

## **TERMS OF REFERENCE FOR THE BOARD OF DIRECTORS**

### **I. INTRODUCTION**

The Board of Directors (“Board”) of Enbridge Inc. (the “Corporation”) oversees the management of, and provides stewardship over, the Corporation’s affairs. The Board’s primary goal is to act in the best interests of the Corporation to enhance long-term shareholder value while considering the interests of the Corporation’s shareholders and various other stakeholders. The *Canada Business Corporations Act* (“CBCA”) provides that every director and officer shall act honestly and in good faith with a view to the best interests of the corporation and exercise the care, diligence and skill that a reasonably prudent person would exercise in comparable circumstances.

These Terms of Reference are intended not to limit the powers of the Board but to assist the Board in the exercise of its powers and the fulfillment of its duties. These Terms of Reference operate in conjunction with the Corporate Governance Principles and Guidelines and the respective Terms of Reference for each of the Board’s committees, the Chair of the Board and the President & Chief Executive Officer (“CEO”).

### **II. BOARD OF DIRECTORS**

The organization of the Board and its authority and procedures are subject to the CBCA and the Corporation’s articles and by-laws. The Corporation is also subject to other applicable law and stock exchange requirements.

Each Board committee shall convene at such times and places designated by its chair or whenever a meeting is requested by a committee member, the Board or an officer of the Corporation (or in the case of the Audit, Finance & Risk Committee, by the internal auditor or external auditor). A minimum of twenty-four (24) hours’ notice of each meeting shall be given to each Board committee member. A Board committee meeting shall be duly convened if at least a majority of the members are present. A quorum at a meeting shall consist of at least a majority of the members. Where the members consent, and proper notice has been given or waived, committee 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 such means is deemed to be present at that meeting. In the absence of the chair of the committee, the committee members may choose one (1) of the members to be the chair of the meeting. Where appropriate, members of the committee may meet separately with the Corporation’s senior management. Minutes shall be kept of all meetings of the Board’s committees.

Directors are expected to adequately prepare for, attend and participate at Board and Board committee meetings of which they are a member, become familiar with deliberations and decisions after any missed meetings and attend the annual meeting of shareholders. Directors should at all times discharge their responsibilities with the highest standards of ethical conduct and in conformity with applicable laws and regulations and the Corporation’s values of integrity, safety and respect. The Board has implemented a comprehensive Statement on Business Conduct applicable to all employees, contractors and Directors of the Corporation.

The Board operates by delegating certain of its authorities to management and by reserving certain powers to the Board and its committees. The Board is responsible for the stewardship of the Corporation and for monitoring the actions of, and providing overall guidance and direction to, management. Management is responsible for the management of the Corporation.

### III. PRINCIPAL RESPONSIBILITIES

As part of its stewardship responsibility, the Board has the following responsibilities:

- A. **CEO and Senior Management** — appointing the CEO; approving the Terms of Reference for the CEO; evaluating the CEO's performance; approving the CEO's compensation; and approving the appointment of executive officers;
- B. **Succession Planning** — ensuring that processes are in place for succession planning, including the appointment, training and monitoring of senior management;
- C. **Strategy** — adopting a strategic planning process and approving, at least on an annual basis, a strategic plan which takes into account, among other things, the opportunities and risks of the Corporation's business; and monitoring progress in achievement of the strategic plan and directing management to initiate corrective action as and when appropriate;
- D. **Risk** — identifying and having an understanding of the principal risks of the Corporation's business and ensuring that appropriate systems are implemented to monitor, manage and mitigate those risks;
- E. **Internal Control** — ensuring processes are in place to monitor and maintain the integrity of the Corporation's internal control and management information systems;
- F. **Culture of Integrity, Safety and Respect** — satisfying itself as to the integrity of the CEO and other executive officers and ensuring that the CEO and other executive officers create a culture of integrity, safety and respect throughout the Corporation. This includes approving and monitoring compliance with the Corporation's Statement on Business Conduct;
- G. **Corporate Governance** — developing the Corporation's approach to corporate governance, including the Corporate Governance Principles and Guidelines;
- H. **Communications** — ensuring that the Corporation has a communications program in place to effectively communicate with and receive feedback from shareholders, stakeholders and the public generally and to ensure that public disclosures and corporate communications are made in compliance with applicable securities legislation; and
- I. **Non-Delegable Responsibilities** — making certain decisions by the Board as a whole that cannot be delegated under the CBCA, including authorizing the issuance of securities, declaring dividends, approving management proxy circulars, approving annual financial statements and adopting, amending or repealing the Corporation's by-laws.

### IV. ADDITIONAL TYPICAL BOARD MATTERS

The following non-exhaustive list identifies other matters generally considered by the Board in fulfilling its responsibility for stewardship of the Corporation. The Board may determine it

appropriate to delegate certain of these matters to Board committees:

- (i) overseeing corporate financial operations, including: reviewing and recommending to shareholders changes to capital structure; reviewing and approving the annual budget, annual financing plans, dividend policy and new financings; reviewing and approving financial statements, management's discussion and analysis and the annual report; and approving the Corporation's authorities and spending limits policies for authorities delegated to management;
- (ii) reviewing and approving material initiatives, investments and transactions;
- (iii) ensuring processes are in place to address applicable corporate, securities, regulatory and other compliance matters and approving and monitoring compliance with significant policies and procedures by which the Corporation is governed and operated; and
- (iv) managing the Board's own affairs.

In addition to the matters referred to in these Terms of Reference, the Board performs other functions as may be necessary or appropriate in the circumstances, including functions expressly required by the CBCA or other applicable law, the Corporation's articles or by-laws or applicable stock exchange requirements.

## **V. COMMUNICATING WITH THE BOARD**

Interested parties wishing to communicate with the Board Chair may do so by writing to Board Chair c/o Corporate Secretary, Enbridge Inc., 200, 425-1<sup>st</sup> Street S.W., Calgary, Alberta, Canada T2P 3L8 or by email to [corporatesecretary@enbridge.com](mailto:corporatesecretary@enbridge.com).

## **VI. NO RIGHTS CREATED**

These Terms of Reference are intended to be part of the Board's flexible governance framework. These Terms of Reference do not create any legally binding obligations on the Board, any Board committee, any Director or the Corporation.