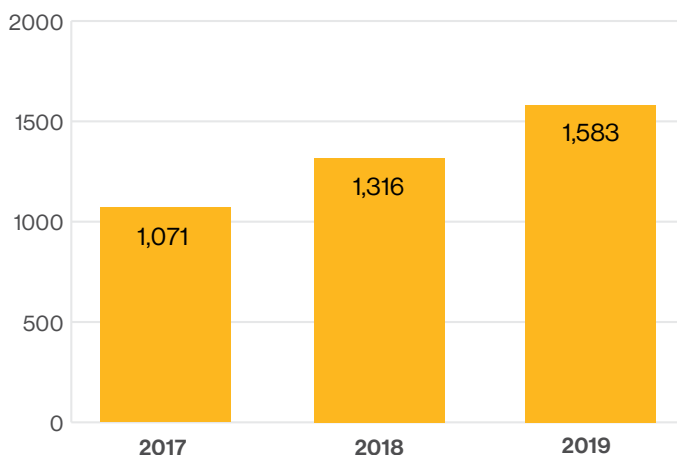
### Systems harmonization

Following our acquisition of Spectra Energy in 2017, we have focused on a strategic reorganization and streamlining of our people policies. In 2019, we introduced an enterprise Human Resources system and harmonized policies, practices, programs and non-union benefit plans.

### Employee training

We invested approximately \$18 million in employee learning and development programs.

**Average annual training per employee (\$)**



### Employee workforce and turnover

Our total workforce decreased by 7.7% in 2019, in part due to realized efficiencies and staff reductions related to the amalgamation of Enbridge Gas Distribution and Union Gas into Enbridge Gas Inc. Divestitures comprised about a 5% reduction in the employee population. As part of the sale of assets, we worked with the acquiring company to provide support for employees whose employment was transferred along with the assets.

We analyze voluntary turnover trends to understand the reasons why employees may choose to move on from Enbridge. We review findings from year-over-year trends with executive leadership to assess the effectiveness of our retention programs.



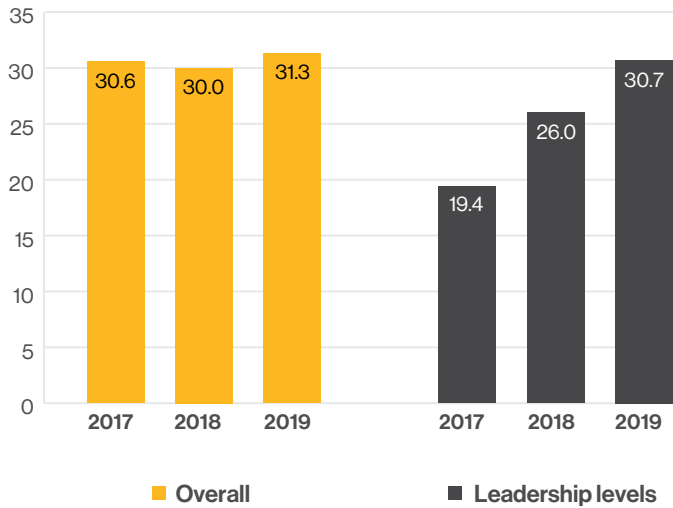
## Diversity and inclusion

We continue to make progress towards our aspirational targets. In this report, we share progress from 2017, and will continue to provide annual updates against our near- and longer-term targets as discussed above.

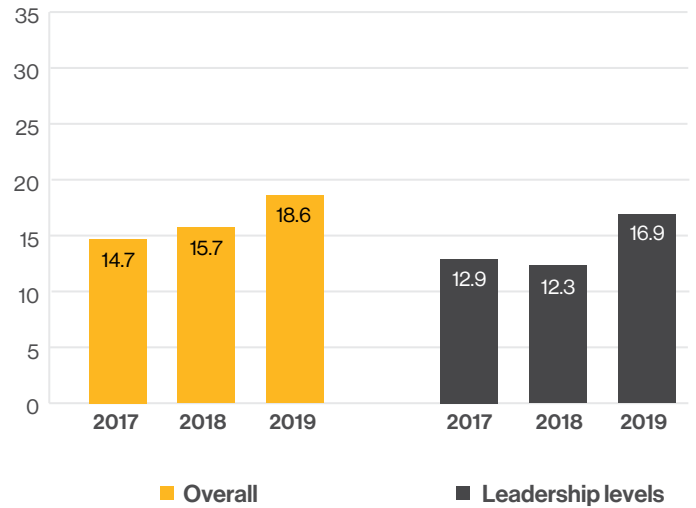
- While the proportion of women employed on a permanent, full-time basis was 31% in 2019, which is consistent with 2018, we are seeing greater representation of women in management and senior leadership levels.
- Racial and ethnic minority representation has increased from just under 16% to 18.6%. Nearly 17% of our leaders self-identify as ethnic or racial minorities.

## Workforce representation (%)

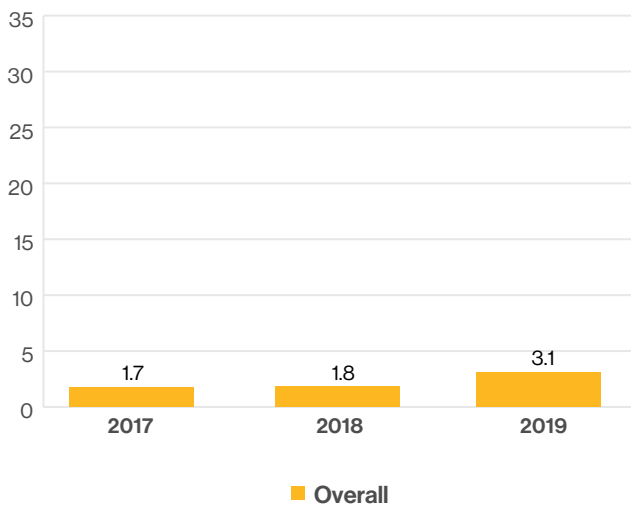
### Women



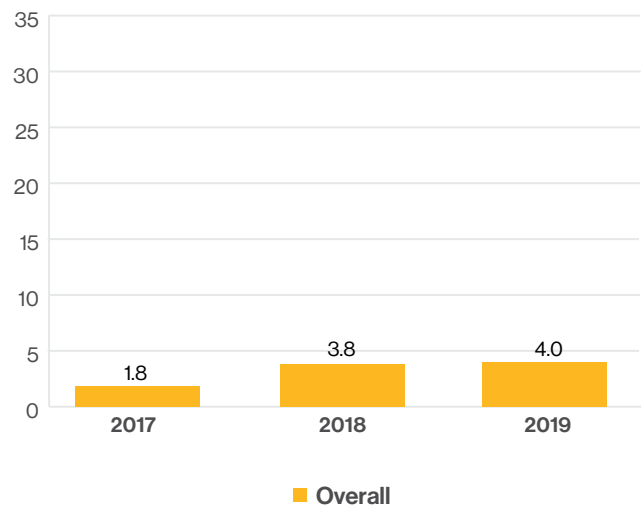
### Ethnic and racial minority groups



### Persons with disabilities



### Veterans (U.S. only)



## Recognition

Enbridge was honored to receive recognition of our workforce and diversity and inclusion efforts:



HRC Foundation  
Corporate Equality  
Index



Canada's Top 100  
Employers



Top Employers for  
Canadians Over 40



Bloomberg Gender-  
Equality Index  
(2019 and 2020)



Equileap Gender  
Equality in the  
Workplace

## COVID-19 – Supporting our employees

In 2020 throughout the COVID-19 pandemic, our priority has been to protect our employees, their families and our communities, while continuing to safely operate the critical infrastructure that delivers the energy people rely on every day.

At the outset of the pandemic, we implemented a heightened level of emergency response preparedness, including staying closely connected to recommendations from public health authorities and medical experts. A cross-functional team has, and continues, to advise Enbridge leadership.

Like others, we took immediate steps to help prevent our employees' exposure and to do our part in helping prevent the spread of the virus. That has included making the decision for the majority of our people to work from home, restricting travel and implementing procedures to ensure the integrity of our operations and the health of employees in our Control and Call Centers. At worksites, we've implemented strict protocols to ensure use of personal protective equipment (PPE) and social distancing.

In addition to protecting their physical health, supporting the mental health and well-being of our employees remains a key area of focus. Regular and frequent leadership communications have helped to keep employees feeling connected and informed, complemented by

continually updated information resources, coaching for people leaders, work-from-home toolkits and FAQs. Frequent voluntary "check in" surveys have enabled local leaders to know and understand employees' anonymous perspectives and react accordingly.

While Enbridge is a resilient company, we are not immune to the unprecedented dual challenge of COVID-19 and global oil price shock. As part of necessary reductions in capital and operating costs across the business, we reduced people-related costs through base pay reductions across our non-union workforce, starting from the top with the Board of Directors (15%), the CEO (15%) and EVPs (10%). We also offered employees options to voluntarily select early retirement, severance, educational or personal leaves of absence or part-time work.

