

INVESTORS *for* PARIS COMPLIANCE

December 2, 2021

Corporate Secretary, Enbridge Inc.
200, 425 – 1st Street SW, Calgary,
Alberta, Canada T2P 3L8
corporatesecretary@enbridge.com

To Whom It May Concern:

Please accept this shareholder proposal for consideration at the next annual shareholder's meeting.

This proposal is submitted by shareholder DI Foundation at #3-530 Trutch Street, Victoria, BC, V8V 4C4 who hold 75 shares that have been held for over six months. They have held shares that exceed the threshold for filing a proposal since 2019. We are happy to provide proof of ownership if requested.

DI Foundation is represented in this matter by Investors for Paris Compliance, an organization dedicated to shareholder advocacy at 185-911 Yates St, Suite 561, Victoria, BC, V8V 4Y9 For further correspondence regarding the proposal, please direct communications to the signatory below at duncan@investors4paris.com or at 403-999-2036. We are open to dialogue on the proposal.

Yours sincerely,



Duncan Kenyon

Director, Corporate Engagement

Enclosure: shareholder proposal

Science-Based Net Zero Target

Resolved: Shareholders request that Enbridge by the end of 2022 strengthen its net zero commitment such that the commitment is consistent with a science-based, net zero target.

Supporting Statement

Achieving net zero represents a significant challenge and opportunity for Enbridge and requires a commitment to transform its business. A science-based, net zero commitment illustrates to investors and other stakeholders that Enbridge understands the financial and reputation risks, and the opportunities that exist in the fast-paced transition to a low carbon economy.

As the Climate Action 100+ report on Enbridge¹ shows, the company has made a first step towards a 2050 net zero target. But to be consistent with the principles of a science-based net zero commitment Enbridge needs to strengthen its net zero commitment. Clear guidance is emerging in new standards (e.g. Net Zero Standard for Oil and Gas², The Science Based Targets initiative³) on what needs to be included in credible, science-based net zero commitments:

- Align capital expenditures with a science-based net zero target
- Account for all Scope 3 emissions (from the value chain)⁴
- Develop an absolute ghg emission reduction target for 2030
- Develop, communicate, and implement a decarbonisation strategy

A science-based net zero commitment is critical in illustrating that Enbridge understands that the change occurring in our energy systems must be much swifter and transformative than commonly understood. For example, the IEA's World Energy Outlook 2021⁵ states net zero means "no new oil and gas fields are required beyond those already approved for development" in conjunction with a historic investment surge in clean technologies with a significant role for the oil and gas industry's expertise as it "fits well with technologies such as hydrogen; carbon capture, utilization and storage; and offshore wind⁶."

Currently, Enbridge's net zero commitment falls short in the following ways:

- Capital investment is still heavily weighted towards gas and liquids infrastructure⁷ while only being "positioned for low-carbon opportunities⁸"
- Use of an intensity-based target for 2030 instead of an absolute one

¹ <https://www.climateaction100.org/company/enbridge-inc/>

² <https://www.iigcc.org/resource/net-zero-standard-for-oil-and-gas-companies/>

³ <https://sciencebasedtargets.org/>

⁴ SBTi recommends scope 3 emissions be included for companies with scope 3 emissions that represent >40% of overall emissions <https://sciencebasedtargets.org/resources/files/SBTi-criteria.pdf>

⁵ <https://www.iea.org/reports/world-energy-outlook-2021>

⁶ <https://www.iea.org/reports/net-zero-by-2050>

⁷ 2021-23 capital investment: 31%: liquids pipelines: 50% gas transmission and distribution; and 19% renewable power generation https://www.enbridge.com/investment-center/reports-and-sec-filings/~media/Enb/Documents/Investor%20Relations/2021/2021_Q3_Supplemental_Package_FINAL.pdf

⁸ Enbridge Investment Community Presentation (August 2021)

<https://www.enbridge.com/~media/Enb/Documents/Investor%20Relations/2021/Enbridge%20Investment%20Community%20Presentation%20August%202021.pdf>

- Failure to adequately measure and target Scope 3 emissions in its net zero commitment. (Enbridge measures avoidance of some Scope 3 emissions but does not measure Scope 3 emissions)⁹.

As North America's largest midstream company, Enbridge needs to lead by developing a science-based net zero commitment that would illustrate to investors and stakeholders that the company understands the risks, opportunities, and speed of the transition to a low carbon energy system.

We urge shareholders to vote FOR this proposal.

⁹ https://www.enbridge.com/~media/Enb/Documents/About%20Us/Net_Zero_by_2050.pdf?la=en