ENBRIDGE

Life Takes Energy

2020 Annual Report

Enbridge—A bridge to the energy future

At Enbridge, our purpose is to deliver the energy that fuels quality of life.

Our four core businesses transport, store and generate energy. Whether it's crude oil, natural gas or renewable power, we are the bridge between energy supply and demand, delivering energy that millions of families, small businesses, industries and communities across North America and abroad rely on every day.

We do that by prioritizing safety and reliability above all else, working closely with communities and Indigenous groups near our operations, and minimizing our impact on the environment, including our ambition to be net zero greenhouse gas (GHG) emissions by 2050.

We think about the future of energy, constantly assess energy supply and demand fundamentals and plan decades ahead. Enbridge has grown and evolved by investing in new infrastructure and energy technology to meet changing global energy needs.

We will continue to be resilient – and bridge to the energy future – by safely and reliably providing affordable and sustainable, low-emissions energy.

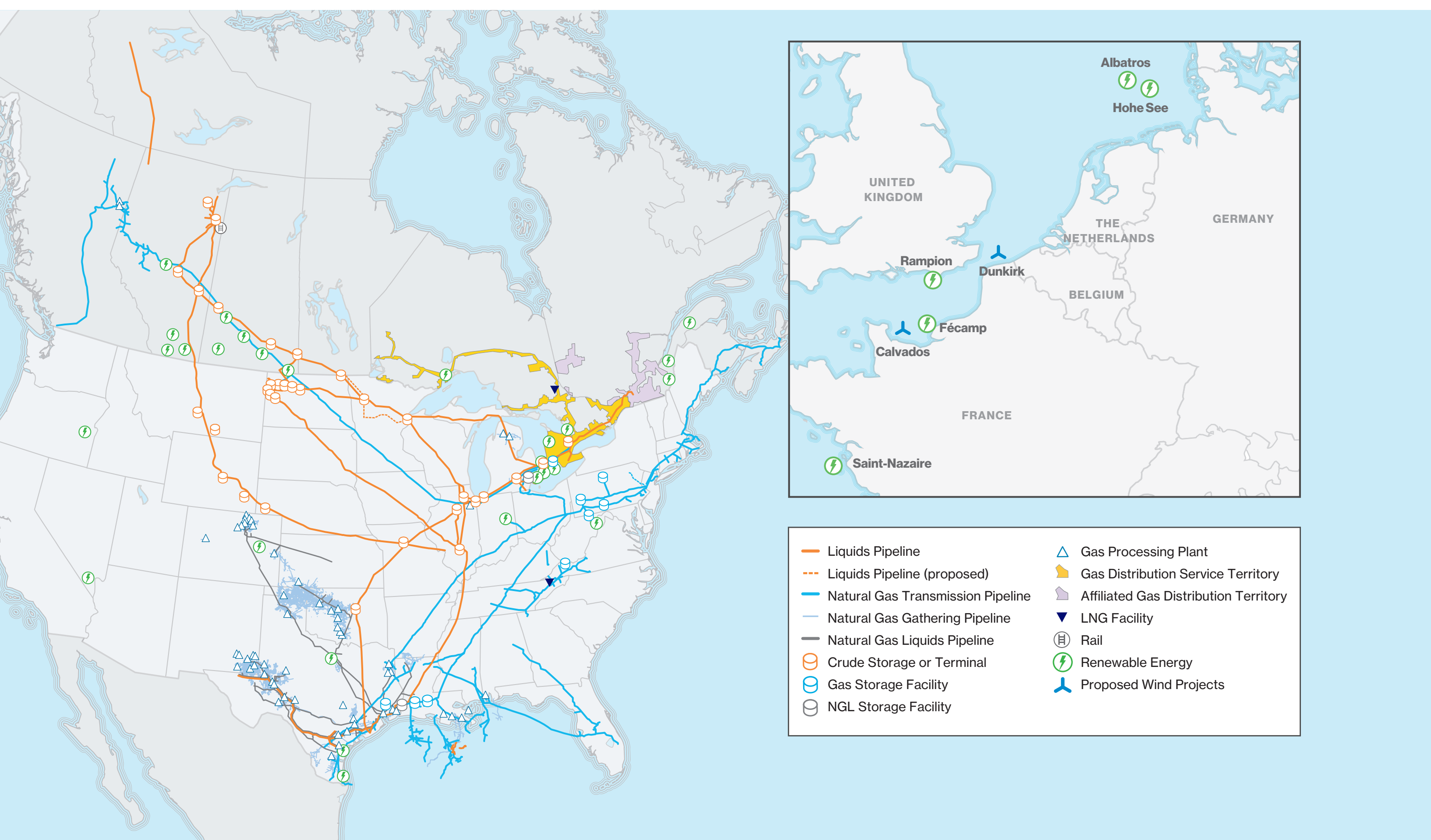
Today, we're expanding and modernizing our existing pipeline and distribution systems, advancing renewable energy projects, investing in new, low-carbon energy infrastructure opportunities – and building projects that create opportunities for communities where we live and work.