As a result of these actions, we have been able to avoid company-wide layoffs. We will continue to be disciplined in our spending to ensure the continued strength of Enbridge over the long term.

At the time of publication of this report, we've begun implementation of an approach that is allowing for the safe, phased return to the workplace for each of our regions as local conditions allow. Return to workplace timing is based, first and foremost, on the health and safety of our employees, their families and our communities and dependent on the guidance of medical professionals.



# Delivering shared value

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The energy we deliver creates economic growth and improves the quality of modern life for millions of people.

In this section:

**Corporate citizenship**

**Supply chain management**

**Economic impact**



# Corporate citizenship

GRI: 203-1

At Enbridge, we exist to help fuel people's quality of life, by building trust, empowering employees and delivering societal value through collaborations and contributions in communities where we live and work.

## Business context and our approach

As an employer with team members across North America, and an operator of linear infrastructure that runs, literally, through thousands of communities, we place high priority on the role we can play in contributing to their safety, vitality and sustainability. We have long subscribed to the belief that a company exists to serve all its stakeholders and communities. It's important to Enbridge and our employees that we help enable our communities to be resilient – to become more stable and stronger in the face of the unique physical, social and economic challenges before them.

Our approach to community investment is grounded in our values of Safety, Integrity and Respect and our commitment to diversity and inclusion. The diversity of the communities in which we operate – from major metropolitan centers to rural townships, from northern British Columbia, to southern Florida – means we need to be flexible and responsive to the unique and changing needs of our communities. In doing so, we are guided by a consistent, enterprise-wide approach and focus in three areas: safety, community and environment.

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

We're also keenly focused on engaging and empowering employees to volunteer and contribute to our communities. Enbridge employees have a strong sense of connection to their communities and long history of involvement; their energy and efforts are recognized by the Company through dollars for

hours volunteered, matching grants and support for fundraising. Central to our employee volunteerism and giving strategy is increasing engagement across Enbridge by strengthening the sense of meaning employees take from community involvement, aligning volunteering with employees' individual sense of purpose, connecting volunteer activities to personal and career development priorities and measuring the effectiveness and impact created.

We demonstrate our commitment to corporate citizenship by ensuring our investments are guided by the following performance objectives:

- Invest in strategic programs and initiatives that demonstrate care for our communities, deliver societal value and align with business priorities
- Build long-term relationships with Indigenous communities and governing bodies
- Empower employees to strengthen communities through volunteering and giving

## Our actions

In 2019, we undertook a comprehensive strategic review of our giving programs, including the support and incentives we provide to our team members and how we evolve from participation in community investment to creating engaged corporate citizens. The initiative encompassed all enterprise-wide sponsorship, donation and employee volunteering and giving strategies, programs, policies and governance. It included internal interviews, surveys and focus groups, as well as external interviews and community needs assessments. Our goal was to strengthen our foundation of corporate citizenship, demonstrating our commitment to our values, and underscoring the strategic importance to all

stakeholders of our contribution to our communities and the environment. These practices help to develop more balanced partnerships, mitigate risk, and create a platform for strong relationships in the communities in which we operate.

The onset of the COVID-19 pandemic and extraordinary circumstances caused us to change course to focus on response to the immediate needs of a crisis impacting the communities where we live and work.

We initially contributed \$3.2 million towards meeting immediate needs of food security, social services, healthcare, and Indigenous and Tribal communities. To ensure employee safety, we suspended all volunteering programs and refocused our employee matching funds on direct contributions to those who were most vulnerable.

We are now focusing on community needs through the transition from crisis to recovery – and ultimately, to rebuilding and resilience.

## Our performance

In 2019, we invested more than \$23 million in organizations across our operational footprint. Our investments are guided by the following three areas:



### Safety

Organizations and initiatives focused on improving everyone's safety including community safety; equipment and training for first responders and organizations responsible for community safety; and disaster relief.



### Community

Organizations, programs and projects that strengthen the social fabric of communities, offer enriching cultural experiences for citizens and provide opportunities to learn, grow and lead.



### Environment

Programs that promote environmental stewardship, conservation, habitat remediation and environmental education.

## Safety

The safety of the communities near our projects and operations, and the people who live and work along our system, remains our highest priority. Our program and project investments make positive and lasting impacts on these communities.

The [Safe Community First Responder](#) program demonstrates our commitment to safety by increasing the capacity of first responders near our operations.



### Oxford Volunteer Fire Department

Through our Safe Community Program, Enbridge made a donation to Oxford Fire Department to purchase a thermal imaging drone, allowing aerial visual access to some of the most hazardous emergency response scenarios.

[Learn more](#)

Over the past 18 years, the Safe Community First Responder program has evolved and expanded as Enbridge's operations have grown organically and through acquisition. In 2019, we maximized the program impact by opening it to more communities, streamlining administration, and enhancing the visibility of the program and Enbridge's contributions to safe communities.

Since 2002, Enbridge's Safe Community First Responder program has provided approximately **\$15.7 million** in grants to first responders to help acquire new safety-related equipment, obtain professional training and deliver or receive safety education programs. In 2019, we invested nearly \$2.4 million in the program, representing a 78% increase in program funding from the previous year.

## Community

We don't just operate in communities, we live in them. As a good neighbor, we are committed to strengthening communities by supporting innovative programs that address social needs. We recognize that for communities and organizations to truly thrive, they must continue to evolve and increase their capacity to deliver on ever-changing priorities. Priority is given to forward-thinking programs and projects that can demonstrate leadership, value, capacity building and impact to the community.

We recognize and support organizations that promote and celebrate diversity and inclusivity, regardless of race, gender identity, sexual orientation, ability or religious beliefs. We partnered with Human Resources to support initiatives that championed our value of respect for all and demonstrated how supporting diversity within communities strengthens quality of life.



### Nameless Coalition for the Homeless

In 2019, Enbridge's Line 3 U.S. project donated \$5,000 to the Nameless Coalition at the Wolfe Center, a shelter in Minnesota serving people with active substance abuse disorders.

[Learn more](#)

## Environment

Enbridge supports initiatives that help improve, grow and nurture our environment. We are committed to partnering with local organizations that demonstrate progressive thinking to address environmental education and stewardship, habitat conservation and remediation and energy efficiency.



### Lower Thames Valley Conservation Authority

Enbridge embarked on a 5-year partnership with the Lower Thames Valley Conservation Authority (LTVCA) on their Clear Creek Conservation Project to develop new wetlands along the Point Pelee bird migration corridor.

[Learn more](#)

## Purpose-driven investments with Indigenous communities

In 2019, Enbridge donated \$2.3 million to support Indigenous communities in North America, which included investments in safety, community and environmental initiatives.

Enbridge is committed to fostering strong, respectful, long-term relationships with Indigenous nations and groups throughout North America. We believe that building, enhancing and sustaining these relationships is an expectation of operating—and the right thing to do.

Our sponsorships and donations are a result of direct engagement with Indigenous communities and groups and aligned with our lifecycle approach to engagement. Our investments focus on meeting local community needs, preserving and celebrating language and culture, as well as supporting national programs that build capacity and support youth development and leadership.



### Calgary Stampede: Elbow River Camp

In 2019, Enbridge proudly became presenting sponsor of the Calgary Stampede's Elbow River Camp, reflecting our commitment to Indigenous engagement, relationships and reconciliation.

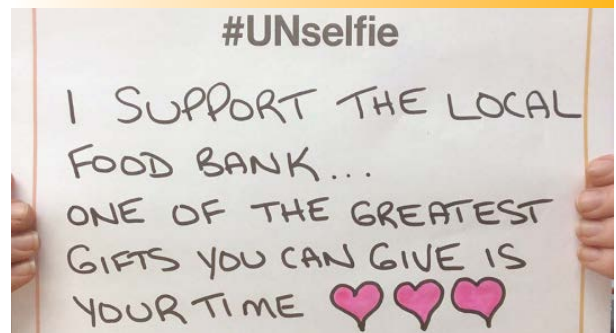
[Learn more](#)

## Employee volunteering and giving

At Enbridge, we recognize the generosity and dedication of our employees to the communities in which they live, through programs that support volunteerism and giving.

In 2019, our employees contributed to more than 1,000 volunteer opportunities and matching gifts through programs such as [Our Community Partners](#), [Helping Hands in Action](#), matching gifts and leadership grants. As a result, nearly 14,000 volunteer hours and more than \$900,000 were provided in support of improving quality of life in our communities.

Additionally, championed by Enbridge employees and fueled by separate and personal donations, we raised nearly \$7.8 million for United Way chapters across North America.



### Rallying around Giving Tuesday

On Giving Tuesday this year, our employees shared #UNselfies about what motivates them to champion solutions for safe, vibrant and sustainable communities through volunteerism and giving.

Enbridge committed to donating \$70 for each #UNselfie that was shared to food banks across North America. Donations were disbursed to more than 100 organizations.

