

C0. Introduction

C0.1

(C0.1) Give a general description and introduction to your organization.

Keyera operates an integrated Canadian-based energy infrastructure business with extensive interconnected assets and depth of expertise in delivering energy solutions. Our predominantly fee-for-service-based business consists of natural gas gathering and processing; natural gas liquids processing, transportation, storage and marketing; iso-octane production and sales; and an industry-leading condensate system in the Edmonton/Fort Saskatchewan area of Alberta. In 2021, we employed over 1,000 people at 20 facilities and offices across Alberta, Oklahoma, and Texas. We strive to provide high-quality, value-added services to our customers across North America and are committed to conducting business ethically, safely, and in an environmentally and financially responsible manner.

C0.2

(C0.2) State the start and end date of the year for which you are reporting data and indicate whether you will be providing emissions data for past reporting years.

Reporting year

Start date

January 1 2022

End date

December 31 2022

Indicate if you are providing emissions data for past reporting years

No

Select the number of past reporting years you will be providing Scope 1 emissions data for

<Not Applicable>

Select the number of past reporting years you will be providing Scope 2 emissions data for

<Not Applicable>

Select the number of past reporting years you will be providing Scope 3 emissions data for

<Not Applicable>

C0.3

(C0.3) Select the countries/areas in which you operate.

Canada

United States of America

C0.4

(C0.4) Select the currency used for all financial information disclosed throughout your response.

CAD

C0.5

(C0.5) Select the option that describes the reporting boundary for which climate-related impacts on your business are being reported. Note that this option should align with your chosen approach for consolidating your GHG inventory.

Operational control

C-OG0.7

(C-OG0.7) Which part of the oil and gas value chain and other areas does your organization operate in?

Row 1

Oil and gas value chain

Midstream
Chemicals

Other divisions

Carbon capture and storage/utilization

C0.8

(C0.8) Does your organization have an ISIN code or another unique identifier (e.g., Ticker, CUSIP, etc.)?

Indicate whether you are able to provide a unique identifier for your organization	Provide your unique identifier
Yes, an ISIN code	ISIN: CA4932711001

C1. Governance

C1.1

(C1.1) Is there board-level oversight of climate-related issues within your organization?

Yes

C1.1a

(C1.1a) Identify the position(s) (do not include any names) of the individual(s) on the board with responsibility for climate-related issues.

Position of individual or committee	Responsibilities for climate-related issues
Board-level committee	<p>In 2021, the Board approved the creation of a Governance and Sustainability Committee (GSC) to assist the Board in its oversight of ESG, sustainability and corporate governance matters. The GSC became operational in 2022. The GSC mandate, which is available on our website, outlines responsibilities for reviewing and monitoring ESG-related strategies and performance objectives and targets, including GHG emissions and our 2025 and 2035 emissions targets. The GSC closely monitors climate-related regulatory developments and emerging best practices. The GSC is also responsible for the Company's corporate governance practices, including board composition, board skills and education and nomination and appointment of new directors.</p> <p>The GSC mandate is complemented by the Board's Human Resources and Health, Safety & Environment Committees to identify and monitor performance-based metrics in our compensation plans (which include emissions and other ESG-related metrics) and monitor our safety, pipeline, and asset integrity programs, as well as environmental regulatory compliance.</p> <p>These three committees report into the full Board. The Board is responsible for stewarding the Company's strategy, and overall business and financial strength, including monitoring climate-related risks and opportunities. This includes, with the assistance of the GSC, oversight of climate-related strategies including carbon reduction targets and initiatives and related risks and opportunities as part of broader corporate strategy, capital allocation, M&A strategy, and enterprise risk management oversight responsibilities.</p>

C1.1b

(C1.1b) Provide further details on the board’s oversight of climate-related issues.

Frequency with which climate-related issues are a scheduled agenda item	Governance mechanisms into which climate-related issues are integrated	Scope of board-level oversight	Please explain
Scheduled – all meetings	<ul style="list-style-type: none"> Reviewing and guiding annual budgets Overseeing major capital expenditures Overseeing acquisitions, mergers, and divestitures Overseeing and guiding employee incentives Reviewing and guiding strategy Monitoring progress towards corporate targets 	<Not Applicable>	<p>As part of all its scheduled meetings, the board reviews the development and ongoing evaluation of Keyera’s strategy, including the integration of emissions, climate-related and energy transition factors, and strategies.</p> <p>During scheduled meeting, the board also approves major capital expenditures, acquisitions and divestitures, and these decisions are informed by Keyera’s capital allocation framework, which includes a greenhouse gas evaluation component.</p> <p>The board is responsible for monitoring progress on emissions reduction, GHG targets and the annual company scorecard. Detailed performance updates are discussed by the appropriate board Committees, which then report to the board. The board meets six times a year and its committees meet quarterly.</p>
Scheduled – some meetings	<ul style="list-style-type: none"> Reviewing innovation/R&D priorities Overseeing and guiding the development of a transition plan Monitoring the implementation of a transition plan Reviewing and guiding the risk management process 	<Not Applicable>	<p>Other climate-related issues are reviewed at some meetings.</p> <p>Transition plan & strategy: Climate-related issues also represent a significant element of the board’s strategy session, which is held once a year.</p> <p>Risk management: Climate-related issues are also integrated into its enterprise risk reviews, which happen annually.</p> <p>Annual budgeting and capital allocation decisions: Budgets are reviewed and approved by the board on an annual basis and include consideration of various climate-related matters, including emission reduction initiatives, carbon-related compliance costs and energy transition planning and initiatives.</p>

C1.1d

(C1.1d) Does your organization have at least one board member with competence on climate-related issues?

Board member(s) have competence on climate-related issues	Criteria used to assess competence of board member(s) on climate-related issues	Primary reason for no board-level competence on climate-related issues	Explain why your organization does not have at least one board member with competence on climate-related issues and any plans to address board-level competence in the future
Yes	<p>Keyera believes that effective Board oversight is best achieved by a composition of directors with a broad range of expertise and competencies relevant to our business. The Board also seeks to ensure directors have a diversity of experience and perspective to support both informed decision-making as well as constructive debate. To assess our current Board composition and prospective director candidates, the Board uses a Director Skills Matrix which includes criteria specifically related to climate-related issues. Specifically, our matrix has a specific sustainability criterion which is described as, “Experience related to sustainability matters relevant to the energy industry, INCLUDING EMISSIONS, safety, water and land management, diversity, Indigenous engagement, community relations, as well as the development and evaluation of SUSTAINABILITY-BASED PERFORMANCE METRICS.”</p> <p>As of March 2023, forty-five percent of our Board of Directors holds expertise in Sustainability, as demonstrated on page 40 of Keyera’s 2023 Information Circular: keyera.com/assets/Attachments/2023-Information-Circular.pdf</p>	<Not Applicable>	<Not Applicable>

C1.2

(C1.2) Provide the highest management-level position(s) or committee(s) with responsibility for climate-related issues.

Position or committee

Chief Executive Officer (CEO)

Climate-related responsibilities of this position

- Providing climate-related employee incentives
- Integrating climate-related issues into the strategy
- Setting climate-related corporate targets
- Monitoring progress against climate-related corporate targets

Coverage of responsibilities

<Not Applicable>

Reporting line

Reports to the board directly

Frequency of reporting to the board on climate-related issues via this reporting line

More frequently than quarterly

Please explain

Keyera’s CEO is accountable for developing Keyera’s strategy, including integrating climate-related considerations into Keyera’s long-term strategy. The CEO works directly with the board and its committees to provide overall leadership and direction to the Company, including climate and ESG-related matters. The CEO works directly and collaboratively with his Senior Vice President (SVP) team, including the SVP, Sustainability, External Relations & General Counsel, to develop and oversee execution of the Company’s ESG strategy, energy transition strategy, as well as set climate-related corporate targets and employee incentives.

Position or committee

Other C-Suite Officer, please specify (Senior Vice-President, Sustainability, External Affairs and General Counsel)

Climate-related responsibilities of this position

Managing annual budgets for climate mitigation activities
Providing climate-related employee incentives
Developing a climate transition plan
Implementing a climate transition plan
Integrating climate-related issues into the strategy
Setting climate-related corporate targets
Monitoring progress against climate-related corporate targets
Managing public policy engagement that may impact the climate
Assessing climate-related risks and opportunities
Managing climate-related risks and opportunities
Other, please specify (Climate-related disclosures)

Coverage of responsibilities

<Not Applicable>

Reporting line

CEO reporting line

Frequency of reporting to the board on climate-related issues via this reporting line

More frequently than quarterly

Please explain

The Senior Vice-President, Sustainability, External Affairs and General Counsel has oversight of the development and execution of Keyera's ESG and energy transition strategy, as well as ensuring climate and other ESG factors are integrated within the corporate strategy. This SVP is also responsible for working with the Executive team to assess and manage climate-related risks and opportunities, including the oversight of GHG and financial modeling used within the ERM, capital investment framework and budgeting. This SVP is also responsible for public policy engagement, government relations, Indigenous relations, as well as external ESG-related disclosures.

Position or committee

Chief Operating Officer (COO)

Climate-related responsibilities of this position

Managing annual budgets for climate mitigation activities
Managing major capital and/or operational expenditures related to low-carbon products or services (including R&D)
Managing climate-related acquisitions, mergers, and divestitures
Developing a climate transition plan
Integrating climate-related issues into the strategy

Coverage of responsibilities

<Not Applicable>

Reporting line

CEO reporting line

Frequency of reporting to the board on climate-related issues via this reporting line

More frequently than quarterly

Please explain

The COO has responsibilities related to reducing the emission profile of our current assets and decarbonizing our operations. This could include approving budgets related to the implementation of new technology or operational efficiencies and providing input into acquisitions and mergers. The COO also has a role in reviewing and approving emissions related compliance reporting.

Position or committee

Chief Financial Officer (CFO)

Climate-related responsibilities of this position

Managing annual budgets for climate mitigation activities
Managing major capital and/or operational expenditures related to low-carbon products or services (including R&D)
Managing climate-related acquisitions, mergers, and divestitures
Integrating climate-related issues into the strategy

Coverage of responsibilities

<Not Applicable>

Reporting line

CEO reporting line

Frequency of reporting to the board on climate-related issues via this reporting line

More frequently than quarterly

Please explain

The CFO is accountable to managing annual budgets, evaluating major capital investments, acquisitions, and divestitures, and considering the short-, medium- and long-term financial impacts of climate-related risks and opportunities. The CFO is also responsible for the oversight of investor relations and treasury, both of which engage with stakeholders on the transition and physical risks of climate change.

C1.3

(C1.3) Do you provide incentives for the management of climate-related issues, including the attainment of targets?

	Provide incentives for the management of climate-related issues	Comment
Row 1	Yes	<p>Since 2020, Keyera has included ESG-aligned performance metrics in our annual incentive (or bonus) program for executives and employees. For 2022, corporate performance for purposes of the STIP corporate performance rating was based on a combination of a single Financial Target (70 per cent) and three non-financial performance categories, including Safety (10 per cent), Operational (10 per cent) and Environment & Regulatory (10 per cent) factors. Under the Environment and Regulatory category, the scorecard included a predetermined annual GHG intensity target that aligned with our multi-year corporate GHG targets of a 25% reduction by 2025 and a 50% reduction by 2035.</p> <p>Performance against these metrics, including the GHG reduction metric, is tracked on a quarterly basis and reported to the Board committees and the full Board. Annual results are approved by the Board and used to determine annual bonuses for our executives and employees.</p>

C1.3a

(C1.3a) Provide further details on the incentives provided for the management of climate-related issues (do not include the names of individuals).

Entitled to incentive

Corporate executive team

Type of incentive

Monetary reward

Incentive(s)

Bonus - % of salary

Performance indicator(s)

Progress towards a climate-related target

Incentive plan(s) this incentive is linked to

Short-Term Incentive Plan

Further details of incentive(s)

For 2022, corporate performance for purposes of the short-term incentive plan corporate performance rating was based on a combination of a single Financial Target (70 per cent) and three non-financial performance categories, including Safety (10 per cent), Operational (10 per cent) and Environment & Regulatory (10 per cent) factors. Under the Environment and Regulatory category, the scorecard included a predetermined annual GHG intensity target that aligns with our multi-year corporate GHG targets of a 25% reduction by 2025 and a 50% reduction by 2035.

Explain how this incentive contributes to the implementation of your organization's climate commitments and/or climate transition plan

As mentioned, the short-term incentive plan scorecard included a predetermined annual GHG intensity target that aligns with our multi-year corporate GHG targets of a 25% reduction by 2025 and a 50% reduction by 2035. Our near-term target demonstrates our commitment to taking concrete actions in the next four years to reduce emissions and build the momentum and competencies required for longer-term improvements. Our longer-term target reflects our commitment to participate in the energy transition. This target is intended to focus our efforts and incentivize future strategic decision-making to enable Keyera to contribute meaningfully and successfully to a low-carbon future.

Entitled to incentive

All employees

Type of incentive

Monetary reward

Incentive(s)

Bonus - % of salary

Performance indicator(s)

Progress towards a climate-related target

Incentive plan(s) this incentive is linked to

Short-Term Incentive Plan

Further details of incentive(s)

For 2022, corporate performance for purposes of the short-term incentive plan corporate performance rating was based on a combination of a single Financial Target (70 per cent) and three non-financial performance categories, including Safety (10 per cent), Operational (10 per cent) and Environment & Regulatory (10 per cent) factors. Under the Environment and Regulatory category, the scorecard included a predetermined annual GHG intensity target that aligns with our multi-year corporate GHG targets of a 25% reduction by 2025 and a 50% reduction by 2035.

Explain how this incentive contributes to the implementation of your organization's climate commitments and/or climate transition plan

As mentioned, the short-term incentive plan scorecard included a predetermined annual GHG intensity target that aligns with our multi-year corporate GHG targets of a 25% reduction by 2025 and a 50% reduction by 2035. Our near-term target demonstrates our commitment to taking concrete actions in the next four years to reduce emissions and build the momentum and competencies required for longer-term improvements. Our longer-term target reflects our commitment to participate in the energy transition. This target is intended to focus our efforts and incentivize future strategic decision-making to enable Keyera to contribute meaningfully and successfully to a low-carbon future.

C2. Risks and opportunities

C2.1

(C2.1) Does your organization have a process for identifying, assessing, and responding to climate-related risks and opportunities?

Yes

C2.1a

(C2.1a) How does your organization define short-, medium- and long-term time horizons?

	From (years)	To (years)	Comment
Short-term	1	3	
Medium-term	3	10	
Long-term	10	25	

C2.1b

(C2.1b) How does your organization define substantive financial or strategic impact on your business?

Keyera looks at various factors when evaluating the financial, operational, and strategic impact on our business. In 2021, Keyera completed a comprehensive Enterprise Risk Management (“ERM”) review, conducted by a third party. As part of this process, key risk areas were identified that were considered to have a potentially significant impact on our operations, finance, or strategy. These areas include ‘Health, Safety & Environment’, ‘Financial’, ‘Customer Recognition & Stakeholder Reputation’, ‘Operational’, and ‘Culture’. We assess these categories along two axes 1) likelihood and 2) consequence on business. Both continuums are on a defined five-point scale. In 2023, the ERM was refreshed, and it continues to align to current short-term risks associated with Keyera’s strategy.

Substantive financial or strategy impact associated with climate-related risks fit within and are quantified within the Revenue category and Health, Safety and Environment category. With regards to the definition of substantive financial impact within the Revenue category, Keyera considers risks/activities with implications of greater than \$50 million to be ‘severe’, and those between \$20-\$50 million are considered ‘significant’. For example, as it relates to climate-related compliance costs, current and future carbon compliance costs which are of greater than \$20 million are to be considered ‘significant’ and greater than \$50 million would be considered ‘severe’ as they have a current and future impact on Keyera revenue. From an environmental standpoint, we consider ‘severe’ risk to be “widespread adverse effects on sensitive water body, human drinking water source” and thus, as it relates specifically to climate change, long-term drought or floods which impact water bodies fit into the category of severe risk.

C2.2

(C2.2) Describe your process(es) for identifying, assessing and responding to climate-related risks and opportunities.

Value chain stage(s) covered

Direct operations
Upstream
Downstream

Risk management process

Integrated into multi-disciplinary company-wide risk management process

Frequency of assessment

More than once a year

Time horizon(s) covered

Short-term
Medium-term
Long-term

Description of process

Keyera has developed a formal company-wide multi-disciplinary enterprise risk management (ERM) process to identify, assess and manage climate-related risks. The Finance Team leads the ERM process and works with senior executives and their business units to identify and evaluate risks in their respective areas of the business. These teams often include information from external experts and stakeholders. The ERM process includes the consideration of short-term, medium-term, and long-term risks as defined in section C.2.1a, including climate-related risks such as regulatory impacts, consumer demand and market changes, reputational concerns, and access to capital.

The risk assessment is completed in an integrated, multidisciplinary manner and assessed by the full leadership team using a risk matrix with specific criteria defined quantitatively on a five-point scale (see C2.1.b).

Within the ERM process each risk that is categorized as a top risk (including climate-related risk) is assigned a senior executive responsible for ensuring the risk is monitored and appropriate mitigation strategies are in place.

Results are rolled up to the Executive Team, reported to the CEO and CFO, and then reported to the full board. This process of identifying the top risks is conducted formally on an ANNUAL basis and reviewed/updated QUARTERLY as part of the strategy development and financial planning activities and sessions.

The board ultimately has oversight of the ERM process and ensuring regular monitoring and evaluation that these risks, ensuring they are reflected in our overall corporate strategy and ensuring that robust mitigation measures are in place.

C2.2a

(C2.2a) Which risk types are considered in your organization's climate-related risk assessments?

