

# Bridge to the Energy Future



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## Q1 Financial Results & Business Update

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## Non-GAAP Measures

This presentation makes reference to non-GAAP measures, including adjusted earnings before interest, income taxes, depreciation and amortization (adjusted EBITDA), adjusted earnings/(loss), adjusted earnings/(loss) per share, distributable cash flow (DCF) and DCF per share. Management believes the presentation of these measures gives useful information to investors and shareholders as they provide increased transparency and insight into the performance of Enbridge. Adjusted EBITDA represents EBITDA adjusted for unusual, non-recurring or 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. Adjusted earnings represent earnings attributable to common shareholders adjusted for unusual, non-recurring or non-operating factors included in adjusted EBITDA, as well as adjustments for unusual, non-recurring or non-operating factors in respect of depreciation and amortization expense, interest expense, income taxes, noncontrolling interests and redeemable noncontrolling interests on a consolidated basis. Management uses adjusted earnings as another reflection of the Company's ability to generate earnings. DCF is defined as cash flow provided by operating activities before changes in operating assets and liabilities (including changes in environmental liabilities) less distributions to non-controlling interests and redeemable non-controlling interests, preference share dividends and maintenance capital expenditures, and further adjusted for unusual, non-recurring or non-operating factors. Management also uses DCF to assess the performance 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 with estimates for certain contingent liabilities, and estimating non-cash unrealized derivative fair value losses and gains and ineffectiveness on hedges which are subject to market variability and therefore a reconciliation is not available without unreasonable effort.

These measures are not measures that have a standardized meaning prescribed by generally accepted accounting principles in the United States of America (U.S. GAAP) and may not be comparable with similar measures presented by other issuers. A reconciliation of non-GAAP measures to the most directly comparable GAAP measures is available on Enbridge's website. Additional information on non GAAP measures may be found in Enbridge's earnings news releases on Enbridge's website and on EDGAR at [www.sec.gov](http://www.sec.gov) and SEDAR at [www.sedar.com](http://www.sedar.com) under Enbridge's profile.

# Agenda

- Business Priorities Update
  - Enhancing returns
  - Executing secured capital program
  - Advancing organic opportunity set
- Capital Allocation Priorities
- Financial Results & Outlook

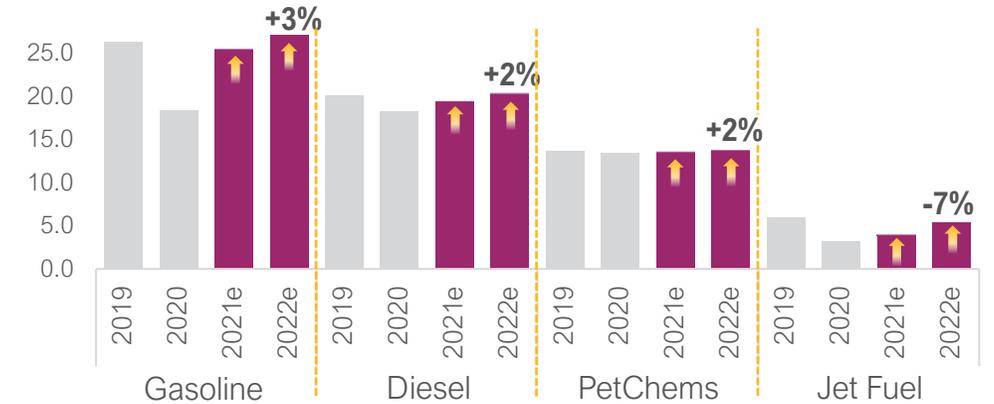


# Global Energy Demand Accelerating

- Vaccination roll-out gaining steam
- \$20+ trillion in global stimulus programs incentivising economic activity<sup>1</sup>
- Historically low interest rates; inflation picking up
- Global economic growth accelerating
  - GDP growth 5.5% in 2021<sup>1</sup>
  - Trade to increase 8% in 2021<sup>2</sup>

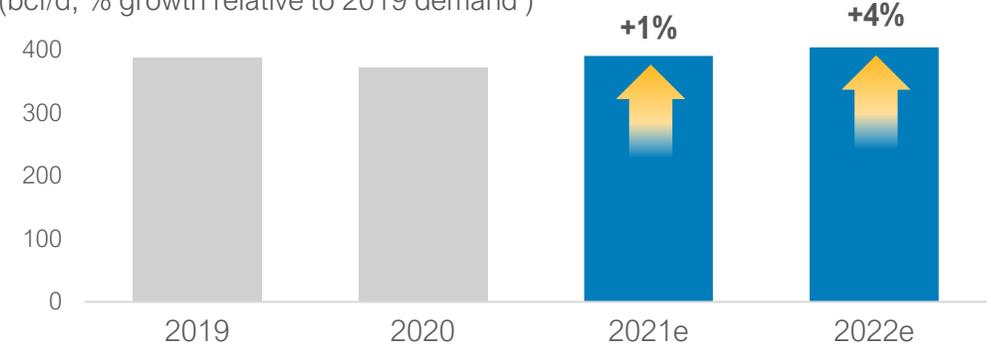
## Global Crude Refined Product Demand<sup>3</sup>

(mmbpd, % growth relative to 2019 demand)



## Global Natural Gas Demand<sup>4</sup>

(bcf/d, % growth relative to 2019 demand)