And we're continuing to build a team with diverse backgrounds and experiences so that we can best tackle challenges and drive innovation in our business.

Our core businesses

We play a significant role in the energy value chain by connecting people to the energy they need and want.

- **Liquids Pipelines** (LP) transports three million barrels per day (bpd) to 25 refiners, connecting producers to the best markets in the U.S. Midwest, the U.S. Gulf Coast and Eastern Canada.
- **Gas Transmission and Midstream** (GTM) 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) serves approximately 15 million people in Ontario and Quebec and distributes about 2.3 billion cubic feet (bcf) per day of natural gas.
- **Renewable Power Generation** has ownership interests in more than 30 renewable power facilities representing more than 4,000 megawatt (MW) generating capacity and has a growing presence in offshore wind in Europe.



Letter to Shareholders

Dear Shareholders,

Last year was exceptional as we lived and worked through the COVID-19 pandemic. As a society, we faced significant health, economic and social disruption, including a global reckoning around racism in our society. As an industry, historic contraction in economic activity and demand for energy led to uncertainty and accelerated change. Throughout this unprecedented period, we've been guided by our core values and we've responded accordingly by protecting our people, supporting our communities and safely delivering energy that millions of people count on every day.

Most recently, our industry faced further adversity when freezing temperatures in Texas and surrounding regions knocked out a major portion of the state's power grid and left millions without electricity. This terrible event once again underscores how vital energy is to our existence and why all forms of energy are needed to meet demand and ensure resiliency of supply.

Through this – and the many challenges of 2020 – our people and our business have proven their resiliency. Our strong 2020 performance proved that our business model is built to withstand downturns and generate predictable and growing cash flows. We've endured challenges before, but at no time in our 150+ year history have we been prouder of Enbridge and our people.

Our people

The achievements of the past year come down to the dedication and perseverance of Enbridge's diverse and talented workforce – in particular, our frontline people who continued to come to their workplaces every day to support our customers and ensure safe and reliable delivery of energy. This was a big feat and on behalf of the Board, management team and shareholders, we thank them.

We moved quickly last year to implement new safety protocols to keep people safe, we helped those dealing with the virus, and we emphasized the importance of looking after one's mental health and offered support. We reached out to communities and helped those in need, including many Indigenous groups in Canada and the United States.

Our performance

At the onset of the pandemic, we took immediate action to bolster liquidity and implement plans to dampen the impacts on our business. We reduced costs by $300 million, avoiding layoffs through organization-wide salary roll backs (including a 15% reduction to CEO salary and Board compensation), a voluntary workforce reduction program and supply chain efficiencies. While Enbridge qualified for Canadian government pandemic-related business subsidies, we decided against utilizing these programs.

In spite of the challenges, all our operations performed well, and our resilient business model helped us to power through 2020. Our crude oil Mainline volumes bounced back due to the strong markets we serve. Utilization on our gas systems remained high and available capacity on our gas pipelines was re-contracted. Our utility generated strong results and our renewable power business achieved significant cash flow growth from new projects placed into service.