[Learn more](#)

To learn more about some of the more than 2,900 initiatives Enbridge supports in North America, please see our [Community Investments 2019 Map](#).



# Supply chain management

GRI 102-9; 102-10; 204-1; 301-1; 301-2;  
SASB Code IF-GU-540a.2

Our commitment to operating safely, with integrity and respect extends to our supply chain.

## Business context and our approach

Enbridge has relationships with thousands of suppliers that provide goods and services to us, including manufacturers, contractors and subcontractors, distributors and consultants. We depend on them for constructing pipelines and associated facilities, equipment, parts and services essential to project development, construction, operations and maintenance. Our suppliers are critical to Enbridge's success.

We aim to work with suppliers who strive for sustainability in their supply chains. We expect all suppliers who do business with Enbridge to uphold the human rights, labor, health and safety, environmental and business ethics practices prescribed in our [Supplier Code of Conduct](#), and in accordance with our [Statement on Business Conduct](#), [CSR Policy](#) and [Indigenous Peoples Policy](#).

We approach our supply chain through our centralized Supply Chain Management (SCM) function, which is responsible for all aspects of supply management including planning and governance, strategic sourcing and tactical procurement, materials management, logistics and contract management. Our SCM function also includes a centralized team focused solely on advancing our sustainability, supplier diversity and Indigenous engagement priorities.

As our business and supply channel trends change, we continuously address the challenges these may bring to our enterprise. This may include issues such as cost pressures, shifting societal norms, environmental, labor and human rights concerns, changing regulations, commodity volatility, technology and digitization gains that impact processes and evolving customer expectations, supply chain decision-making and supplier management.

In support of our priority to create a diverse and inclusive environment, we have the following performance objectives:

- Procuring good and services that support Enbridge's sustainability objectives
- Advancing our supplier diversity program

## Our actions

### Integrating sustainability into our supply chain

Our suppliers are critical to implementing our supply chain strategy, and it is important they are responsible corporate citizens. Enbridge considers several key aspects, including environmental, social, safety and Indigenous participation to be included in supply chain Requests for Proposal (RFP), proposal evaluations and contracts. In 2019, we increased our ESG-focused information by standardizing our RFP templates to include questions about sustainability, environmental stewardship, social responsibility and ethical procurement.

As part of our Supplier Management Program, our suppliers go through a lifecycle evaluation process – from registration through offboarding. We work only with suppliers that meet and uphold our rigorous standards and share our commitment to safety, reliability and quality. For contractor safety management, we use ISNetworld, and we use internal subject-matter experts to pre-qualify suppliers and monitor requirements for ongoing supplier performance. Our supplier onboarding process requires the supplier's acknowledgement to uphold Enbridge's Supplier Code of Conduct.



## Supplier diversity

We recognize that having a diverse group of suppliers results in value and innovation. Diverse suppliers include businesses led by females, minorities, the LGBTQ+ community, those with disabilities, locals and veterans. In 2019, we fully defined our supplier diversity program structure, goals and advocate network and updated our [supplier registration form](#) to identify diverse businesses interested in working with Enbridge, assisting us to achieve our supplier diversity goals.

## Indigenous engagement

Enbridge has an Indigenous engagement team dedicated to facilitating opportunities for Indigenous communities and suppliers. This effort allows Enbridge to increase the economic engagement with Indigenous communities and suppliers related to our projects and operations. Read more about how we engage Indigenous businesses in the [Indigenous Inclusion](#) chapter.

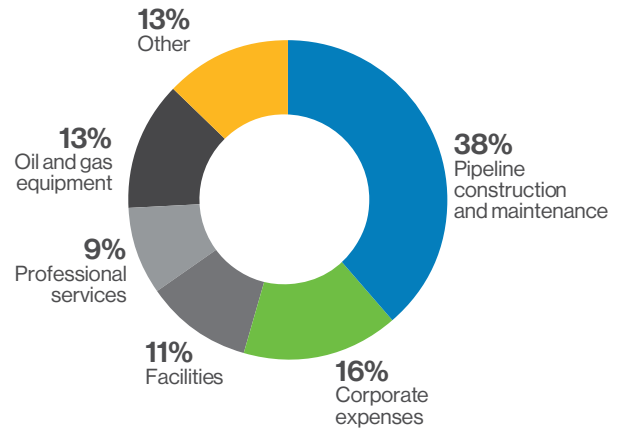
## Our performance

In 2019, our annual procurement spend across roughly 14,000 suppliers was approximately \$9 billion, compared to \$11 billion in 2018. Of that figure, we invested \$203 million in Indigenous suppliers in Canada and the U.S.

Historically, one of our most significant purchased materials has been steel pipe. Over the past two years, we have fewer planned large-scale projects, and our quantity of pipe purchased has declined. The majority of our annual spend has instead been directed toward manufactured products for constructing pipelines and facilities, and operating, maintaining and monitoring system integrity.

Further, with changes in regulatory requirements, we have seen a shift in availability of recycled content in our pipe. In 2019, we purchased about 7,400 tonnes of pipe, with recycled steel comprising about 69% of the product. We continue to source the majority of our supply from North America.

## Spend areas



Enbridge is a member of various organizations that support our supply chain objectives. We leverage our memberships to gain access to information and research on best practices.





# Economic impact

GRI 201-1

We are focused on creating long-term value for all our stakeholders and generating sustained economic opportunities.

## Business context and our approach

For decades, Enbridge has delivered the energy that millions of people and our economics across North America rely on. Our business today is underpinned by our best-in-class liquids, natural gas transmission and natural gas utility businesses and our growing renewable power business. These businesses are connected to the best markets in North America, which support stable and growing demand for the energy we deliver and the long-term resiliency of our assets.

2019 marked the final year of our three-year plan that strategically repositioned the Company for the future by diversifying our assets to reflect an evolving energy mix, divesting \$8 billion in assets, simplifying our corporate structure and strengthening our balance sheet, while moving to an equity self-funding model. We also successfully delivered \$9 billion of capital projects into service in 2019, which supports the continued growth of our cash flows. These actions have reinforced our proven value-creating formula which combines high-quality assets, a low-risk business model and organic-driven growth that continues to generate stable, predictable cash flows and a strong return on capital invested.

## Our actions

### Contribution to our communities

We contribute to communities where we operate in many ways: delivering affordable, reliable energy; purchasing from local suppliers and service providers; committing to fair and local job creation; paying government taxes to fund local programs such as public schools, roads, bridges and parks; and actively giving back to communities through philanthropy and volunteerism.

In addition, our capital-driven growth projects support significant investment in local communities, creating direct and indirect jobs opportunities and business opportunities for local suppliers.

Prior to and during the project development, we consult with local communities, Indigenous groups, landowners and other potentially impacted stakeholders to identify economic and socio-economic impacts and where Enbridge can make a difference. For additional details on our approach, please refer to the [Community Engagement](#), [Indigenous Inclusion](#) and [Corporate Citizenship](#) chapters of this report.

## Our performance

We ended 2019 having delivered record financial results and distributable cash flow (DCF)\* per share of \$4.57, at the top end of our guidance range for 2019. This was supported by adjusted earnings before interest, taxes, depreciation and amortization (EBITDA)\* of approximately \$13.3 billion, a 3% increase from 2018, and DCF of approximately \$9.2 billion, a 21% increase from 2018. Similarly, our ratio of year-end debt to EBITDA was 4.5x, which is at the very strong end of our 4.5–5.0x target, supporting a robust balance sheet and financial flexibility.

Our businesses performed well and generated record operating and financial results. In LP, we delivered an average of 4 billion barrels of oil – a new record. In GTM, we transported more than 7.7 Tcf of natural gas in 2019 – an average of more than 21 Bcf per day. And our utility business safely delivered more than 1.8 Tcf of natural gas to customers.

\*Adjusted EBITDA and DCF are non-GAAP measures. See page 99. For more information on non-GAAP measures including reconciliations to GAAP measures, please refer to disclosure in Enbridge's fourth quarter and full year 2019 earnings news release available on [enbridge.com](https://www.enbridge.com).

“ We remain focused on creating value for all our stakeholders by enhancing returns from our existing assets and re-investing our cash flows into new organic growth that fits our low-risk business model. To deliver on this strategy, we've developed and honed world-class commercial, operational and project management teams that work throughout the lifecycle of our assets to maximize value for all of our stakeholders.”



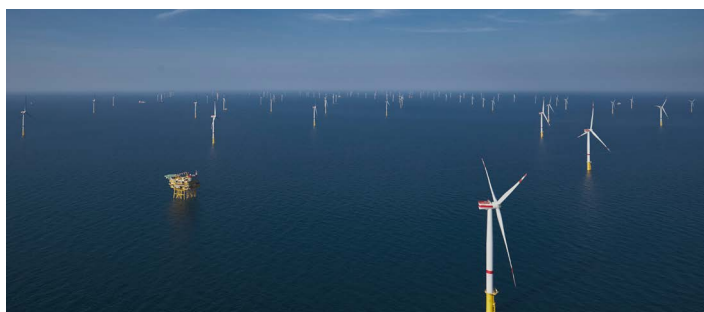
**Jonathan Morgan,**  
Vice President, Investor Relations

Our strong financial and operational performance supported an increase of our annual dividend by approximately 10% to \$3.24 per share in 2020.