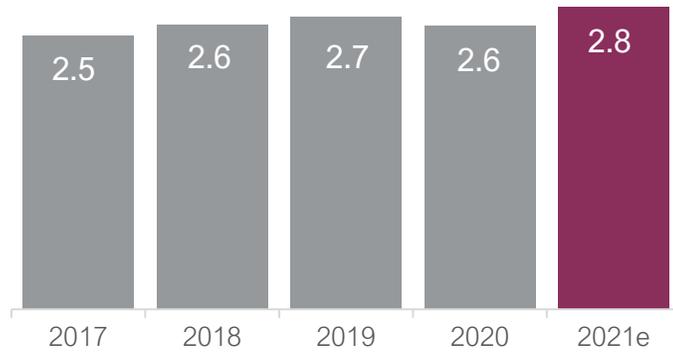


Global energy demand recovery accelerating; Return to 2019 levels by 2022

# Resilient Utility-Like Performance

## Liquids Pipelines

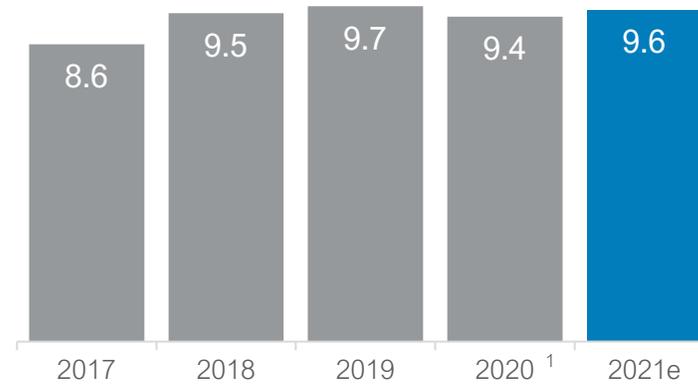
(Liquids Mainline Throughput, mmbpd)



- Serve **>12MM** bbls of refining capacity
- N.A customers globally competitive
- Growing export market connections
- Competitive tolls & largest scale network

## Gas Transmission

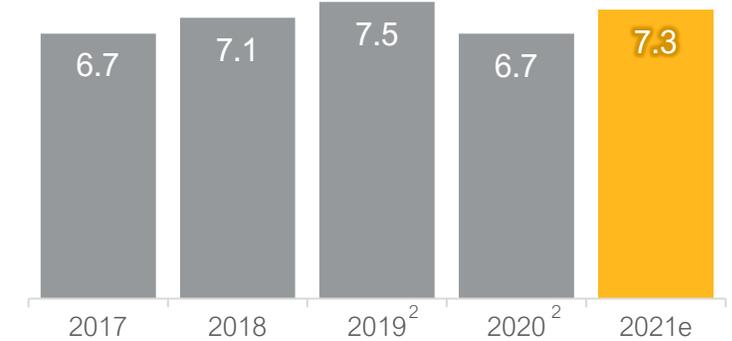
(Texas Eastern Daily System Deliveries, Bcf/d)



- Serve **>170MM** people in regional markets
- Last mile connectivity & market diversity
- Large regional export market position
- Competitive tariffs and scale

## Gas Distribution & Storage

(Winter system deliveries Bcf/d)



- Serves **>14MM** people in utility franchise
- Direct connection to end-use
- Essential for heating & industrial use
- 60%+ cost advantage to alternatives

The strategic positioning of our assets and low risk commercial underpinnings will drive reliable and growing cash flows for a long time to come

(1) 2020 throughput was impacted by pressure restrictions related to system-wide integrity program in Q2 & Q3 (2) 2019 volumes were higher on colder than normal weather, while 2020 volumes were lower on warmer than normal weather

# Approach to Energy Transition

## N.A. Export Strategy



- Positioned to meet crude and LNG export demand
- Increasing export terminal connectivity
- Developing full path crude solutions

## Modernize the Base



- Multi year modernization program on GTM assets
- Optimize system throughput
- Investment in emissions reduction

## Renewable Power Investments



- Visible offshore wind growth portfolio
- Solar self-powering investments
- Development and operations capabilities

## Low-Carbon Opportunities



- Early investment in H<sub>2</sub>, RNG, & CNG
- Exploring CCUS opportunities
- Digital technology

Energy transition strategies are enabled by leading ESG performance and differentiated offerings

# Strengthening Our Base Business

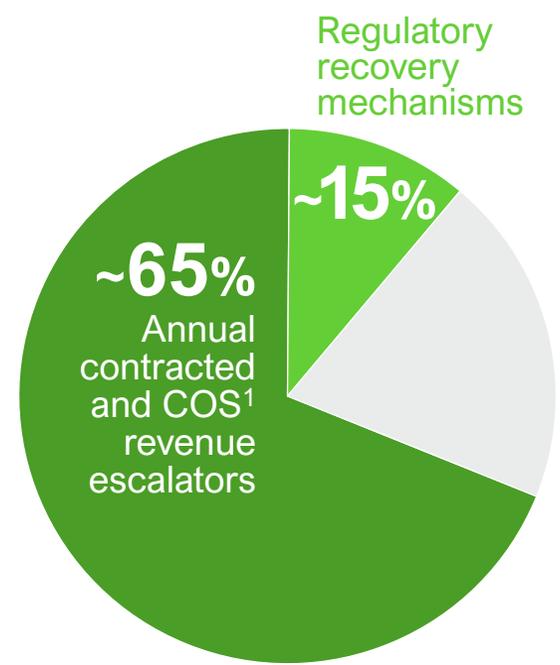
## Regulatory Updates

✓	Texas Eastern	• + ~C\$125MM EBITDA
✓	Algonquin	• + ~C\$25MM EBITDA
✓	BC Pipeline	• + ~C\$10MM EBITDA
✓	M&N U.S.	• Minimal EBITDA impact
In Progress	Alliance U.S.	• Customer settlement awaiting FERC approval
	East Tennessee	• Settlement in principle; Filing for FERC approval
	Mainline Contracting	• Oral hearing begins May 19 <sup>th</sup>

## Productivity Improvements



## Built-in Revenue Escalators (% of EBITDA)



Advancing regulatory strategy and improving productivity

(1) Cost-of-service

# Secured Capital Program Drives \$2B EBITDA Growth

	Project	Expected ISD	Spent to Date <sup>1</sup> (\$B)	Capital (\$B)
Liquids Pipelines	Line 3R – U.S. Portion	2021	2.8 USD	4.0 USD
	Southern Access Expansion	2021	0.5 USD	0.5 USD
	Other Expansions	2021	0.1 USD	0.1 USD
Gas Transmission	Modernization Program	2021-2023	0.2 USD	2.1 USD
	T-South Expansion	2021	0.8 CAD	1.0 CAD
	Spruce Ridge	2021	0.3 CAD	0.5 CAD
	Other Expansions	2021-2023	0.3 USD	0.8 USD
Gas Distribution & Storage	Utility Growth Capital	2021-2023	0.1 CAD	3.2 CAD
Renewable Power	East-West Tie-Line	2022	0.1 CAD	0.2 CAD
	Solar Self-Powering (Liquids) <b>(New)</b>	2022	-	0.1 USD
	Saint-Nazaire Offshore <sup>2</sup>	2022	0.3 CAD	0.9 CAD
	Fécamp Offshore <sup>2</sup>	2023	0.2 CAD	0.7 CAD
	Calvados Offshore <sup>2</sup> <b>(New)</b>	2024	-	0.9 CAD