We made significant progress in advancing our capital projects, including starting construction late last year on the Line 3 Replacement Project in Minnesota – the final stage of our largest capital project ever. We continued to generate growth in our gas and renewables businesses, placing the final phases of the Atlantic Bridge and Sabal Trail projects into service; completing our 2020 gas transmission modernization program; connecting over 40,000 new gas utility customers; and sanctioning two more offshore wind projects in Europe – the 500 MW Fécamp project in mid-2020 and the 448 MW Calvados project (Courseulles-sur-Mer) in early 2021.

With these efforts, we met our financial targets that were set pre-pandemic, exited the year in an even stronger financial position and increased our dividend by 10% through 2020 and by 3% in 2021 – our 26th consecutive annual increase.

We believe that our diverse business and strategic positioning – scale, network reach to domestic and international markets, competitive tolls and system reliability – will drive utilization and expansion of our systems and generate highly attractive total returns for investors for years to come.

Our business model is driving superior, low-risk, total shareholder returns; we're pleased to have generated 15% annual (Compound Annual Growth Rate) total shareholder returns over the last 25 years.

Our commitment to safety

Safety has always been and will continue to be our #1 priority – our goal is zero incidents. Many key metrics trended favorably last year; however, the tragic loss of two contractors in separate workplace incidents and a natural gas rupture in Kentucky remind us of the hazards inherent in our business and the importance of driving continuous safety awareness, training and improvement. We are not satisfied with these results, so we are redoubling our focus for the year ahead.

Our outlook for the business

As demand for energy increases with global population growth and rising standards of living, infrastructure capacity will grow along with it. Given the challenges of building new infrastructure today, we believe the value of our assets in place today is set to increase as these systems could not be replicated.

Our strategic priorities for the business continue to focus on enhancing the value of our existing assets, executing on our secured growth program and investing in organic in-franchise opportunities to modernize, extend and expand our network, with a particular emphasis on increasing our connections to global export markets.

We'll plan to continue to enhance performance, safety and returns of our existing infrastructure through productivity efficiencies, optimization of our throughput and embedded tariff and revenue inflators. Our Technology + Innovation Labs play a key role to drive business improvement and return on capital by bringing our operations and commercial people together with technology specialists to find ways to improve business and operating performance.

We have $10 billion of capital projects scheduled to go into service in 2021, and we anticipate a big year for expansions. This includes growth in our gas businesses and the completion of our Line 3 Replacement Project. While costs on Line 3 have increased due to winter construction, further environmental and COVID-related precautions and regulatory delays, construction is progressing well, and our expected returns remain attractive. Good execution of these projects is expected to further strengthen our financial position, support our ability to grow our dividend and generate significant cash flow growth.

A key part of how we do business is the emphasis we put on communities, Indigenous reconciliation and respectful dialogue, taking what we call a lifecycle approach to engagement with all those living in proximity to our assets. We've taken this approach to Line 5 in Michigan, where we're working to make a safe pipeline even safer. We're building a new replacement line and a tunnel under the Straits of Mackinac to provide further assurance to communities. We're focused on ensuring the delivery of essential energy to the people of Michigan and surrounding regions.

Over the medium term, we expect our existing assets and these capital projects to generate $5 – 6 billion of annual investment capacity. We'll maintain our disciplined approach to investing in our business and prioritize investment in low-capital intensity and executable utility-like projects. Remaining investment capacity will be deployed to the most value-enhancing opportunities, including various options, namely additional organic growth opportunities to further extend and expand our network, as well as debt reduction and share repurchases.

Through 2023, our secured capital program and growth embedded in the business give us high visibility to 5 – 7% distributable cash flow growth per share, on average. Beyond 2023, the strength of our organic growth opportunity set, along with our ability to further enhance returns on existing assets, gives us confidence that we can continue to grow the business profitably over the medium term.

We also expect to increase our dividend annually, which has always been, and will continue to be, an important part of the value proposition we offer investors.

Bridge to the energy future

As a capital-intensive infrastructure company with long-lived assets, we plan decades ahead. Enbridge's success has been rooted in understanding energy fundamentals and adapting to key market trends, all while staying focused on the needs of our customers. Since we incorporated Enbridge in 1949, we've grown from a single 1,100-mile line that was solely used to move crude oil, to a diverse network that spans across eight Canadian provinces and territories and 40 U.S. states and delivers natural gas, liquids and renewable power, plus a growing offshore wind presence in Europe.

