Bridge to a cleaner
energy future

2021 Annual Report

ENBRIDGE®
Life Takes Energy®

Letter to Shareholders

Dear Shareholder,

Last year, global economies and the energy business continued to be challenged by the COVID-19 pandemic. However, a robust economic recovery drove energy demand and commodity prices higher, and underscored the importance of reliable, affordable energy in our lives.

Our people safely navigated COVID restrictions and supported each other and our communities. We continued to focus and deliver on our purpose – to provide the energy that people rely on every day to fuel their quality of life. We delivered record safety, operating and financial performance, and executed on key strategic priorities. At the same time, we took steps to modernize our systems, diversify our assets, and advance our net-zero emissions and diversity and inclusion targets.

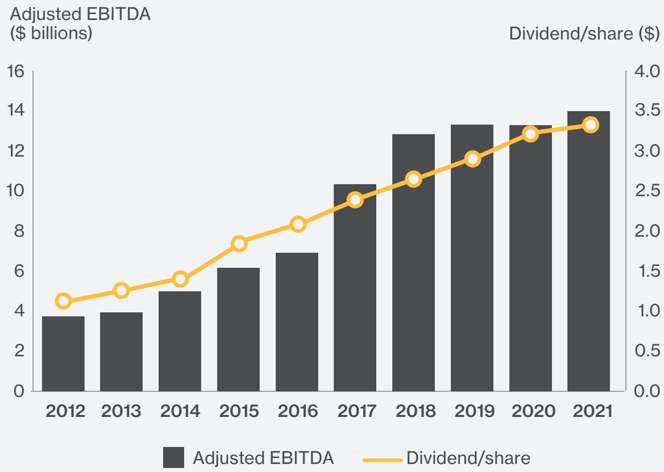
We're proud of our people and what we achieved last year – helping to further cement Enbridge's position as North America's leading energy delivery company.

In 2021, Enbridge set employee and contractor safety and system reliability records because of our strong safety culture and investments in system integrity and preventative maintenance.

Delivering on results and strategic priorities

2021 was a catalyst year for the Company. We built on our momentum to grow our conventional business, reduce emissions intensity from our existing assets and expand our low-carbon investments. We reached the top end of our external guidance range for distributable cash flow (DCF)[1] per share, increased our dividend for the 26th consecutive year – and extended that track record with another 3% dividend increase for 2022.

In 2021, Enbridge generated strong total shareholder returns of 30%. Over the last 10 years, we have grown earnings before interest taxes depreciation and amortization (adjusted EBITDA[1]) at an average annual rate of 14% by executing a $65 billion organic capital program, delivering on revenue and productivity improvements, as well as selective acquisitions that have advanced our strategies and driven further organic growth. That includes the 2017 acquisition of Spectra, which transformed the business by adding a leading natural gas utility and pipeline footprint – complementing Enbridge's irreplaceable crude oil assets and growing renewables business. Last year, Enbridge added North America's leading crude oil export platform through the acquisition of the Ingleside Energy Center, which positions the Company to play a pivotal role in global energy exports. Our disciplined investment of capital, while protecting our sector-leading financial strength, has enabled us to grow the dividend on average by 13% per year over the last 10 years, supporting robust shareholder returns.



[1] Adjusted EBITDA and DCF per share are non-GAAP measures.

In 2021, we placed $10 billion of secured capital into service – including completion of the state-of-the-art Line 3 Replacement Project, the largest capital project in Enbridge's history – and sanctioned $2 billion of new projects. These investments will contribute to cash flow growth and provide additional financial capacity in the years to come.

Engagement with Indigenous groups along the Line 3 right-of-way led to a better route, as well as tailored environmental measures to protect the land and minimize impacts. This engagement also resulted in $900 million in Indigenous business opportunities, including Indigenous workers comprising 7% of the U.S. Line 3 workforce. This valuable experience is being shared across our organization to further strengthen our lifecycle approach to Indigenous and stakeholder engagement.