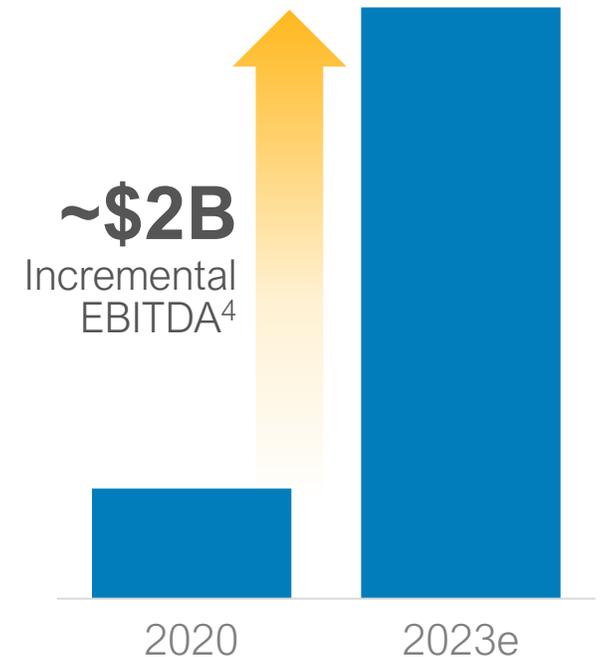
## Total 2021-2023 Secured Capital Program

Capital Spent to Date

**\$17B<sup>3</sup>**

\$ ~7B

## Incremental EBITDA Growth from Secured Projects



Diversified capital program generates highly visible cash flow growth through 2023;  
\$10 billion to be placed into service in 2021

(1) Expenditures as of March 31, 2021. (2) Project is financed primarily through non-recourse project level debt. Enbridge's equity contribution will be \$0.2 for Saint-Nazaire and \$0.1 for Fécamp. Reflects the sale of 49% of our interest in the project to CPP Investments which closed in the first quarter of 2021. (3) Rounded, USD capital has been translated to CAD using an exchange rate of \$1 U.S. dollar = \$1.30 Canadian dollars. Euro capital has been translated to CAD using and exchange rate of €1 Euro = \$1.55 Canadian dollars. (4) Incremental EBITDA in 2021 through 2023.

# Construction Progress on Secured Capital Program

## Gas Transmission

**\$5B** in execution through 2023



- \$3B planned for 2021 in-service
- T-South & Spruce Ridge expansions
- Annual modernization program

## Gas Distribution & Storage

**\$3B** in execution through 2023



- Growth capital deployment on track
- Target 45k customer adds in 2021
- No major delays due to COVID-19

## Renewable Power

**\$3B** in execution through 2023



- First St.-Nazaire foundation install in Q2
- Installation of base slabs at Fécamp
- On schedule for 2022-2023 ISDs

Construction execution progressing well across the business

# Line 3 Replacement Update

- Parallel execution on 5 spreads and 8 facilities on schedule
- Planned pipeline construction pause (April-early June)
- Strong Covid-19 protocols
- Local social & economic value
  - Over 5,000 jobs created
  - ~US\$180MM of Tribal spending
- Toll surcharge increases to US\$0.935/bbl<sup>1</sup> including terminal charges post in-service

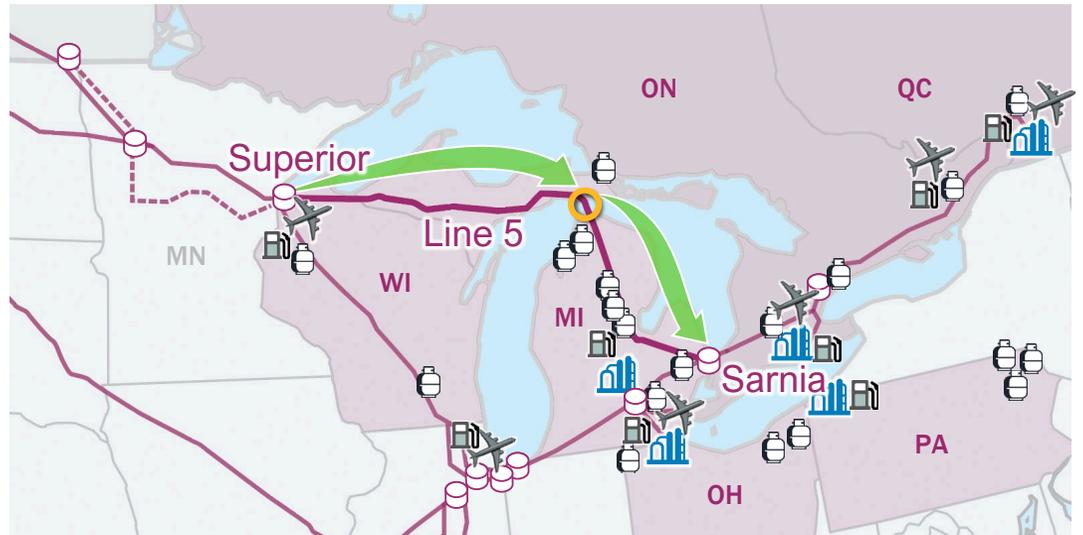


On track for targeted Q4 in-service

(1) Currently collecting the interim surcharge of US\$0.20/barrel in Canada and the US\$0.04/barrel in terminal charges