	Relevance & inclusion	Please explain
Current regulation	Relevant, always included	<p>An increasing area of climate-related risks relates to the ongoing development, change and costs associated with federal, provincial, and local emissions-related regulation, including emissions management and carbon pricing. Regulatory frameworks increase direct costs related to compliance, monitoring, and reporting. Compliance and reporting costs could also impact the costs of providing services to customers. Regulatory reviews and changes to calculation methodologies affecting compliance obligations are also significant risks, again related to compliance costs, but also our ability to effectively respond and meet reporting requirements.</p> <p>We manage these risks by closely monitoring changes to regulations and routinely assessing the impacts of proposed changes. Keyera includes an assessment of the impact of current regulations in our enterprise and facility/business unit-level risk assessments, operational budget, and strategic planning, as well as capital investment decisions, divestures, acquisitions, and investments.</p>
Emerging regulation	Relevant, always included	<p>As noted above, federal, provincial, and local regulations related to carbon pricing continue to evolve quickly, both in our sector as well as in sectors in our value chain (power, refining, etc.).</p> <p>Emerging regulatory frameworks are expected to result in increased operating costs for Keyera, including those related to carbon compliance for certain facilities and could impact the costs of providing services to our customers. They could also impact the production activities of our customers.</p> <p>Regulatory instability and uncertainty also create challenges with accurately forecasting yearly operating costs, resulting in less predictability for our business planning.</p> <p>As part of our risk analyses, Keyera uses a blended GHG and financial model to forecast the potential financial impacts of different carbon regulations on our current assets and activities.</p> <p>Keyera carefully monitors developments, legislative initiatives and regulatory trends across Canada and the U.S., as well as international trends.</p> <p>Keyera participates in multiple industry working groups and sessions with regulators to discuss and monitor risks associated with emerging regulations as well as provide comments to help regulators understand impacts and potential unintended consequences.</p>
Technology	Relevant, always included	<p>Keyera evaluates the climate-related risks related to technology from different perspectives.</p> <p>The evaluation included advancements in clean and renewable energy, electrification, and battery storage, as well as general improvements to fuel efficiency, could negatively impact the demand for oil and gas products and Keyera's services.</p> <p>Keyera also evaluated the risks to operations and the costs/risks related to transitioning to new technology and energy sources. Keyera must carefully balance possible efficiency gains with facility lifecycle considerations, costs, and possible safety or unforeseen operational impacts related to deploying new technology.</p>
Legal	Relevant, always included	<p>Keyera's activities are regulated by federal, provincial, and municipal environmental laws and regulations, which impose restrictions and obligations in connection with facility emissions. As these laws and regulations are evolving quickly, Keyera could be exposed to increased costs and legal liability should we fail to meet our obligations. These laws and obligations are considered within current and future regulatory risk analysis and closely monitored by our Legal and Regulatory teams.</p>
Market	Relevant, always included	<p>There are many macro and micro dynamics impacting the market for oil and gas products, both in the near-term and long-term. Examples of factors that we include in our market risk analyses are volatile commodity product pricing, storage and pipeline capacity, price of power, and consumer preference changes. The above dynamics could also lead producers to curtail supply or customers may be unable to fulfill their supply contracts, which could impact Keyera revenues.</p> <p>Demand erosion and reduced supply could negatively impact our revenues, asset base, and ability to grow. Unstable and unpredictable commodity pricing and market conditions create risk and uncertainty in our marketing strategies and financial planning.</p> <p>Fundamental changes to the way commodities are priced could impact our liquid blending and iso-octane margins.</p> <p>To manage market changes, Keyera carefully monitors current developments, as well as uses internal and external experts to predict trends and impact of market dynamics. We also have strategies in place to support business stability and manage change, such as signing long-term contracts and hedging.</p>
Reputation	Relevant, sometimes included	<p>Negative sentiment towards the energy industry could impact Keyera and other energy industry players (including Keyera's customers, partners, and suppliers) by influencing decisions made by investors, governments, and consumers. Reputational-related risks include increased regulatory costs, decreased access to capital, increased cost of capital, decreased consumer demand, decreased product availability, and changing commodity prices.</p> <p>Additional risks could include increased social activism, as well as stakeholder or community resistance to Keyera projects or activities in general.</p> <p>Some insurers have stated publicly that they will no longer provide new insurance capacity or are reducing the capacity offered to companies operating in the oil sands. These reputational-related challenges could impact our ability to conduct our operations, increased costs, disrupted timelines, and resourcing.</p>
Acute physical	Relevant, always included	<p>Our facilities can be impacted by acute weather events such as wildfires and floods. The weather may also affect our ongoing construction projects, as well as those of our customers and suppliers.</p> <p>Weather events, extreme heat, and extreme cold could pose safety concerns for workers, could affect the performance and operation of Keyera's facilities, project delays, or could cause facility outages or interruptions to transportation from suppliers or to market.</p>
Chronic physical	Relevant, sometimes included	<p>Changes in the global temperatures and weather variability could have an impact on the demand for our products. For example, warmer temperatures could impact the demand for propane. Volatile temperatures could also lead to volatile commodity pricing, which could have both positive and negative impacts on our marketing division, as well as on the activities of our customers. Prolonged droughts could impact Keyera's ability to access water for our operations.</p>

C2.3

(C2.3) Have you identified any inherent climate-related risks with the potential to have a substantive financial or strategic impact on your business?

Yes

C2.3a

(C2.3a) Provide details of risks identified with the potential to have a substantive financial or strategic impact on your business.

Identifier

Risk 1

Where in the value chain does the risk driver occur?

Direct operations

Risk type & Primary climate-related risk driver

Current regulation	Carbon pricing mechanisms
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Primary potential financial impact

Increased direct costs

Climate risk type mapped to traditional financial services industry risk classification

<Not Applicable>

Company-specific description

Ninety-six percent of Keyera's business is obligated to comply with carbon pricing, GHG compliance under Alberta's Technology Innovation and Emissions Reduction (TIER) Regulations for its Large Final Emitters (LFEs) and Aggregate Facilities. The TIER carbon price increased from \$40/tCO_{2e} to \$50/tCO_{2e} in 2022 and is scheduled to continue rising by \$15/year to \$170/tCO_{2e} in 2030. The TIER regulation applies performance benchmarks and applies tightening to those benchmarks to stimulate operational efficiencies. Compliance is based on difference between actual performance and tightening benchmarks. This is a direct cost to Keyera and impacts our profitability and the costs of providing services to customers

Time horizon

Short-term

Likelihood

Virtually certain

Magnitude of impact

Low

Are you able to provide a potential financial impact figure?

Yes, an estimated range

Potential financial impact figure (currency)

<Not Applicable>

Potential financial impact figure – minimum (currency)

5000000

Potential financial impact figure – maximum (currency)

8000000

Explanation of financial impact figure

The financial impact of \$5,000,000 to \$8,000,000 represents the amount of annual carbon tax compliance obligations that Keyera is expected to incur in 2022 to 2025. Under the Alberta TIER regulation, from January to March, the carbon tax was \$40/tCO_{2e} and then increased \$50/tCO_{2e} for the remainder of the year. The majority of Keyera's facilities are based in Alberta and are regulated under TIER.

Cost of response to risk

5000000

Description of response and explanation of cost calculation

The cost of 5,000,000 is the minimum payment into Alberta's TIER technology fund required by the regulation over the next three years. The maximum we anticipate Keyera would have to pay is \$8,000,000 depending on facility performance and increased regulatory stringency over that same period.

In response to rising regulatory costs, Keyera expects to invest in decarbonization activities that meet or exceed cost-benefit requirements. For example, we plan to continue to evaluate, and implement where feasible, opportunities to improve efficiency at operating facilities through upgrades, retrofits and enhanced operational control. We also plan to continue to explore optimizing utilization of our facilities by consolidating volumes, selectively suspending, or divesting from high carbon intensity assets, exploring CCUS and supporting renewables and low carbon power.

CASE STUDY:

In 2020, Keyera entered into a solar power purchase agreement to source approximately 10 percent of our power needs from a new 25-megawatt solar generation facility in Alberta. Keyera will be the sole purchaser of the renewable electricity produced.

The facility began initial operations in Q1 2023, and actual power production will be evaluated annually. The forecasted 53,000 MWhs of power produced is equivalent to about 10% of Keyera's total annual consumption – enough to power about 4,000 houses annually. The benefits for Keyera include contracted fixed electricity pricing for 15 years; more than 28,000 tonnes of annual carbon emission offsets that will be applied to lower the carbon intensity of Keyera's assets

Comment

The cost of response to risk is approximate, considered to be between \$5-8 million.

Identifier

Risk 2

Where in the value chain does the risk driver occur?

Direct operations

Risk type & Primary climate-related risk driver

Current regulation	Enhanced emissions-reporting obligations
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Primary potential financial impact

Increased direct costs

Climate risk type mapped to traditional financial services industry risk classification

<Not Applicable>

Company-specific description

Current regulations impose associated compliance costs due to increased administrative burden and reporting requirements. In addition, there has been an increase in requirements related to methane emissions surveys in accordance with Directive 60. This has also increased the administrative burden to schedule and conduct surveys, data management and reporting costs for Keyera and its facilities.

Time horizon

Short-term

Likelihood

Virtually certain

Magnitude of impact

Low

Are you able to provide a potential financial impact figure?

Yes, an estimated range

Potential financial impact figure (currency)

<Not Applicable>

Potential financial impact figure – minimum (currency)

800000

Potential financial impact figure – maximum (currency)

1000000

Explanation of financial impact figure

The financial figure includes the cost of additional staff and supplemental third-party support required to meet regulatory GHG emissions reporting requirements.

Cost of response to risk

800000

Description of response and explanation of cost calculation

To meet our regulatory requirements, Keyera has had to hire more staff and pay for additional consultant support; however, we continue to explore process efficiencies to gather, consolidate and report on data.

The \$800,000 total cost to respond to this risk includes payment for a centralized data system (approx. \$200,000), third-party methane surveys (approx, \$300,000), GHG consulting costs, as well as an estimate of Keyera full-time Sustainability team salaries (approx \$300,000) to manage the reporting obligation.

CASE STUDY:

In 2019, Keyera implemented a centralized GHG data management system provided through a third-party software as a service. The system reduces employee time spent on consolidating and calculating emissions and costs as well as reduces the chance of human error. The centralized database management system service and associated consulting supported is approximately \$200,000. The result has been more consistent GHG calculations in line with the latest regulatory requirements. This avoids time spent developing and maintaining GHG calculators in-house and supports a more streamlined third-party verification process. Next steps are to continuously improve on the process of gathering and vetting initial data from facilities using integrated operational data technology to improve quality & timeliness while reducing costs. This continuous improvement work began in 2022 and is expected to carry on to 2025.

Comment

We continue to explore process efficiencies to gather, consolidate and report on data.

Identifier

Risk 3

Where in the value chain does the risk driver occur?

Direct operations

Risk type & Primary climate-related risk driver

Acute physical	Wildfire
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Primary potential financial impact

Decreased revenues due to reduced production capacity

Climate risk type mapped to traditional financial services industry risk classification

<Not Applicable>

Company-specific description

With the increase in temperatures and more frequent droughts as a result of climate change, there also comes the increased risk of severe wildfires.

Keyera has a number of facilities that are in forested areas where there is a risk of wildfire impacting operations. Facilities are physically protected by large breaks between forests and the facilities; however there remains a risk that fires force temporary shutdown due to evacuation of the areas and safety of employees. In 2023, Keyera had to evacuate staff and temporarily shut-in a number of facilities due to wildfires in northern and central Alberta. The evacuation of processing plants results in lost revenue.

Time horizon

Long-term

Likelihood

More likely than not

Magnitude of impact

Low

Are you able to provide a potential financial impact figure?

Yes, an estimated range

Potential financial impact figure (currency)

<Not Applicable>

Potential financial impact figure – minimum (currency)

2500000

Potential financial impact figure – maximum (currency)

5000000

Explanation of financial impact figure

Should a major Keyera gas plant have to be evacuated and shut-in, it would not be able to operate and thus would lose revenues during the time it was shut-in. The estimate of \$2,500,000 to \$5,000,000 assumes that the time between when a plant would need to begin the process of shutting in to getting back online would range

between seven and fourteen days and the cost is associated with the typical annual earnings estimate at a major Keyera gas plant.

Cost of response to risk

58000

Description of response and explanation of cost calculation

The cost of response includes Keyera's emergency response and contingency planning efforts, so that we are as prepared as possible should an evacuation and shut-down be required due to wildfire. The average cost to maintain an Emergency Response Plan, which includes contingency planning, for one facility is \$100,000 and this must be updated every two years, therefore an annual cost of \$50,000. The average annual cost to conduct emergency training for all staff at one facility is \$8,000.

CASE STUDY:

In 2022, Keyera reviewed and updated the Emergency Response Plans (ERP) and contingency plans for all our facilities. We conducted training for all facility staff and across the company – conducting 11 full-scale exercises and 42 tabletop emergency response exercises. In May and June of 2023, Alberta experienced one of the worst spring wildfire seasons in years with over 520 wildfires and evacuation orders in multiple communities. For Keyera, the wildfires resulted in having to shut-in 6 facilities. Keyera's Field Response team led the emergency efforts, working with support from members of the corporate Emergency Response Team. As a result of the ERPs, emergency training and diligence of our staff, there were no reported injuries during these evacuations. In addition, following the lift of the evacuation order, we were able to get the facilities safely restarted to minimize disruption to operations and reduce associated financial impacts.

Comment

To support wildfire impact mitigation, facilities are physically protected by large breaks between forests and the facilities.

C2.4

(C2.4) Have you identified any climate-related opportunities with the potential to have a substantive financial or strategic impact on your business?

Yes

C2.4a

(C2.4a) Provide details of opportunities identified with the potential to have a substantive financial or strategic impact on your business.

Identifier

Opp1

Where in the value chain does the opportunity occur?

Direct operations

Opportunity type

Energy source

Primary climate-related opportunity driver

Use of new technologies

Primary potential financial impact

Reduced direct costs

Company-specific description

Keyera is piloting new technology to improve how we identify and repair methane and other gas leaks. This technology, the first continuous monitoring program to be approved for regulatory use, uses calibrated sensors and artificial intelligence to monitor and alert Keyera of leaks as soon as they occur. This allows us to respond faster in eliminating fugitive emissions and can reduce costs associated with ground-level monitoring.

Time horizon

Long-term

Likelihood

More likely than not

Magnitude of impact

Low

Are you able to provide a potential financial impact figure?

Yes, an estimated range

Potential financial impact figure (currency)

<Not Applicable>

Potential financial impact figure – minimum (currency)

33000

Potential financial impact figure – maximum (currency)

66000

Explanation of financial impact figure

The \$33,000-\$66,000 financial impact is an estimate of avoided carbon tax (at \$50/tCO₂e) for a single facility in a single year.

The estimated savings would rise commensurate with carbon costs in Canada which are scheduled to rise to \$170/tCO₂e by 2030.

Implementing this technology for continuous monitoring has the potential to reduce survey team mobilization costs by 50% and lead to quicker leak repair times which would reduce methane emissions and associated annual compliance costs.

Cost to realize opportunity

50000

Strategy to realize opportunity and explanation of cost calculation

The cost to implement this new technology per site is estimated to be \$50,000. This includes \$30,000 for installation of the monitors and \$20,000 for annual administrative costs of data analysis, database maintenance and membership. Keyera is currently piloting this technology at one site; thus, the lowest possible cost is \$50,000. If successful, Keyera could expand the use of this technology at other facilities to supplement the existing fugitive emissions management plan and improve the response time to address leaks.

CASE STUDY:

Keyera is piloting this technology at one of our Central Alberta gathering and processing facilities. We began this pilot in 2022 and continue to evaluate its success over 2023. The enhanced monitoring data partly informed facility level improvements. Our fugitive methane emissions at this facility reduced by 61% which translated to approximately 2 thousand tonnes of CO2e reduction. Our next step with this facility is to evaluate the reductions and cost-benefit in 2023. We will continue to examine the use of this technology at different facilities and depending on the cost-benefit, we could implement this technology at facilities within the next ten years.

Comment

If successful, Keyera could expand the use of this technology to other facilities to supplement the existing fugitive emissions management plan and improve the response time to address larger leaks.

Identifier

Opp2

Where in the value chain does the opportunity occur?

Direct operations

Opportunity type

Markets

Primary climate-related opportunity driver

Other, please specify (Avoided regulatory cost)

Primary potential financial impact

Reduced direct costs

Company-specific description

Keyera participates in Alberta's Emissions Performance Credits (EPCs) system associated with the Technology Innovation and Emissions Reduction (TIER) Regulation. In this system, Keyera is able to generate credits when we are under the facility benchmark.

Time horizon

Long-term

Likelihood

Virtually certain

Magnitude of impact

Medium-low

Are you able to provide a potential financial impact figure?

Yes, an estimated range

Potential financial impact figure (currency)

<Not Applicable>

Potential financial impact figure – minimum (currency)

6300000

Potential financial impact figure – maximum (currency)

7900000

Explanation of financial impact figure

Keyera applied for Emission Performance Credits (EPC) in 2022. These EPCs can be used to reduce compliance costs in future years. If we receive all the EPCs we applied for in 2022 and that the carbon price continues to be greater than \$50/tonne, we estimate that the financial impact would be between \$6,300,000 and \$ 7,900,000.

Cost to realize opportunity

250000

Strategy to realize opportunity and explanation of cost calculation

Keyera has staff and consultants that manage applications for EPCs. The approximately \$250,000 cost to realize this opportunity is an estimate of the cost of mandatory verification process (approx. \$60,000) and annual cost of employees' and consultants' time (approx. \$170,000). This includes time for data compilation, review, site visits, and interviews.

Keyera can realize these emission performance credits through our efforts to reduce emissions at our operations. Emissions reductions have been achieved by investing in technology for operational efficiency and optimizing the utilization of our facilities. We plan to invest in similar efficiency initiatives and anticipate seeing the results of our investment in renewable energy power purchase agreements in the coming years.

CASE STUDY:

One example of how Keyera has increased the utilization of our facilities is our Gathering & Processing Optimization Plan. Initiated in 2019, this plan entailed a three-year effort to consolidate (decommissioning) our facilities and redirecting gas to remaining facilities. Through this program, 5 facilities were taken offline. The Gathering & Processing Optimization Plan enhanced utilization of remaining facilities by 50 to 65 percent, lowered per unit operating costs, and reduced our absolute emissions by approximately 200,000 tonnes between 2019 and 2020 (~13 percent). We continue to explore further network and emission optimization opportunities in this part of our business.

Comment

Keyera applied for Emission Performance Credits (EPC) in 2022, but has yet to find out what we will received.

Identifier

Opp3

Where in the value chain does the opportunity occur?

Direct operations

Opportunity type

Energy source

Primary climate-related opportunity driver

Use of lower-emission sources of energy

Primary potential financial impact

Reduced indirect (operating) costs

Company-specific description

Keyera has entered into agreements to purchase solar power. Through these partnerships, Keyera accesses renewable electricity generation that lowers the emissions intensity of the electricity used for our operations. Keyera retains the carbon emission offsets to manage compliance obligations.

Time horizon

Long-term

Likelihood

Virtually certain

Magnitude of impact

Low

Are you able to provide a potential financial impact figure?

Yes, an estimated range

Potential financial impact figure (currency)

<Not Applicable>

Potential financial impact figure – minimum (currency)

8500000

Potential financial impact figure – maximum (currency)

23700000

Explanation of financial impact figure

The terms of the two power agreements drive the potential financial impact range. The first agreement includes- a solar power purchase agreement to source approximately 10% of our power from a 25-megawatt solar generation in Alberta. The second agreement is to purchase 24X7 Carbon-Free power which includes uninterrupted solar, wind, and pumped storage hydro-generated energy.

As part of these renewable PPA agreements, Keyera takes the fixed price risk on electricity and the regulated carbon offsets to facilitate the capital cost of development of the renewable energy facility. To calculate the potential financial impact, Keyera evaluates how the two floating indexes (electricity & offsets) settle over the contract.

Cost to realize opportunity

40000

Strategy to realize opportunity and explanation of cost calculation

The costs to realize this opportunity represents the cost related to the commercial negotiation with the renewable energy provider. The cost to realize these renewable PPA partnerships is primarily related to the salaries of the staff involved in the negotiation, as well as some consultant fees.

CASE STUDY:

Keyera entered into a solar power purchase agreement to source approximately 10 percent of our power needs from a new 25-megawatt solar generation facility in Alberta. Keyera is the sole purchaser of the renewable electricity produced. This agreement was signed in 2020 and the facility began initial operations in Q1 2023. Keyera will evaluate the financial benefits on actualized power produced and market rates throughout 2023 and 2024. The forecasted 53,000 MWhs of power produced is equivalent to about 10% of Keyera's total annual consumption – enough to power about 4,000 houses annually. The benefits for Keyera include contracted fixed electricity pricing for 15 years; more than 28,000 tonnes of annual carbon emission offsets that will be applied to lower the carbon intensity of Keyera's assets

Comment

Supporting renewable energy is a pillar within our energy transition strategy.

C3. Business Strategy

C3.1

(C3.1) Does your organization’s strategy include a climate transition plan that aligns with a 1.5°C world?

Row 1

Climate transition plan

No, but our strategy has been influenced by climate-related risks and opportunities, and we are developing a climate transition plan within two years

Publicly available climate transition plan

<Not Applicable>

Mechanism by which feedback is collected from shareholders on your climate transition plan

<Not Applicable>

Description of feedback mechanism

<Not Applicable>

Frequency of feedback collection

<Not Applicable>

Attach any relevant documents which detail your climate transition plan (optional)

<Not Applicable>

Explain why your organization does not have a climate transition plan that aligns with a 1.5°C world and any plans to develop one in the future

Keyera has an energy transition strategy, though it does not yet align with a 1.5C world as we have not yet identified realistic pathways to achieving this goal within our business.

We are closely monitoring guidance from the Science Based Targets initiative (SBTi) to help inform our understanding and progress our GHG targets. To date, our energy transition strategy includes a near-term and longer-term GHG target of reducing GHG emissions intensity by 25% by 2025 and 50% by 2035 from a 2019 baseline. To achieve this, we have developed a parallel path energy transition strategy of 1) decarbonizing our base operations and 2) pursuing energy transition opportunities. We detail specific areas of focus within these two paths as well as progress we’re making in our Climate Report and 2021 ESG Report.