> Indigenous-owned MB Customs worked on the Line 3 Replacement Program in Minnesota.

We also advanced our export strategy with the acquisition of the Ingleside Energy Center, through which we established a leading light-oil export position and platform for future organic growth. We aligned that investment with our target to reach net-zero emissions by 2050 by committing to develop an on-site solar farm that will drive net-zero Scope 1 and 2 emissions, while also contributing to Scope 3 reductions. This is a great example of how Enbridge is differentiating its approach to energy infrastructure.

> In February 2022, Enbridge and First Nation Capital Investment Partnership (FNCIP) announced plans to work together to advance a new carbon transportation and storage solution west of Edmonton called the Open Access Wabamun Carbon Hub. The proposed Wabamun Hub will tie into planned carbon capture projects, with the combined potential to abate nearly 4 million tonnes of CO_2 emissions annually.

Good progress is being made on our $10 billion commercially secured growth program, including construction of four offshore wind projects in Europe, connecting new customers to our natural gas distribution system, and modernizing our long-haul pipeline systems. We also established industry partnerships to advance our early-mover position in renewable natural gas, hydrogen, and carbon capture and storage.

Over the last several years we've worked with our customers to develop a new contract offering for our Canadian Mainline. Last year, our proposal was declined by the Canada Energy Regulator (CER), despite having support from more than 75% of our shippers. We'll continue to collaborate with our customers on two alternative options to assure a solid, long-term commercial arrangement is in place.

> The Enbridge team continued to make a positive impact in our communities – including a US$4 million contribution to the United Way – and thousands of hours of volunteering with close to 3,000 local community and Indigenous organizations. Our people stepped up to support recovery efforts following wildfires and flooding in B.C., and the same care was shown after Hurricane Ida in Louisiana.

Bridging to a cleaner energy future

Forecasts show that the demand for energy will continue to increase as populations grow and developing nations raise their standards of living. Natural gas and oil make up more than half of that energy demand today and we expect demand to remain strong for decades to come, even as renewables grow. This energy is critical for transportation, heating, cooking, manufacturing, electronics, pharmaceuticals – and more. North America has an abundant supply of oil and gas with leading environmental performance – supply that can be exported to where it's needed.

It's clear that society is moving toward a lower-carbon economy. We believe that we need to transition our energy systems prudently to ensure adequate supply of conventional energy while lowering emissions and increasing investment in low-carbon energies.

We have a solid inventory of both conventional and low-carbon opportunities, totaling about $6 billion of annual investment. On the conventional side, we'll expand and modernize gas systems, which will displace coal and support renewables growth. We'll continue to build out our LNG and export positions and invest in our gas utility. We'll also pursue capital-efficient Liquids Pipelines optimizations.

These businesses also come with embedded low-carbon opportunities. Our existing assets will support the energy transition by blending and transporting renewable natural gas and hydrogen, transporting and storing carbon, and moving more natural gas. Our Renewables business also gives us high visibility to growth, with 14 projects in construction, including solar self-power in North America and offshore wind in France.

Getting the pace of the transition right will be critical. We're taking a disciplined approach to ensure that new opportunities provide an attractive return, and we'll build on proven technologies and partner with those who can bolster our capability. This is exactly the model we used for wind and solar 20 years ago, and today Enbridge has a leading renewables platform.

Energy is needed in every aspect of daily life, and our assets provide an essential source of safe, reliable and affordable energy. Our systems have longevity because they serve the best markets and can't be replaced. We're modernizing our assets to improve efficiency and reduce emissions.

Sustaining our growth

In 2022, we're positioned to grow adjusted EBITDA and DCF per share by about 8%. We expect to exit 2022 near the bottom of our 4.5x to 5.0x debt to EBITDA range, driven by annualized contributions from Line 3 and the Ingleside terminal. We remain focused on managing costs and maximizing our financial strength and flexibility.

Our visible cash flow growth outlook and healthy balance sheet will enable the return of capital as part of our shareholder value proposition.