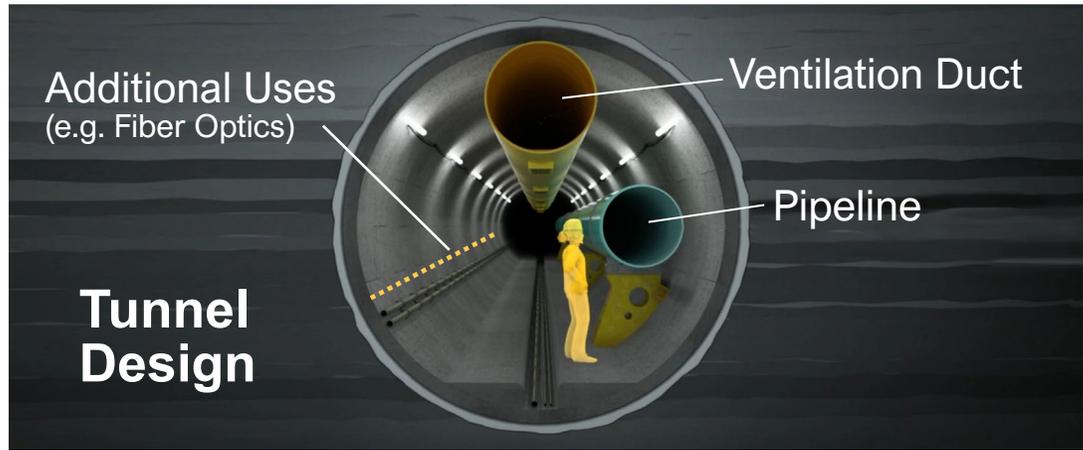
# Line 5 Update

## Critical Infrastructure



- Delivers **540** kbpd of crude and NGLs
- Provides **45%** of region's<sup>1</sup> gas, diesel, jet fuel and propane
- Supplies **55%** of Michigan propane demand
- Ships **80%** of Michigan-produced crude

## Great Lakes Tunnel Project



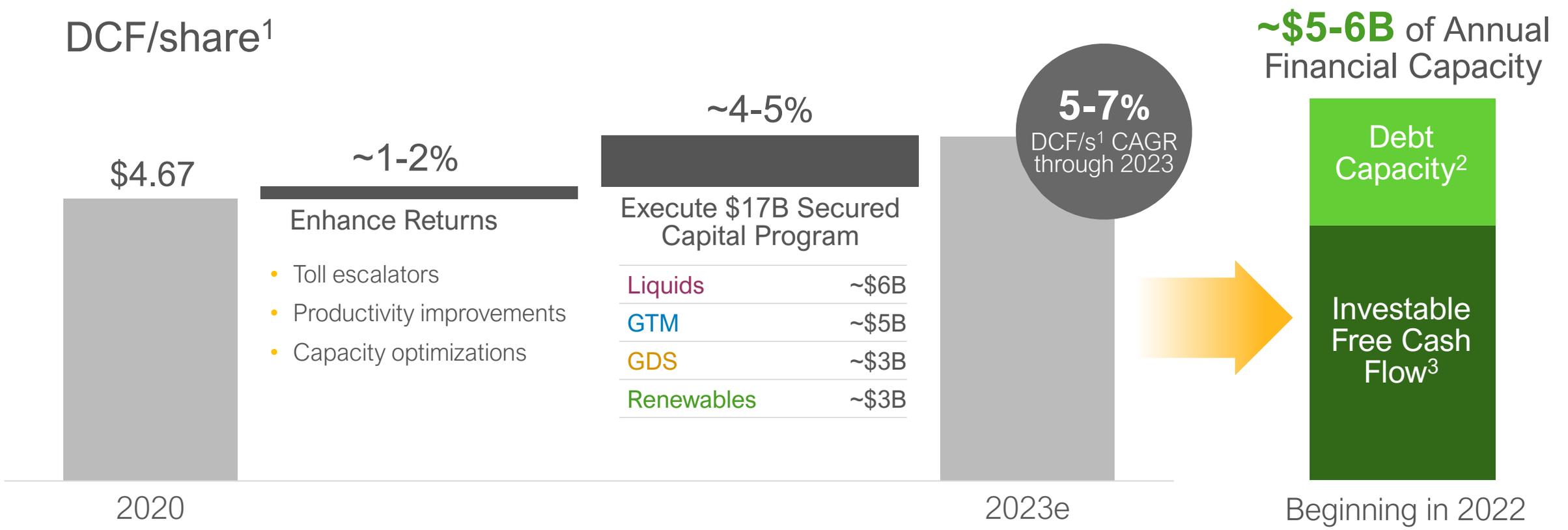
- State Permitting:**
- ✓ EGLE<sup>2</sup> Permits Awarded
  - MPSC<sup>3</sup> Approval (*In Progress*)
- 
- Federal Permitting:**
- USACE<sup>4</sup> permit (*In Progress*)
- 
- Contracting:**
- ✓ Engineering & Design Phase
  - Preparation for Construction Phase (*Commencing*)

Committed to ensuring the safe and reliable delivery of essential energy supply

(1) Surrounding region includes Wisconsin, Indiana, Ohio, Pennsylvania, Ontario and Quebec (2) Michigan Department of Environment, Great Lakes and Energy (3) Michigan Public Service Commission (4) U.S. Army Corps of Engineers