We also continue to explore opportunities, evaluate the economics, and build our understanding of the scope 3 emissions associated with our value chain. This work will guide potential future target-setting initiatives, including a 1.5°C aligned strategy.

Explain why climate-related risks and opportunities have not influenced your strategy

<Not Applicable>

C3.2

(C3.2) Does your organization use climate-related scenario analysis to inform its strategy?

	Use of climate-related scenario analysis to inform strategy	Primary reason why your organization does not use climate-related scenario analysis to inform its strategy	Explain why your organization does not use climate-related scenario analysis to inform its strategy and any plans to use it in the future
Row 1	No, but we anticipate using qualitative and/or quantitative analysis in the next two years	Other, please specify (Resources spent responding to changes in regulation)	<p>Alberta and Canada have undergone significant changes to their emissions regulations, monitoring, and reporting requirements in the last few years, and as such, Keyera’s emissions and operations teams have been focusing on building expertise and addressing regulatory compliance. We recognize that there is significant value in conducting a scenario analysis, not only to inform our business strategy, but also to provide further disclosure to our stakeholders. In preparation to do a climate-related scenario analysis, we have taken initial steps to build internal capacity, engage with external experts and establish the knowledge foundations required to do an appropriate and meaningful analysis.</p> <p>Examples of our capacity building include conducting a review of enterprise risks with an external consultant and a comprehensive process to identify Keyera’s material ESG factors. In addition, through the development of our GHG targets and 2021 Climate Report, significant work was conducted to understand different pathways, scenarios, and their financial and emission impacts. We have significantly evolved our GHG/financial modeling as well as increased engagement with different parts of the business to understand the impacts of regulatory risks, application of technology and other climate-related considerations. These activities will help our corporate understanding as we undertake a comprehensive scenario analysis.</p>

C3.3

(C3.3) Describe where and how climate-related risks and opportunities have influenced your strategy.

	Have climate-related risks and opportunities influenced your strategy in this area?	Description of influence
Products and services	Yes	As stakeholder interest in decarbonization rises, the costs of carbon increases, and as consumers seek lower-carbon products, companies are increasingly looking to adapt their products. Like others, Keyera's customers are seeking opportunities to decarbonize their current products as well as provide lower-carbon alternatives. Keyera is responding to this need by exploring low-carbon products, services and transportation solutions that address our customers' needs to reduce emissions in their products and their value chain. As a midstream company, Keyera can offer low-carbon services to our customers at multiple stages of the value chain. Examples include potential CCUS services for customers, biofuel and associated transportation, hydrogen storage and transportation.
Supply chain and/or value chain	Yes	Keyera's energy transition strategy is enabled by partnerships along our value chain. This includes our customers supplying us with product, those providing us with services, those receiving products, as well as our power providers. Some of our customers are seeking to produce lower-carbon products and we are working in partnership with these customers to provide services to transport, refine and store low-carbon products, or to provide them with products such that help improve production efficiency. We use a third-party service to evaluate some of our suppliers' emission and energy transition plans. We aim to increase our engagement over the coming years. Keyera has power purchase agreements for renewable electricity which lowers our emissions intensity and compliance costs.
Investment in R&D	Yes	Keyera is actively looking for opportunities to apply new technology and we have been researching and evaluating new commercially viable technology that can help us decarbonize our base business and reduce the risks related to regulatory requirements and compliance costs. We have partnered with technology providers to pilot new emission-reducing technology at Keyera facilities. Keyera has a New Ventures team whose role is to explore new low-carbon products and services that leverage our current assets and support our customers. Keyera invested research and development dollars in assessing the viability of certain low-carbon products and services.
Operations	Yes	Our energy transition strategy includes a focus on decarbonizing base business operations. We are focused on reducing emissions in our current operations by 1) investing in technology during upgrades or new projects; 2) pursuing strategies to maximize utilization; 3) enabling the use of renewables in our value chain; and 4) supporting carbon capture, utilization, and storage (CCUS). At an asset level, emissions at each of Keyera's major facilities are estimated on a quarterly basis and reviewed by the asset team and senior management against annual targets. We also conduct GHG and financial models to anticipate future emissions and compliance costs, as well as to help us evaluate projects. These considerations are incorporated into our capital allocation process, budgeting and decision making. Climate change considerations have influenced decisions with respect to equipment selection and modifications at several Keyera facilities, as well as the adoption of operational controls. These efficiencies not only reduced emissions intensity, but facilities are also able to process products and maximize capacity more efficiently.

C3.4

(C3.4) Describe where and how climate-related risks and opportunities have influenced your financial planning.

	Financial planning elements that have been influenced	Description of influence
Row 1	Revenues Direct costs Indirect costs Capital expenditures Capital allocation Acquisitions and divestments Access to capital Assets	Keyera uses a comprehensive capital investment framework to ensure our investments and activities are aligned with our strategy and commitments, including our commitments to financial stability, and managing emissions. This framework ensures we remain focused on the core elements of our strategy, properly evaluate financial impact and risk, and align with our ESG priorities, particularly emissions reductions and energy transition opportunities. Investments, acquisitions, divestitures, and major projects/products/service offerings undergo a comprehensive screening process against the framework. The framework allows us to evaluate risks and trade-offs, understand overarching financial impacts on our business and balance materiality with the ability to fund. Top opportunities move to our stage-gate process of project development. We monitor opportunities at each gate and/or quarterly to ensure they continue to meet the initial criteria. REVENUE There are products and services (such as solvents that support lower-emissions production that have contributed to revenues, and we expect to grow this segment of our business). DIRECT COSTS As climate-related regulatory obligations have increased, Keyera has experienced increased costs of carbon compliance, which is a direct cost to our business. Keyera has also had to invest in tracking systems and resources to manage these increased demands. These costs are evaluated throughout our operations and business planning and are factored into operational budgeting and financial planning. INDIRECT COSTS Power is a large component of our operating costs and emissions, and as Alberta transitions its energy mix (eliminating coal) and new renewable power and storage technologies become available, we anticipate changes to the price of power. These indirect costs (plus the opportunity for emissions reductions) continue to influence our decisions, for example, exploring the use of cleaner-burning fuels, reusing waste heat, and generating our own electricity at some of our facilities. These indirect costs influence our financial modelling, asset planning and budgeting. CAPITAL EXPENDITURES Climate has influenced capital expenditures as we have invested capital to support emissions reduction opportunities, such as equipment upgrades and the application of new technology, such as new burners at our facilities. We have also invested or are exploring investing capital in stand-alone emissions mitigation projects and services such as CCUS capabilities. ACQUISITIONS & DIVESTMENTS Climate-related factors have influenced our acquisitions and divestments strategies and are included in our economic evaluations and consideration of new investments, partnerships, or divestitures. All acquisition and divestments are run through our capital investment framework. ACCESS TO CAPITAL Keyera is closely monitoring the risk of access to capital. We anticipate it will be an increasing factor of consideration in medium and long-term financial planning. We are making efforts to mitigate these risks and differentiating ourselves through a focus on GHG reduction, increase disclosure and engagement with investors, climate change risk management strategies and putting further resources towards exploring low-emissions opportunities. ASSETS Keyera monitors the emissions and GHG costs of our assets, including compliance costs. This is incorporated into our maintenance and budgeting planning of our specific assets and as part of our overall asset portfolio. We also evaluate and work to mitigate physical risks such as wildfires and droughts.

C3.5

(C3.5) In your organization's financial accounting, do you identify spending/revenue that is aligned with your organization's climate transition?

	Identification of spending/revenue that is aligned with your organization's climate transition	Indicate the level at which you identify the alignment of your spending/revenue with a sustainable finance taxonomy
Row 1	No, but we plan to in the next two years	<Not Applicable>

C4. Targets and performance

C4.1

(C4.1) Did you have an emissions target that was active in the reporting year?

Intensity target

C4.1b

(C4.1b) Provide details of your emissions intensity target(s) and progress made against those target(s).

Target reference number

Int 1

Is this a science-based target?

No, but we anticipate setting one in the next two years

Target ambition

<Not Applicable>

Year target was set

2021

Target coverage

Company-wide

Scope(s)

Scope 1

Scope 2

Scope 2 accounting method

Location-based

Scope 3 category(ies)

<Not Applicable>

Intensity metric

Other, please specify (tCO2e/m3OE)

Base year

2019

Intensity figure in base year for Scope 1 (metric tons CO2e per unit of activity)

0.04

Intensity figure in base year for Scope 2 (metric tons CO2e per unit of activity)

0.012

Intensity figure in base year for Scope 3, Category 1: Purchased goods and services (metric tons CO2e per unit of activity)

<Not Applicable>

Intensity figure in base year for Scope 3, Category 2: Capital goods (metric tons CO2e per unit of activity)

<Not Applicable>

Intensity figure in base year for Scope 3, Category 3: Fuel-and-energy-related activities (not included in Scopes 1 or 2) (metric tons CO2e per unit of activity)

<Not Applicable>

Intensity figure in base year for Scope 3, Category 4: Upstream transportation and distribution (metric tons CO2e per unit of activity)

<Not Applicable>

Intensity figure in base year for Scope 3, Category 5: Waste generated in operations (metric tons CO2e per unit of activity)

<Not Applicable>

Intensity figure in base year for Scope 3, Category 6: Business travel (metric tons CO2e per unit of activity)

<Not Applicable>

Intensity figure in base year for Scope 3, Category 7: Employee commuting (metric tons CO2e per unit of activity)

<Not Applicable>

Intensity figure in base year for Scope 3, Category 8: Upstream leased assets (metric tons CO2e per unit of activity)

<Not Applicable>

Intensity figure in base year for Scope 3, Category 9: Downstream transportation and distribution (metric tons CO2e per unit of activity)

<Not Applicable>

Intensity figure in base year for Scope 3, Category 10: Processing of sold products (metric tons CO2e per unit of activity)

<Not Applicable>

Intensity figure in base year for Scope 3, Category 11: Use of sold products (metric tons CO2e per unit of activity)

<Not Applicable>

Intensity figure in base year for Scope 3, Category 12: End-of-life treatment of sold products (metric tons CO2e per unit of activity)

<Not Applicable>

Intensity figure in base year for Scope 3, Category 13: Downstream leased assets (metric tons CO2e per unit of activity)

<Not Applicable>

Intensity figure in base year for Scope 3, Category 14: Franchises (metric tons CO2e per unit of activity)

<Not Applicable>

Intensity figure in base year for Scope 3, Category 15: Investments (metric tons CO2e per unit of activity)

<Not Applicable>

Intensity figure in base year for Scope 3, Other (upstream) (metric tons CO2e per unit of activity)

<Not Applicable>

Intensity figure in base year for Scope 3, Other (downstream) (metric tons CO2e per unit of activity)

<Not Applicable>

Intensity figure in base year for total Scope 3 (metric tons CO2e per unit of activity)

<Not Applicable>

Intensity figure in base year for all selected Scopes (metric tons CO2e per unit of activity)

0.052

% of total base year emissions in Scope 1 covered by this Scope 1 intensity figure

100

% of total base year emissions in Scope 2 covered by this Scope 2 intensity figure

100

% of total base year emissions in Scope 3, Category 1: Purchased goods and services covered by this Scope 3, Category 1: Purchased goods and services intensity figure

<Not Applicable>

% of total base year emissions in Scope 3, Category 2: Capital goods covered by this Scope 3, Category 2: Capital goods intensity figure

<Not Applicable>

% of total base year emissions in Scope 3, Category 3: Fuel-and-energy-related activities (not included in Scopes 1 or 2) covered by this Scope 3, Category 3: Fuel-and-energy-related activities (not included in Scopes 1 or 2) intensity figure

<Not Applicable>

% of total base year emissions in Scope 3, Category 4: Upstream transportation and distribution covered by this Scope 3, Category 4: Upstream transportation and distribution intensity figure

<Not Applicable>

% of total base year emissions in Scope 3, Category 5: Waste generated in operations covered by this Scope 3, Category 5: Waste generated in operations intensity figure

<Not Applicable>

% of total base year emissions in Scope 3, Category 6: Business travel covered by this Scope 3, Category 6: Business travel intensity figure

<Not Applicable>

% of total base year emissions in Scope 3, Category 7: Employee commuting covered by this Scope 3, Category 7: Employee commuting intensity figure

<Not Applicable>

% of total base year emissions in Scope 3, Category 8: Upstream leased assets covered by this Scope 3, Category 8: Upstream leased assets intensity figure

<Not Applicable>

% of total base year emissions in Scope 3, Category 9: Downstream transportation and distribution covered by this Scope 3, Category 9: Downstream transportation and distribution intensity figure

<Not Applicable>

% of total base year emissions in Scope 3, Category 10: Processing of sold products covered by this Scope 3, Category 10: Processing of sold products intensity figure

<Not Applicable>

% of total base year emissions in Scope 3, Category 11: Use of sold products covered by this Scope 3, Category 11: Use of sold products intensity figure

<Not Applicable>

% of total base year emissions in Scope 3, Category 12: End-of-life treatment of sold products covered by this Scope 3, Category 12: End-of-life treatment of sold products intensity figure

<Not Applicable>

% of total base year emissions in Scope 3, Category 13: Downstream leased assets covered by this Scope 3, Category 13: Downstream leased assets intensity figure

<Not Applicable>

% of total base year emissions in Scope 3, Category 14: Franchises covered by this Scope 3, Category 14: Franchises intensity figure

<Not Applicable>

% of total base year emissions in Scope 3, Category 15: Investments covered by this Scope 3, Category 15: Investments intensity figure

<Not Applicable>

% of total base year emissions in Scope 3, Other (upstream) covered by this Scope 3, Other (upstream) intensity figure

<Not Applicable>

% of total base year emissions in Scope 3, Other (downstream) covered by this Scope 3, Other (downstream) intensity figure

<Not Applicable>

% of total base year emissions in Scope 3 (in all Scope 3 categories) covered by this total Scope 3 intensity figure

<Not Applicable>

% of total base year emissions in all selected Scopes covered by this intensity figure

100

Target year

2025

Targeted reduction from base year (%)

25

Intensity figure in target year for all selected Scopes (metric tons CO2e per unit of activity) [auto-calculated]

0.039

% change anticipated in absolute Scope 1+2 emissions

-4.6

% change anticipated in absolute Scope 3 emissions

0

Intensity figure in reporting year for Scope 1 (metric tons CO2e per unit of activity)

0.038

Intensity figure in reporting year for Scope 2 (metric tons CO2e per unit of activity)

0.007

Intensity figure in reporting year for Scope 3, Category 1: Purchased goods and services (metric tons CO2e per unit of activity)

<Not Applicable>

Intensity figure in reporting year for Scope 3, Category 2: Capital goods (metric tons CO2e per unit of activity)

<Not Applicable>

Intensity figure in reporting year for Scope 3, Category 3: Fuel-and-energy-related activities (not included in Scopes 1 or 2) (metric tons CO2e per unit of activity)

<Not Applicable>

Intensity figure in reporting year for Scope 3, Category 4: Upstream transportation and distribution (metric tons CO2e per unit of activity)

<Not Applicable>

Intensity figure in reporting year for Scope 3, Category 5: Waste generated in operations (metric tons CO2e per unit of activity)

<Not Applicable>

Intensity figure in reporting year for Scope 3, Category 6: Business travel (metric tons CO2e per unit of activity)

<Not Applicable>

Intensity figure in reporting year for Scope 3, Category 7: Employee commuting (metric tons CO2e per unit of activity)

<Not Applicable>

Intensity figure in reporting year for Scope 3, Category 8: Upstream leased assets (metric tons CO2e per unit of activity)

<Not Applicable>

Intensity figure in reporting year for Scope 3, Category 9: Downstream transportation and distribution (metric tons CO2e per unit of activity)

<Not Applicable>

Intensity figure in reporting year for Scope 3, Category 10: Processing of sold products (metric tons CO2e per unit of activity)

<Not Applicable>

Intensity figure in reporting year for Scope 3, Category 11: Use of sold products (metric tons CO2e per unit of activity)

<Not Applicable>

Intensity figure in reporting year for Scope 3, Category 12: End-of-life treatment of sold products (metric tons CO2e per unit of activity)

<Not Applicable>

Intensity figure in reporting year for Scope 3, Category 13: Downstream leased assets (metric tons CO2e per unit of activity)

<Not Applicable>

Intensity figure in reporting year for Scope 3, Category 14: Franchises (metric tons CO2e per unit of activity)

<Not Applicable>

Intensity figure in reporting year for Scope 3, Category 15: Investments (metric tons CO2e per unit of activity)

<Not Applicable>

Intensity figure in reporting year for Scope 3, Other (upstream) (metric tons CO2e per unit of activity)

<Not Applicable>

Intensity figure in reporting year for Scope 3, Other (downstream) (metric tons CO2e per unit of activity)

<Not Applicable>

Intensity figure in reporting year for total Scope 3 (metric tons CO2e per unit of activity)

<Not Applicable>

Intensity figure in reporting year for all selected Scopes (metric tons CO2e per unit of activity)

0.045

Does this target cover any land-related emissions?

No, it does not cover any land-related emissions (e.g. non-FLAG SBT)

% of target achieved relative to base year [auto-calculated]

53.8461538461538

Target status in reporting year

Underway

Please explain target coverage and identify any exclusions

The target includes emissions from all facilities and operations within the financial (equity) control of Keyera. It does not include scope 3 emissions.

Plan for achieving target, and progress made to the end of the reporting year

Keyera has an energy transition strategy which includes two parallel paths 1) decarbonizing our operations and 2) pursuing energy transition opportunities. With regards to decarbonizing our operations which will directly contribute to achieving our GHG Target we are pursuing:

- 1) Investing in technology and operational efficiency – Keyera continues to evaluate opportunities to improve operational efficiency at its operating facilities, such as upgrades, retrofits, and digitization.
- 2) Optimizing utilization of our facilities by consolidating volumes, and selectively divesting from high-carbon intensity assets.
- 3) Supporting renewables and low carbon power such as the construction on the Michichi solar power project.
- 4) Exploring carbon capture, utilization, and storage (CCUS) to reduce emissions from our facilities.

With regards to process made, by the end of 2022 we reduced our emission intensity by approximately 13 percent. This was achieved through the optimization of our asset base, investing in various efficiencies at our facilities, and a reduction in the carbon intensity of Alberta's electrical grid.

List the emissions reduction initiatives which contributed most to achieving this target

<Not Applicable>

Target reference number

Int 2

Is this a science-based target?