We're also focused on continuing to bridge to the energy future by providing access to affordable, reliable and sustainable, low-emission energy. We're doing so by reducing emissions from our existing pipelines and distribution systems, advancing renewable projects and investing in new, low-carbon energy infrastructure, including renewable natural gas (RNG) and hydrogen.

We currently have the capacity – either operating or under construction – to generate more than 1,900 MW (net) of zero-emission energy. We continue to pursue further investment in renewable projects within our existing European offshore wind portfolio.

We believe that RNG provides a cost-effective way to decarbonize sectors like heavy transport. We are already invested – with six RNG projects either operating or under construction today. By way of example, the City of Toronto is now using carbon-negative RNG to fuel garbage trucks and we're working with several municipalities to use carbon-negative RNG for buses.

Enbridge was also an early investor in hydrogen, with the operation of Canada's first utility-scale power-to-gas plant. This 2.5 MW hydrogen energy storage project (expandable to 5 MW) helps balance the provincial electricity grid. More recently, we're piloting a project to blend hydrogen into select portions of our natural gas distribution network. In Quebec, we are developing a renewable energy ecosystem based on green hydrogen. And, since we move about 20% of the natural gas consumed in the U.S., we're working actively to determine how much hydrogen can be blended into our natural gas transmission system.

As we explore new opportunities, our approach will be proactive yet disciplined. We'll continue to align our asset mix with long-term energy fundamentals while investing in projects that build low-cost optionality and complement our low-risk business model – and meet the needs of a changing world.

Enbridge will bridge to the energy future by providing safe, reliable, affordable and sustainable low-emission energy.

ESG leadership

We have always approached our business with responsibility and sustainability in mind. This includes our performance on environmental, social and governance (ESG) matters, and we're proud that Enbridge ranks at the top of the North American energy industry and on par with global players.

Part of our approach is to constantly challenge ourselves to be even better. In 2020, we set enhanced ESG goals and strategies to achieve those objectives. We've set a target to achieve net-zero GHG emissions by 2050, with an interim target to reduce the GHG intensity of our operations by 35% by 2030. We're working to achieve this by modernizing our equipment and technology, using renewables and lower-carbon sources of fuel for our pumps and compressor stations, and carbon offset credits generated by nature-based solutions.

We've also accelerated our diversity and inclusion action plans to reach our new goals of 40% women and 28% racial and ethnic representation in our workforce by 2025. The events of the past year have made more imperative our focus on building a more diverse and inclusive culture. We believe that diversity and inclusion lead to better ideas, better business solutions, and better opportunities to attract and retain a talented team.

This extends to our Board of Directors, where four of our 11 directors are women and each chairs a Board committee. Yet, more can be done to strengthen Board diversity and we'll work to achieve enhanced Board diversity goals of 40% women and 20% racial and ethnic groups by 2025.[1]

We've made diversity and inclusion a priority as we work to build an organization where people feel safe and welcome, and have opportunity to thrive and grow based on merit. Last year, we added Inclusion to our core values of Safety, Integrity and Respect.

To drive results and accountability, we've tied our emissions reductions and diversity and inclusion goals to executive compensation. This will complement the safety, operational and cybersecurity goals already embedded in our compensation plans. In February 2021, we became the first in our sector to establish a Sustainability Linked Credit Facility which ties our borrowing costs directly to our progress towards our ESG goals, further strengthening our accountability to ourselves and our stakeholders.

ESG goals

[1] All percentages or specific goals regarding inclusion, diversity, equity and accessibility are aspirational goals which we intend to achieve in a manner compliant with state, local, provincial and federal law, including, but not limited to, U.S. federal regulations and Equal Employment Opportunity Commission, Department of Labor and Office of Federal Contract Programs guidance.

Fueling quality of life

We are confident that Enbridge is on a strong path to fulfill our purpose – to fuel quality of life by providing reliable, affordable and increasingly sustainable energy. We are excited about the opportunities ahead to grow our business and create value for our customers, employees, communities and shareholders.