# 3 Year Cash Flow Growth Outlook (2021-2023)

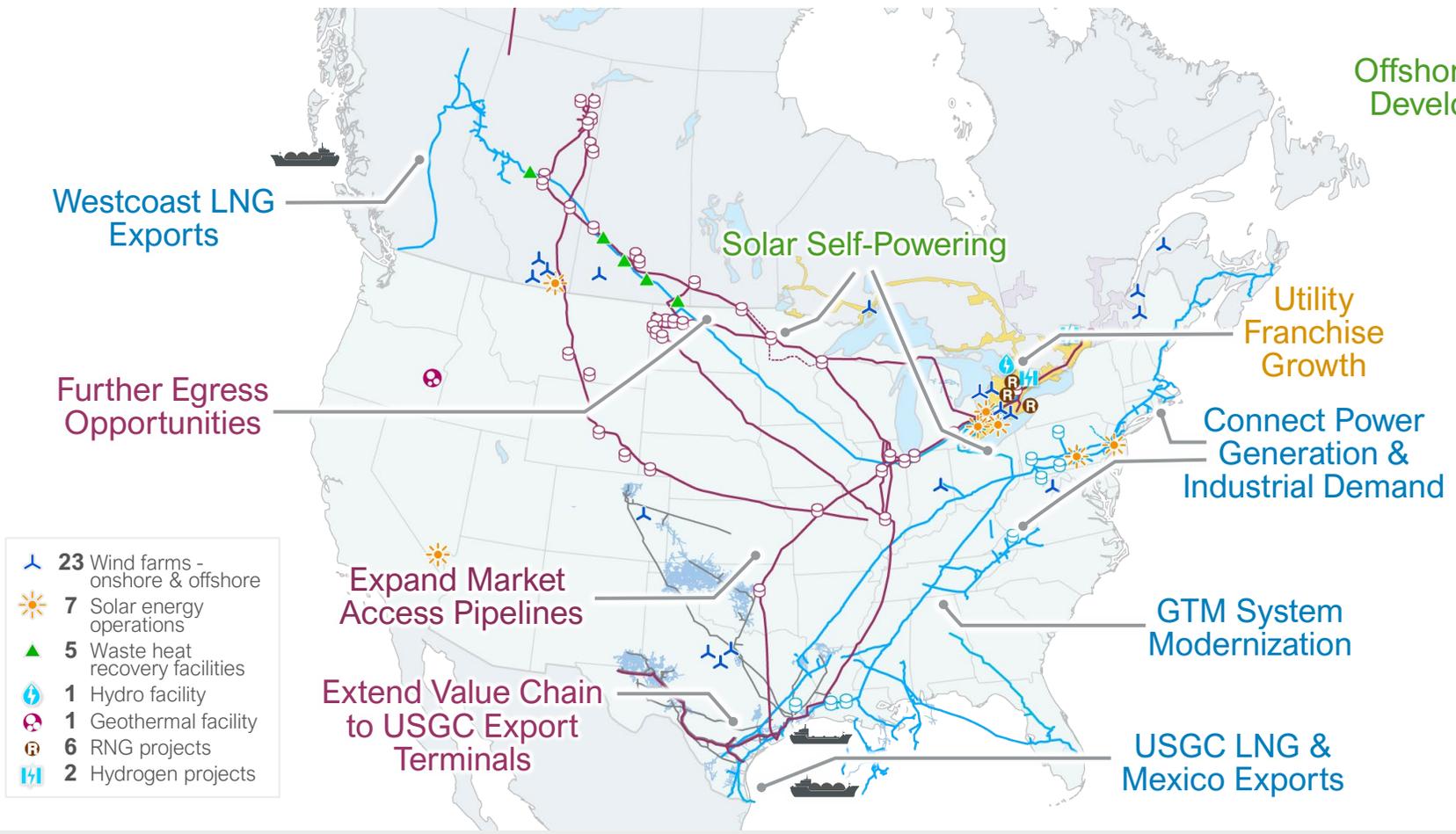
DCF/share<sup>1</sup>



Our robust execution in 2021 is a catalyst for our 3-year financial outlook

(1) DCF/share is a non-GAAP measure. Reconciliations to GAAP measures can be found at [www.enbridge.com](http://www.enbridge.com). (2) Incremental debt capacity from EBITDA generated by investment of free cash flow. (3) Investable cash flow is defined as distributable cash flow, net of common share dividend requirements.

# Post-2023 Organic Opportunity Set



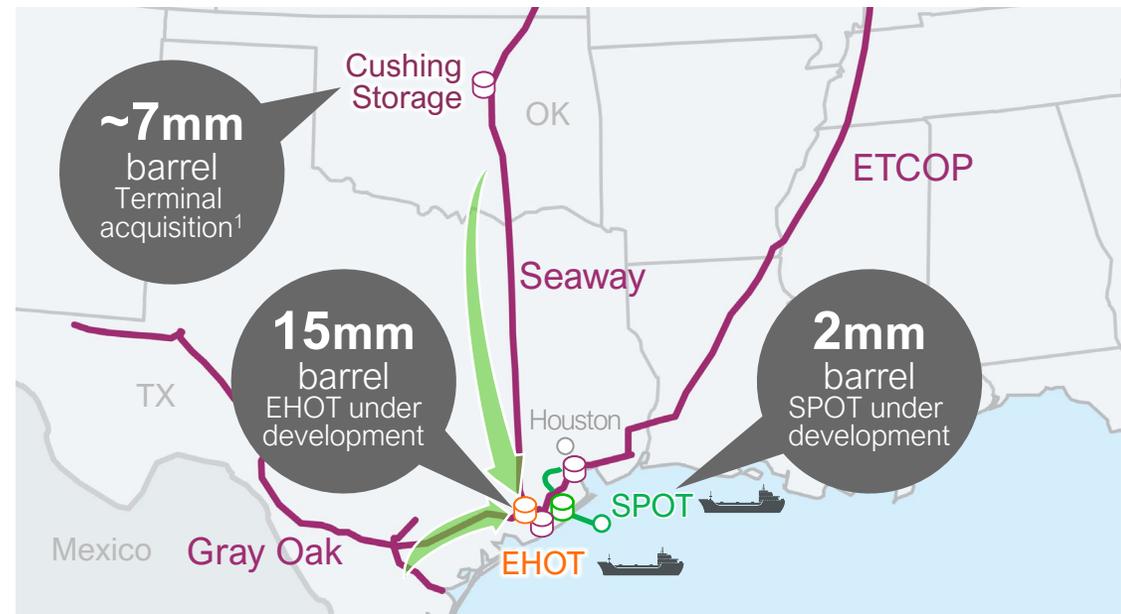
## Diversified Opportunities

Liquids Pipelines <b>~\$7B</b>	Gas Transmission <b>&gt;\$10B</b>
Gas Distribution & Storage <b>~\$6B</b>	Renewables & Low-Carbon Initiatives <b>~\$4B+</b>