No, but we anticipate setting one in the next two years

Target ambition

<Not Applicable>

Year target was set

2021

Target coverage

Company-wide

Scope(s)

Scope 1
Scope 2

Scope 2 accounting method

Location-based

Scope 3 category(ies)

<Not Applicable>

Intensity metric

Other, please specify (tCO₂e/m³OE)

Base year

2019

Intensity figure in base year for Scope 1 (metric tons CO₂e per unit of activity)

0.04

Intensity figure in base year for Scope 2 (metric tons CO₂e per unit of activity)

0.012

Intensity figure in base year for Scope 3, Category 1: Purchased goods and services (metric tons CO₂e per unit of activity)

<Not Applicable>

Intensity figure in base year for Scope 3, Category 2: Capital goods (metric tons CO₂e per unit of activity)

<Not Applicable>

Intensity figure in base year for Scope 3, Category 3: Fuel-and-energy-related activities (not included in Scopes 1 or 2) (metric tons CO₂e per unit of activity)

<Not Applicable>

Intensity figure in base year for Scope 3, Category 4: Upstream transportation and distribution (metric tons CO₂e per unit of activity)

<Not Applicable>

Intensity figure in base year for Scope 3, Category 5: Waste generated in operations (metric tons CO₂e per unit of activity)

<Not Applicable>

Intensity figure in base year for Scope 3, Category 6: Business travel (metric tons CO₂e per unit of activity)

<Not Applicable>

Intensity figure in base year for Scope 3, Category 7: Employee commuting (metric tons CO₂e per unit of activity)

<Not Applicable>

Intensity figure in base year for Scope 3, Category 8: Upstream leased assets (metric tons CO₂e per unit of activity)

<Not Applicable>

Intensity figure in base year for Scope 3, Category 9: Downstream transportation and distribution (metric tons CO₂e per unit of activity)

<Not Applicable>

Intensity figure in base year for Scope 3, Category 10: Processing of sold products (metric tons CO2e per unit of activity)

<Not Applicable>

Intensity figure in base year for Scope 3, Category 11: Use of sold products (metric tons CO2e per unit of activity)

<Not Applicable>

Intensity figure in base year for Scope 3, Category 12: End-of-life treatment of sold products (metric tons CO2e per unit of activity)

<Not Applicable>

Intensity figure in base year for Scope 3, Category 13: Downstream leased assets (metric tons CO2e per unit of activity)

<Not Applicable>

Intensity figure in base year for Scope 3, Category 14: Franchises (metric tons CO2e per unit of activity)

<Not Applicable>

Intensity figure in base year for Scope 3, Category 15: Investments (metric tons CO2e per unit of activity)

<Not Applicable>

Intensity figure in base year for Scope 3, Other (upstream) (metric tons CO2e per unit of activity)

<Not Applicable>

Intensity figure in base year for Scope 3, Other (downstream) (metric tons CO2e per unit of activity)

<Not Applicable>

Intensity figure in base year for total Scope 3 (metric tons CO2e per unit of activity)

<Not Applicable>

Intensity figure in base year for all selected Scopes (metric tons CO2e per unit of activity)

0.052

% of total base year emissions in Scope 1 covered by this Scope 1 intensity figure

100

% of total base year emissions in Scope 2 covered by this Scope 2 intensity figure

100

% of total base year emissions in Scope 3, Category 1: Purchased goods and services covered by this Scope 3, Category 1: Purchased goods and services intensity figure

<Not Applicable>

% of total base year emissions in Scope 3, Category 2: Capital goods covered by this Scope 3, Category 2: Capital goods intensity figure

<Not Applicable>

% of total base year emissions in Scope 3, Category 3: Fuel-and-energy-related activities (not included in Scopes 1 or 2) covered by this Scope 3, Category 3: Fuel-and-energy-related activities (not included in Scopes 1 or 2) intensity figure

<Not Applicable>

% of total base year emissions in Scope 3, Category 4: Upstream transportation and distribution covered by this Scope 3, Category 4: Upstream transportation and distribution intensity figure

<Not Applicable>

% of total base year emissions in Scope 3, Category 5: Waste generated in operations covered by this Scope 3, Category 5: Waste generated in operations intensity figure

<Not Applicable>

% of total base year emissions in Scope 3, Category 6: Business travel covered by this Scope 3, Category 6: Business travel intensity figure

<Not Applicable>

% of total base year emissions in Scope 3, Category 7: Employee commuting covered by this Scope 3, Category 7: Employee commuting intensity figure

<Not Applicable>

% of total base year emissions in Scope 3, Category 8: Upstream leased assets covered by this Scope 3, Category 8: Upstream leased assets intensity figure

<Not Applicable>

% of total base year emissions in Scope 3, Category 9: Downstream transportation and distribution covered by this Scope 3, Category 9: Downstream transportation and distribution intensity figure

<Not Applicable>

% of total base year emissions in Scope 3, Category 10: Processing of sold products covered by this Scope 3, Category 10: Processing of sold products intensity figure

<Not Applicable>

% of total base year emissions in Scope 3, Category 11: Use of sold products covered by this Scope 3, Category 11: Use of sold products intensity figure

<Not Applicable>

% of total base year emissions in Scope 3, Category 12: End-of-life treatment of sold products covered by this Scope 3, Category 12: End-of-life treatment of sold products intensity figure

<Not Applicable>

% of total base year emissions in Scope 3, Category 13: Downstream leased assets covered by this Scope 3, Category 13: Downstream leased assets intensity figure

<Not Applicable>

% of total base year emissions in Scope 3, Category 14: Franchises covered by this Scope 3, Category 14: Franchises intensity figure

<Not Applicable>

% of total base year emissions in Scope 3, Category 15: Investments covered by this Scope 3, Category 15: Investments intensity figure

<Not Applicable>

% of total base year emissions in Scope 3, Other (upstream) covered by this Scope 3, Other (upstream) intensity figure

<Not Applicable>

% of total base year emissions in Scope 3, Other (downstream) covered by this Scope 3, Other (downstream) intensity figure
<Not Applicable>

% of total base year emissions in Scope 3 (in all Scope 3 categories) covered by this total Scope 3 intensity figure
<Not Applicable>

% of total base year emissions in all selected Scopes covered by this intensity figure
100

Target year
2035

Targeted reduction from base year (%)
50

Intensity figure in target year for all selected Scopes (metric tons CO2e per unit of activity) [auto-calculated]
0.026

% change anticipated in absolute Scope 1+2 emissions
34

% change anticipated in absolute Scope 3 emissions
0

Intensity figure in reporting year for Scope 1 (metric tons CO2e per unit of activity)
0.038

Intensity figure in reporting year for Scope 2 (metric tons CO2e per unit of activity)
0.007

Intensity figure in reporting year for Scope 3, Category 1: Purchased goods and services (metric tons CO2e per unit of activity)
<Not Applicable>

Intensity figure in reporting year for Scope 3, Category 2: Capital goods (metric tons CO2e per unit of activity)
<Not Applicable>

Intensity figure in reporting year for Scope 3, Category 3: Fuel-and-energy-related activities (not included in Scopes 1 or 2) (metric tons CO2e per unit of activity)
<Not Applicable>

Intensity figure in reporting year for Scope 3, Category 4: Upstream transportation and distribution (metric tons CO2e per unit of activity)
<Not Applicable>

Intensity figure in reporting year for Scope 3, Category 5: Waste generated in operations (metric tons CO2e per unit of activity)
<Not Applicable>

Intensity figure in reporting year for Scope 3, Category 6: Business travel (metric tons CO2e per unit of activity)
<Not Applicable>

Intensity figure in reporting year for Scope 3, Category 7: Employee commuting (metric tons CO2e per unit of activity)
<Not Applicable>

Intensity figure in reporting year for Scope 3, Category 8: Upstream leased assets (metric tons CO2e per unit of activity)
<Not Applicable>

Intensity figure in reporting year for Scope 3, Category 9: Downstream transportation and distribution (metric tons CO2e per unit of activity)
<Not Applicable>

Intensity figure in reporting year for Scope 3, Category 10: Processing of sold products (metric tons CO2e per unit of activity)
<Not Applicable>

Intensity figure in reporting year for Scope 3, Category 11: Use of sold products (metric tons CO2e per unit of activity)
<Not Applicable>

Intensity figure in reporting year for Scope 3, Category 12: End-of-life treatment of sold products (metric tons CO2e per unit of activity)
<Not Applicable>

Intensity figure in reporting year for Scope 3, Category 13: Downstream leased assets (metric tons CO2e per unit of activity)
<Not Applicable>

Intensity figure in reporting year for Scope 3, Category 14: Franchises (metric tons CO2e per unit of activity)
<Not Applicable>

Intensity figure in reporting year for Scope 3, Category 15: Investments (metric tons CO2e per unit of activity)
<Not Applicable>

Intensity figure in reporting year for Scope 3, Other (upstream) (metric tons CO2e per unit of activity)
<Not Applicable>

Intensity figure in reporting year for Scope 3, Other (downstream) (metric tons CO2e per unit of activity)
<Not Applicable>

Intensity figure in reporting year for total Scope 3 (metric tons CO2e per unit of activity)
<Not Applicable>

Intensity figure in reporting year for all selected Scopes (metric tons CO2e per unit of activity)
0.045

Does this target cover any land-related emissions?
No, it does not cover any land-related emissions (e.g. non-FLAG SBT)

% of target achieved relative to base year [auto-calculated]

Target status in reporting year

Underway

Please explain target coverage and identify any exclusions

The target includes scope 1 and scope 2 emissions from all facilities and operations within the financial (equity) control of Keyera. It does not include scope 3 emissions.

Plan for achieving target, and progress made to the end of the reporting year

Keyera has an energy transition strategy which includes two parallel paths 1) decarbonizing our operations and 2) pursuing energy transition opportunities. With regards to decarbonizing our operations which will directly contribute to achieving our GHG Target we are pursuing:

- 1) Investing in technology and operational efficiency – Keyera continues to evaluate opportunities to improve operational efficiency at its operating facilities, such as upgrades, retrofits, and digitization.
- 2) Optimizing utilization of our facilities by consolidating volumes, and selectively divesting from high-carbon intensity assets.
- 3) Supporting renewables and low carbon power such as the construction on the Michichi solar power project.
- 4) Exploring carbon capture, utilization, and storage (CCUS) to reduce emissions from our facilities.

With regards to process made, by the end of 2022 we reduced our emission intensity by approximately 13 percent. This was achieved through the optimization of our asset base, investing in various efficiencies at our facilities, and a reduction in the carbon intensity of Alberta's electrical grid.

List the emissions reduction initiatives which contributed most to achieving this target

<Not Applicable>

C4.2**(C4.2) Did you have any other climate-related targets that were active in the reporting year?**

No other climate-related targets

C-OG4.2d**(C-OG4.2d) Indicate which targets reported in C4.1a/b incorporate methane emissions, or if you do not have a methane-specific emissions reduction target for your oil and gas activities, please explain why not and forecast how your methane emissions will change over the next five years.**

Keyera does not have a specific methane target because methane emissions are fully incorporated in our corporate intensity-based targets outlined in C4.1b, reference number Int1 and Int2. The emissions are represented in the numerator emissions figure and include venting emissions from compressor seals, pneumatic equipment, fugitive emissions, tank venting, and other venting sources such as analyzer vents. For the reporting year, methane emissions accounted for approximately 5.02 % of total corporate GHG emissions.

Over the next five years, methane emissions are anticipated to reduce in line with the reductions achieved through progress on our GHG target to reduce total GHG emissions intensity by 25% by 2025 and 50% by 2035. Keyera's corporate GHG targets include methane as a component of overall Scope 1 emissions that include stationary combustion and fugitive methane. Through past and future methane reduction initiatives, Keyera is doing our part to help Alberta realize its target of reducing methane by 45% by 2025.

C4.3**(C4.3) Did you have emissions reduction initiatives that were active within the reporting year? Note that this can include those in the planning and/or implementation phases.**

Yes

C4.3a**(C4.3a) Identify the total number of initiatives at each stage of development, and for those in the implementation stages, the estimated CO2e savings.**

	Number of initiatives	Total estimated annual CO2e savings in metric tonnes CO2e (only for rows marked *)
Under investigation	4	396000
To be implemented*	1	32000
Implementation commenced*	1	11300
Implemented*	6	6500
Not to be implemented	4	257000

C4.3b**(C4.3b) Provide details on the initiatives implemented in the reporting year in the table below.****Initiative category & Initiative type**

Energy efficiency in production processes	Machine/equipment replacement
---	-------------------------------

Estimated annual CO2e savings (metric tonnes CO2e)

2800

Scope(s) or Scope 3 category(ies) where emissions savings occur

Scope 1

Voluntary/Mandatory

Voluntary

Annual monetary savings (unit currency – as specified in C0.4)

2650000

Investment required (unit currency – as specified in C0.4)

8850000

Payback period

4-10 years

Estimated lifetime of the initiative

>30 years

Comment

This initiative is related to equipment replacement.

Initiative category & Initiative type

Energy efficiency in production processes	Machine/equipment replacement
---	-------------------------------

Estimated annual CO2e savings (metric tonnes CO2e)

400

Scope(s) or Scope 3 category(ies) where emissions savings occur

Scope 1

Voluntary/Mandatory

Voluntary

Annual monetary savings (unit currency – as specified in C0.4)

3300000

Investment required (unit currency – as specified in C0.4)

2750000

Payback period

<1 year

Estimated lifetime of the initiative

>30 years

Comment

This initiative is related to equipment replacement.

Initiative category & Initiative type

Energy efficiency in production processes	Machine/equipment replacement
---	-------------------------------

Estimated annual CO2e savings (metric tonnes CO2e)

900

Scope(s) or Scope 3 category(ies) where emissions savings occur

Scope 1

Voluntary/Mandatory

Voluntary

Annual monetary savings (unit currency – as specified in C0.4)

350500

Investment required (unit currency – as specified in C0.4)

2150000

Payback period

11-15 years

Estimated lifetime of the initiative

>30 years

Comment

This initiative is related to equipment replacement.

Initiative category & Initiative type

Energy efficiency in production processes	Machine/equipment replacement
---	-------------------------------

Estimated annual CO2e savings (metric tonnes CO2e)

600

Scope(s) or Scope 3 category(ies) where emissions savings occur

Scope 1

Voluntary/Mandatory

Voluntary

Annual monetary savings (unit currency – as specified in C0.4)

25000

Investment required (unit currency – as specified in C0.4)

50000

Payback period

1-3 years

Estimated lifetime of the initiative

Ongoing

Comment

This initiative is related to equipment replacement.

Initiative category & Initiative type

Energy efficiency in production processes	Machine/equipment replacement
---	-------------------------------

Estimated annual CO2e savings (metric tonnes CO2e)

1450

Scope(s) or Scope 3 category(ies) where emissions savings occur

Scope 1

Voluntary/Mandatory

Voluntary

Annual monetary savings (unit currency – as specified in C0.4)

50000

Investment required (unit currency – as specified in C0.4)

300000

Payback period

4-10 years

Estimated lifetime of the initiative

>30 years

Comment

This initiative is related to equipment replacement.

Initiative category & Initiative type

Energy efficiency in production processes	Machine/equipment replacement
---	-------------------------------

Estimated annual CO2e savings (metric tonnes CO2e)

350

Scope(s) or Scope 3 category(ies) where emissions savings occur

Scope 1

Voluntary/Mandatory

Voluntary

Annual monetary savings (unit currency – as specified in C0.4)

25000

Investment required (unit currency – as specified in C0.4)

100000

Payback period

4-10 years

Estimated lifetime of the initiative

>30 years

Comment

This initiative is related to equipment replacement.

C4.3c

(C4.3c) What methods do you use to drive investment in emissions reduction activities?

Method	Comment
Compliance with regulatory requirements/standards	Keyera has costs related to compliance with emission-related regulatory requirements and standards. Investing in emission reduction initiatives helps us to reduce those compliance costs.
Dedicated budget for energy efficiency	Operations and Project Management have budgets associated with exploring and implementing initiatives which would promote energy efficiency in our operations and business.
Financial optimization calculations	The financial impact of compliance costs and costs associated with physical and transitional risks are considered when evaluating whether to invest in lower emitting technology, projects or service offerings. We use a capital investment framework, which includes the quantification of emissions, as a tool to evaluate acquisition, divestiture and major projects.
Internal price on carbon	Carbon price is presented as part of decisions/business cases/cost-benefit on technology selection, project management, new investments/divestitures. We use the federal carbon pricing system. Our internal price on carbon contributes to the evaluation of cost/benefit of emission reduction activities.
Internal incentives/recognition programs	We have an annual bonus which incorporates ESG-related metrics, including a GHG intensity reduction performance metrics.

C4.5

(C4.5) Do you classify any of your existing goods and/or services as low-carbon products?

No

C-OG4.6

(C-OG4.6) Describe your organization's efforts to reduce methane emissions from your activities.

Methane has made up four to six percent of our total GHG emissions over the last five years and is included in corporate emissions intensity reduction targets. Keyera actively monitors and seeks to reduce fugitive emissions, venting, and flaring. Our Fugitive Emission Management Program (FEMP) establishes our plans and supporting programs to systematically detect and manage fugitive emissions. Under this program, Keyera conducts ground-based optical gas imaging surveys three times per year on all sweet gas processing facilities and compressor stations, as well as at sites which have tanks controlled with a vapour recovery unit (VRU) to ensure seals are working as expected.

In addition to the FEMP, compressor seals for all units which vent to the atmosphere are measured annually to ensure that the seals not venting excessively and that the fleet-wide average adheres to regulatory requirements.

Surveys are also conducted annually on all sour gas facilities in addition to the routine gas monitoring conducted for safety purposes. Any leaks identified are tracked, and an effort is made to repair these within 30 days of discovery. In 2022, we implemented a new reporting software to improve the accuracy of reporting of these sources into government programs and corporate reports.

We also look for methane abatement during project development and facility upgrades. Our project teams proactively look for opportunities to enhance facility design, including construction and operational controls that would reduce flaring, venting, and methane emissions

CASE STUDY:

In 2021, a campaign was conducted to identify and document all natural gas powered pneumatic devices used throughout Keyera's operations. This campaign identified several devices which were deemed to be high bleed devices which were subsequently retrofit to low bleed devices. In 2021, one facility was converted entirely to instrument air eliminating emissions, and another was completely retrofit to use low bleed devices. As of 2023 all devices are now converted.

C-OG4.7

(C-OG4.7) Does your organization conduct leak detection and repair (LDAR) or use other methods to find and fix fugitive methane emissions from oil and gas production activities?

Yes

C-OG4.7a

(C-OG4.7a) Describe the protocol through which methane leak detection and repair or other leak detection methods, are conducted for oil and gas production activities, including predominant frequency of inspections, estimates of assets covered, and methodologies employed.

Keyera has a Leak Detection and Repair (LDAR) program in place to meet the requirements of the Alberta Energy Regulator (AER) and Environment Canada Climate Canada (ECCC). Ground-based optical gas imaging surveys are used as part of our LDAR program with a frequency of:

- once per year at our sour gas processing facilities, compressor stations, and chemical facilities, and
- three times per year at sweet field batteries, compressor stations, and gas plants.

All survey frequencies were increased to meet the new AER requirements in 2022 and this obligation is incorporated into Keyera's Fugitive Emissions Management Program (FEMP). Most Keyera's assets are included in this program which includes all gas processing facilities, compressor stations, injection facilities, pipelines, fractionation facilities, chemical facilities, terminals, and custom treating facilities. The survey methods are specified in regulatory documents including AER *Directive 60: Upstream Petroleum Industry Flaring, Incinerating, and Venting*, AER *Directive 17: Measurement Requirements for Oil and Gas Operations*, and AER *Manual 16: How to Develop a Fugitive Emissions Management Program*.

Leaks identified are tracked using an online system and repaired within 30 days of discovery where possible. If extensive repairs are required, these are tracked internally to ensure they are addressed during facility shut-down periods and turn-arounds.

We also participate in various industry groups that work together to manage regional air quality. For example, as part of the Sindre Petroleum Operators Group (SPOG), we participate in a coordinated effort to manage fugitive emissions from oil and gas facilities in the area. SPOG routinely conducts aerial surveys over participating facilities to monitor and quantify methane emissions. If SPOG detects a new source or a significant change to emission levels near a Keyera facility, they contact us to conduct a ground-based survey and initiate any required repairs.

CASE STUDY:

From 2021 to 2022, we piloted a new continuous monitoring technology to improve how we identify and repair methane and other gas leaks in our operations. This technology uses calibrated sensors and artificial intelligence to monitor and alert Keyera of leaks as soon as they occur, allowing us to respond faster. Data from the monitoring is also analyzed to infer site level insights on methane reduction opportunities. Since the start of this pilot, we have experienced improvements in response time and overall reduction of emissions from leaks, though the exact figures are still being estimated. We plan to gather data over the next two years to better understand emissions reductions and financial benefits.

C-OG4.8

(C-OG4.8) If flaring is relevant to your oil and gas production activities, describe your organization's efforts to reduce flaring, including any flaring reduction targets.

Keyera's gas processing facilities sometimes experience flaring as part of their operations to release pressure. Keyera has a target to keep flaring volumes less than 0.5% of total inlet volumes within any given year, including the reporting year of 2022. In 2022, Keyera performance against this target was achieved, maintaining flaring levels at 0.07% across all operated facilities.

As part of meeting this target, we evaluate our operating practices and apply learnings from flaring events. When an incident occurs, operational teams use a flaring decision tree to assess whether flaring is required. In addition, our operations teams conduct annual reviews of flaring events to identify opportunities to reduce emissions. In 2022, Keyera undertook a specific initiative to assess a number of flaring reduction opportunities in major gas plants.

CASE STUDY:

Keyera has implemented a project that will reduce the acid, raw and inlet gas flaring about 1,650 tonnes CO₂e at one gas processing facility.

