

## HUMAN RESOURCES AND COMPENSATION COMMITTEE OF THE BOARD OF DIRECTORS OF ALTAGAS LTD.

### I. CONSTITUTION

The Board of Directors (the “Board”) of AltaGas Ltd. (“AltaGas” or the “Corporation”) has established a Human Resources and Compensation Committee (the “Committee”) to serve as the Human Resources and Compensation Committee of the Board. Such Committee shall be in compliance with the guidelines for corporate governance of The Toronto Stock Exchange (“TSX”) and any other regulatory or legal authority having jurisdiction over AltaGas.

The Committee shall supervise the development of the overall human resources and compensation policies of AltaGas and its affiliates and shall be responsible for continuing assessment of human resources and compensation matters.

### II. MEMBERSHIP

The Board shall elect from its members not less than three (3) Directors to serve on the Committee (the “Members”) and shall appoint one such Member as Chair of the Committee.

- No Member shall be an officer or employee of the Corporation or any subsidiary or affiliate of AltaGas.
- Every Member must 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) and not a Director appointed by virtue of contractual right.

Any Member may be removed or replaced at any time by the Board and shall cease to be a member upon ceasing to be a Director of the Corporation. Each Member shall hold office until the Member resigns or is replaced, whichever first occurs. Where a vacancy occurs at any time in the membership of the Committee, it may be filled by the Board on the recommendation of the Governance Committee, provided that the proposed Member meets the above criteria.

The Corporate Secretary of the Corporation shall be secretary to the Committee unless the Committee directs otherwise.

### III. MEETINGS

The Committee shall convene no less than four times per year at such times and places as designated by its Chair or whenever a meeting is requested by a Member, the Board, or an officer of the Corporation. A minimum of twenty-four (24) hours’ notice of each meeting shall be

given to each Member. Members of management of the Corporation or any subsidiary or affiliate of the Corporation shall attend whenever requested to do so by a Member.

A meeting of the Committee shall be duly convened if a majority of Members are present. Members may participate in a meeting of the Committee by means of such telephonic, electronic or other communication facilities as permit all persons participating in the meeting to communicate adequately with each other, and a Member participating in such a meeting by any means is deemed to be present at that meeting.

In the absence of the Chair of the Committee, the Members may choose one of the Members to be the Chair of the meeting.

The Committee will hold *in camera* sessions as may be deemed appropriate by the Members.

Minutes shall be kept of all meetings of the Committee by the Corporate Secretary of the Corporation or designate of the Corporate Secretary of the Corporation.

#### **IV. DUTIES AND RESPONSIBILITIES OF THE CHAIR**

The Chair is responsible for:

1. duly convening Committee meetings and designating the times and places of those meetings;
2. working with management, the Chair of the Board and Lead Director on the development of agendas;
3. reviewing material for the Committee meetings prior to it being made available to Members;
4. ensuring Committee meetings are conducted in an efficient, effective and focused manner;
5. ensuring the Committee has sufficient information to permit it to properly make decisions when decisions are required;
6. providing leadership to the Committee and assisting the Committee in reviewing and monitoring its responsibilities;
7. advising the Committee of any matters brought to the Chair's attention;
8. advising any other Committee Chair or the Chair of the Board of any matters which may affect the organization and influence the Board or Committee's responsibilities; and
9. reporting to the Board on the activities, recommendations and decisions of the Committee after each meeting.

#### **V. DUTIES AND RESPONSIBILITIES OF THE COMMITTEE**

The Committee shall, as permitted by and in accordance with the requirements of the *Canada Business Corporations Act*, the Articles and By-laws of the Corporation and any legal or regulatory authority having jurisdiction, address, on behalf of the Board, all material matters of a

human resources and compensation nature, including, but not limited to, reviewing, approving, reporting on or making recommendations to the Board in relation to the following:

1. appointment of senior management, executives and officers and determination of their compensation, including deciding the basis on which such compensation is to be determined, as well as the amounts and types of compensation to be paid and including termination arrangements, as applicable;
2. oversight of internal controls in the executive compensation process, including supervising controls over gathering information used to determine compensation, the establishment of equity reward plans and the grant of awards thereunder;
3. compensation philosophy and principles for compensation programs, including the design and application of material compensation programs, related structures and executive share ownership guidelines;
4. staff incentive and perquisite programs;
5. annual salary adjustment pools/budgets;
6. pension/benefit programs;
7. talent development, retention strategies, and succession plans for officers and other critical staff;
8. performance evaluation and compensation / benefits of the CEO and employees reporting directly to the CEO;
9. certain matters relating to collective agreements with unions;
10. pension fund governance/administration;
11. Human Resources Policy Framework;
12. the Human Resources and Compensation Committee Report for publication in applicable disclosure documents; and
13. human resources or compensation functions customarily carried out by such committees as well as such other matters which may be referred to it by the Board from time to time.

## **VI. COMMITTEE TIMETABLE**

The major activities of the Committee will be outlined in an annual schedule.

## **VII. OUTSIDE EXPERTS AND ADVISORS**

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