

August 21, 2024

Ms. Jemec,

I am writing in response to your correspondence dated July 20, 2024 related to Export Development Canada's support to Enbridge Inc.

First, let me reassure you that EDC understands the urgency in taking climate action and we are committed to advancing a low-carbon economy, while fulfilling our mandate of supporting Canada's exporters across all sectors and enhancing Canada's competitiveness. We have shared your submission internally to be considered as an input in our ongoing due diligence processes. While we are not able to discuss individual transactions beyond the information that is publicly available, we are keen to maintain an open dialogue with civil society, including through our annual roundtable discussions.

As Canada's export credit agency, we have a key role to play in promoting and supporting the global energy transition. Our approach is two-fold: we aim to provide the financial support traditional energy producers require to help decarbonize their operations through greater adoption of cleantech solutions, and we are also focused on growing our support for renewable power generation and other alternative energy sources as they increasingly become part of the mainstream energy mix.

As part of our commitment to the Government of Canada's carbon reduction plans, our own commitment to achieve net zero by 2050, and our adherence to the Glasgow Statement, as of January 1, 2023, EDC no longer provides new direct financing to the unabated international fossil fuel sector. Moreover, beyond the scope of the Glasgow Statement, we are no longer providing new indirect business support (i.e., insurance, bonding, guarantees) for Canadian exporters' international upstream and downstream operations. EDC continues to provide support to US subsidiaries of Canadian midstream O&G companies in specific cases where the pipeline infrastructure is carrying 100% Canadian oil and gas and is physically connected to the Canadian infrastructure.

We continue to make progress towards our net zero commitments, including in the following ways: by the end of 2023 we surpassed our climate goal of reducing exposure in six of our most carbon-intensive sectors by 45% from 2018 levels, achieving a reduction of 69%. In addition, we exceeded our cleantech target—of facilitating \$10 billion in business in 2025—two years early, reaching a record high of \$12.2 billion in business facilitated compared to \$8.8 billion in 2022. Our support for the renewable power generation sector increased 41% year-over-year, representing \$8.9 billion of our cleantech support in 2023 which was driven by an increase in support for wind and solar power projects.

EDC's support for traditional production of the domestic oil and gas sector (i.e., outside our support for renewables and decarbonization solutions) has been declining steadily for several years as reflected in our recent Integrated Annual Report and [Climate Related Disclosure \(page 15\)](#). While accountable for a significant portion of Canada's emissions, this sector remains critical to Canada's economy and is expected to remain so during the transition to a low-carbon future. As a result, we are supporting Canadian companies in the oil and gas industry as they innovate to reduce their emissions and we proactively seek opportunities to extend our support for cleantech and sustainable practices (for example, over the last two years, we provided \$540M in direct cleantech financing to this sector).

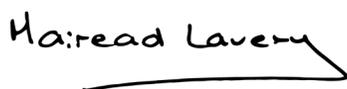
In accordance with our Transparency and Disclosure Policy, EDC discloses all of its signed individual financing transactions within 90 days of signing. For the latest disclosure details on Enbridge, please refer to our [individual transaction disclosures webpage](#). It should be noted that EDC's recent disclosure on Enbridge (in the \$200-\$300M range) renews financing initially disclosed in 2019 which relates to working capital support and general corporate purposes linked to transportation and storage. In 2022, EDC and Enbridge also put in place a financing facility (in the \$400-500M range) to help the company with installation of on-site solar energy panels and provide a renewable source of power for some of their operations. This financing reflects how we are shifting our focus and working with customers to support them in their decarbonization efforts.

For additional information on the cumulative climate impact of our financing portfolio, we invite you to refer to our most recent [Integrated Annual Report](#) and our fifth annual [Climate-related Disclosure](#). These reports outline our progress on implementing the reporting recommendations of the Task Force on Climate-related Financial Disclosures (TCFD).

We will continue to engage and align with the Government of Canada as it develops its policies and we will continue to actively contribute to Canada's transition to a low-carbon economy.

Thank you again for raising your concerns and sharing your perspectives with us.

Sincerely,



Mairead Lavery  
President and Chief Executive Officer

c.c. Hon. Chrystia Freeland, Deputy Prime Minister & Minister of Finance  
Hon. Mary Ng, Minister of Export Promotion, International Trade and Economic Development  
Hon. Ryan Turnbull, Parliamentary Secretary to the Deputy Prime Minister and Minister of Finance and Parliamentary Secretary to the Minister of Innovation, Science and Industry