In 2022, the gas plant lowered the H₂S specification of the inlet gas as a result of market drivers and customer needs at the plant location. The conversion involved operational and equipment modifications to the facility and resulted in reducing the volumes of flare gas. The estimated annual savings in gas volumes is approximately 650 e3m³ of natural gas or 1,650 tonnes of CO₂e emissions when combusted. In 2023, the cost of carbon emissions is \$65 per tonne and scheduled to rise to \$170 per tonne CO₂e by 2030 and thus, this flare reduction project is estimated to reduce carbon compliance cost by between \$107,000 and \$281,000 per year. The savings will remain for the lifetime of the facility.

C5. Emissions methodology

C5.1

(C5.1) Is this your first year of reporting emissions data to CDP?

No

C5.1a

(C5.1a) Has your organization undergone any structural changes in the reporting year, or are any previous structural changes being accounted for in this disclosure of emissions data?

Row 1

Has there been a structural change?

No

Name of organization(s) acquired, divested from, or merged with

<Not Applicable>

Details of structural change(s), including completion dates

<Not Applicable>

C5.1b

(C5.1b) Has your emissions accounting methodology, boundary, and/or reporting year definition changed in the reporting year?

	Change(s) in methodology, boundary, and/or reporting year definition?	Details of methodology, boundary, and/or reporting year definition change(s)
Row 1	No	<Not Applicable>

C5.2

(C5.2) Provide your base year and base year emissions.

Scope 1

Base year start

January 1 2005

Base year end

December 31 2005

Base year emissions (metric tons CO2e)

1151054

Comment

Scope 2 (location-based)

Base year start

January 1 2005

Base year end

December 31 2005

Base year emissions (metric tons CO2e)

161129

Comment

Scope 2 (market-based)

Base year start

Base year end

Base year emissions (metric tons CO2e)

Comment

Scope 3 category 1: Purchased goods and services

Base year start

Base year end

Base year emissions (metric tons CO2e)

Comment

Scope 3 category 2: Capital goods

Base year start

Base year end

Base year emissions (metric tons CO2e)

Comment

Scope 3 category 3: Fuel-and-energy-related activities (not included in Scope 1 or 2)

Base year start

Base year end

Base year emissions (metric tons CO2e)

Comment

Scope 3 category 4: Upstream transportation and distribution

Base year start

Base year end

Base year emissions (metric tons CO2e)

Comment

Scope 3 category 5: Waste generated in operations

Base year start

Base year end

Base year emissions (metric tons CO2e)

Comment

Scope 3 category 6: Business travel

Base year start

Base year end

Base year emissions (metric tons CO2e)

Comment

Scope 3 category 7: Employee commuting

Base year start

Base year end

Base year emissions (metric tons CO2e)

Comment

Scope 3 category 8: Upstream leased assets

Base year start

Base year end

Base year emissions (metric tons CO2e)

Comment

Scope 3 category 9: Downstream transportation and distribution

Base year start

Base year end

Base year emissions (metric tons CO2e)

Comment

Scope 3 category 10: Processing of sold products

Base year start

Base year end

Base year emissions (metric tons CO2e)

Comment

Scope 3 category 11: Use of sold products

Base year start

Base year end

Base year emissions (metric tons CO2e)

Comment

Scope 3 category 12: End of life treatment of sold products

Base year start

Base year end

Base year emissions (metric tons CO2e)

Comment

Scope 3 category 13: Downstream leased assets

Base year start

Base year end

Base year emissions (metric tons CO2e)

Comment

Scope 3 category 14: Franchises

Base year start

Base year end

Base year emissions (metric tons CO2e)

Comment

Scope 3 category 15: Investments

Base year start

Base year end

Base year emissions (metric tons CO2e)

Comment

Scope 3: Other (upstream)

Base year start

Base year end

Base year emissions (metric tons CO2e)

Comment

Scope 3: Other (downstream)

Base year start

Base year end

Base year emissions (metric tons CO2e)

Comment

C5.3

(C5.3) Select the name of the standard, protocol, or methodology you have used to collect activity data and calculate emissions.

American Petroleum Institute Compendium of Greenhouse Gas Emissions Methodologies for the Oil and Natural Gas Industry, 2009

Canadian Association of Petroleum Producers, Calculating Greenhouse Gas Emissions, 2003

The Greenhouse Gas Protocol: A Corporate Accounting and Reporting Standard (Revised Edition)

Other, please specify (Alberta greenhouse gas quantification methodologies.)

C6. Emissions data

C6.1

(C6.1) What were your organization's gross global Scope 1 emissions in metric tons CO2e?

Reporting year

Gross global Scope 1 emissions (metric tons CO2e)

1486426

Start date

<Not Applicable>

End date

<Not Applicable>

Comment

This number includes Canadian and US business Units

C6.2

(C6.2) Describe your organization's approach to reporting Scope 2 emissions.

Row 1

Scope 2, location-based

We are reporting a Scope 2, location-based figure

Scope 2, market-based

We have no operations where we are able to access electricity supplier emission factors or residual emissions factors and are unable to report a Scope 2, market-based figure

Comment

Scope 2 grid factors are taken from Canada's National Inventory Report and represent the most up-to-date factor available during the reporting year. Latest available grid factor from Canada's National Inventory Report 2023 (April 2023) was used for the 2022 operating year.

C6.3

(C6.3) What were your organization's gross global Scope 2 emissions in metric tons CO2e?

Reporting year

Scope 2, location-based

246802

Scope 2, market-based (if applicable)

<Not Applicable>

Start date

<Not Applicable>

End date

<Not Applicable>

Comment

This number includes Canadian and US business Units

C6.4

(C6.4) Are there any sources (e.g. facilities, specific GHGs, activities, geographies, etc.) of Scope 1, Scope 2 or Scope 3 emissions that are within your selected reporting boundary which are not included in your disclosure?

Yes

C6.4a

(C6.4a) Provide details of the sources of Scope 1, Scope 2, or Scope 3 emissions that are within your selected reporting boundary which are not included in your disclosure.

Source of excluded emissions

Scope 3 emissions

Scope(s) or Scope 3 category(ies)

Scope 3: Purchased goods and services

Scope 3: Upstream transportation and distribution

Scope 3: Business travel

Scope 3: Employee commuting

Scope 3: Downstream transportation and distribution

Scope 3: Processing of sold products

Scope 3: Use of sold products

Relevance of Scope 1 emissions from this source

<Not Applicable>

Relevance of location-based Scope 2 emissions from this source

<Not Applicable>

Relevance of market-based Scope 2 emissions from this source

<Not Applicable>

Relevance of Scope 3 emissions from this source

Emissions are relevant but not yet calculated

Date of completion of acquisition or merger

<Not Applicable>

Estimated percentage of total Scope 1+2 emissions this excluded source represents

<Not Applicable>

Estimated percentage of total Scope 3 emissions this excluded source represents

Explain why this source is excluded

Keyera has not yet undergone the process of calculating our scope 3 emissions beyond business travel and employee commuting, and thus scope 3 is not included in our disclosure at this point. As a midstream company, we are seeking effective and credible frameworks to help evaluate our scope 3 emissions. We are committed to enhancing our understanding of our scope 3 emissions and our current and new value chains.

Explain how you estimated the percentage of emissions this excluded source represents

As we have not undergone the process of calculating scope 3 emissions, we are unable to estimate the % excluded.

C6.5

(C6.5) Account for your organization's gross global Scope 3 emissions, disclosing and explaining any exclusions.

Purchased goods and services

Evaluation status

Relevant, not yet calculated

Emissions in reporting year (metric tons CO2e)

<Not Applicable>

Emissions calculation methodology

<Not Applicable>

Percentage of emissions calculated using data obtained from suppliers or value chain partners

<Not Applicable>

Please explain

Keyera has not yet undergone the process of calculating our scope 3 emissions beyond business travel and employee commuting, and thus scope 3 is not included in our disclosure at this point. As a midstream company, we are seeking effective and credible frameworks to help evaluate our scope 3 emissions. We are committed to enhancing our understanding of our scope 3 emissions and our current and new value chains.

Capital goods

Evaluation status

Not relevant, explanation provided

Emissions in reporting year (metric tons CO2e)

<Not Applicable>

Emissions calculation methodology

<Not Applicable>

Percentage of emissions calculated using data obtained from suppliers or value chain partners

<Not Applicable>

Please explain

Keyera does not use capital goods in producing our products. We consider unrefined supply to be captured in the 'upstream transportation and distribution' category.

Fuel-and-energy-related activities (not included in Scope 1 or 2)

Evaluation status

Not relevant, explanation provided

Emissions in reporting year (metric tons CO₂e)

<Not Applicable>

Emissions calculation methodology

<Not Applicable>

Percentage of emissions calculated using data obtained from suppliers or value chain partners

<Not Applicable>

Please explain

Within this category, upstream emissions of purchased fuels and upstream emissions of purchase electricity are already accounted for in our scope 1 and scope 2 reporting.

Upstream transportation and distribution

Evaluation status

Relevant, not yet calculated

Emissions in reporting year (metric tons CO₂e)

<Not Applicable>

Emissions calculation methodology

<Not Applicable>

Percentage of emissions calculated using data obtained from suppliers or value chain partners

<Not Applicable>

Please explain

Keyera has not get undergone the process of calculating our scope 3 emissions beyond business travel and employee commuting, and thus scope 3 is not included in our disclosure at this point. As a midstream company, we are seeking effective and credible frameworks to help evaluate our scope 3 emissions. We are committed to enhancing our understanding of our scope 3 emissions and our current and new value chains.

Waste generated in operations

Evaluation status

Not relevant, explanation provided

Emissions in reporting year (metric tons CO₂e)

<Not Applicable>

Emissions calculation methodology

<Not Applicable>

Percentage of emissions calculated using data obtained from suppliers or value chain partners

<Not Applicable>

Please explain

Keyera currently tracks and reports waste volumes for regulatory requirement. Upon analysis of this data, we determined that the scope 3 emissions from waste is not material to our business.

Business travel

Evaluation status

Relevant, calculated

Emissions in reporting year (metric tons CO₂e)

150

Emissions calculation methodology

Spend-based method

Percentage of emissions calculated using data obtained from suppliers or value chain partners

0

Please explain

This number includes emissions from flights and vehicle travel to travel to sites or related to work activities. The emissions were estimated following the GHG Protocol methodology, with assumptions of the average cost by flight and the cost by car.

Employee commuting

Evaluation status

Relevant, calculated

Emissions in reporting year (metric tons CO₂e)

2580

Emissions calculation methodology

Distance-based method

Percentage of emissions calculated using data obtained from suppliers or value chain partners

0

Please explain

Employee commuting distances and times per week were estimated based on an internal employee commuter survey. The Government of Canada average vehicle fuel economy and average gasoline emission factors were used in the calculation.

Upstream leased assets

Evaluation status

Not relevant, explanation provided

Emissions in reporting year (metric tons CO2e)

<Not Applicable>

Emissions calculation methodology

<Not Applicable>

Percentage of emissions calculated using data obtained from suppliers or value chain partners

<Not Applicable>

Please explain

Keyera has very few upstream leased assets and these emissions is not material to our business or GHG management efforts

Downstream transportation and distribution

Evaluation status

Relevant, not yet calculated

Emissions in reporting year (metric tons CO2e)

<Not Applicable>

Emissions calculation methodology

<Not Applicable>

Percentage of emissions calculated using data obtained from suppliers or value chain partners

<Not Applicable>

Please explain

Keyera has not get undergone the process of calculating our scope 3 emissions beyond business travel and employee commuting, and thus scope 3 is not included in our disclosure at this point. As a midstream company, we are seeking effective and credible frameworks to help evaluate our scope 3 emissions. We are committed to enhancing our understanding of our scope 3 emissions and our current and new value chains.

Processing of sold products

Evaluation status

Relevant, not yet calculated

Emissions in reporting year (metric tons CO2e)

<Not Applicable>

Emissions calculation methodology

<Not Applicable>

Percentage of emissions calculated using data obtained from suppliers or value chain partners

<Not Applicable>

Please explain

Keyera has not get undergone the process of calculating our scope 3 emissions beyond business travel and employee commuting, and thus scope 3 is not included in our disclosure at this point. As a midstream company, we are seeking effective and credible frameworks to help evaluate our scope 3 emissions. We are committed to enhancing our understanding of our scope 3 emissions and our current and new value chains.

Use of sold products

Evaluation status

Relevant, not yet calculated

Emissions in reporting year (metric tons CO2e)

<Not Applicable>

Emissions calculation methodology

<Not Applicable>

Percentage of emissions calculated using data obtained from suppliers or value chain partners

<Not Applicable>

Please explain

Keyera has not get undergone the process of calculating our scope 3 emissions beyond business travel and employee commuting, and thus scope 3 is not included in our disclosure at this point. As a midstream company, we are seeking effective and credible frameworks to help evaluate our scope 3 emissions. We are committed to enhancing our understanding of our scope 3 emissions and our current and new value chains.

End of life treatment of sold products

Evaluation status

Not relevant, explanation provided

Emissions in reporting year (metric tons CO2e)

<Not Applicable>

Emissions calculation methodology

<Not Applicable>

Percentage of emissions calculated using data obtained from suppliers or value chain partners

<Not Applicable>

Please explain

The emissions related to the use of Keyera products would be captured within the 'use of sold products' category as Keyera. Therefore, emissions associated this category are zero (0) and deemed not relevant.

Downstream leased assets

Evaluation status

Not relevant, explanation provided

Emissions in reporting year (metric tons CO2e)

<Not Applicable>

Emissions calculation methodology

<Not Applicable>

Percentage of emissions calculated using data obtained from suppliers or value chain partners

<Not Applicable>

Please explain

Keyera does not lease downstream assets.

Franchises

Evaluation status

Not relevant, explanation provided

Emissions in reporting year (metric tons CO2e)

<Not Applicable>

Emissions calculation methodology

<Not Applicable>

Percentage of emissions calculated using data obtained from suppliers or value chain partners

<Not Applicable>

Please explain

Keyera does not have any franchises.

Investments

Evaluation status

Not relevant, explanation provided

Emissions in reporting year (metric tons CO2e)

<Not Applicable>

Emissions calculation methodology

<Not Applicable>

Percentage of emissions calculated using data obtained from suppliers or value chain partners

<Not Applicable>

Please explain

Tracking of emissions related to investments is not core to our business.

Other (upstream)

Evaluation status

Not relevant, explanation provided

Emissions in reporting year (metric tons CO2e)

<Not Applicable>

Emissions calculation methodology

<Not Applicable>

Percentage of emissions calculated using data obtained from suppliers or value chain partners

<Not Applicable>

Please explain

Other (downstream)

Evaluation status

Not relevant, explanation provided

Emissions in reporting year (metric tons CO2e)

<Not Applicable>

Emissions calculation methodology

<Not Applicable>

Percentage of emissions calculated using data obtained from suppliers or value chain partners

<Not Applicable>

Please explain

C6.7

(C6.7) Are carbon dioxide emissions from biogenic carbon relevant to your organization?

No

C6.10

(C6.10) Describe your gross global combined Scope 1 and 2 emissions for the reporting year in metric tons CO2e per unit currency total revenue and provide any additional intensity metrics that are appropriate to your business operations.

Intensity figure

0.000245

Metric numerator (Gross global combined Scope 1 and 2 emissions, metric tons CO2e)

1733228.51

Metric denominator

unit total revenue

Metric denominator: Unit total

7060223000

Scope 2 figure used

Location-based

% change from previous year

30.6

Direction of change

Decreased

Reason(s) for change

Change in revenue

Please explain

The decrease in intensity is primarily due to increased revenue.

C-OG6.12

(C-OG6.12) Provide the intensity figures for Scope 1 emissions (metric tons CO2e) per unit of hydrocarbon category.

Unit of hydrocarbon category (denominator)

Other, please specify (m3OE (oil Equivalent))

Metric tons CO2e from hydrocarbon category per unit specified

0.07

% change from previous year

4

Direction of change

Decreased

Reason for change

There was a decrease in emissions related to operational efficiencies implemented and enhanced metering.

Comment

C-OG6.13

(C-OG6.13) Report your methane emissions as percentages of natural gas and hydrocarbon production or throughput.

Oil and gas business division

Midstream
Chemicals

Estimated total methane emitted expressed as % of natural gas production or throughput at given division

0.045

Estimated total methane emitted expressed as % of total hydrocarbon production or throughput at given division

0.02

Details of methodology

Methane emitted expressed as percentage of natural gas production is derived from total volume of methane emitted (methane from incomplete combustion, fugitive emissions and venting) divided by total volume of natural gas dispositions to non-operated facilities.

Methane emitted expressed as percentage of total hydrocarbon production is derived from total volume of methane emitted (methane from incomplete combustion, fugitive emissions and venting) expressed as cubic meters of oil equivalent (m3OE) divided by total volume of hydrocarbons in m3OE to non-operated facilities.

This metric includes all Keyera's Canadian and US business units.

C7. Emissions breakdowns

C7.1

(C7.1) Does your organization break down its Scope 1 emissions by greenhouse gas type?

Yes

C7.1a

(C7.1a) Break down your total gross global Scope 1 emissions by greenhouse gas type and provide the source of each used greenhouse warming potential (GWP).

Greenhouse gas	Scope 1 emissions (metric tons of CO2e)	GWP Reference
CO2	1386570	IPCC Fourth Assessment Report (AR4 - 100 year)
CH4	74627	IPCC Fourth Assessment Report (AR4 - 100 year)
N2O	25229	IPCC Fourth Assessment Report (AR4 - 100 year)

C-OG7.1b

(C-OG7.1b) Break down your total gross global Scope 1 emissions from oil and gas value chain production activities by greenhouse gas type.

Emissions category

Combustion (excluding flaring)

Value chain

Midstream

Other (please specify) (Chemical production)

Product

Unable to disaggregate

Gross Scope 1 CO2 emissions (metric tons CO2)

1245137.23

Gross Scope 1 methane emissions (metric tons CH4)

1714.41

Total gross Scope 1 emissions (metric tons CO2e)

1312493.52

Comment

Metrics include all Keyera Canadian and US business units.

Emissions category

Flaring

Value chain

Midstream

Other (please specify) (Chemical Production)

Product

Unable to disaggregate

Gross Scope 1 CO2 emissions (metric tons CO2)

79845.62

Gross Scope 1 methane emissions (metric tons CH4)

316.97

Total gross Scope 1 emissions (metric tons CO2e)

88502.18

Comment

Metrics include all Keyera Canadian and US business units

Emissions category

Venting

Value chain

Midstream

Other (please specify) (Chemical production)

Product

Unable to disaggregate

Gross Scope 1 CO2 emissions (metric tons CO2)

60283.1

Gross Scope 1 methane emissions (metric tons CH4)

553.74

Total gross Scope 1 emissions (metric tons CO2e)

74126.57

Comment

Metrics include all Keyera Canadian and US business units

Emissions category

Fugitives

Value chain

Midstream

Other (please specify) (Chemical Production)

Product

Unable to disaggregate

Gross Scope 1 CO2 emissions (metric tons CO2)

301.38

Gross Scope 1 methane emissions (metric tons CH4)

399.94

Total gross Scope 1 emissions (metric tons CO2e)

10299.92

Comment

Metrics include all Keyera Canadian and US business units

C7.2

(C7.2) Break down your total gross global Scope 1 emissions by country/area/region.

Country/area/region	Scope 1 emissions (metric tons CO2e)
Canada	1486415.72
United States of America	10.63

C7.3

(C7.3) Indicate which gross global Scope 1 emissions breakdowns you are able to provide.

By business division

C7.3a

(C7.3a) Break down your total gross global Scope 1 emissions by business division.

Business division	Scope 1 emissions (metric ton CO2e)
Keyera Canada Midstream Operations	1187132.28
Keyera Alberta EnviroFuels Facility (Chemical Production)	299283.44
Keyera USA	10.63

C-CE7.4/C-CH7.4/C-CO7.4/C-EU7.4/C-MM7.4/C-OG7.4/C-ST7.4/C-TO7.4/C-TS7.4

(C-CE7.4/C-CH7.4/C-CO7.4/C-EU7.4/C-MM7.4/C-OG7.4/C-ST7.4/C-TO7.4/C-TS7.4) Break down your organization's total gross global Scope 1 emissions by sector production activity in metric tons CO2e.