**We're proud to have delivered 25 years of consecutive dividend increases for our shareholders.**

In 2019, we brought into service seven major projects representing total investment of \$9 billion. These projects include:

- The Canadian segment of the L3RP, one of North America's largest pipeline infrastructure programs. L3RP created more than 24,000 temporary full-time equivalent jobs during construction and generated labor income of nearly \$2 billion. The project resulted in estimated tax revenues to federal and provincial governments of more than \$500 million during construction.
- The Gray Oak pipeline in the USGC is designed to add capacity and connection to exports for Permian producers, supporting production in major shale plays and bringing growth to Texas' energy industry. Gray Oak is an important component of Enbridge's broader emerging USGC liquids infrastructure strategy. Full in-service is expected in 2020. Enbridge holds a 22.75% interest in the pipeline.
- The Hohe See offshore wind project in Germany entered service in August 2019. The project has capacity to generate more than 600 MW (gross) of emissions-free energy – enough to supply the power needs for about 710,000 homes and save about 1.9 million tonnes of CO<sub>2</sub> per year. Enbridge holds a 25.5% stake in the project.



We currently have \$11 billion of secured, low-risk growth projects including:

- The U.S. portion of the L3RP which consists of replacing existing pipe from Joliette, North Dakota to Clearbrook, Minnesota, and then will primarily follow existing pipeline and transmission routes from Clearbrook to Superior, Wisconsin. The replacement of Line 3 will ensure that Enbridge can transport the crude oil required by refiners in Minnesota, neighboring states, Eastern Canada and the Gulf Coast.
- The T-South Reliability and Expansion Program includes upgrades and reliability enhancements on our gas transmission system in British Columbia, stretching from south of Chetwynd to the Canada/U.S. border. The T-South system moves about 55% of the natural gas used in the province.

### Creating local economic value

We're proud to deliver economic benefits in the states and the provinces where we do business across North America. To learn more about the ongoing tax revenue, local and regional economic stimulation, community investments and workforce salary provided by Enbridge in your area, search by state or province on [enbridge.com](http://enbridge.com).

- The Atlantic Bridge Project is designed to provide additional capacity on our Algonquin Gas Transmission and Maritimes & Northeast Pipeline systems to move reliable, economical natural gas into New England and to specific end-use markets in the Canadian Maritime provinces. The project's Weymouth Compressor Station will enable access to additional supplies of natural gas for four local gas utilities and one industrial customer in northern New England and Atlantic Canada, facilitating the conversion from more carbon-intensive and more expensive sources of energy to natural gas, delivering both environmental benefits and cost savings.
- The Saint-Nazaire offshore wind project is a partnership with EDF Renouvelables to develop a 480 MW wind farm. The project is expected to come into service in 2022 and with capacity to produce enough power to supply the energy needs of 400,000 homes.
- Enbridge, EDF Renewables and wpd launched the 500 MW Fécamp offshore wind farm, comprised of 71 wind turbines off the coast of northwest France. Project commissioning is scheduled in 2023. The power generated by the wind farm will provide enough annual electricity to meet the power needs for 770,000 people, or over 60% of the Seine-Maritime department's population. The construction of the project will create over 1,400 local jobs in total.

## Economic value creation and distribution

**\$50,069M**

Operating revenues



**~\$9B**

Goods and services purchased



**\$1.3B**

Employee wages



**\$23M**

Community investments



**\$5,973M**

Dividend declared



**\$2.4B**

Taxes paid to local, state/provincial and federal governments

**\$8,260M**

Operating income

We directly contribute to local economic growth through the jobs we create, the goods and services we purchase and the taxes we pay. In 2019, our procurement spend was approximately \$9 billion across roughly 14,000 suppliers.

Enbridge further contributes to the economy through the taxes we pay. In 2019, we paid more than \$2.4 billion in property tax, corporate income tax, sales-and-use tax, and other taxes to local, state/provincial and federal governments.

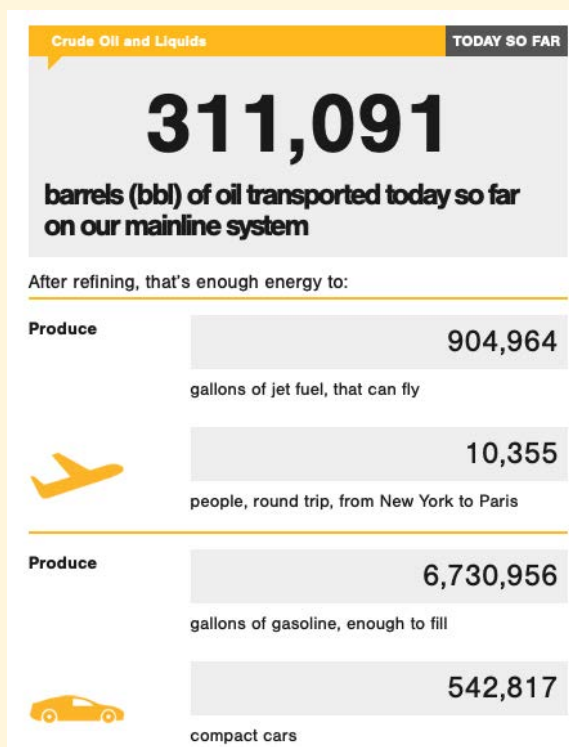
Looking forward, we are well-positioned to continue delivering strong and growing results. Ninety-eight percent of our EBITDA is underpinned by cost of service, long-term take-or-pays or similar structures, which provides highly predictable cash flows and our \$11 billion of secured capital projects in execution support further growth under a consistent business model.

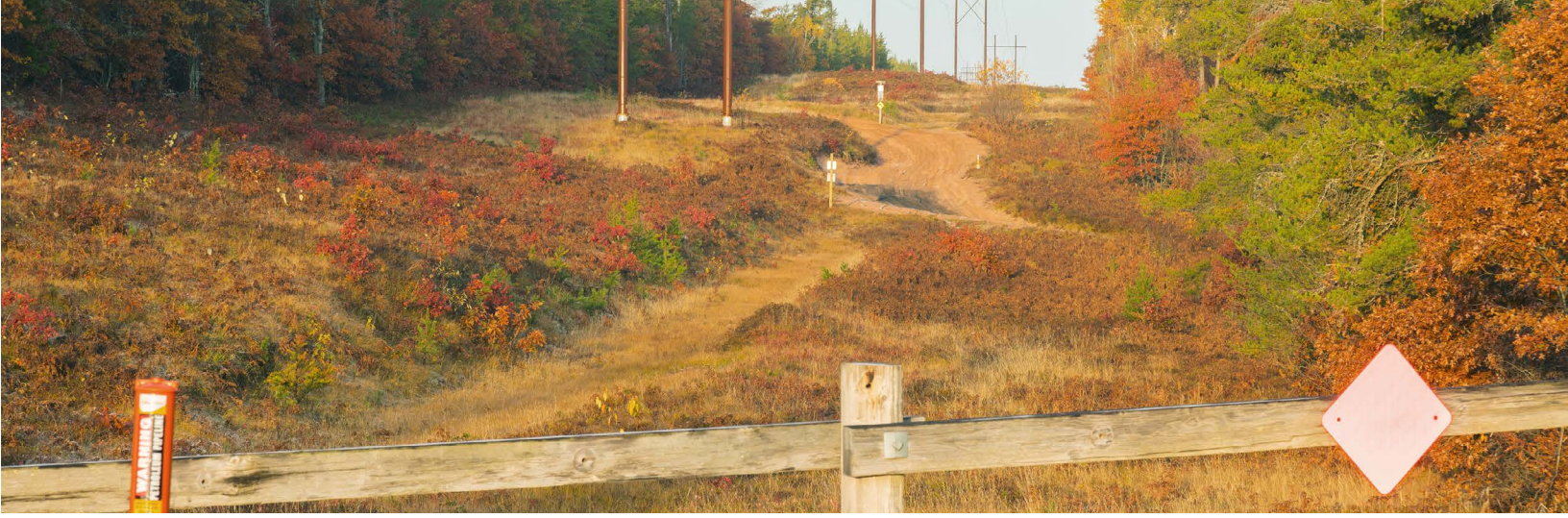
### SPOTLIGHT: Fueling quality of life: The Enbridge Energy Dashboards

The world needs energy. Enbridge exists to fuel people's quality of life—and we're using an all-of-the-above energy supply strategy to meet that growing demand.

Whether it's crude oil and liquids pipelines, natural gas gathering, transportation, processing and distribution services, or renewable power generation, we're connecting key supply basins and demand markets in North America with the energy that heats homes and businesses, powers industry and keeps people on the move.