During 2020, we continued to actively engage with our institutional and retail shareholders through our quarterly earnings calls, annual Investor Day, participation in conferences and direct outreach. We placed an emphasis on ensuring investors had transparency to the resiliency of our cash flows during the pandemic, including how we were advancing our strategic priorities and to let them know more about our new emissions and diversity and inclusion targets.

We truly value the ongoing dialogue we've had with many of you on these topics throughout the year through virtual conferences, fireside chats and one-to-one meetings. We look forward to meeting many of you again this year.

As we strive for continued success in 2021, we'll do so as a safe operator of essential energy infrastructure, a steward of our environment, an increasingly diverse and inclusive employer, and a partner in all the communities where we operate.

Thank you for your continued support.

Al Monaco
President & Chief
Executive Officer

Gregory L. Ebel
Chair, Board of Directors

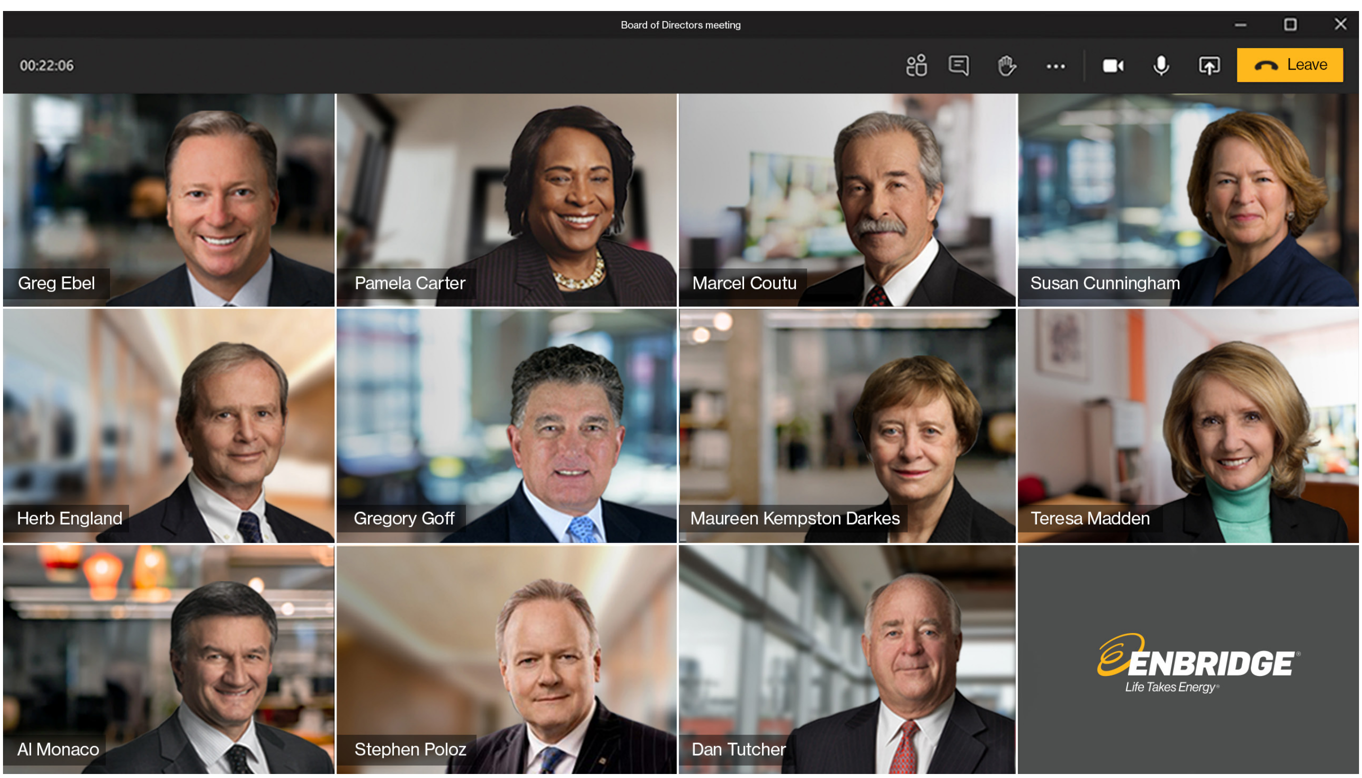
Calgary, Alberta
March 2, 2021

Board of Directors

The Board of Directors strives for the highest standards of corporate governance as it works to oversee the strategic execution of the business.

