



Health, Safety and Environment Committee: Terms of Reference

Purpose

The purpose of the Health, Safety and Environment Committee of the Board of Directors (the "Committee") is to assist the Board of Directors (the "Board") of Keyera Corp. in fulfilling its responsibilities in relation to environmental, health and safety matters, as well as oil and gas reserves and production matters, including: (i) the provision of a safe environment for employees and others to perform their duties; (ii) reviewing and monitoring the policies and procedures of Keyera Corp. and its subsidiaries (collectively "Keyera") relating to health, safety and environmental matters; (iii) overseeing management's actions relating to compliance by Keyera with environmental regulatory requirements and Keyera's health, safety and environmental goals; and (iv) overseeing Keyera's compliance with the requirements of National Instrument 51-101, Standards of Disclosure for Oil and Gas Activities (as amended or replaced from time to time) ("NI 51-101") with respect to the oil and natural gas reserves evaluation process and public disclosure of reserves data and related information in connection with oil and gas activities.

Mandate

1. The Committee shall:
 - a. in conjunction with management, review, from time to time, Keyera's health, safety and environmental policies, practices and procedures and monitor whether those policies, practices and procedures (i) comply with applicable legislation, regulatory requirements, and industry standards, (ii) meet Keyera's goals, and (iii) adequately prevent or mitigate losses;
 - b. assess, from time to time, whether Keyera's health, safety and environmental policies, practices and procedures are being effectively implemented;
 - c. receive reports from management on Keyera's health, safety and environmental performance and review the responses of management to changes in Keyera's performance;
 - d. review the effectiveness of the response by Keyera, to health, safety and environmental issues, including compliance with applicable legislation, regulatory requirements and industry standards;
 - e. review and consider, as appropriate, reports and recommendations issued by Keyera or by an external party relating to health, safety and environmental issues, together with management's response thereto;
 - f. review with management, its response to and management of health, safety and environmental issues;
 - g. report, as appropriate, to the Board of Directors, on issues related to Keyera's health, safety and environmental policies, practices and procedures, including Keyera's management of those issues, and make recommendations to the Board thereon;

- h. review with management their assessment of significant operational risks and exposures and review and assess the steps taken by Keyera's management to mitigate those risks;
 - i. at least annually, review the processes used by Keyera's management to determine Keyera's asset retirement obligations; and
 - j. in respect of Keyera's oil and gas activities (as defined in NI 51-101):
 - i. review at least annually, Keyera's procedures relating to disclosure of information with respect to the oil and gas activities of Keyera, including its procedures for complying with the disclosure requirements and restrictions of NI 51-101;
 - ii. review annually the qualifications and, if applicable, the independence ,of the qualified reserves evaluator(s) to be appointed or re-appointed by the Board and in the case of any proposed change in the qualified reserves evaluator(s), determine the reasons for the proposed change and whether there have been any disputes between the appointed qualified reserves evaluator(s) and management of Keyera;
 - iii. review at least annually Keyera's procedures for providing information to the qualified reserves evaluator(s) who prepare reports on Keyera's reserves under NI 51-101;
 - iv. if applicable, before recommending that the Board approve the filing of any Statement of Reserves Data and Other Oil and Gas Information, Report of Management and Directors on Oil and Gas Disclosure or Report of the Independent Qualified Reserves Evaluator(s) on Reserves Data with the applicable regulatory authorities, meet with management and each of the independent qualified reserves evaluator(s) to:
 - 1. determine whether any restrictions affect the ability of the qualified reserves evaluator(s) to report on the reserves data of Keyera without reservation; and
 - 2. review the reserves data and the report of the qualified reserves evaluator(s) thereon;
 - v. if applicable, review the content of (a) the Statement of Reserves Data and Other Information, (b) the Report of Independent Qualified Reserves Evaluator(s), and (c) the Report of Management and Directors as contemplated by NI 51-101 and make a recommendation to the Board as to whether to approve the content and filing of the information referenced in (a), (b) and (c) above; and
 - vi. if necessary or desirable, co-ordinate meetings with Keyera's Audit Committee, management, the qualified reserves evaluator(s) and the external auditor as required to address matters of mutual interest or concern in respect of Keyera's evaluation of oil and natural gas reserves and resources.
2. The Committee may, at the request of the Board or on its own initiative, investigate such other matters as are considered necessary or appropriate in the circumstances.

Committee and Procedures

1. **Composition of Committee**

The Committee shall consist of not less than three Directors and not more than six Directors, the majority of whom are independent of Keyera within the meaning of applicable laws, rules, policies, guidelines and requirements, as determined by the Board. Committee members should not have any direct or indirect relationship with the consultant engaged to prepare the independent reserves report.

2. **Appointment of Committee Members**

Members of the Committee shall be appointed from time to time to hold office at the pleasure of the Board.

3. **Vacancies**

Where a vacancy occurs at any time in the membership of the Committee, it may be filled by the Board. The Board shall fill any vacancy if the membership of the Committee is less than three Directors.

4. **Committee Chair**

The Board shall appoint a Chair for the Committee.

5. **Absence of Committee Chair**

If the Chair of the Committee is not present at any meeting of the Committee, one of the other members of the Committee who is present at the meeting shall be chosen by the Committee to preside at the meeting.

6. **Secretary of Committee**

The Committee shall appoint a Secretary who need not be a Director of Keyera Corp.

7. **Meetings**

The Chair of the Committee, the Independent Lead Director, the Chair of the Board or any two members of the Committee may call a meeting of the Committee. The Committee shall meet at such times during each year, as it deems appropriate.

8. **Quorum**

Two members of the Committee shall constitute a quorum.

9. **Notice of Meetings**

Notice of the time and place of every meeting shall be given in writing (including by way of written facsimile communication) to each member of the Committee at least 24 hours prior to the time fixed for such meeting, provided, however, that a member may in any manner waive a notice of a meeting; and attendance of a member at a meeting constitutes a waiver of notice of the meeting, except where a member attends a meeting for the express purpose of objecting to the transaction of any business on the grounds that the meeting is not lawfully called.

10. Attendance of Keyera's Officers at Meetings

At the invitation of the Chair of the Committee, one or more officers of Keyera may attend any meeting of the Committee.

11. Procedure, Records and Reporting

Subject to any statute or articles and by-laws of Keyera Corp., the Committee shall fix its own procedures at meetings, keep records of its proceedings and report to the Board when the Committee may deem appropriate (but not later than the next meeting of the Board). The minutes of its meetings shall be distributed to all members of the Board. All Directors shall be provided with access to any materials distributed to members of the Committee.

12. Delegation

The Committee may delegate, from time to time, to any person or committee or persons, any of the Committee's responsibilities that lawfully may be delegated.

13. Independent Advisors

The Committee has the authority to retain independent legal or other advisors to advise the Committee or any member of the Committee independently on any matter. The Committee (subject to the Board's oversight) have the authority to retain and terminate such advisors, including the authority to approve fees and other terms of the retainer.

The Committee shall have access to Keyera's independent qualified reserves evaluator(s), to all Keyera employees and to such information respecting Keyera, as it considers necessary or advisable in order to perform its duties and responsibilities.

14. Review of Terms of Reference

The Committee shall review its Terms of Reference annually or otherwise as it deems appropriate and propose recommended changes to the Board.