Through four rotating dashboards on our website, we offer a real-time look at what we're doing today—to move the energy everyone needs, to fuel people's quality of life.





# Appendix

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In this section:

**Trade association memberships**

**Fines, penalties and violations**

**Process safety events**

**Content indices**

**Glossary**

# Trade association memberships

(Membership as of June 30, 2020)

GRI 415-1

In 2019, 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>		
Canada West Foundation	An independent, non-partisan public policy think tank that focuses on the policies that shape the West, and by extension, Canada.	An Enbridge representative is a member of an Advisory Council
Canadian Association of Petroleum Producers	Represents Canada's upstream oil and natural gas industry.	President & CEO serves on the CEO Oil Sands Council
Canadian Chamber of Commerce	Connects businesses from all sectors and regions of the country to advocate for public policies that will foster a strong, competitive economic environment that benefits businesses, communities and families across Canada.	President & CEO serves on advisory committee
Canadian Gas Association	Represents Canada's natural gas distribution industry. Members include distribution companies, transmission companies, equipment manufacturers and other service providers.	Enbridge Gas Vice President 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.	Enbridge Executive Vice President, GDS serves on the Board
<b>U.S.</b>		
American Gas Association	Represents more than 200 local energy companies that deliver clean-burning natural gas throughout the U.S.	Committee participation
American Petroleum Institute	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 Wind Energy Association	Represents 1,000 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.	An Enbridge representative is a member of an Advisory Council
Association of Oil Pipe Lines	Represents the interests of owners and operators of liquid pipelines in the U.S.	Executive Vice President & President, LP serves as the Chair of the Board
Interstate Natural Gas Association of America	Advocates regulatory and legislative positions of importance to the natural gas pipeline industry in North America, and initiates industry-wide safety and asset-integrity improvement efforts.	Executive Vice President & President, GTM served as Board Chair in 2019
Pipeline Research Council International	Represents the world's leading pipeline companies, and the vendors, service providers, equipment manufacturers and other organizations supporting our industry.	Vice President, Pipeline Integrity serves on the Board
Texas Pipeline Association	Provides effective advocacy on issues related to pipeline safety, environmental regulations, taxation and legislation and is the primary resource for information regarding the Texas pipeline industry.	Director, Commercial Services serves on the Board

# Fines, penalties and violations

In 2019, we remitted the following fines, penalties and violations:

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## **Pennsylvania Department of Environmental Protection (PADEP)**

In March 2019, Enbridge paid the PADEP a civil penalty of US\$13,800 concerning four Notices of Violation (Notice) issued to Texas Eastern Transmission, LP (Spectra Energy Partners, LP) on May 16, 2017 (Armagh Station), September 26, 2017 (Holbrook Station), October 17, 2017 (Delmont Station) and February 6, 2019 (Lilly Station). Three Notices outlined failure to comply with applicable Reasonable Available Control Technology II air compliance requirements at Armagh, Delmont and Holbrook stations on or before January 1, 2017. Notice to Lilly Station for failure to submit a 15-day prior notice for stack testing and monitoring on four dates between December 2016 and February 2018.

## **U.S. Department of Transportation (DOT) - Pipeline and Hazardous Materials Safety Administration (PHMSA)**

In October 2019, Enbridge paid the U.S. DOT a civil penalty of US\$75,600 as a result of a Notice of Probable Violation, Proposed Civil Penalty and Proposed Compliance Order issued by PHMSA to Texas Eastern Transmission, LP (Spectra Energy Partners, LP) on March 5, 2019. NOPV issued regarding inadequate cathodic protection levels for multiple test points on two pipeline segments dating back to 2015.

## **Federal Energy Regulatory Commission (FERC)**

In January 2019, Enbridge paid FERC a civil penalty US\$400,000 concerning an Order issued January 7, 2019 to Algonquin Gas Transmission (subsidiary of Spectra Energy Partners, LP). Order issued found Algonquin violated its Project Certificate when it entered a wetland area with construction equipment in an attempt to retrieve a broken drill stem in August 2016 before obtaining a required variance.

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# Process safety incidents

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We experienced three significant incidents on our natural gas transmission pipeline system in 2019.

## **Noble County, OH**

In January 2019, a rupture occurred on our Texas Eastern Pipeline in Noble County, OH. The rupture resulted in a fire that injured two people and damaged three nearby residences. We coordinated with and supported the PHMSA and the Public Utilities Commission of Ohio as the investigation progressed. Enbridge also conducted its own investigation. We returned all three pipelines to service following a completion of a comprehensive integrity assessment.

## **Danville, KY**

In August 2019, a rupture occurred on part of our Texas Eastern transmission pipeline system, near Danville, KY. This resulted in one fatality, several injuries and the destruction of a number of homes. The line was isolated, and the National Transportation Safety Board assumed control of the incident site and ensuing investigation, returning site control to Enbridge after eight days. We returned the two adjacent pipelines to the impacted line to service approximately one month later. Line 15 went back into service in March 2020.

## **Clay County, AR**

In November 2019, a rupture occurred on the Ozark Gas Transmission system in Clay County, AR as a result of a third-party damage in a drainage canal that crosses the pipeline. There were no injuries or fires associated with the release.

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Read more in the [2019 Safety Report to the Community](#).



# Content indices

GRI Standards: General Disclosures

SASB Standards: Oil & Gas - Midstream; Gas Utilities

GRI standard number	Disclosure number	Disclosure title	Page/link
GRI 102	102-1	Name of the organization	<a href="#">Enbridge</a>
GRI 102	102-2	Activities, brands, products and services	<a href="#">12</a>
GRI 102	102-3	Location of headquarters	<a href="#">12</a>
GRI 102	102-4	Location of operations	<a href="#">12</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="#">12, 69</a>
GRI 102	102-8	Information on employees and other workers	<a href="#">ESG Datasheet</a>
GRI 102	102-9	Supply chain	<a href="#">81</a>
GRI 102	102-10	Significant changes to the organization and its supply chain	<a href="#">81</a>
GRI 102	102-11	Precautionary principle or approach	<a href="#">7</a>
GRI 102	102-12	External initiatives	<a href="#">7, 28</a>
GRI 102	102-13	Membership of associations	<a href="#">25, 87</a>
GRI 102	102-14	Statement from senior decision-maker	<a href="#">4</a>
GRI 102	102-15	Key impacts, risks and opportunities	<a href="#">21, Annual Report</a>
GRI 102	102-16	Values, principles, standards and norms of behavior	<a href="#">23</a>
GRI 102	102-17	Mechanisms for advice and concerns about ethics	<a href="#">23</a>
GRI 102	102-18	Governance structure	<a href="#">18</a>
GRI 102	102-19	Delegating authority	<a href="#">18</a>
GRI 102	102-20	Executive-level responsibility for economic, environmental and social topics	<a href="#">18</a>
GRI 102	102-22	Composition of the highest governance body and its committees	<a href="#">18</a>
GRI 102	102-23	Chair of the highest governance body	<a href="#">18</a>
GRI 102	102-24	Nominating and selecting the highest governance body	<a href="#">Notice of 2020 Annual Meeting of Shareholders and Management Information Circular</a>
GRI 102	102-25	Conflicts of interest	<a href="#">28</a>
GRI 102	102-26	Role of highest governance body in setting purpose, values and strategy	<a href="#">Notice of 2020 Annual Meeting of Shareholders and Management Information Circular</a>
GRI 102	102-27	Collective knowledge of highest governance body	<a href="#">Notice of 2020 Annual Meeting of Shareholders and Management Information Circular</a>
GRI 102	102-28	Evaluating the highest governance body's performance	<a href="#">Notice of 2020 Annual Meeting of Shareholders and Management Information Circular</a>
GRI 102	102-30	Effectiveness of risk management process	<a href="#">21</a>
GRI 102	102-31	Review of economic, environmental and social topics	<a href="#">18</a>
GRI 102	102-32	Highest governance body's role in sustainability reporting	<a href="#">18</a>