Large organic growth potential, diversified across all four business platforms

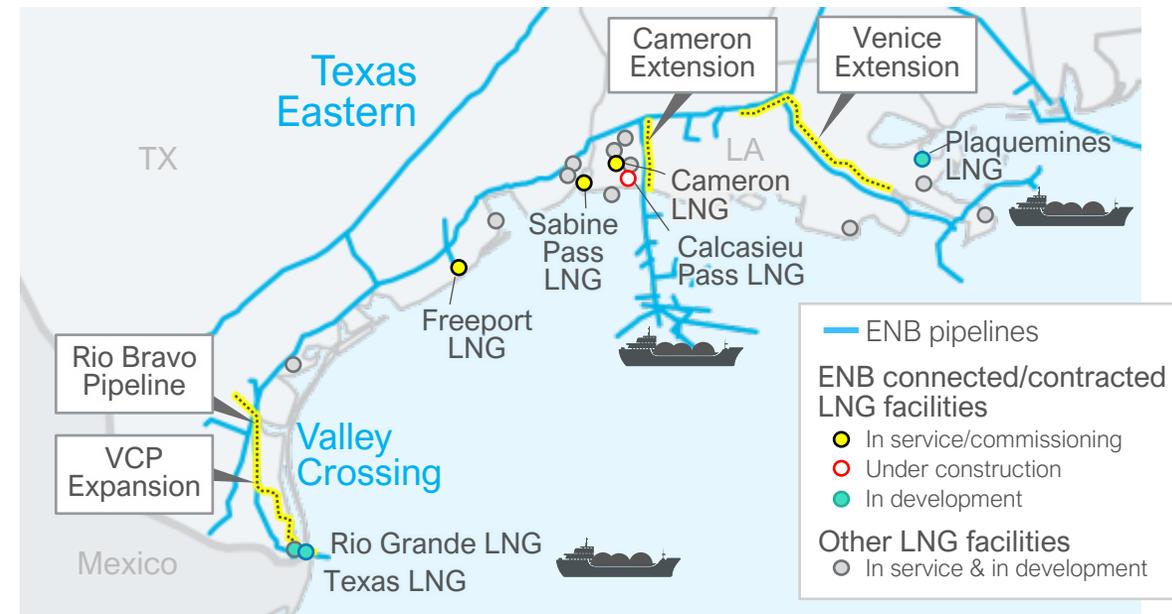
# Export Strategy

## Crude Oil Export Strategy



- EHOT<sup>2</sup>: Commercial discussions progressing
- SPOT<sup>3</sup>: Anticipate MARAD<sup>4</sup> permit in 2021
- Cushing tank acquisition supports Gulf Coast strategy

## Natural Gas Export Strategy



- Cameron Extension on schedule for 4Q'21 ISD
- Advancing commercial terms with Texas LNG
- Rio Grande LNG advancing through permitting

Robust long-term global fundamentals driving export strategies

(1) ~26 million barrels of Cushing storage in total, including acquisition (2) Enbridge Houston Oil Terminal (3) Seaport Oil Terminal (4) Maritime Administration

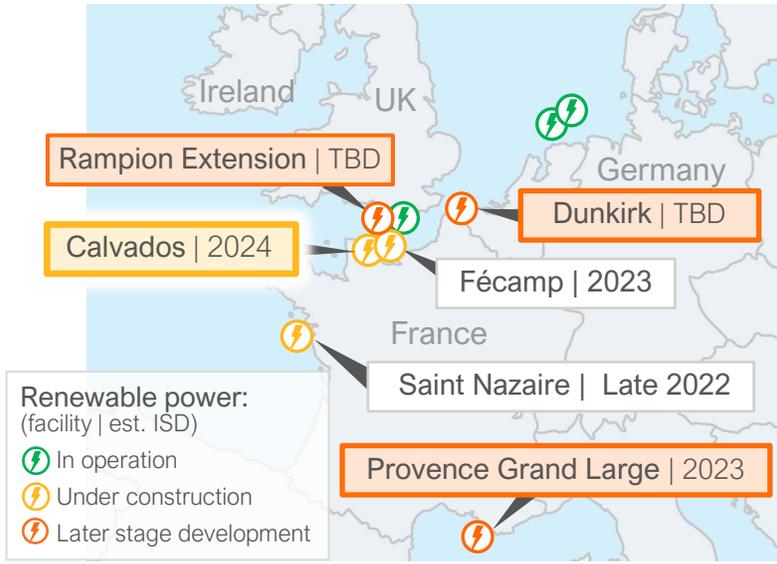
# Renewable Power Update

## Renewable Power Portfolio (Gross GW/Net GW)



**4.8GW**  
of assets in development & construction

## European Offshore Wind



- Calvados sanctioned in Q1
- 448 MW project w/ 20-year PPA
- Advancing floating offshore wind

