

## BOARD OF DIRECTORS OF ALTAGAS LTD.

### I. CONSTITUTION

The Board of Directors (the “Board”) of AltaGas Ltd. (“AltaGas” or the “Corporation”) is constituted and will act in accordance with the Articles and By-laws of the Corporation as amended from time to time and in accordance with the *Canada Business Corporations Act* (the “Act”) as amended from time to time.

The Board is responsible for the stewardship of AltaGas by providing effective, independent oversight of the management of the AltaGas’ business and affairs.

This mandate shall not be taken to create a higher duty or increase the liability of the Corporation, its Board, or any of its Directors or management, beyond that otherwise provided by applicable law. The identification, management and delegation of the business and affairs of the Corporation contained in this mandate, committee mandates and any other delegation of authority are intended to improve the process of corporate governance.

### II. MEMBERSHIP

The Articles of the Corporation provide for a minimum and a maximum number of Directors. In addition, the Articles provide for the ability of the Directors to appoint one or more Directors between annual meetings of Shareholders.

Nominations for the position of Director are in accordance with the Articles and By-laws of the Corporation and the Act. Nominees for Directors are initially considered and recommended by the Governance Committee of the Board, approved by the Board and elected annually by the Shareholders.

The Board must be composed of a majority of members who have been determined by the Board to be independent (in accordance with National Instrument 52-110 – *Audit Committees* of the Canadian Securities Administrators and, if AltaGas is at such time required to file reports under section 15(d) of the United States *Securities Exchange Act of 1934*, the rules of the SEC).

The Board may delegate certain of their responsibilities to committees of the Board. The responsibilities of the committees will be set forth in a mandate for each committee, as determined by the Board from time to time.

### III. MEETINGS

The Board shall convene at such times and places as determined by the Board, or as required by the By-laws or the Act, or whenever a meeting is requested by a Director, the Chairman, the Lead Director (if any), any officer of the Corporation or as otherwise set forth in AltaGas’ By-laws. Notice of the time, date and place of each meeting of the Board shall be given to each Director in

accordance with the By-laws and the Act. A quorum of the Directors at any meeting necessary for the transaction of business shall be as set forth in the By-laws.

The Board will meet at least quarterly and, in addition, once annually to review long-term and strategic planning for the Corporation, and once annually to review the budget for the upcoming financial year.

The independent Directors will meet on a regular basis in the absence of management and non-independent Directors.

#### **IV. DUTIES AND RESPONSIBILITIES**

1. The Board has plenary power. Any responsibility not delegated to management or a committee of the Board remains with the Board.
2. The Board, in accordance with the Articles, the By-laws and the Act, affirms its mandate and general power to manage and oversee the management of the business and affairs of the Corporation and assumes responsibility for the overall stewardship of the Corporation, including oversight of the Corporation's strategic planning process.
3. In addition to its general powers and responsibilities, the Board's responsibilities include:
  - a) establishing a code of business ethics, encouraging a culture of ethical business conduct throughout the organization and monitoring compliance with the code of business ethics by the directors, officers and employees of the Corporation and its subsidiaries;
  - b) reviewing and approving the Corporation's strategic plan on an annual basis, including an examination of the opportunities and risks of the business of the Corporation and its subsidiaries;
  - c) monitoring and assessing overall performance in meeting corporate objectives;
  - d) identifying and understanding the principal risks associated with the Corporation's business and reviewing and approving the implementation of systems to manage such risks;
  - e) overseeing management development, succession planning and compensation through the Human Resources and Compensation Committee of the Board;
  - f) establishing policies for communicating with Shareholders and others and for receiving comment from Shareholders and others;
  - g) overseeing the assessment by management of the integrity and effectiveness of the Corporation's internal control and management information systems;

- h) overseeing the Corporation's approach to governance and corporate social responsibility through the Governance Committee of the Board;
  - i) overseeing finance, accounting, audit, financial risk and financial control matters through the Audit Committee of the Board;
  - j) recommending to the shareholders the external auditor to be appointed;
  - k) considering and, when appropriate, declaring dividends;
  - l) overseeing environment, health and safety matters through the Environment, Health and Safety Committee of the Board; and
  - m) reviewing the Corporation's results of operations, including the evaluation of the general and specific performance of the Chief Executive Officer and management.
4. The Board is responsible for establishing policies to ensure effective, timely and non-selective communications between the Corporation, its Shareholders, other stakeholders and the public. The Board, or the appropriate committee thereof, will review and approve the content of the Corporation's major communications to Shareholders and the investing public, including the quarterly and annual reports, the management information circular, the annual information form and any prospectuses that may be issued. The Board will establish policies for receiving communications from its Shareholders, other stakeholders and the public.
5. The Board is responsible for establishing the mandates, roles and responsibilities of the Committees of the Board and the Chairs of each Committee and for delineating the responsibilities of the Chairman, Lead Director (if any), Chief Executive Officer and management. The Board will review this mandate at least once annually.

## **V. OUTSIDE EXPERTS AND ADVISORS**

The Board is authorized to retain and oversee independent counsel, outside experts and other advisors to advise the Board on any matter and to compensate such advisors.