GRI standard number	Disclosure number	Disclosure title	Page/link
GRI 102	102-33	Communicating critical concerns	23
GRI 102	102-34	Nature and total number of critical concerns	23
GRI 102	102-35	Remuneration policies	<a href="#">Notice of 2020 Annual Meeting of Shareholders and Management Information Circular</a>
GRI 102	102-36	Process for determining remuneration	<a href="#">Notice of 2020 Annual Meeting of Shareholders and Management Information Circular</a>
GRI 102	102-37	Stakeholders' involvement in remuneration	<a href="#">18, Notice of 2020 Annual Meeting of Shareholders and Management Information Circular</a>
GRI 102	102-40	List of stakeholder groups	10
GRI 102	102-42	Identifying and selecting stakeholders	10, 60
GRI 102	102-43	Approach to stakeholder engagement	10, 54, 60, 64
GRI 102	102-44	Key topics and concerns raised	54, 60
GRI 102	102-45	Entities included in the consolidated financial statements	7, <a href="#">Annual Report</a>
GRI 102	102-46	Defining report content and topic boundaries	8
GRI 102	102-47	List of material topics	8
GRI 102	102-48	Restatements of information	Some 2018 data has been revised over the previous CSR report, including Gas Transmission and Midstream Scope 1 emissions, Scope 2 emissions, methane, CACs and energy consumption, Liquids Pipeline Scope 2 emissions, CACs and energy consumption, Gas Distribution and Storage CACs, and Utility customers' natural gas consumption Scope 3 emissions. Asset integrity reportable Tier 1 and Tier 2 process safety events were corrected to reflect liquids and liquids systems only. Indigenous inclusion 2018 total spend was retrospectively adjusted to reflect a prior period revision.
GRI 102	102-49	Changes in reporting	7
GRI 102	102-50	Reporting period	7
GRI 102	102-51	Date of most recent report	<a href="#">2018 Sustainability Report: Building Connections</a>
GRI 102	102-52	Reporting cycle	7
GRI 102	102-53	Contact point for questions regarding the report	<a href="mailto:csr@enbridge.com">csr@enbridge.com</a>
GRI 102	102-54	Claims of reporting in accordance with the GRI Standards	7
GRI 102	102-55	GRI content index	90
GRI 102	102-56	External assurance	7

<b>GRI standard number</b>	<b>Disclosure number</b>	<b>Disclosure title</b>	<b>Page/link</b>
<b>Business ethics</b>			
GRI 307	307-1	Non-compliance with environmental laws and regulations	<a href="#">23, 88</a>
GRI 416	416-2	Incidents of non-compliance concerning the health and safety impacts of products and services	<a href="#">88</a>
GRI 419	419-1	Non-compliance with laws and regulations in the social and economic area	<a href="#">23</a>
<b>Political advocacy and accountability</b>			
GRI 415	415-1	Political contributions	<a href="#">25, 87</a>
<b>Climate change and the energy transition</b>			
GRI 103	103-1	Explanation of the material topic and its boundary	<a href="#">28</a>
GRI 103	103-2	The management approach and its components	<a href="#">28</a>
GRI 103	103-3	Evaluation of the management approach	<a href="#">28</a>
GRI 302	302-1	Energy consumption within the organization	<a href="#">28, ESG Datasheet</a>
GRI 302	302-2	Energy consumption outside of the organization	<a href="#">28, ESG Datasheet</a>
GRI 302	302-4	Reduction of energy consumption	<a href="#">28, ESG Datasheet</a>
GRI 305	305-1	Direct (Scope 1) GHG emissions	<a href="#">28, ESG Datasheet</a>
GRI 305	305-2	Energy indirect (Scope 2) GHG emissions	<a href="#">28, ESG Datasheet</a>
GRI 305	305-3	Other indirect (Scope 3) GHG emissions	<a href="#">28, ESG Datasheet</a>
<b>Local environmental impacts</b>			
GRI 103	103-1	Explanation of the material topic and its boundary	<a href="#">35</a>
GRI 103	103-2	The management approach and its components	<a href="#">35</a>
GRI 103	103-3	Evaluation of the management approach	<a href="#">35</a>
GRI 303	303-1	Interactions with water as a shared resource	<a href="#">35</a>
GRI 303	303-3	Water withdrawal	<a href="#">35, ESG Datasheet</a>
GRI 303	303-4	Water discharge	<a href="#">35, ESG Datasheet</a>
GRI 303	303-5	Water consumption	<a href="#">35, ESG Datasheet</a>
GRI 305	305-7	Nitrogen oxides (NOX), sulfur oxides (SOX) and other significant air emissions	<a href="#">35, ESG Datasheet</a>
GRI 306	306-2	Waste by type and disposal method	<a href="#">35, ESG Datasheet</a>
SASB	EM-MD-160a.1	Description of environmental management policies and practices for active operations	<a href="#">35</a>

<b>GRI standard number</b>	<b>Disclosure number</b>	<b>Disclosure title</b>	<b>Page/link</b>
<b>Safety</b>			
GRI 103	103-1	Explanation of the material topic and its boundary	<a href="#">40</a>
GRI 103	103-2	The management approach and its components	<a href="#">40</a>
GRI 103	103-3	Evaluation of the management approach	<a href="#">40</a>
GRI 403	403-1	Occupational health and safety management system	<a href="#">40</a>
GRI 403	403-2	Hazard identification, risk assessment and incident investigation	<a href="#">40</a>
GRI 403	403-3	Occupational health services	<a href="#">40</a>
GRI 403	403-5	Worker training on occupational health and safety	<a href="#">40</a>
GRI 403	403-7	Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	<a href="#">40</a>
GRI 403	403-8	Workers covered by an occupational health and safety management system	<a href="#">40</a>
GRI 403	403-9	Work-related injuries	<a href="#">43, ESG Datasheet</a>
GRI 403	403-10	Work-related ill health	<a href="#">43, ESG Datasheet</a>
<b>Asset integrity</b>			
GRI 103	103-1	Explanation of the material topic and its boundary	<a href="#">45</a>
GRI 103	103-2	The management approach and its components	<a href="#">45</a>
GRI 103	103-3	Evaluation of the management approach	<a href="#">45</a>
GRI 306	306-3	Significant spills	<a href="#">45, ESG Datasheet</a>
SASB	EM-MD-160a.4	Number and aggregate volume of hydrocarbon spills, volume in Arctic, volume in Unusually Sensitive Areas (USAs), and volume recovered	<a href="#">45, ESG Datasheet</a>
SASB	EM-MD-540a.1	Number of reportable pipeline incidents, percentage significant	<a href="#">45, ESG Datasheet</a>
SASB	EM-MD-540a.2	Percentage of (1) natural gas and (2) hazardous liquid pipelines inspected	<a href="#">45</a>
SASB	EM-MD-000.A	Total metric ton-kilometers of: (1) natural gas, (2) crude oil, and (3) refined petroleum products transported, by mode of Transport	<a href="#">45</a>
SASB	IF-GU-540a.1	Number of (1) reportable pipeline incidents, (2) Corrective Action Orders (CAO), and (3) Notices of Probable Violation (NOPV)	<a href="#">ESG Datasheet</a>
SASB	IF-GU-540a.4	Description of efforts to manage the integrity of gas delivery infrastructure, including risks related to safety and emissions	<a href="#">45</a>
SASB	IF-GU-000.C	Length of gas (1) transmission and (2) distribution pipelines	<a href="#">45</a>
<b>Emergency preparedness and response</b>			
GRI 103	103-1	Explanation of the material topic and its boundary	<a href="#">51</a>
GRI 103	103-2	The management approach and its components	<a href="#">51</a>
GRI 103	103-3	Evaluation of the management approach	<a href="#">51</a>
SASB	EM-MD-540a.4	Discussion of management systems used to integrate a culture of safety and emergency preparedness throughout the value chain and throughout project lifecycles	<a href="#">51</a>

GRI standard number	Disclosure number	Disclosure title	Page/link
<b>Community engagement</b>			
GRI 103	103-1	Explanation of the material topic and its boundary	<a href="#">60</a>
GRI 103	103-2	The management approach and its components	<a href="#">60</a>
GRI 103	103-3	Evaluation of the management approach	<a href="#">60</a>
GRI 413	413-1	Operations with local community engagement, impact assessments and development programs	<a href="#">60</a>
<b>Customer relations</b>			
GRI 418	418-1	Substantiated complaints concerning breaches of customer privacy and losses of customer data	<a href="#">64</a>
SASB	IF-GU-240a.1	Average retail gas rate for (1) residential, (2) commercial, (3) industrial customers and (4) transportation services only	<a href="#">ESG Datasheet</a>
SASB	IF-GU-240a.2	Typical monthly gas bill for residential customers for (1) 50 MMBtu and (2) 100 MMBtu of gas delivered per year	<a href="#">ESG Datasheet</a>
SASB	IF-GU-240a.3	Number of residential customer gas disconnections for non-payment, percentage reconnected within 30 days	<a href="#">ESG Datasheet</a>
SASB	IF-GU-240a.4	Discussion of impact of external factors on customer affordability of gas, including the economic conditions of the service territory	<a href="#">ESG Datasheet</a>
SASB	IF-GU-420a.1	Percentage of gas utility revenues from rate structures that (1) are decoupled or (2) contain a lost revenue adjustment mechanism (LRAM)	<a href="#">ESG Datasheet</a>
SASB	IF-GU-420a.2	Customer gas savings from efficiency measures by market	<a href="#">ESG Datasheet</a>
SASB	IF-GU-000.A	Number of: (1) residential, (2) commercial and (3) industrial customers served	<a href="#">ESG Datasheet</a>
SASB	IF-GU-000.B	Amount of natural gas delivered to: (1) residential customers, (2) commercial customers, (3) industrial customers and (4) transferred to a third party	<a href="#">ESG Datasheet</a>
<b>Building an energized team</b>			
GRI 102	102-41	Collective bargaining agreements	<a href="#">69, ESG Datasheet</a>
GRI 103	103-1	Explanation of the material topic and its boundary	<a href="#">69</a>
GRI 103	103-2	The management approach and its components	<a href="#">69</a>
GRI 103	103-3	Evaluation of the management approach	<a href="#">69</a>
GRI 401	401-1	New employee hires and employee turnover	<a href="#">ESG Datasheet</a>
GRI 401	401-3	Parental leave	<a href="#">ESG Datasheet</a>
GRI 404	404-1	Average hours of training per year per employee	<a href="#">ESG Datasheet</a>
GRI 404	404-2	Programs for upgrading employee skills and transition assistance programs	<a href="#">69</a>
GRI 405	405-1	Diversity of governance bodies and employees	<a href="#">69, ESG Datasheet</a>
GRI 405	405-2	Ratio of basic salary and remuneration of women to men	<a href="#">69, ESG Datasheet</a>