Over the next three years, we expect to generate $5 to $6 billion of annual investment capacity. Of that amount, $3 to $4 billion will be prioritized to low-capital intensity and utility-like investments, and the remaining $2 billion will be deployed to the next best alternatives, such as organic growth, profitable energy transition investments, share repurchases or debt reduction. The $1.5 billion share-buyback program we recently introduced creates an additional avenue to return value to shareholders.

By executing on our secured capital program, enhancing returns on our existing businesses, and deploying excess financial capacity, we estimate 5 – 7% DCF per share compound annual growth through 2024 versus 2021 results.

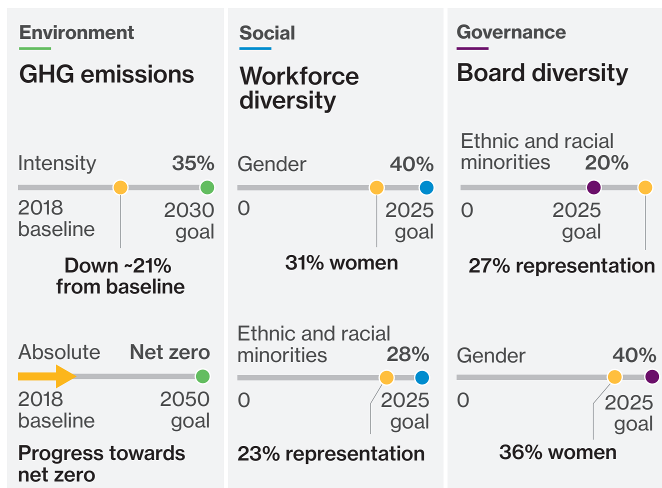
Enbridge was an early investor in low-carbon energies and is well positioned to be a North American leader. In 2021, we established a dedicated New Energy Technologies team. Through 2025, we see opportunity to invest a further $1.5 billion to advance low-carbon opportunities, in addition to the $2.5 billion in offshore wind projects already in execution.

Being a differentiated service provider

Core to our strategy is our industry-leading approach to our environmental, social and governance (ESG) performance. Our performance in these areas has and will continue to differentiate Enbridge – setting us apart as the service provider of choice for our customers, an employer of choice, a trusted partner to communities, Indigenous groups and policy makers, and a best-in-class investment.

In 2020, we introduced ESG goals, including continuing to drive industry-leading safety performance, reducing emissions to net zero, and improving diversity and inclusion. We've set ambitious goals for our ESG efforts, made them public and linked discretionary pay for all employees to progress in these areas. At our inaugural ESG Forum in September 2021, we shared detailed plans for how we're going about achieving these goals and how we've integrated them into each of our businesses.

2021 ESG performance update



Last year, we issued $3 billion in sustainability-linked financings that are tied to achievement of our ESG goals. We also further advanced our capital-allocation framework to ensure that all new investments account for carbon prices and are aligned with our emissions-reduction goals.

We're on track to reduce our emissions intensity 35% by 2030 and reach our net-zero emissions target by 2050. Additionally, we expanded emissions reporting to include new Scope 3 metrics designed to measure the emissions intensity of energy delivered and the emissions avoided through our more than two decades of investment in renewables, low-carbon fuels, and demand-side management programs. Since 2018, we have reduced our emissions intensity and absolute emissions by approximately 21% and 14%, respectively.

Through demand-side management in our Gas Distribution and Storage business unit, we've reduced emissions by nearly 55 million tCO_2e since 1995.

We're committed to industry leadership in sustainability and continuous improvement in this area. That's why we've implemented additional measures, including working with our supply chain to lower Scope 3 emissions, developing partnerships to advance low-carbon innovation within our businesses, and working proactively with organizations developing science-based guidelines for emissions targets in the midstream sector. This year's annual sustainability report will include a scenario analysis that considers the resiliency of our strategy on a net-zero pathway.

We remain steadfast in our belief that an energized work force is driven by diversity, equity and inclusion. This continues to be a priority and has been embedded in our hiring decisions and training, including mandatory training on racial justice, unconscious bias and Indigenous cultural awareness.