## Solar Self-Power Update



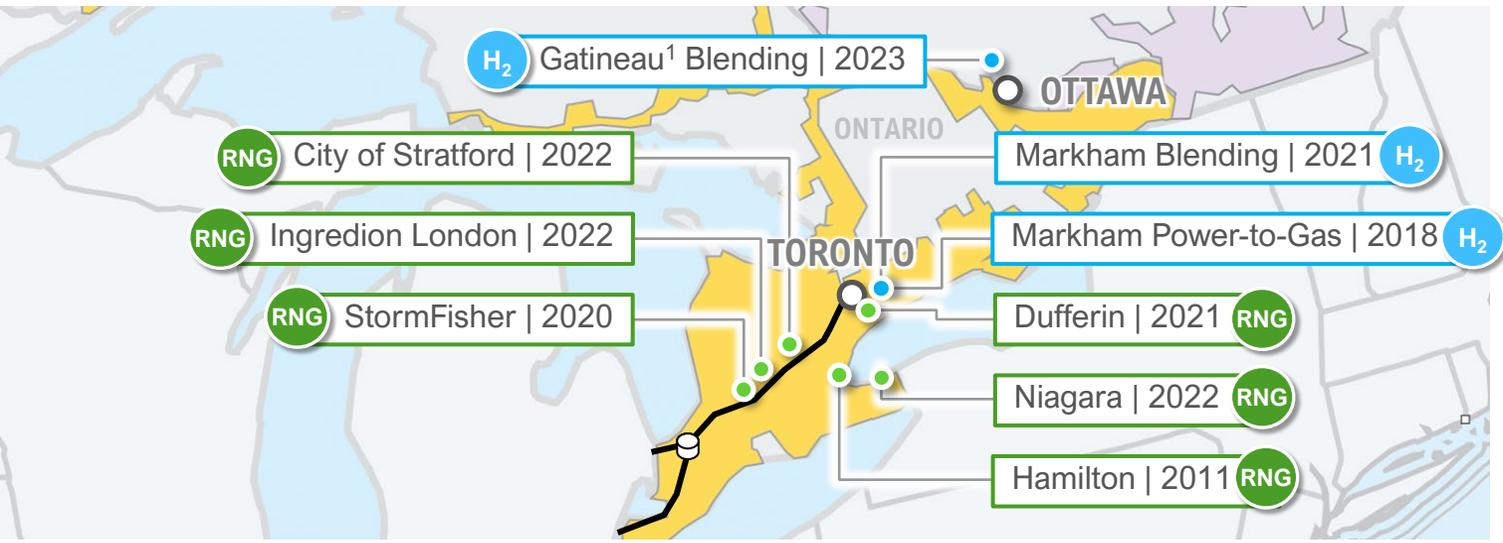
- 2 projects placed into service
- Sanctioned 4 additional projects
- ~\$0.5B in opportunities through 2023

Over 2.1 million tons of CO<sub>2</sub>e emissions reduced from our renewable investments in 2020<sup>3</sup>

(1) Includes Rampion extension, Brittany and Normandy (2) Includes Dunkirk and Provence Grand Large. (3) Emission reductions attributed to net ownership

# Low Carbon Development

## Hydrogen & RNG



- Power to H<sub>2</sub> in Ontario
- H<sub>2</sub> blending projects in Ontario and Quebec<sup>1</sup>
- H<sub>2</sub> blending potential for B.C. high pressure pipelines
- Partnership to pursue RNG projects across Canada

Current projects reduce **81,000** tCO<sub>2</sub> emissions annually<sup>2</sup>

## Carbon Capture



- Increasing industry & gov't support
- Well positioned for transportation and storage solutions
- WCSB regional focus

Opportunity to capture **~22%** of Canada's annual GHGs<sup>3</sup>

Developing low carbon options, within low-risk commercial model

(1) Gatineau Hydrogen Blending project is being jointly developed through Enbridge's subsidiary Gazifère and Evolugen, the Canadian operating business of Brookfield Renewable  
 (2) Equivalent to heating 15,000 homes; (3) Based on 2017 GHG levels

# Capital Allocation Priorities (2022+)

- 1 Preserve Financial Strength**

  - Maintain debt-to-EBITDA within 4.5-5.0x
  - Strong BBB+ credit ratings

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- 2 Sustainable Dividend Growth**

  - 60-70% DCF<sup>1</sup> payout
  - Up to rate of annual cash flow growth

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- 3 Further Organic Opportunity**

  - Enhance existing returns
  - Drive sustainable long-term growth

~\$5-6B of Annual Investable Capacity<sup>2</sup>

**Incremental Capacity:**

- Share buybacks
- Further organic projects
- Debt reduction
- Asset acquisitions

~\$2B

**High Priority Investments:**

- Low capital intensity expansions & optimizations
- Modernizations

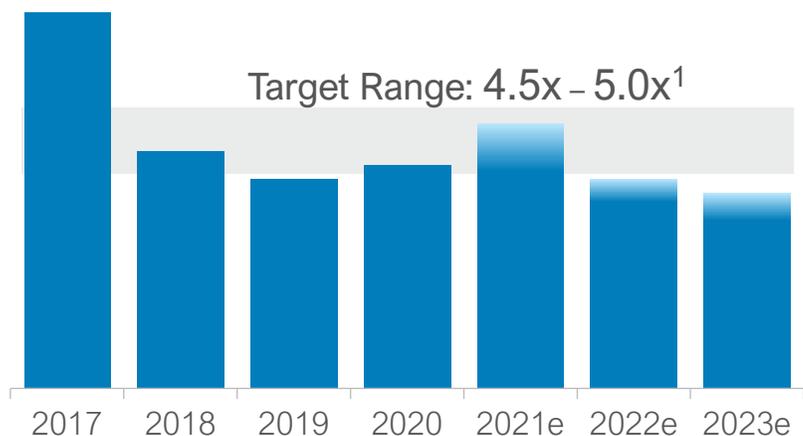
~\$3-4B

Disciplined approach to capital allocation will maximize shareholder returns

(1) DCF is a non-GAAP measure. Reconciliations to GAAP measures can be found at [www.enbridge.com](http://www.enbridge.com) (2) Annual Investable Capacity is generated from distributable cash flow, net of common share dividend requirements plus incremental debt capacity from EBITDA generated by capital investment

# Strength & Flexibility

## Strong Financial Position (Debt/EBITDA)



- Expect to exit 2021 within target range
- Execution drives significant EBITDA growth
- Excellent financial flexibility in 2022 and beyond

## Industry-Leading Ratings<sup>2</sup>

Credit Ratings		Reaffirmed rating on:
<b>S&amp;P Global Ratings</b>	BBB+ stable	Dec. 2020
<b>Fitch Ratings</b>	BBB+ stable	April 2021
<b>DBRS</b>	BBB High stable	July 2020
<b>MOODY'S</b>	Baa2 positive	Dec. 2020

## ESG Ratings

<b>S&amp;P Global Ratings</b>	Top among N.A. midstream peers
<b>MSCI ESG</b>	A rating
<b>ISS ESG QualityScore</b>	E&S QualityScore: Lowest risk, top decile
<b>Sustainalytics</b>	2nd among N.A. midstream peers
<b>National Bank</b>	1st among Canadian midstream
<b>State Street Global Advisors</b>	Top-decile R-factor for sector
<b>Wells Fargo Securities</b>	Top among N.A. midstream peers

Strong balance sheet; Sector-leading Credit & ESG ratings

(1) Debt to EBITDA for trailing twelve months (2) Enbridge Inc. Senior Unsecured Credit Rating.