<b>GRI standard number</b>	<b>Disclosure number</b>	<b>Disclosure title</b>	<b>Page/link</b>
<b>Corporate citizenship</b>			
GRI 203	203-1	Infrastructure investments and services supported	<a href="#">77</a>
<b>Supply chain management</b>			
GRI 204	204-1	Proportion of spending on local suppliers	<a href="#">81</a>
GRI 301	301-1	Materials used by weight or volume	<a href="#">81</a>
GRI 301	301-2	Recycled input materials used	<a href="#">81</a>
SASB	IF-GU-540a.2	Percentage of distribution pipeline that is (1) cast and/or wrought iron and (2) unprotected steel	<a href="#">ESG Datasheet</a>
<b>Economic impacts</b>			
GRI 201	201-1	Direct economic value generated and distributed	<a href="#">83</a>

# Task Force on Climate-related Disclosure Index

These recommendations were released in June 2017. This index references where information that addressed the recommendations can be found within the 2019 Sustainability Report and 2018 Resilient Energy Infrastructure Report.

TCFD recommendations	Disclosures
<b>Strategy</b>	
Describe the climate-related risks and opportunities the organization has identified over the short, medium and long-term.	31 <a href="#">Resilient Energy Infrastructure Report pp. 4-17</a>
Describe the impact of climate-related risks and opportunities on the organization's business, strategy and financial planning.	31 <a href="#">Resilient Energy Infrastructure Report pp. 4-17</a>
Describe the resilience of the organization's strategy, taking into consideration different climate-related scenarios, including a 2 degree Celsius or lower scenario.	<a href="#">Resilient Energy Infrastructure Report pp. 4-17</a>
<b>Governance</b>	
Describe the board's oversight of climate-related risks and opportunities.	18 <a href="#">Resilient Energy Infrastructure Report pp. 18-19</a>
Describe management's role in assessing and managing climate-related risks and opportunities.	18 <a href="#">Resilient Energy Infrastructure Report pp. 19</a>
<b>Risk management</b>	
Describe the organization's processes for identifying and assessing climate-related risks.	21 <a href="#">Resilient Energy Infrastructure Report pp. 20-21</a>
Describe the organization's processes for managing climate-related risks.	21 <a href="#">Resilient Energy Infrastructure Report pp. 21</a>
Describe how processes for identifying, assessing and managing climate-related risks are integrated into the organization's overall risk management.	21 <a href="#">Resilient Energy Infrastructure Report pp. 21</a>
<b>Metrics and targets</b>	
Describe the targets used by the organization to manage climate-related risks and opportunities and performance against targets.	30 <a href="#">Resilient Energy Infrastructure Report pp. 22</a>
Disclose the metrics used by the organization to assess climate-related risks and opportunities in line with its strategy and risk management process.	30 <a href="#">Resilient Energy Infrastructure Report pp. 22-25</a>
Disclose Scope 1, Scope 2 and, if appropriate, Scope 3 GHG emissions and the related risks.	32 <a href="#">Resilient Energy Infrastructure Report pp. 22-25</a>

# Glossary of terms

## **Bcf**

Billion cubic feet. A common unit of measurement for natural gas.

## **bpd**

Barrels Per Day. BPD is equivalent to 0.0292 gallons per minute.

## **Carbon Dioxide (CO<sub>2</sub>)**

A naturally occurring gas, also a byproduct of burning fossil fuels from fossil carbon deposits, such as oil, gas and coal, of burning biomass and of land use changes and other industrial processes and principal anthropogenic greenhouse gas. It is the reference gas against which other greenhouse gases are measured and therefore has a Global Warming Potential of 1 CO<sub>2</sub> equivalent.

## **Carbon Dioxide Equivalent (CO<sub>2</sub>e)**

A unit of measurement that converts various greenhouse gas emissions on an equivalent basis to carbon dioxide.

## **CSR**

Corporate social responsibility

## **DART**

Days Away, Restricted or Transfers

## **DCF**

Distributable Cash Flow

## **DSM**

Demand Side Management. DSM programs consist of the planning, implementing, and monitoring activities of electric utilities which are designed to encourage consumers to modify their level and pattern of electricity usage.

## **E3RT**

Enbridge Enterprise Emergency Response Team

## **EBITDA**

Earnings Before Interest, Tax, Depreciation, and Amortization

## **EPA**

U.S. Environmental Protection Agency

## **EPP**

Environmental Protection Program

## **ERG**

Employee Resource Groups

## **GDS**

Gas distribution and storage

## **GTM**

Gas transmission and midstream

## **ICS**

Incident Command System

## **IEA**

International Energy Agency. IEA is an intergovernmental agency that helps to ensure energy security, track clean energy transitions, collect data, and provides training around the world.

## **kg**

kilograms

## **km**

Kilometer

## **LNG**

Liquefied natural gas

## **LP**

Liquids pipelines

## **M**

Million

## **m3**

Cubic meters

## **MSS**

Management System Structure

## **MW**

Megawatt

## **NOPV**

Notice of probable violation

## **NOV**

Notice of Violations. An NOV notifies the recipient that a regulatory agency believes the recipient committed one or more violations and provides instructions for coming into compliance.

## **NPC**

National Petroleum Council. The NPC is an American advisory committee representing the oil and natural gas industry views to the U.S. Secretary of Energy.

## **OIC**

Operations and Integrity Committee

## **PHMSA**

U.S. Department of Transportation, Pipeline and Hazardous Materials Safety Administration

## **PPA**

Power Purchase Agreement

## **RNG**

Renewable Natural Gas. Biogas – the gaseous product of the decomposition of organic matter – that has been processed to purity standards.

## **ROW**

Right-Of-Way. A ROW is a strip of land of varying widths that may contain one or more pipelines. The ROW allows oil or natural gas pipeline workers access for inspection, maintenance, testing or in an emergency; and identifies an area where certain activities are prohibited to protect public safety and the integrity of the pipeline.

## **SCM**

Supply chain management

## **Scope 1**

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

## **Scope 2**

Accounts for GHG emissions from the generation of purchased electricity consumed by the Company.

## **Scope 3**

Accounts for other indirect GHG emissions from sources that are not owned or controlled by the Company.

## **SERC**

Socio-Economic Requirements of Contractors

## **Tcf**

Trillion cubic feet

## **TCFD**

Task Force on Climate-related Financial Disclosures. TCFD is a market-driven initiative set up by the Financial Stability Board to develop a set of recommendations for voluntary and consistent climate-related financial risk disclosures in mainstream filings.