	Gross Scope 1 emissions, metric tons CO2e	Net Scope 1 emissions, metric tons CO2e	Comment
Cement production activities	<Not Applicable>	<Not Applicable>	<Not Applicable>
Chemicals production activities	<Not Applicable>	<Not Applicable>	<Not Applicable>
Coal production activities	<Not Applicable>	<Not Applicable>	<Not Applicable>
Electric utility activities	<Not Applicable>	<Not Applicable>	<Not Applicable>
Metals and mining production activities	<Not Applicable>	<Not Applicable>	<Not Applicable>
Oil and gas production activities (upstream)	0	<Not Applicable>	Keyera does not have production activities.
Oil and gas production activities (midstream)	1187142.91	<Not Applicable>	Includes Keyera Canadian and US business units, with the exception of Alberta EnviroFuels (AEF). Net Scope 1 emissions include the net emissions from all Keyera operated facilities, except AEF. It does not include facilities in which Keyera has an equity interest or are not operated by Keyera.
Oil and gas production activities (downstream)	0	<Not Applicable>	Keyera does not have production activities.
Steel production activities	<Not Applicable>	<Not Applicable>	<Not Applicable>
Transport OEM activities	<Not Applicable>	<Not Applicable>	<Not Applicable>
Transport services activities	<Not Applicable>	<Not Applicable>	<Not Applicable>

C7.5

(C7.5) Break down your total gross global Scope 2 emissions by country/area/region.

Country/area/region	Scope 2, location-based (metric tons CO2e)	Scope 2, market-based (metric tons CO2e)
Canada	244876.66	
United States of America	1925.5	

C7.6

(C7.6) Indicate which gross global Scope 2 emissions breakdowns you are able to provide.

By business division

C7.6a

(C7.6a) Break down your total gross global Scope 2 emissions by business division.

Business division	Scope 2, location-based (metric tons CO2e)	Scope 2, market-based (metric tons CO2e)
Keyera Canada Midstream Operations	199803.4	
Keyera Alberta EnviroFuels Facility (Chemical Production)	45073.31	
Keyera USA	1925.5	

C7.7

(C7.7) Is your organization able to break down your emissions data for any of the subsidiaries included in your CDP response?

Not relevant as we do not have any subsidiaries

C-CE7.7/C-CH7.7/C-CO7.7/C-MM7.7/C-OG7.7/C-ST7.7/C-TO7.7/C-TS7.7

(C-CE7.7/C-CH7.7/C-CO7.7/C-MM7.7/C-OG7.7/C-ST7.7/C-TO7.7/C-TS7.7) Break down your organization's total gross global Scope 2 emissions by sector production activity in metric tons CO2e.

	Scope 2, location-based, metric tons CO2e	Scope 2, market-based (if applicable), metric tons CO2e	Comment
Cement production activities	<Not Applicable>	<Not Applicable>	<Not Applicable>
Chemicals production activities	<Not Applicable>	<Not Applicable>	<Not Applicable>
Coal production activities	<Not Applicable>	<Not Applicable>	<Not Applicable>
Metals and mining production activities	<Not Applicable>	<Not Applicable>	<Not Applicable>
Oil and gas production activities (upstream)	0		Keyera does not have any production activities.
Oil and gas production activities (midstream)	201728.85		This number includes Keyera Canadian and US business units, with the exception of our chemical production facility Alberta EnviroFuels.
Oil and gas production activities (downstream)	0		Keyera does not have any production activities.
Steel production activities	<Not Applicable>	<Not Applicable>	<Not Applicable>
Transport OEM activities	<Not Applicable>	<Not Applicable>	<Not Applicable>
Transport services activities	<Not Applicable>	<Not Applicable>	<Not Applicable>

C7.9

(C7.9) How do your gross global emissions (Scope 1 and 2 combined) for the reporting year compare to those of the previous reporting year?

Decreased

C7.9a

(C7.9a) Identify the reasons for any change in your gross global emissions (Scope 1 and 2 combined), and for each of them specify how your emissions compare to the previous year.

	Change in emissions (metric tons CO2e)	Direction of change in emissions	Emissions value (percentage)	Please explain calculation
Change in renewable energy consumption		<Not Applicable>		
Other emissions reduction activities	30076.61	Decreased	1.71	This number represents the reduction in total scope 1 and scope 2 emissions from 2021 to 2022. Emissions decreased due to improved operational efficiency, emissions reduction initiatives (see Section C4.3a) and improving Alberta electrical grid intensity.
Divestment		<Not Applicable>		
Acquisitions		<Not Applicable>		
Mergers		<Not Applicable>		
Change in output		<Not Applicable>		
Change in methodology		<Not Applicable>		
Change in boundary		<Not Applicable>		
Change in physical operating conditions		<Not Applicable>		
Unidentified		<Not Applicable>		
Other		<Not Applicable>		

C7.9b

(C7.9b) Are your emissions performance calculations in C7.9 and C7.9a based on a location-based Scope 2 emissions figure or a market-based Scope 2 emissions figure?

Location-based

C8. Energy

C8.1

(C8.1) What percentage of your total operational spend in the reporting year was on energy?

More than 0% but less than or equal to 5%

C8.2

(C8.2) Select which energy-related activities your organization has undertaken.

	Indicate whether your organization undertook this energy-related activity in the reporting year
Consumption of fuel (excluding feedstocks)	Yes
Consumption of purchased or acquired electricity	Yes
Consumption of purchased or acquired heat	No
Consumption of purchased or acquired steam	No
Consumption of purchased or acquired cooling	No
Generation of electricity, heat, steam, or cooling	Yes

C8.2a

(C8.2a) Report your organization’s energy consumption totals (excluding feedstocks) in MWh.

	Heating value	MWh from renewable sources	MWh from non-renewable sources	Total (renewable and non-renewable) MWh
Consumption of fuel (excluding feedstock)	HHV (higher heating value)	0	7678978.77	7678978.77
Consumption of purchased or acquired electricity	<Not Applicable>	0	456024.3	456024.3
Consumption of purchased or acquired heat	<Not Applicable>	<Not Applicable>	<Not Applicable>	<Not Applicable>
Consumption of purchased or acquired steam	<Not Applicable>	<Not Applicable>	<Not Applicable>	<Not Applicable>
Consumption of purchased or acquired cooling	<Not Applicable>	<Not Applicable>	<Not Applicable>	<Not Applicable>
Consumption of self-generated non-fuel renewable energy	<Not Applicable>	0	<Not Applicable>	0
Total energy consumption	<Not Applicable>	0	8135003.07	8135003.07

C8.2b

(C8.2b) Select the applications of your organization’s consumption of fuel.

	Indicate whether your organization undertakes this fuel application
Consumption of fuel for the generation of electricity	Yes
Consumption of fuel for the generation of heat	Yes
Consumption of fuel for the generation of steam	Yes
Consumption of fuel for the generation of cooling	No
Consumption of fuel for co-generation or tri-generation	Yes

C8.2c

(C8.2c) State how much fuel in MWh your organization has consumed (excluding feedstocks) by fuel type.

Sustainable biomass

Heating value

Unable to confirm heating value

Total fuel MWh consumed by the organization

0

MWh fuel consumed for self-generation of electricity

0

MWh fuel consumed for self-generation of heat

0

MWh fuel consumed for self-generation of steam

0

MWh fuel consumed for self-generation of cooling

<Not Applicable>

MWh fuel consumed for self- cogeneration or self-trigeneration

0

Comment

Other biomass

Heating value

Unable to confirm heating value

Total fuel MWh consumed by the organization

0

MWh fuel consumed for self-generation of electricity

0

MWh fuel consumed for self-generation of heat

0

MWh fuel consumed for self-generation of steam

0

MWh fuel consumed for self-generation of cooling

<Not Applicable>

MWh fuel consumed for self- cogeneration or self-trigeneration

0

Comment

Other renewable fuels (e.g. renewable hydrogen)

Heating value

Unable to confirm heating value

Total fuel MWh consumed by the organization

0

MWh fuel consumed for self-generation of electricity

0

MWh fuel consumed for self-generation of heat

0

MWh fuel consumed for self-generation of steam

0

MWh fuel consumed for self-generation of cooling

<Not Applicable>

MWh fuel consumed for self- cogeneration or self-trigeneration

0

Comment

Coal

Heating value

Unable to confirm heating value

Total fuel MWh consumed by the organization

0

MWh fuel consumed for self-generation of electricity

0

MWh fuel consumed for self-generation of heat

0

MWh fuel consumed for self-generation of steam

0

MWh fuel consumed for self-generation of cooling

<Not Applicable>

MWh fuel consumed for self- cogeneration or self-trigeneration

0

Comment

Oil**Heating value**

Unable to confirm heating value

Total fuel MWh consumed by the organization

0

MWh fuel consumed for self-generation of electricity

0

MWh fuel consumed for self-generation of heat

0

MWh fuel consumed for self-generation of steam

0

MWh fuel consumed for self-generation of cooling

<Not Applicable>

MWh fuel consumed for self- cogeneration or self-trigeneration

0

Comment**Gas****Heating value**

HHV

Total fuel MWh consumed by the organization

7673692.78

MWh fuel consumed for self-generation of electricity

787611.58

MWh fuel consumed for self-generation of heat

0

MWh fuel consumed for self-generation of steam

0

MWh fuel consumed for self-generation of cooling

<Not Applicable>

MWh fuel consumed for self- cogeneration or self-trigeneration

0

Comment

Due to the nature of our facilities, it is not possible to split up the amount of fuel used to generate heat and steam to drive facility processes. The amount of natural gas fuel consumed does not include purchased gas from utilities for use in heating offices at both Keyera Canada and the US.

Other non-renewable fuels (e.g. non-renewable hydrogen)**Heating value**

HHV

Total fuel MWh consumed by the organization

5285.99

MWh fuel consumed for self-generation of electricity

0

MWh fuel consumed for self-generation of heat

0

MWh fuel consumed for self-generation of steam

0

MWh fuel consumed for self-generation of cooling

<Not Applicable>

MWh fuel consumed for self- cogeneration or self-trigeneration

0

Comment

Includes on-site diesel, propane, and gasoline usage for all Keyera Canada and US business units.

Total fuel

Heating value
HHV

Total fuel MWh consumed by the organization
7678978.77

MWh fuel consumed for self-generation of electricity
787611.58

MWh fuel consumed for self-generation of heat
0

MWh fuel consumed for self-generation of steam
0

MWh fuel consumed for self-generation of cooling
<Not Applicable>

MWh fuel consumed for self- cogeneration or self-trigeneration
0

Comment

C8.2d

(C8.2d) Provide details on the electricity, heat, steam, and cooling your organization has generated and consumed in the reporting year.

	Total Gross generation (MWh)	Generation that is consumed by the organization (MWh)	Gross generation from renewable sources (MWh)	Generation from renewable sources that is consumed by the organization (MWh)
Electricity	155651	154969	0	0
Heat	0	0	0	0
Steam	0	0	0	0
Cooling	0	0	0	0

C8.2g

(C8.2g) Provide a breakdown by country/area of your non-fuel energy consumption in the reporting year.

Country/area

Canada

Consumption of purchased electricity (MWh)
453475.3

Consumption of self-generated electricity (MWh)
154969

Is this electricity consumption excluded from your RE100 commitment?
<Not Applicable>

Consumption of purchased heat, steam, and cooling (MWh)
0

Consumption of self-generated heat, steam, and cooling (MWh)
0

Total non-fuel energy consumption (MWh) [Auto-calculated]
608444.3

Country/area

United States of America

Consumption of purchased electricity (MWh)
2549

Consumption of self-generated electricity (MWh)
0

Is this electricity consumption excluded from your RE100 commitment?
<Not Applicable>

Consumption of purchased heat, steam, and cooling (MWh)
0

Consumption of self-generated heat, steam, and cooling (MWh)
0

Total non-fuel energy consumption (MWh) [Auto-calculated]
2549

C9. Additional metrics

C9.1

(C9.1) Provide any additional climate-related metrics relevant to your business.

C-OG9.3e

(C-OG9.3e) Please disclose your chemicals production in the reporting year in thousand metric tons.

Product	Production, Thousand metric tons	Capacity, Thousand metric tons
High value chemicals (Steam cracking)	513.57	551

C-OG9.5a/C-CO9.5a

(C-OG9.5a/C-CO9.5a) Break down, by fossil fuel expansion activity, your organization's CAPEX in the reporting year and CAPEX planned over the next 5 years.

	CAPEX in the reporting year for this expansion activity (unit currency as selected in C0.4)	CAPEX in the reporting year for this expansion activity as % of total CAPEX in the reporting year	CAPEX planned over the next 5 years for this expansion activity as % of total CAPEX planned over the next 5 years	Explain your CAPEX calculations, including any assumptions
Exploration of new oil fields	0	0	0	
Exploration of new natural gas fields	0	0	0	
Expansion of existing oil fields	0	0	0	
Expansion of existing natural gas fields	0	0	0	
Development of new coal mines	<Not Applicable>	<Not Applicable>	<Not Applicable>	<Not Applicable>
Expansion of existing coal mines	<Not Applicable>	<Not Applicable>	<Not Applicable>	<Not Applicable>

C-CE9.6/C-CG9.6/C-CH9.6/C-CN9.6/C-CO9.6/C-EU9.6/C-MM9.6/C-OG9.6/C-RE9.6/C-ST9.6/C-TO9.6/C-TS9.6

(C-CE9.6/C-CG9.6/C-CH9.6/C-CN9.6/C-CO9.6/C-EU9.6/C-MM9.6/C-OG9.6/C-RE9.6/C-ST9.6/C-TO9.6/C-TS9.6) Does your organization invest in research and development (R&D) of low-carbon products or services related to your sector activities?

	Investment in low-carbon R&D	Comment
Row 1	Yes	Keyera routinely evaluates opportunities to invest in or deploy emissions reduction technology and low-carbon products and services at its facilities.

C-CO9.6a/C-EU9.6a/C-OG9.6a

(C-CO9.6a/C-EU9.6a/C-OG9.6a) Provide details of your organization's investments in low-carbon R&D for your sector activities over the last three years.

Technology area	Stage of development in the reporting year	Average % of total R&D investment over the last 3 years	R&D investment figure in the reporting year (unit currency as selected in C0.4) (optional)	Average % of total R&D investment planned over the next 5 years	Explain how your R&D investment in this technology area is aligned with your climate commitments and/or climate transition plan
Other, please specify (Methane detection and reduction)	Pilot demonstration	16		28	Keyera is piloting new technology to improve how we identify and repair methane and other gas leaks. This technology, the first continuous monitoring program to be approved for regulatory use, uses calibrated sensors and artificial intelligence to monitor and alert Keyera of leaks as soon as they occur. This allows us to respond faster in eliminating fugitive emissions and can reduce costs associated with ground-level monitoring.
Carbon capture, utilization, and storage (CCUS)	Applied research and development	39		72	Keyera has contracted a third-party to conduct applied research and development to explore the economic and practical viability of implementing carbon capture, utilization, and sequestration (CCUS) technology at some of our facilities. CCUS is a component of our climate transition plan, both in terms of decarbonizing our own facilities, as well as exploring the opportunity to provide services for our customers to help enable decarbonization of the energy value chain.
Hydrogen storage	Applied research and development	46		0	Keyera has been working with the University of Alberta to do applied research and development on hydrogen cavern development, which is intended to help support the hydrogen economy in Alberta.

C-OG9.8

(C-OG9.8) Is your organization involved in the sequestration of CO2?

Yes

C-OG9.8a

(C-OG9.8a) Provide, in metric tons CO2, gross masses of CO2 transferred in and out of the reporting organization (as defined by the consolidation basis).

	CO2 transferred in the reporting year (metric tons CO2)	Types of CO2 transfer
CO2 transferred in	0	Other, please specify (No CO2 transferred in)
CO2 transferred out	0	Other, please specify (No CO2 transferred out)

C-OG9.8b

(C-OG9.8b) Provide gross masses of CO2 injected and stored for the purposes of CCS during the reporting year according to the injection and storage pathway.

Injection and storage pathway	Injected CO2 in the reporting year (metric tons CO2)	Percentage of injected CO2 intended for long-term (>10,000 year) storage	CO2 leakage in the reporting year during injection (metric tons CO2)	Year in which injection began	Cumulative CO2 injected and stored (metric tons CO2)	Ongoing leakage (average estimated % of stored CO2 per year)	Describe your process for monitoring leakage and any long-term storage of the CO2
Acid gas injection (CO2 and H2S co-injected into a production reservoir)	74866.58	100	0	1996	1229288.7	0	Keyera currently operates 5 acid gas disposal schemes in Alberta. These schemes result in the long-term storage of H2S and CO2. Annual packer isolation testing is conducted on acid gas disposal wells, and the tubing and casing pressures are monitored daily to ensure the integrity of these wells and to ensure that acid gas is contained. Where applicable, hydraulic isolation logging is conducted on a 5-year interval. In certain cases, adjacent wells are sampled to ensure that the acid gas is being contained. Annual Progress Reports are submitted to the Alberta Energy Regulator regarding the operation of each of these schemes.

C-OG9.8c

(C-OG9.8c) Provide clarification on any other relevant information pertaining to your activities related to transfer and sequestration of CO2.

Current Keyera activities involve the injection of acid gas (H2S) and CO2 removed from gas production streams at processing facilities, and injected underground for permanent sequestration. Keyera is evaluating other carbon capture and sequestration opportunities at its facilities.

C10. Verification

C10.1

(C10.1) Indicate the verification/assurance status that applies to your reported emissions.

	Verification/assurance status
Scope 1	Third-party verification or assurance process in place
Scope 2 (location-based or market-based)	Third-party verification or assurance process in place
Scope 3	No third-party verification or assurance

C10.1a

(C10.1a) Provide further details of the verification/assurance undertaken for your Scope 1 emissions, and attach the relevant statements.

Verification or assurance cycle in place

Annual process

Status in the current reporting year

Complete

Type of verification or assurance

Reasonable assurance

Attach the statement

05_Statement of verification_2022 Keyera KFS Facility.pdf
05_Statement of Verification-2022 KAEF (002).pdf
05_Statement of verification_2022 Keyera Aggregate Facility.pdf
05_Statement of verification_2022 Keyera Strachan Facility.pdf
05_Statement of Verification_2022 Wapiti Gas Plant.pdf
05_Statement of verification_2022 Keyera Rimbey Facility.pdf

Page/ section reference

Page 1 of each document

Relevant standard

ISO14064-3

Proportion of reported emissions verified (%)

96

C10.1b

(C10.1b) Provide further details of the verification/assurance undertaken for your Scope 2 emissions and attach the relevant statements.

Scope 2 approach

Scope 2 location-based

Verification or assurance cycle in place

Annual process

Status in the current reporting year

Complete

Type of verification or assurance

Reasonable assurance

Attach the statement

05_Statement of verification_2022 Keyera KFS Facility.pdf
05_Statement of Verification-2022 KAEF (002).pdf
05_Statement of verification_2022 Keyera Aggregate Facility.pdf
05_Statement of verification_2022 Keyera Strachan Facility.pdf
05_Statement of Verification_2022 Wapiti Gas Plant.pdf
05_Statement of verification_2022 Keyera Rimbey Facility.pdf

Page/ section reference

First page of each document

Relevant standard

ISO14064-3

Proportion of reported emissions verified (%)

41

C10.2

(C10.2) Do you verify any climate-related information reported in your CDP disclosure other than the emissions figures reported in C6.1, C6.3, and C6.5?

No, but we are actively considering verifying within the next two years

C11. Carbon pricing

C11.1

(C11.1) Are any of your operations or activities regulated by a carbon pricing system (i.e. ETS, Cap & Trade or Carbon Tax)?

Yes

C11.1a

(C11.1a) Select the carbon pricing regulation(s) which impacts your operations.

Alberta TIER - ETS

C11.1b

(C11.1b) Complete the following table for each of the emissions trading schemes you are regulated by.