Prior to the pandemic, we enhanced our Workplace Mental Health initiatives to provide more resources and education on well-being – programs that proved to be critically important over the last two years. We're now advancing our efforts by raising awareness of the small actions we can take to reduce stigma, create personal well-being, and make people feel valued and appreciated.

We're deliberate about creating the right environment for our people. We conduct regular surveys and focus groups to listen to their input and ensure that we continue to evolve and meet the needs of today. Last year, we expanded our FlexWork program to give Enbridge employees more choice to balance accountabilities at work and at home.

Our highly engaged Board reflects a balance of diverse perspectives, backgrounds and experiences. Our independent Board Chair and separate Chair and CEO positions represent corporate governance best practices. Four of our directors are women, three of whom chair Board committees. Three of 11 directors self-identify as members of an ethnic or visible minority and, subject to shareholder approval of our 2022 director nominees, we expect to increase our diversity further.

Evolving our leadership and Board

There were several changes to senior leadership last year as part of development and succession planning, and we're fortunate to have strong leaders to step into new roles. This included the retirement of Bill Yardley, Executive Vice President and President, Gas Transmission and Midstream, who spent 22 years with Enbridge. Bill leaves a strong legacy and will be remembered for his passion for the business and his deep care and respect for the people around him.

In 2021, the Board welcomed three new directors: Mayank (Mike) Ashar, Gaurdie Banister and Jane Rowe; three highly qualified individuals who bring significant energy industry experience and strong skills and business judgment to the Board. We're also bringing forward two new Board candidates, Jason Few and Steven Williams, who will stand for election at our annual general meeting in May. Information about our Board directors and new candidates can be found in our Management Information Circular.

We said goodbye to Gregory Goff, Maureen Kempston-Darkes and Marcel Coutu as directors. We'd like to thank them for their valuable contributions to the Company. We'd also like to acknowledge Herb England who will be retiring at this year's meeting. As one of our longest-serving Board members, Herb has played a significant role in shaping Enbridge's strategy, and his leadership and dedication will be missed.

Our thanks

Each year our performance comes down to our people, who fulfill Enbridge's purpose while living our values of Safety, Integrity, Respect and Inclusion. We thank them for their commitment to our business.

As we look to next year, the strong demand for our systems and execution on our capital program continue to drive stable and growing cash flows. We believe that our embedded conventional and low-carbon organic growth opportunities, along with our disciplined approach to investment and increasing dividends, provide a compelling growth outlook and continued strong value proposition for our shareholders and our other important stakeholders.

Sincerely,

Greg Ebel and Al Monaco

Gregory L. Ebel
Chair, Board of Directors

Al Monaco
President & Chief Executive Officer

Calgary, Alberta
March 2, 2022

Our Board


Gregory L. Ebel


Mayank (Mike) M. Ashar


Gaurdie E. Banister Jr.


Pamela L. Carter


Susan M. Cunningham


J. Herb England


Teresa S. Madden


Al Monaco


Stephen S. Poloz


S. Jane Rowe


Dan C. Tutcher

About us

At Enbridge, our purpose is to fuel quality of life by delivering energy safely, reliably and sustainably. Whether it's oil, natural gas or renewable power, the energy we deliver helps to heat homes, feed families, fuel vehicles, power industry and benefit society in thousands of ways. The passion and innovation of our 11,000-person team has helped Enbridge become North America's leading energy delivery company.

Throughout our history, we've looked beyond the horizon to invest in modern infrastructure, resilient communities and reliable energy. We're building a bridge to a more sustainable future by meeting energy needs today and growing our low-carbon businesses for tomorrow.

While conventional energy will continue to be needed for decades to come, Enbridge is taking a balanced approach to the energy transition.