In 2020, we further enhanced the Board's mix of skills and experience with two appointments: Greg Goff, a 30-year energy industry veteran, and Stephen Poloz, former Governor of the Bank of Canada.

The year also brought great sadness with the passing of our longstanding Board member, Charlie Fischer. Charlie's leadership over the course of his 11-year tenure on the Board has had a lasting impact. He is sorely missed, and we are enormously grateful for his many contributions to Enbridge and our industry.



Investor information

Investor inquiries

If you have inquiries regarding the following:

- The latest news releases or investor presentations
- Any investment-related inquiries

Please contact Enbridge Investor Relations
Toll-free: 1-800-481-2804
investor.relations@enbridge.com

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Calgary, Alberta, Canada T2P 3L8

Annual Meeting

The Annual Meeting of Shareholders will be held on May 5, 2021 at 1:30 p.m. MDT. Due to the COVID-19 pandemic, the Meeting will be held virtually via live audio webcast. A replay will be available on enbridge.com. Webcast details will be available on the Company's website closer to the Meeting date.

Registrar and Transfer Agent

For information relating to shareholdings, shareholder investment plan, dividends, direct dividend deposit and lost certificates, please contact:

Computershare Trust Company of Canada
100 University Avenue, 8th Floor
Toronto, Ontario M5J 2Y1

Toll-free North America: 1-866-276-9479
Outside North America: 1-514-982-8696
computershare.com/enbridge

Auditors

PricewaterhouseCoopers LLP

2021 Enbridge Inc. Common Share Dividends

	Q1	Q2	Q3	Q4
Dividend	$0.835	$ – [2]	$ – [2]	$ – [2]
Payment date	Mar 01	Jun 01	Sep 01	Dec 01
Record date[1]	Feb 12	May 14	Aug 13	Nov 15

[1] Dividend record dates for Common Shares are generally February 15, May 15, August 15 and November 15 in each year unless the 15th falls on a Saturday or Sunday.

[2] Amount will be announced as declared by the Board of Directors.

Common and Preference Shares

The Common Shares of Enbridge Inc. trade in Canada on the Toronto Stock Exchange and in the United States on the New York Stock Exchange under the trading symbol "ENB." The Preference Shares of Enbridge Inc. trade in Canada on the Toronto Stock Exchange under the trading symbols:

Series A – ENB.PR.A
Series B – ENB.PR.B
Series C – ENB.PR.C
Series D – ENB.PR.D
Series F – ENB.PR.F
Series H – ENB.PR.H
Series J – ENB.PR.U
Series L – ENB.PF.U
Series N – ENB.PR.N
Series P – ENB.PR.P
Series R – ENB.PR.T

Series 1 – ENB.PR.V
Series 3 – ENB.PR.Y
Series 5 – ENB.PF.V
Series 7 – ENB.PR.J
Series 9 – ENB.PF.A
Series 11 – ENB.PF.C
Series 13 – ENB.PF.E
Series 15 – ENB.PF.G
Series 17 – ENB.PF.I
Series 19 – ENB.PF.K

Forward-looking information

This Annual Report includes references to forward-looking information. By its nature this information involves certain assumptions and expectations about future outcomes, so we remind you it is subject to risks and uncertainties that affect our business. The more significant factors and risks that might affect our future outcomes are listed and discussed in the "Forward-looking information" and Risk Factors sections of our Form 10-K and Management's Discussion and Analysis, included in this Annual Report and available on both sedar.com and sec.gov.

Non-GAAP measures

This presentation makes reference to non-GAAP measures, including distributable cash flow (DCF) per share. Management believes the presentation of this measures gives useful information to investors and shareholders as it provides increased transparency and insight into the performance of Enbridge. 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.

Front cover

Images from across our business, resilient in the face of COVID-19.

Enbridge is committed to reducing its impact on the environment in every way, including the production of this publication. This report was printed entirely on FSC® Certified paper containing post-consumer waste fiber.

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