## **Tonnes**

Metric tons

## **TRIF**

Total Recordable Incident Frequency

## **USGC**

U.S. Gulf Coast



# Forward-looking information

Forward-looking information, or forward-looking statements, have been included in this report to provide information about us and our subsidiaries and affiliates, including management's assessment of our and our subsidiaries' future plans and operations. This information may not be appropriate for other purposes. Forward-looking statements are typically identified by words such as "anticipate", "believe", "estimate", "expect", "forecast", "intend", "likely", "plan", "project", "target" and similar words suggesting future outcomes or statements regarding an outlook. Forward-looking information or statements included in this report include, but are not limited to, statements with respect to the following: our corporate vision and strategy, including strategic priorities and enablers; the COVID-19 pandemic and the duration and impact thereof; the expected supply of, and demand for and prices of crude oil, natural gas, natural gas liquids, liquefied natural gas and renewable energy; anticipated utilization of our existing assets; expected future financial and operating performance; expected debt-to-EBITDA ratio; expected dividend growth; financial strength and flexibility; expectations on sources of liquidity and sufficiency of financial resources; expected strategic priorities and performance of the Liquids Pipelines, Gas Transmission and Midstream, Gas Distribution and Storage, Renewable Power Generation and Energy Services businesses; project execution, including capital costs, expected construction and in-service dates and regulatory approvals, and the benefits thereof; expected equity funding requirements for our commercially secured growth program; expected future growth and expansion opportunities; expected closing of acquisitions and dispositions and the timing thereof; expected benefits of transactions, including the realization of efficiencies and synergies; United States Line 3 Replacement Program; Line 5 related matters; our ESG priorities – climate change and energy transition, safety and asset integrity, community engagement and Indigenous inclusion, and an engaged and energized workforce – including our goals, approach and practices for each; the global energy future, including the factors and trends that are expected to shape it; the expected role of different energy sources and innovation in the transition to a lower-emission economy; our belief that we are positioned to help society transition to a lower-emission economy; our strategic priority to adapt to energy transition over time; our positioning to prepare for and manage risks and capture new opportunities presented by the energy transition; the dual challenge of meeting the energy needs of a growing global population while addressing climate change; our belief that our assets will remain critical to delivering reliable, affordable energy for many years to come; our belief that sustainability is essential to our long-term success; our belief that to meet our climate goals, we must find ways to produce and transport cleaner oil and gas, and at the same time concentrate on developing more renewable energy, improving energy efficiency and switching to lower carbon sources like natural gas; our Climate Policy and approach to diversification, innovation and reducing emissions; our development and anticipated disclosure of new GHG emissions reductions targets; our intent to refine our key indicators and set targets in our future reporting; our being in the process of obtaining third-party limited assurance over select 2018-2019 environmental data and that as a result, reported data is subject to change; our expectation to receive our final assurance report later this year and to post it to the Enbridge website; our intent to expand assurance of other key performance indicators over the next two years; our development of a harmonized plan for CAC reporting and our plan to provide our CAC numbers after third-party assurance is complete; our expected future reporting following our 2019 climate report; our ability to adjust our strategies and actions to reflect evolving expectations of stakeholders, technological advances and business and policy shifts; the expected resiliency of our assets and growth opportunities under climate change scenarios and climate change adaptation; our view that oil and gas will play a critical role in tackling global energy demand in the decades ahead; the role diversification and innovation by incumbent energy companies will play in the transition to a lower carbon future; our governance, policies, management practices and strategies to address the environmental, social and governance issues of greatest relevance to our business and our stakeholders; the effectiveness of our risk management strategies and activities, including in mitigating climate-related risks; our approach to minimizing and mitigating our impact on the environment; expected worldwide emissions reductions from replacing coal-fired power plants with gas-fired generation; our belief that natural gas is a key to a lower-carbon future; reducing GHG emissions from our own operations, helping customers reduce their energy use and GHG impact and investing in renewable energy assets and lower-carbon solutions; our belief that all incidents, injuries and occupational illnesses can be prevented; our safety culture and mindset and our safety, integrity management and emergency management programs and their effectiveness; our pursuit of innovation and technology solutions to drive higher levels of safety, reliability and productivity in how we deliver energy; our integrated management systems; our belief that our long-term success depends on engaging, understanding and forging meaningful dialogue and relationships with the people and communities living and working near our operations, including stakeholders and Indigenous groups; our supply chain management sustainability program; our diverse and inclusive workforce culture and our approach to attracting and retaining talent, employee development, diversity, equality and inclusion, including future initiatives; anticipated 2020 cost reductions; disciplined spending; and our positioning to continue delivering strong and growing results.

Although we believe these forward-looking statements are reasonable based on the information available on the date such statements are made and processes used to prepare the information, such statements are not guarantees of future performance and readers are cautioned against placing undue reliance on forward-looking statements. By their nature, these statements involve a variety of assumptions, known and unknown risks and uncertainties and other factors, which may cause actual results, levels of activity and achievements to differ materially from those expressed or implied by such statements. Material assumptions and risks include the following: the COVID-19 pandemic and the duration and impact thereof; the expected supply of and demand for crude oil, natural gas, natural gas liquids (NGL) and renewable energy; prices of crude oil, natural gas, NGL and renewable energy, including the current weakness and volatility of such prices; anticipated utilization of our existing assets; exchange rates; inflation; interest rates; availability and price of labor and construction materials; operational reliability; customer and regulatory approvals; maintenance of support and regulatory approvals for our projects; anticipated in-service dates; weather; the timing and closing of acquisitions and dispositions; the realization of anticipated benefits and synergies of transactions; governmental legislation; impact of our dividend policy on our future cash flows; our credit ratings; capital project funding; expected EBITDA; expected earnings/(loss); expected future cash flows; expected distributable cash flow; estimated future dividends; energy transition to lower-emission economy; the development and performance of technology and new energy efficient products, services and programs; and long-term energy future scenarios. Assumptions regarding the expected supply of and demand for crude oil, natural gas, NGL and renewable energy, and the prices of these commodities, are material to and underlie all forward-looking statements, as they may impact current and future levels of demand for our services. Similarly, exchange rates, inflation 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 forward-looking statements. Due to the interdependencies and correlation of these macroeconomic factors, the impact of any one assumption on a forward-looking statement cannot be determined with certainty, particularly with respect to expected EBITDA, expected earnings/(loss), expected future cash flows, expected distributable cash flow or estimated future dividends.

The most relevant assumptions associated with forward-looking statements on announced projects and projects under construction, including estimated completion dates and expected capital expenditures, include the following: the availability and price of labor and construction materials; the effects of inflation and foreign exchange rates on labor and material costs; the effects of interest rates on borrowing costs; the impact of weather and customer, government and regulatory approvals on construction and in-service schedules and cost recovery regimes; and the COVID-19 pandemic and the duration and impact thereof.

Our forward-looking statements are subject to risks and uncertainties pertaining to the successful execution of our strategic priorities, operating performance, regulatory parameters, changes in regulations applicable to our business, acquisitions, dispositions and other transactions, our dividend policy, project approval and support, renewals of rights-of-way, weather, economic and competitive conditions, public opinion, changes in tax laws and tax rates, changes in trade agreements, exchange rates, interest rates, commodity prices, political decisions, supply of and demand for commodities, and the COVID-19 pandemic and the duration and impact thereof, including but not limited to those risks and uncertainties discussed in our applicable filings with Canadian and United States securities regulators (including our most recently filed Form 10-K and any subsequently filed Form 10-Q, as applicable). The impact of any one risk, uncertainty or factor on a particular forward-looking statement is not determinable with certainty as these are interdependent and our future course of action depends on management's assessment of all information available at the relevant time. Except to the extent required by applicable law, Enbridge Inc. assumes no obligation to publicly update or revise any forward-looking statement made in this report or otherwise, whether as a result of new information, future events or otherwise. All forward-looking statements, whether written or oral, attributable to us or persons acting on our behalf, are expressly qualified in their entirety by these cautionary statements.

# Non-GAAP financial measures

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This report also makes reference to non-GAAP financial measures, including distributable cash flow (DCF), DCF per share, and adjusted earnings before interest, taxes, depreciation and amortization (adjusted EBITDA). Management believes the presentation of these metrics gives useful information to investors and shareholders as they provide increased transparency and insight into the performance of the Company. Adjusted EBITDA represents EBITDA adjusted for unusual, infrequent or other non-operating factors on both a consolidated and segmented basis. Management uses adjusted EBITDA to set targets and to assess the performance of the Company and its business units. DCF is defined as cash flow provided by operating activities before the impact of changes in operating assets and liabilities (including changes in environmental liabilities) less distributions to noncontrolling interests and redeemable noncontrolling interests, preference share dividends and maintenance capital expenditures, and further adjusted for unusual, infrequent or other non-operating factors.

Management also uses DCF to assess the performance of the Company and to set its dividend payout target. Reconciliations of forward-looking non-GAAP financial measures to comparable GAAP measures are not available due to the challenges and impracticability with estimating some of the items, particularly certain contingent liabilities, and non-cash unrealized derivative fair value losses and gains which are subject to market variability. Because of those challenges, a reconciliation of forward-looking non-GAAP financial measures is not available without unreasonable effort. Our non-GAAP measures referred to above are not measures that have standardized meaning prescribed by generally accepted accounting principles in the United States of America (U.S. GAAP) and are not U.S. GAAP measures. Therefore, these measures may not be comparable with similar measures presented by other issuers. For the year ended December 31, 2019, these non-GAAP measures are defined and reconciled to comparable GAAP measures in Enbridge's news release of February 14, 2020 entitled "Enbridge Inc. Reports Strong Fourth Quarter & Full Year 2019 Results", which is available on [enbridge.com](http://enbridge.com) and filed on SEDAR at [www.sedar.com](http://www.sedar.com) and EDGAR at [www.sec.gov](http://www.sec.gov) under Enbridge's profile.

# Contact us

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If you have any inquiries concerning the 2019 Sustainability Report and/or the 2019 [ESG Datasheet](#), please contact [csr@enbridge.com](mailto:csr@enbridge.com).

If you have any investment-related inquiries, please contact Enbridge Investor Relations at [investor.relations@enbridge.com](mailto:investor.relations@enbridge.com) or toll-free 1-800-481-2804.

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

Telephone: 1-403-231-3900  
Facsimile: 1-403-231-3920  
[enbridge.com](http://enbridge.com)