Alberta TIER - ETS

% of Scope 1 emissions covered by the ETS

96.2

% of Scope 2 emissions covered by the ETS

48.1

Period start date

January 1 2022

Period end date

December 31 2022

Allowances allocated

1362460

Allowances purchased

99666

Verified Scope 1 emissions in metric tons CO₂e

1429867

Verified Scope 2 emissions in metric tons CO₂e

100817.62

Details of ownership

Facilities we own and operate

Comment

C11.1d

(C11.1d) What is your strategy for complying with the systems you are regulated by or anticipate being regulated by?

The Alberta Technology Innovation and Emissions Reduction (TIER) regulation, which came into force on January 1, 2020, is an intensity-based system in which facilities greater than 100,000 tCO₂e (termed Large Final Emitters) are compared to either a high-performance benchmark or a facility-specific benchmark which is established through historical performance. Oil and gas facilities which emit less than 100,000 tCO₂e can either opt into the program or amalgamate into an aggregate facility for regulatory reporting.

We are regulated and report on an annual basis. Keyera monitors GHG regulatory developments in our operating jurisdictions including potential changes to facility benchmarks and carbon pricing. We regularly analyze and forecast the GHG performance of Keyera's facilities, and the relative performance of Keyera's facilities compared to benchmarks based on available data.

Our compliance strategy is focused on several short-term and long-term activities, including but not limited to, closely monitoring our emissions performance, sharing that information internally to enable business decisions, pursuing technological and operational efficiency opportunities to cost-effectively reduce emissions intensities (optimizing utilization, new energy efficient equipment,).

One component of Keyera's decarbonization strategy, the Gathering & Processing Optimization Plan, helped to reduce carbon compliance costs. Initiated in 2019, this plan entailed consolidating (decommissioning) our facilities and redirecting gas to our best placed assets. Through this program, 5 facilities were shut down. The Gathering & Processing Optimization Plan reduced the per-unit operating cost and achieved a reduction of ~200,000 tonnes of carbon dioxide equivalent from 2019 to 2020. We continue to explore further network and emission optimization opportunities over the 3-10 years as we continue to execute our strategy to achieve our GHG target of a 25% reduction in emissions intensity by 2025 and a 50% reduction in 2035 (using 2019 as our baseline year).

C11.2

(C11.2) Has your organization canceled any project-based carbon credits within the reporting year?

No

C11.3

(C11.3) Does your organization use an internal price on carbon?

Yes

C11.3a

(C11.3a) Provide details of how your organization uses an internal price on carbon.

Type of internal carbon price

Shadow price

How the price is determined

Alignment with the price of a carbon tax

Objective(s) for implementing this internal carbon price

Change internal behavior
Drive energy efficiency
Drive low-carbon investment
Identify and seize low-carbon opportunities

Scope(s) covered

Scope 1
Scope 2

Pricing approach used – spatial variance

Uniform

Pricing approach used – temporal variance

Evolutionary

Indicate how you expect the price to change over time

In 2016, the Government of Canada set an approach that all pricing systems in Canada must follow. As of April 1, 2022, the price was \$50/tCO_{2e} and is scheduled rise by \$15 per tonne each year up to \$170/tCO_{2e} in 2030. This carbon price schedule was further confirmed in the December 2022 update to the Alberta Technology Innovation, and Emissions Reduction Regulation.

Actual price(s) used – minimum (currency as specified in C0.4 per metric ton CO_{2e})

50

Actual price(s) used – maximum (currency as specified in C0.4 per metric ton CO_{2e})

170

Business decision-making processes this internal carbon price is applied to

Capital expenditure
Operations
Opportunity management

Mandatory enforcement of this internal carbon price within these business decision-making processes

Yes, for some decision-making processes, please specify (Capital Investment Framework)

Explain how this internal carbon price has contributed to the implementation of your organization's climate commitments and/or climate transition plan

Our carbon price is used in several ways to support project economic analysis. The happens within our formal financial and investment decision frameworks, as well as to communicate and align internal project stakeholders on the business and financial risks and opportunities.

For new projects, acquisitions and major investments, our internal carbon price is built in the capital investment framework, meaning we use carbon price to evaluate the financial viability of a project and in our assessment of the cost-benefit of a project.

The internal carbon price is also used for internal forecasting for compliance costs for our carbon-intensive assets. This internal pricing is used for facility maintenance/investment planning and budgeting.

Our carbon pricing provides a mechanism for understanding the impacts of regulatory compliance and implementation on future projects, specifically within the Canadian oil and gas context.

Carbon pricing is also used by project managers and associated teams in our project delivery system to drive decision on equipment selection and efficient design of the plant, leveraging technologies that lead to low emissions.

C12. Engagement

C12.1

(C12.1) Do you engage with your value chain on climate-related issues?

Yes, our suppliers
Yes, our customers/clients
Yes, other partners in the value chain

C12.1a

(C12.1a) Provide details of your climate-related supplier engagement strategy.

Type of engagement

Information collection (understanding supplier behavior)

Details of engagement

Collect GHG emissions data at least annually from suppliers

Collect targets information at least annually from suppliers

Collect climate transition plan information at least annually from suppliers

Collect other climate related information at least annually from suppliers

% of suppliers by number

38

% total procurement spend (direct and indirect)

83

% of supplier-related Scope 3 emissions as reported in C6.5

0

Rationale for the coverage of your engagement

We collect climate information from our suppliers through a third-party supplier management system called, ISNetwork.

Using this tool, we gather information from our suppliers about their climate change strategies, climate targets, as well as scope 1 and scope 2 emissions.

The rationale for using ISNetwork is that, currently, 83% of our supply-chain spend is represented by suppliers reporting to the system, including all our large and critical suppliers. In this way, we can reach most of our suppliers on climate-related questions in an efficient and cost-effective way. All Keyera suppliers on ISNetwork are requested to complete climate-related questions.

Keyera uses these questions to signal the importance of emissions and energy transition focus to our suppliers and promote climate engagement, partnerships, and action. We are developing processes to monitor and evaluate our supplier activity as it relates to the energy transition as well as use Supplier scope 1 and scope 2 emissions to better understand Keyera's scope 3 emissions.

Impact of engagement, including measures of success

Keyera tracks this information and measures success by evaluating supplier response rates to understand year over year participation. Our threshold for success is anticipated to be over 70% of suppliers report on the emissions and climate-related questions we request.

Successful climate-related supply chain engagement has a dual impact. First, comprehensive information about suppliers' emissions helps Keyera better understand the lifecycle emissions profile and make more strategic decisions about how we reduce emissions across this value chain. Second, through this information request, we signal to suppliers the importance of emissions management. This can motivate further emission reduction within the supply chain and/or partnership opportunities to collectively reduce our GHG footprint.

Comment

C12.1b

(C12.1b) Give details of your climate-related engagement strategy with your customers.

Type of engagement & Details of engagement

Collaboration & innovation	Run a campaign to encourage innovation to reduce climate change impacts
----------------------------	---

% of customers by number

4

% of customer - related Scope 3 emissions as reported in C6.5

0

Please explain the rationale for selecting this group of customers and scope of engagement

Keyera has entered a memorandum of understanding with a railroad company to evaluate the creation of a specialized clean energy terminal in Alberta's Industrial Heartland. The proposed facility would create a safe and efficient solution for industrial players to connect and transport a range of specialized low-cost sustainable energy products to key markets domestically and globally.

There are numerous large industrial operators in proximity to the land where the proposed facility would be built. This initiative is a campaign to encourage collaboration and development of efficient market access for clean energy products. The rationale for choosing this group of customers is the unique opportunity to aggregate and provide economies of scale for a diverse set of products from these close proximity operators, including customers who already have clean energy projects.

Impact of engagement, including measures of success

The climate-related impact of this engagement is that the terminal will add to the competitiveness of Alberta's Industrial Heartland and underpin additional new clean energy investments that take advantage of the Industrial Heartland's centralized loading and cost-efficient access to global markets.

Our measure of success is that the proposed terminal will load and/or unload one or more clean energy products within the coming years, supporting clean energy growth. It is envisioned that at the time of its completion, the facility would be capable of handling six inbound and outbound high-capacity trains daily.

Type of engagement & Details of engagement

Collaboration & innovation	Run a campaign to encourage innovation to reduce climate change impacts
----------------------------	---

% of customers by number

3

% of customer - related Scope 3 emissions as reported in C6.5

0

Please explain the rationale for selecting this group of customers and scope of engagement

In developing our diluent handling services and infrastructure, Keyera has engaged with upstream producers to understand how we can assist them with reducing their emissions. Keyera has facilities and connectivity in the Edmonton/Fort Saskatchewan area which has allowed us to provide lighter condensate which helps reduce viscosity and the pump energy required for bitumen. This helps our customers decarbonize their production.

We also provide these customers with a diluent reducing agent. When used as a solvent, operators can realize significant steam reductions in their in-situ operations.

Impact of engagement, including measures of success

As indicated by one Keyera customer, when added to crude, solvents can boost output and reduce its greenhouse gas emissions intensity per barrel by 30-70 percent.

By understanding the climate-related needs of our customers and identifying solvents as a solution to reduce fuel needs, Keyera has helped our oil sands customers reduce the carbon emissions of their products.

C12.1d

(C12.1d) Give details of your climate-related engagement strategy with other partners in the value chain.

As part of our emissions management and energy transition strategy, including our GHG targets, Keyera works with our equity partners to understand our emissions beyond operations. For assets where we have an equity stake, we work with the operator to gather scope 1 and 2 emissions to assess the emissions across our portfolio.

In addition, before entering a new partnership, taking an equity position, or acquiring, we evaluate the overall emissions impact of the opportunity to our portfolio

C12.2

(C12.2) Do your suppliers have to meet climate-related requirements as part of your organization's purchasing process?

No, but we plan to introduce climate-related requirements within the next two years

C12.3

(C12.3) Does your organization engage in activities that could either directly or indirectly influence policy, law, or regulation that may impact the climate?

Row 1

External engagement activities that could directly or indirectly influence policy, law, or regulation that may impact the climate

Yes, we engage directly with policy makers

Yes, our membership of/engagement with trade associations could influence policy, law, or regulation that may impact the climate

Yes, we fund organizations or individuals whose activities could influence policy, law, or regulation that may impact the climate

Does your organization have a public commitment or position statement to conduct your engagement activities in line with the goals of the Paris Agreement?

No, but we plan to have one in the next two years

Attach commitment or position statement(s)

<Not Applicable>

Describe the process(es) your organization has in place to ensure that your external engagement activities are consistent with your climate commitments and/or climate transition plan

Keyera works to ensure direct and indirect activities that influence policy are aligned with our climate change strategy through several channels. Our External Affairs Team is responsible for Keyera's overall policy and regulatory review and activities, including coordinating with the appropriate internal subject matter experts and representatives. For climate-related issues, this would include the Sustainability Team. The External Affairs team, which includes Government and Community Relations, Indigenous Relations, Regulatory Authorizations, Land and Communications, reports directly to Senior Vice President, Sustainability, External Affairs & General Counsel who has oversight of and ensures corporate alignment of Keyera's policy engagements, industry involvement and external relations activities. The General Manager, External Relations, has oversight of Keyera's semi-annual reporting to the Alberta Lobbyists Act which regulates lobbying activities in Alberta. As part of the Act reporting requirements, Keyera provides information with respect to who is accessing and seeking to influence government, a description of these lobbying activities, as well as funding requested, and funding received. The General Manager, External Relations also has oversight of Keyera's membership in industry associations and community investment activities.

In addition, Keyera's Executive team is consulted on climate-related issues and potential adjustments advocacy. This Executive reviews core regulatory and external/public disclosures, including climate change matters. In addition, these types of disclosures are reviewed by Keyera's Disclosure Committee.

Furthermore, Keyera has Political Activities Guidance, outlined in Code of Business Conduct Policy, which dictates that Keyera and employees, acting on its behalf, shall not make any contributions or contribution in-kind to political parties or any committees unless approved in advance by senior management.

Primary reason for not engaging in activities that could directly or indirectly influence policy, law, or regulation that may impact the climate

<Not Applicable>

Explain why your organization does not engage in activities that could directly or indirectly influence policy, law, or regulation that may impact the climate

<Not Applicable>

C12.3a

(C12.3a) On what policy, law, or regulation that may impact the climate has your organization been engaging directly with policy makers in the reporting year?

Specify the policy, law, or regulation on which your organization is engaging with policy makers

Technology Innovation Emission Reduction

Category of policy, law, or regulation that may impact the climate

Carbon pricing, taxes, and subsidies

Focus area of policy, law, or regulation that may impact the climate

Carbon taxes

Policy, law, or regulation geographic coverage

Regional

Country/area/region the policy, law, or regulation applies to

Canada

Your organization's position on the policy, law, or regulation

Support with minor exceptions

Description of engagement with policy makers

Keyera has attended round table discussions and engaged one-on-one with government and regulators in policies related to climate change and GHG monitoring and reporting, and GHG targets. Specifically, we have engaged in policies and discussions related to Technology Innovation Emission Reduction. Our aim is to ensure that Keyera's and the industry's interests are represented.

Details of exceptions (if applicable) and your organization's proposed alternative approach to the policy, law or regulation

Keyera is supportive of TIER, and we have requested further detail on treatment of high-performance benchmarking and tightening rates.

Have you evaluated whether your organization's engagement on this policy, law, or regulation is aligned with the goals of the Paris Agreement?

Yes, we have evaluated, and it is aligned

Please explain whether this policy, law or regulation is central to the achievement of your climate transition plan and, if so, how?

<Not Applicable>

Specify the policy, law, or regulation on which your organization is engaging with policy makers

Clean fuel regulation

Category of policy, law, or regulation that may impact the climate

Carbon pricing, taxes, and subsidies

Focus area of policy, law, or regulation that may impact the climate

Taxes on products or services

Policy, law, or regulation geographic coverage

National

Country/area/region the policy, law, or regulation applies to
Canada

Your organization's position on the policy, law, or regulation
Support with no exceptions

Description of engagement with policy makers
Keyera has attended round table discussions and engaged one-on-one with government and regulators regarding clean fuel regulation.

Keyera has advocated for stackability of credit generation capacity between clean fuel regulation and TIER.

Details of exceptions (if applicable) and your organization's proposed alternative approach to the policy, law or regulation
<Not Applicable>

Have you evaluated whether your organization's engagement on this policy, law, or regulation is aligned with the goals of the Paris Agreement?
Yes, we have evaluated, and it is aligned

Please explain whether this policy, law or regulation is central to the achievement of your climate transition plan and, if so, how?
<Not Applicable>

Specify the policy, law, or regulation on which your organization is engaging with policy makers
Investment Tax Credit for CCUS

Category of policy, law, or regulation that may impact the climate
Low-carbon products and services

Focus area of policy, law, or regulation that may impact the climate
Other, please specify (Carbon Capture and Utilization)

Policy, law, or regulation geographic coverage
National

Country/area/region the policy, law, or regulation applies to
Canada

Your organization's position on the policy, law, or regulation
Support with minor exceptions

Description of engagement with policy makers
Keyera provided written feedback to Finance Canada regarding the Additional Design Features of the Investment Tax Credit (ITC) for Carbon Capture, Utilization and Storage (CCUS): Recovery Mechanism, Climate Risk Disclosure, and Knowledge Sharing.

Details of exceptions (if applicable) and your organization's proposed alternative approach to the policy, law or regulation
Keyera recommended Finance Canada evaluate the CCUS ITC against the U.S. IRA's improvements to Section 45Q and undertake additional industry consultation for additive measures to increase Canada's Competitiveness on CCUS.

Have you evaluated whether your organization's engagement on this policy, law, or regulation is aligned with the goals of the Paris Agreement?
Yes, we have evaluated, and it is aligned

Please explain whether this policy, law or regulation is central to the achievement of your climate transition plan and, if so, how?
<Not Applicable>

C12.3b

(C12.3b) Provide details of the trade associations your organization is a member of, or engages with, which are likely to take a position on any policy, law or regulation that may impact the climate.

Trade association

Canadian Association of Petroleum Producers

Is your organization's position on climate change policy consistent with theirs?

Consistent

Has your organization attempted to influence their position in the reporting year?

Yes, and they have changed their position

Describe how your organization's position is consistent with or differs from the trade association's position, and any actions taken to influence their position

CAPP's position is that climate change is a global issue requiring action from individuals, governments, organizations, and industries around the world. Canada's oil and gas sector is uniquely positioned to help meet global climate commitments as the global supplier of choice in a world that demands a lower carbon energy future. Continued investment in innovation and technology is driving down emissions intensity and positions. Canada's oil and gas industry as part of the global solution needed to tackle the global climate challenge.

CAPP has eight climate change positions described on their website: Industry's Climate Commitment | CAPP

Yes, Keyera is attempting to influence CAPP's position. To do this, Keyera provides our emissions data and policy impact analysis to CAPP. Specifically, we provide a midstream sector perspective to CAPP, helping to provide a better understanding of the impacts of regulatory policies (such as carbon pricing and reporting) on the whole oil and gas value chain. We support CAPP's position that the Canadian oil and gas sector must drive down emissions intensity as part of the global solution to tackle climate change

Funding figure your organization provided to this trade association in the reporting year (currency as selected in C0.4)

5000

Describe the aim of your organization's funding

As a Canadian Oil and Gas company, Keyera is part of CAPP to stay informed with industry trends as well as to provide our support and perspective to CAPP conversations with government, including those related to energy transition and carbon tax. The cost listed is related to membership fees.

Have you evaluated whether your organization's engagement with this trade association is aligned with the goals of the Paris Agreement?

Yes, we have evaluated, and it is aligned

Trade association

Other, please specify (Resource Diversification Council)

Is your organization's position on climate change policy consistent with theirs?

Consistent

Has your organization attempted to influence their position in the reporting year?

Yes, and they have changed their position

Describe how your organization's position is consistent with or differs from the trade association's position, and any actions taken to influence their position

RDC's aim is to ensure that Albertans receive the full value of their energy resources today and in the future and our members are committed to promoting environmental stewardship and innovation. RDC has made policy recommendations to all political parties to support diversification and help develop policies and frameworks that encourage further development and diversification of the petrochemical and hydrocarbon processing sectors. RDC's full list of policy recommendations can be found on their website: (diversification.org)

Keyera's CEO Dean Setoguchi maintains a position on RDC's Board of Directors. Keyera has actively influenced RDC's position

Funding figure your organization provided to this trade association in the reporting year (currency as selected in C0.4)

20000

Describe the aim of your organization's funding

Keyera is actively involved in the RDC as we see value in the diversification of Alberta's energy resources for our business, for Albertans, and as we explore environmental stewardship and innovation of the petrochemical and hydrocarbon sectors.

Have you evaluated whether your organization's engagement with this trade association is aligned with the goals of the Paris Agreement?

Yes, we have evaluated, and it is not aligned

C12.3c

(C12.3c) Provide details of the funding you provided to other organizations or individuals in the reporting year whose activities could influence policy, law, or regulation that may impact the climate.

Type of organization or individual

Non-Governmental Organization (NGO) or charitable organization

State the organization or individual to which you provided funding

Calgary Chamber of Commerce

Funding figure your organization provided to this organization or individual in the reporting year (currency as selected in C0.4)

1500

Describe the aim of this funding and how it could influence policy, law or regulation that may impact the climate

The Chamber of Commerce's vision is for a net-zero world in which Alberta's energy industry is competitive and is a leader in innovation and emissions reduction technology. The Chamber contributes to conversations regarding investing in emissions reduction, decarbonizing technology, and emphasizing Canada's position as a leader in providing solutions to address climate change. Keyera supports the Calgary Chamber in the above aims.

Have you evaluated whether this funding is aligned with the goals of the Paris Agreement?

Yes, we have evaluated, and it is aligned

Type of organization or individual

Non-Governmental Organization (NGO) or charitable organization

State the organization or individual to which you provided funding

Business Council of Canada

Funding figure your organization provided to this organization or individual in the reporting year (currency as selected in C0.4)

63000

Describe the aim of this funding and how it could influence policy, law or regulation that may impact the climate

The Business Council of Canada outlines 3 areas of focus under Resources and the Environment. Under Climate Change and Clean Growth, BCC is focused on developing and promoting effective policies that reduce pollution and the environmental footprint of Canadian businesses, communities, and citizens. Under the Energy focus area, BCC looks to position Canada as a location of choice for energy companies that partner with Indigenous communities and invest in low-carbon solutions that foster superior economic and environmental performance.