Our networks stretch across North America and we're modernizing our systems, expanding our footprint, and working toward our goal to be net zero by 2050. We're taking steps big and small to reduce emissions and accelerate the energy transition, including pursuing the potential for investment of $4 billion through 2025 in renewable power and low-carbon energy solutions such as hydrogen, renewable natural gas (RNG), and carbon capture and storage (CCS).

As we grow and evolve, we'll continue to be guided by a strong set of core values – Safety, Integrity, Respect and Inclusion – that reflect what is truly important to Enbridge.

Our core businesses

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

- Gas Transmission and Midstream (GTM) transports approximately 20% of the natural gas consumed in the U.S., supplying natural gas to approximately 170 million people, as well as power generation facilities across the continent.
- Gas Distribution and Storage (GDS) has more than 3.9 million metered connections in over 300 municipalities across Ontario and Quebec and supplies energy to 75% of Ontario residents.
- Liquids Pipelines (LP) transports approximately 30% of the crude oil produced in North America to 25 refiners, connecting producers to the best markets in the U.S. Midwest, the U.S. Gulf Coast and Eastern Canada.
- Renewable Power Generation has ownership interests in more than 48 renewable energy facilities (in operation and under construction) with 2,178 megawatts (MW) of net generation capacity – enough to meet the electricity needs of nearly one million homes.
- Enbridge's recently formed New Energy Technologies team collaborates with each business unit to advance low-carbon energy infrastructure opportunities across the Company and build on Enbridge's early investments in RNG, hydrogen and CCS.

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 4, 2022 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, 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

2022 Enbridge Inc. Common Share Dividends

	Q1	Q2	Q3	Q4
Dividend	$0.86	$ – [2]	$ – [2]	$ – [2]
Payment date	Mar 01	Jun 01	Sep 01	Dec 01
Record date[1]	Feb 15	May 13	Aug 15	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 19 – ENB.PF.K

Forward-looking information

This Annual Report includes references to forward-looking information, including with regards to the supply of and demand for energy, energy transition and low-carbon energy, ESG goals, growth opportunities and outlook, financial guidance and investment capacity. 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 Annual Report makes reference to non-GAAP financial measures and non-GAAP ratios, including EBITDA, adjusted EBITDA and distributable cash flow (DCF) per share. 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 Enbridge. EBITDA represents earnings before interest, tax, depreciation and amortization. Adjusted EBITDA represents EBITDA adjusted for unusual, infrequent or other non-operating factors. Management uses EBITDA and 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 non-controlling interests, preference share dividends and maintenance capital expenditures, and further adjusted for unusual, infrequent or other non-operating factors. Management uses DCF to assess the performance of the Company and to set its dividend payout target. Debt to EBITDA is a non-GAAP ratio used as a liquidity measure to indicate the amount of adjusted earnings available to pay debt (as calculated on a GAAP basis) before covering interest, tax, depreciation and amortization. Adjusted earnings is a non-GAAP financial measure that represents earnings attributable to common shareholders adjusted for unusual, infrequent or other non-operating factors included in adjusted EBITDA, as well as adjustments for unusual, infrequent or other non-operating factors in respect of depreciation and amortization expense, interest expense, income taxes and noncontrolling interests on a consolidated basis.

Our non-GAAP metrics described above are not measures that have standardized meaning prescribed by generally accepted accounting principles (GAAP) in the United States of America and are not U.S. GAAP measures. Therefore, these metrics may not be comparable with similar measures presented by other issuers. A reconciliation of historical non-GAAP financial measures to the most directly comparable GAAP measures is available on the Company's website. Additional information on non-GAAP financial measures and non-GAAP ratios may be found in the Company's earnings news releases or in additional information on the Company's website, sedar.com and sec.gov. Reconciliations of forward-looking non-GAAP financial measures to comparable GAAP measures are not available due to the challenges and impracticability with estimating some items, particularly certain contingent liabilities and non-cash unrealized derivative fair value losses and gains which are subject to market variability. Because of these challenges, reconciliations of forward-looking non-GAAP financial measures are not available without unreasonable effort.

Front cover

Images from across Enbridge's business.

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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