# 2021 Outlook – On Track

## ✓ Operational

- Effective Covid19 management protocols
- Operations near fully utilized in Q1
- Managed through Storm Uri

## ✓ Execution

- \$10B of capital progressing on schedule for 2021 in-service
- Continue to advance productivity improvements

## ✓ Financial

- Full-year 2021 DCF/s and EBITDA guidance affirmed
- Strong financial position and liquidity

## ✓ Capital Markets

- Continued low interest rates
- Inflation in check (robust pass-through capabilities if needed)
- USD/FX rates substantially hedged

Solid operational execution and financial capabilities

# Q1 Financial Results Summary

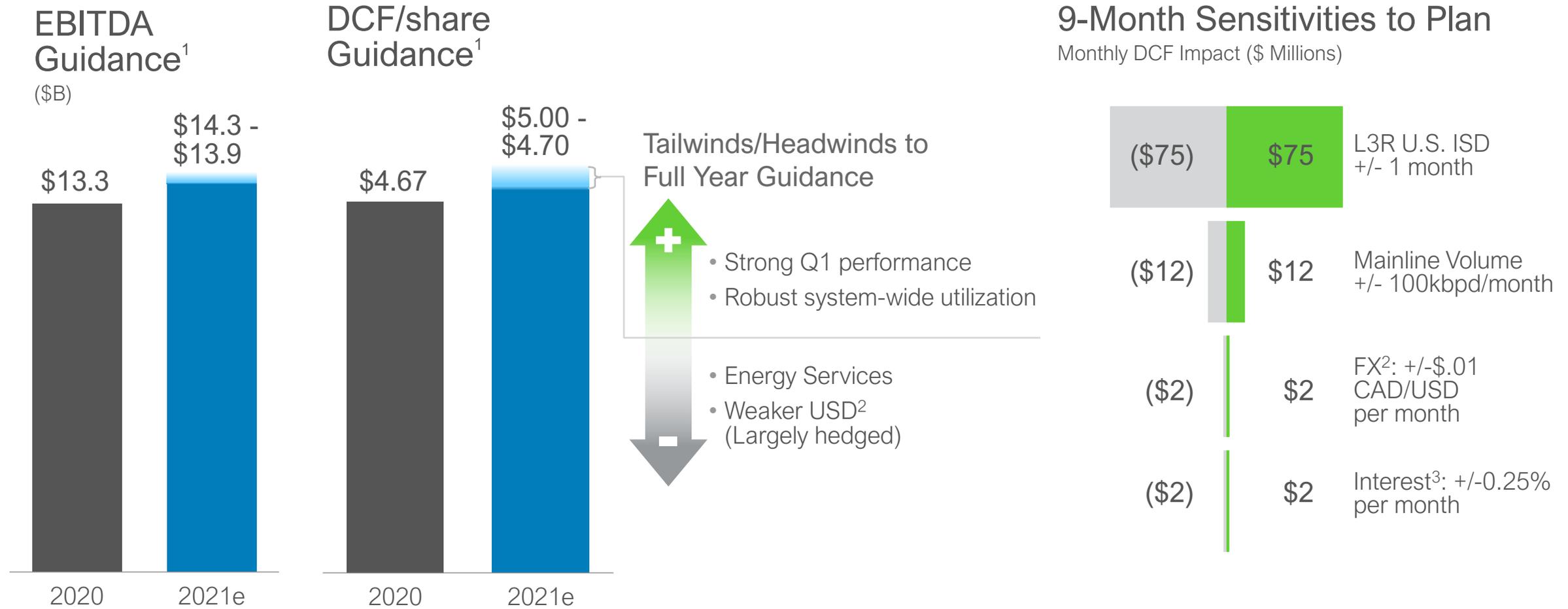
(\$ Millions, except per share amounts)	2021	2020
Liquids Pipelines	1,881	1,919
Gas Transmission & Midstream	1,007	1,097
Gas Distribution & Storage	646	609
Renewable Power Generation	154	118
Energy Services	(75)	(13)
Eliminations and Other	130	33
<b>Adjusted EBITDA<sup>1</sup></b>	<b>3,743</b>	<b>3,763</b>
Cash distributions in excess of equity earnings	43	72
Maintenance capital	(109)	(204)
Financing costs	(769)	(807)
Current income tax	(101)	(108)
Distributions to Noncontrolling Interests	(68)	(76)
Other	22	66
<b>Distributable Cash Flow<sup>1</sup></b>	<b>2,761</b>	<b>2,706</b>
<b>DCF per share<sup>1</sup></b>	<b>1.37</b>	<b>1.34</b>
<b>Adjusted earnings per share<sup>1</sup></b>	<b>0.81</b>	<b>0.83</b>

## Key Drivers Q1'21 vs. Q1'20

- Strong performance across core businesses
- Higher mainline tolls and FX hedge rate
- Q1'20 TETCO settlement benefit
- Challenging Energy Services' marketing
- Weaker FX in the business segments partially offset by hedging program
- Lower maintenance capex due to timing
- Negligible Texas storm impacts

Strong first quarter financial performance

# 2021 Financial Outlook



## Reaffirming 2021 EBITDA and DCF guidance

(1) Adjusted EBITDA and DCF/share are non-GAAP measure. Reconciliations to GAAP measures can be found at [www.enbridge.com](http://www.enbridge.com). (2) Including impact of hedges. Approximately 65% of distributable cash flow has been hedged for 2021 at an average rate of \$1.28 CAD/USD. Guidance assumes unhedged portion CAD/USD of \$1.30 (3) Net of hedging, Guidance assumes 3M LIBOR: 0.3%, 3M CDOR: 0.6%, 10Y GoC: 0.8%, 10Y UST: 1.00%.

# Concluding Remarks

- Best in class infrastructure franchises
- Resilient and long-lived cash flows
- Mature ESG approach
- Transparent growth outlook
- Financial strength
- Leading energy transition position



Robust TSR outlook provides for a very attractive investment opportunity

# Q&A

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