Have you evaluated whether this funding is aligned with the goals of the Paris Agreement?

Yes, we have evaluated, and it is aligned

Type of organization or individual

Non-Governmental Organization (NGO) or charitable organization

State the organization or individual to which you provided funding

Canadian Chamber of Commerce

Funding figure your organization provided to this organization or individual in the reporting year (currency as selected in C0.4)

19425

Describe the aim of this funding and how it could influence policy, law or regulation that may impact the climate

The Canadian Chamber of Commerce states that its position is to provide Canadian business with the opportunity to take a leadership position on climate policy and meet our NDC targets with emission reduction pathways that are market-driven, flexible and at the lowest possible cost for businesses and Canadians. The full position is available on their website: Natural Resources, Environment & Energy - Canadian Chamber of Commerce

The Chamber recommends that the federal government: "Ensure alignment with existing offset credit systems, including provincial systems, to create consistency between jurisdictions, and to ensure compatibility with the anticipated rollout of Article 6 of the Paris Agreement."

Have you evaluated whether this funding is aligned with the goals of the Paris Agreement?

Yes, we have evaluated, and it is aligned

C12.4

(C12.4) Have you published information about your organization’s response to climate change and GHG emissions performance for this reporting year in places other than in your CDP response? If so, please attach the publication(s).

Publication

In mainstream reports, incorporating the TCFD recommendations

Status

Complete

Attach the document

2021-ESG-Report-Final_compressed_2.pdf

Page/Section reference

Governance update – p. 20
 Strategy update – 13-18,43-48
 Emissions figures – 46,47
 Emissions targets - 14
 Other metrics- 47

Content elements

Governance
 Strategy
 Emissions figures
 Emission targets
 Other metrics

Comment

Our 2021 ESG Report provides an update to our previously published 2021 Climate Report.

Publication

In mainstream reports, incorporating the TCFD recommendations

Status

Complete

Attach the document

Climate-Report-2021 (1).pdf

Page/Section reference

- Governance – 28-31
- Strategy – 9-18
- Risks & Opportunities – 32-35
- Emissions figures
- Emission targets – 21-25
- Other metrics – 38-41

Content elements

Governance
 Strategy
 Risks & opportunities
 Emissions figures
 Emission targets
 Other metrics

Comment

Our Climate Report was published in 2021, with 2022 practices, progress and metrics updated in our 2021 ESG Report.

C12.5

(C12.5) Indicate the collaborative frameworks, initiatives and/or commitments related to environmental issues for which you are a signatory/member.

	Environmental collaborative framework, initiative and/or commitment	Describe your organization’s role within each framework, initiative and/or commitment
Row 1	Task Force on Climate-related Financial Disclosures (TCFD) Other, please specify (●) Sundre Petroleum Operators Group (SPOG)	<p>TCFD: Keyera is a confirmed TCFD supporter. By publicly declaring our support for the TCFD and its recommendations, we demonstrate that we support TCFD and are taking action to build a more resilient financial system through climate-related disclosure. Keyera’s Climate reporting is aligned to the TCFD recommendations, and we continue to monitor and support TCFD progress.</p> <p>Sundre Petroleum Operators Group: As part of the Sundre Petroleum Operators Group (SPOG), we participate in a coordinated effort to manage fugitive emissions from oil and gas facilities in the area. SPOG routinely conducts aerial surveys over participating facilities to monitor and quantify methane emissions. If SPOG detects a new source or a significant change to emission levels near a Keyera facility, they contact us to conduct a ground-based survey and initiate any required repairs.</p>

C15. Biodiversity

C15.1

(C15.1) Is there board-level oversight and/or executive management-level responsibility for biodiversity-related issues within your organization?

	Board-level oversight and/or executive management-level responsibility for biodiversity-related issues	Description of oversight and objectives relating to biodiversity	Scope of board-level oversight
Row 1	Please select	<Not Applicable>	<Not Applicable>

C15.2

(C15.2) Has your organization made a public commitment and/or endorsed any initiatives related to biodiversity?

	Indicate whether your organization made a public commitment or endorsed any initiatives related to biodiversity	Biodiversity-related public commitments	Initiatives endorsed
Row 1	Please select	<Not Applicable>	<Not Applicable>

C15.3

(C15.3) Does your organization assess the impacts and dependencies of its value chain on biodiversity?

Impacts on biodiversity

Indicate whether your organization undertakes this type of assessment

Value chain stage(s) covered

<Not Applicable>

Portfolio activity

<Not Applicable>

Tools and methods to assess impacts and/or dependencies on biodiversity

<Not Applicable>

Please explain how the tools and methods are implemented and provide an indication of the associated outcome(s)

<Not Applicable>

Dependencies on biodiversity

Indicate whether your organization undertakes this type of assessment

Value chain stage(s) covered

<Not Applicable>

Portfolio activity

<Not Applicable>

Tools and methods to assess impacts and/or dependencies on biodiversity

<Not Applicable>

Please explain how the tools and methods are implemented and provide an indication of the associated outcome(s)

<Not Applicable>

C15.4

(C15.4) Does your organization have activities located in or near to biodiversity- sensitive areas in the reporting year?

C15.5

(C15.5) What actions has your organization taken in the reporting year to progress your biodiversity-related commitments?

	Have you taken any actions in the reporting period to progress your biodiversity-related commitments?	Type of action taken to progress biodiversity- related commitments
Row 1	Please select	<Not Applicable>

C15.6

(C15.6) Does your organization use biodiversity indicators to monitor performance across its activities?

	Does your organization use indicators to monitor biodiversity performance?	Indicators used to monitor biodiversity performance
Row 1	Please select	Please select

C15.7

(C15.7) Have you published information about your organization's response to biodiversity-related issues for this reporting year in places other than in your CDP response? If so, please attach the publication(s).

Report type	Content elements	Attach the document and indicate where in the document the relevant biodiversity information is located
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C16. Signoff

C-FI

(C-FI) Use this field to provide any additional information or context that you feel is relevant to your organization's response. Please note that this field is optional and is not scored.

C16.1

(C16.1) Provide details for the person that has signed off (approved) your CDP climate change response.

	Job title	Corresponding job category
Row 1	Chief Executive Officer	Chief Executive Officer (CEO)

SC. Supply chain module

SC0.0

(SC0.0) If you would like to do so, please provide a separate introduction to this module.

Dow Chemicals has requested Keyera to provide Scope 1 and Scope 2 emissions associated with ethane product sales to Dow's Fort Saskatchewan Plant Site and Rimbey site. Keyera has allocated its Scope 1 and Scope 2 emissions to ethane product sales to Dow. Allocation is based on share of ethane product sales to Dow from Keyera's Fort Saskatchewan Fractionation Plant and Rimbey Gas Plant. Scope 1 and Scope 2 emissions calculated at Keyera's Fort Saskatchewan Plant and Rimbey are third-party verified under Alberta's TIER regulation.

CHANGES FROM LAST YEAR'S REPORTING FOR DOW:

Within section SC1.1, providing the Rimbey facility emissions is an addition from last year. Last year, we only provided emission for ethane product sales from Keyera's Fort Saskatchewan facility.

Within section SC4.2b, we have removed the row representing Storage which we reported last year. For the DOW product, we have only one stage, Production. All C2 spec out of the De-Ethanizer goes to DOW directly without long-term storage. There is no C2 cavern at KFS, only C2+. This was incorrectly reported last year as the same intensity for Production and Storage stages.

SC0.1

(SC0.1) What is your company's annual revenue for the stated reporting period?

	Annual Revenue
Row 1	7060223000

SC1.1

(SC1.1) Allocate your emissions to your customers listed below according to the goods or services you have sold them in this reporting period.

Requesting member
The Dow Chemical Company

Scope of emissions

Scope 1

Scope 2 accounting method

<Not Applicable>

Scope 3 category(ies)

<Not Applicable>

Allocation level

Commodity

Allocation level detail

<Not Applicable>

Emissions in metric tonnes of CO2e

11365.9

Uncertainty (±%)

5

Major sources of emissions

Fuel gas used for fractionation and delivery of spec ethane

Verified

Yes

Allocation method

Allocation based on the volume of products purchased

Market value or quantity of goods/services supplied to the requesting member

196749.9

Unit for market value or quantity of goods/services supplied

Cubic meters

Please explain how you have identified the GHG source, including major limitations to this process and assumptions made

GHG sources are identified based on direct and indirect energy consumption at Keyera Fort Saskatchewan facility. Sources of Scope 1 emissions include stationary combustion equipment while sources of Scope 2 emissions include the electric driven equipment within fractionation facilities. There are no major limitations to this process and allocation is based on percentage of product sold to DOW and proration of facility Scope 1 and Scope 2 emissions based on that percentage.

Requesting member

The Dow Chemical Company

Scope of emissions

Scope 2

Scope 2 accounting method

Location-based

Scope 3 category(ies)

<Not Applicable>

Allocation level

Commodity

Allocation level detail

<Not Applicable>

Emissions in metric tonnes of CO2e

10159.39

Uncertainty (±%)

5

Major sources of emissions

Electricity used for fractionation and delivery of spec ethane

Verified

Yes

Allocation method

Allocation based on the volume of products purchased

Market value or quantity of goods/services supplied to the requesting member

196749.9

Unit for market value or quantity of goods/services supplied

Cubic meters

Please explain how you have identified the GHG source, including major limitations to this process and assumptions made

GHG sources are identified based on direct and indirect energy consumption at Keyera Fort Saskatchewan facility. Sources of Scope 1 emissions include stationary combustion equipment while sources of Scope 2 emissions include electric driven equipment within fractionation facilities. There are no major limitations to this process. Allocation is based on percentage of product sold to DOW and proration of facility Scope 1 and Scope 2 emissions based on that percentage.

Requesting member

The Dow Chemical Company

Scope of emissions

Scope 1

Scope 2 accounting method

<Not Applicable>

Scope 3 category(ies)

<Not Applicable>

Allocation level

Commodity

Allocation level detail

<Not Applicable>

Emissions in metric tonnes of CO2e

38835.7

Uncertainty (±%)

5

Major sources of emissions

Fuel gas used for fractionation and delivery of spec ethane

Verified

Yes

Allocation method

Allocation based on the volume of products purchased

Market value or quantity of goods/services supplied to the requesting member

701384.8

Unit for market value or quantity of goods/services supplied

Cubic meters

Please explain how you have identified the GHG source, including major limitations to this process and assumptions made

GHG sources are identified based on direct and indirect energy consumption at Keyera Rimbey facility. Sources of Scope 1 emissions include stationary combustion equipment while sources of Scope 2 emissions include electric driven equipment. There are no major limitations to this process. Allocation is based on percentage of product sold to DOW and proration of facility Scope 1 and Scope 2 emissions based on that percentage

Requesting member

The Dow Chemical Company

Scope of emissions

Scope 2

Scope 2 accounting method

Location-based

Scope 3 category(ies)

<Not Applicable>

Allocation level

Commodity

Allocation level detail

<Not Applicable>

Emissions in metric tonnes of CO2e

580.84

Uncertainty (±%)

5

Major sources of emissions

Electricity used for fractionation and delivery of spec ethane

Verified

Yes

Allocation method

Allocation based on the volume of products purchased

Market value or quantity of goods/services supplied to the requesting member

701384.8

Unit for market value or quantity of goods/services supplied

Cubic meters

Please explain how you have identified the GHG source, including major limitations to this process and assumptions made

GHG sources are identified based on direct and indirect energy consumption at Keyera Rimbey facility. Sources of Scope 1 emissions include stationary combustion equipment while sources of Scope 2 emissions include electric driven equipment. There are no major limitations to this process. Allocation is based on percentage of product sold to DOW and proration of facility Scope 1 and Scope 2 emissions based on that percentage.

SC1.2

(SC1.2) Where published information has been used in completing SC1.1, please provide a reference(s).

SC1.3

(SC1.3) What are the challenges in allocating emissions to different customers, and what would help you to overcome these challenges?

Allocation challenges	Please explain what would help you overcome these challenges
Diversity of product lines makes accurately accounting for each product/product line cost ineffective	Scope 3 emission calculation methodologies are not regulated, and in absence of guidance on allocation of energy usage, there is no mechanism to prevent double counting of the energy usage in product processing or to ensure the use of the same unit of measurement for the same types of the products. Different product suppliers can use different calculation methodologies and therefore are not comparable between various suppliers. Further provincial, national, or international guidelines on Scope 3 emissions calculations that would resolve the challenges of allocation of energy usage to diverse product lines or product blends.

SC1.4

(SC1.4) Do you plan to develop your capabilities to allocate emissions to your customers in the future?

Yes

SC1.4a

(SC1.4a) Describe how you plan to develop your capabilities.

Our allocation of emissions to customers is on a case-by-case basis and undertaken when requested by our customers. For future requests, we are planning to address them in unified way to ensure an accurate allocation based on product dispositions to different customers. This will be built on existing experience and involve quality assurance review of calculation methodologies and verification of allocation balance.

SC2.1

(SC2.1) Please propose any mutually beneficial climate-related projects you could collaborate on with specific CDP Supply Chain members.

SC2.2

(SC2.2) Have requests or initiatives by CDP Supply Chain members prompted your organization to take organizational-level emissions reduction initiatives?

No

SC4.1

(SC4.1) Are you providing product level data for your organization's goods or services?

Yes, I will provide data

SC4.1a

(SC4.1a) Give the overall percentage of total emissions, for all Scopes, that are covered by these products.

1.25

SC4.2a

(SC4.2a) Complete the following table for the goods/services for which you want to provide data.

Name of good/ service

Keyera's ethane product sold to DOW Chemicals at Fort Saskatchewan, AB

Description of good/ service

Sale of Ethane product to DOW Chemicals via AEGS pipeline.

Type of product

Intermediate

SKU (Stock Keeping Unit)

cubic meters - m3

Total emissions in kg CO2e per unit

109.4

±% change from previous figure supplied

41

Date of previous figure supplied

July 26 2021

Explanation of change

There was an improvement in accounting for electricity consumption which improved the accuracy of allocated Scope 2 emissions to DOW.

Methods used to estimate lifecycle emissions

GHG Protocol Product Accounting & Reporting Standard

Name of good/ service

Keyera's ethane product sold to DOW Chemicals at Rimbey

Description of good/ service

Sale of ethane product to DOW Chemicals.

Type of product

Intermediate

SKU (Stock Keeping Unit)

cubic meters - m3

Total emissions in kg CO2e per unit

56.2

±% change from previous figure supplied

0

Date of previous figure supplied

Explanation of change

Reported for the first time.

Methods used to estimate lifecycle emissions

GHG Protocol Product Accounting & Reporting Standard

SC4.2b

(SC4.2b) Complete the following table with data for lifecycle stages of your goods and/or services.

Name of good/ service

Keyera's ethane product sales to DOW Chemicals at Fort Saskatchewan, AB

Please select the scope

Scope 1

Please select the lifecycle stage

Other, please specify (Fractionation)

Emissions at the lifecycle stage in kg CO2e per unit

57.77

Is this stage under your ownership or control?

Yes

Type of data used

Primary and secondary

Data quality

The calculation of Scope 1 and 2 GHG emissions at the Keyera Fort Saskatchewan Fractionation Plant is based on Alberta GHG quantification methodologies guideline and based on engineering methods acceptable in the province of operation. Allocation of Scope 1 and 2 GHG emissions to Dow C2 deliveries is based on metered data.

If you are verifying/assuring this product emission data, please tell us how

As required by the Technology Innovation and Emissions Reduction (TIER) Regulation in Alberta, all facilities emitting more than 100,000 tonnes CO2e must go through third-party verification to confirm GHG emissions from all sources (Combustion, venting, flaring, etc.). Keyera's Fort Saskatchewan Fractionation Plant has emissions that are greater than a 100,000 tCO2e/year. During the verification process, the breakdown of the emissions into the individual components and categories is verified, consistent with the requirements of TIER.

Name of good/ service

Keyera's ethane product sales to DOW Chemicals at Fort Saskatchewan, AB.

Please select the scope

Scope 2

Please select the lifecycle stage

Other, please specify (Fractionation)

Emissions at the lifecycle stage in kg CO2e per unit

51.64

Is this stage under your ownership or control?

Yes

Type of data used

Primary and secondary

Data quality

The calculation of Scope 1 and 2 GHG emissions at the Keyera Fort Saskatchewan Fractionation Plant is based on Alberta GHG quantification methodologies guideline and based on engineering methods acceptable in the province of operation. Allocation of Scope 1 and 2 GHG emissions to Dow C2 deliveries is based on metered data.

If you are verifying/assuring this product emission data, please tell us how

As required by the Technology Innovation and Emissions Reduction (TIER) Regulation in Alberta, all facilities emitting more than 100,000 tonnes CO2e must go through third-party verification to confirm GHG emissions from all sources (Combustion, venting, flaring, etc.). Keyera's Fort Saskatchewan Fractionation Plant has emissions that are greater than a 100,000 tCO2e/year. During the verification process, the breakdown of the emissions into the individual components and categories is verified, consistent with the requirements of TIER.

Name of good/ service

Keyera's ethane product sales to DOW Chemical at Rimbey

Please select the scope

Scope 1

Please select the lifecycle stage

Other, please specify (Fractionation)

Emissions at the lifecycle stage in kg CO2e per unit

55.37

Is this stage under your ownership or control?

Yes

Type of data used

Primary and secondary

Data quality

The calculation of Scope 1 and 2 GHG emissions at the Rimbey Gas Plant is based on Alberta GHG quantification methodologies guideline and based on engineering methods acceptable in the province of operation. Allocation of Scope 1 and 2 GHG emissions to Dow C2 deliveries is based on metered data.

If you are verifying/assuring this product emission data, please tell us how

As required by the Technology Innovation and Emissions Reduction (TIER) Regulation in Alberta, all facilities emitting more than 100,000 tonnes CO2e must go through third-party verification to confirm GHG emissions from all sources (Combustion, venting, flaring, etc.). Keyera's Rimbey Gas Plant emissions are greater than a 100,000 tCO2e/year. During the verification process, the breakdown of the emissions into the individual components and categories is verified, consistent with the requirements of TIER.

Name of good/ service

Keyera's ethane product sales to DOW Chemicals at Rimbey

Please select the scope

Scope 2

Please select the lifecycle stage

Other, please specify (Fractionation)

Emissions at the lifecycle stage in kg CO2e per unit

0.83

Is this stage under your ownership or control?

Yes

Type of data used

Primary and secondary

Data quality

The calculation of Scope 1 and 2 GHG emissions at the Rimbey Gas Plant is based on Alberta GHG quantification methodologies guideline and based on engineering methods acceptable in the province of operation. Allocation of Scope 1 and 2 GHG emissions to Dow C2 deliveries is based on metered data.

If you are verifying/assuring this product emission data, please tell us how

As required by the Technology Innovation and Emissions Reduction (TIER) Regulation in Alberta, all facilities emitting more than 100,000 tonne CO2e/year must go through third-party verification to confirm GHG emissions from all sources (Combustion, venting, flaring, etc.). Keyera's Rimbey Gas Plant emissions are greater than a 100,000 tCO2e. During the verification process, the breakdown of the emissions into the individual components and categories is verified, consistent with the requirements of TIER.

(SC4.2c) Please detail emissions reduction initiatives completed or planned for this product.

Name of good/ service	Initiative ID	Description of initiative	Completed or planned	Emission reductions in kg CO2e per unit
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SC4.2d

(SC4.2d) Have any of the initiatives described in SC4.2c been driven by requesting CDP Supply Chain members?

No

Submit your response

In which language are you submitting your response?

English

Please confirm how your response should be handled by CDP

	I understand that my response will be shared with all requesting stakeholders	Response permission
Please select your submission options	Yes	Public

Please confirm below

I have read and accept the applicable Terms