



Board Mandate

Introduction

In this Mandate, Keyera Corp. and its subsidiaries are collectively referred to as “**Keyera**”.

Primary Responsibility and Authority

The board of directors (the “**Board**”) of Keyera is responsible for the stewardship of Keyera by providing effective, independent supervision of the management of Keyera’s business and affairs and to act in the best interests of Keyera. The Board’s responsibility is to foster the long-term success of Keyera by supervising the management of Keyera’s business and affairs in a manner that:

1. is intended to advance the collective interests of Keyera’s shareholders while recognizing that, in order for the enterprise to continue to serve its shareholders’ interests, the collective interests of employees, customers, suppliers, the communities in which Keyera operates and the general public must also be taken into account; and
2. promotes the achievement of Keyera’s long-term goals to grow value responsibly in a sustainable manner.

These responsibilities are primarily discharged through Board oversight of Keyera’s officers and management who are responsible for the day-to-day conduct of the business. The Board delegates certain of its authority to management, while reserving certain powers to itself, and oversees management’s actions and their utilization of the powers delegated to them. The Board fulfils some of its responsibilities by delegation to Board committees (“**Committees**”).

Each Committee’s terms of reference contain the responsibilities that are delegated to that Committee. Any responsibilities that are not specifically delegated to the Chief Executive Officer or a Committee remain Board responsibilities.

Composition and Meetings

Keyera’s articles provide for a minimum and a maximum number of directors. The specific number of directors shall be set each year by resolution of the shareholders or of the Board as may be permitted by law, with nominees for directors initially considered and recommended by the Governance and Sustainability Committee. In addition to ensuring the Board contains members with the experience and competencies necessary to discharge its responsibilities, the Board shall be composed of a majority of independent directors (within the meaning of National Instrument 52-110 – Audit Committees).

The following are key points regarding meetings of the Board:

1. The Board shall meet at least quarterly, with any additional meetings called and held in a manner consistent with Keyera’s By-laws.
2. The Board may invite any of Keyera’s officers, employees, advisors or any other person(s) to attend its meetings. The President and Chief Executive Officer, the Chief Financial Officer and Corporate Secretary of Keyera are expected to be available to attend the Board meetings or portions thereof.
3. Independent directors shall meet regularly without the attendance of non-

independent directors and management.

4. All Board members are expected to allow for sufficient time to review meeting materials and be prepared for Board meetings.

Operations of the Board

The Board is responsible for managing its affairs, including:

1. planning its composition and size;
2. selecting its Chair and its independent lead director (if the Chair is not independent) (the “**Independent Lead Director**”);
3. seeing that an effective Board is maintained by nominating candidates for election to the Board;
4. establishing Committees (including committees required by applicable securities requirements and policies), appointing directors to those Committees, establishing Committee terms of reference and establishing position descriptions for each Committee chair (including reviews of the foregoing);
5. establishing and modifying as necessary the Board’s mandate and the position description for the Chair and the Independent Lead Director;
6. determining director compensation; and
7. assessing the effectiveness of the Board and its committees in fulfilling their responsibilities.

Management and Human Resources

The Board’s management and human resources responsibilities are set out below.

1. Select, appoint and, if necessary, terminate the employment of the Chief Executive Officer (the “**CEO**”) and provide advice and counsel to the CEO in the execution of the CEO’s duties.
2. Approve terms of reference for the CEO and delegate powers to the CEO in order to permit the effective management of Keyera’s business.
3. Evaluate the CEO’s performance regularly and, with only independent members of the Board present, determine and approve the CEO’s compensation level based on this evaluation in consultation with the Human Resources Committee (the “**HRC**”).
4. Monitor compliance with any code of business conduct and ethics or similar policy that may be adopted by the Board, including review of conflict of interest disclosures from Keyera’s executive officers and directors.
5. Approve certain decisions relating to senior management, including:
 - a. the appointment and replacement of senior officers;
 - b. senior officers’ compensation and benefits; and
 - c. employment, consulting, retirement and severance agreements for senior officers and other special arrangements for senior officers.

6. In consultation with the HRC, oversee the establishment and maintenance of succession planning and management development programs for the CEO and the other senior officer positions.
7. Approve certain matters relating to all employees, including:
 - a. the annual salary and incentive-based compensation programs/policies;
 - b. new pension and benefit programs or material changes to existing programs;
 - c. material changes to retirement plans; and
 - d. material benefits granted to retiring employees outside of benefits received under approved retirement and other benefit programs.

Strategy, Planning and Budgeting

The Board's strategic, planning and budgeting responsibilities are set out below.

1. Participate with management in the development of Keyera's strategic plan and approve this strategic plan annually.
2. Approve annual capital and operating budgets and the business plans within the context of the strategic plan.
3. Approve expenditures, acquisitions and divestitures that are not within the authority delegated to the CEO.
4. Approve the entry into or withdrawal from lines of business that are (or are likely to be) material to Keyera.
5. Oversee the development of major projects.
6. Approve financial and operating objectives used in determining compensation.
7. Approve mergers and similar arrangements involving unaffiliated parties that are (or are likely to be) material to Keyera.
8. Participate with management in monitoring Keyera's progress toward its strategic objectives.

Financial and Corporate Issues

The Board's financial and corporate responsibilities are set out below.

1. Oversee the assessment by management of the integrity and effectiveness of Keyera's internal control and management information systems, including the evaluation and assessment of information provided by management and others (such as internal audit resources and external auditors) about the integrity and effectiveness of Keyera's internal controls and management of information.
2. Review operating and financial performance relative to budgets and objectives.
3. Approve annual financial statements and quarterly financial results and approve their release.
4. Declare dividends.

5. To the extent not delegated to the CEO, approve financings, changes in authorized capital, issuance and repurchase of shares, issuance of debt securities, listing of shares and other securities, and related prospectuses and trust indentures.
6. Recommend appointment of external auditors and approve auditors' fees.
7. Approve banking resolutions and significant changes in banking relationships.
8. Approve appointments of, or material changes in, relationships with transfer agents and corporate trustees.
9. Approve significant contracts, transactions, and other arrangements or commitments that are not within the authority delegated to the CEO.
10. Approve the commencement or settlement of litigation that may be expected to have a material impact on Keyera.
11. Oversee the development by management of corporate financial strategy, including:
 - a. capital structure management - the maintenance of reasonable financial flexibility and prudence while achieving an appropriate cost of capital;
 - b. ensuring cost competitiveness; and
 - c. dividend policy.

Risk Management

The Board's risk management responsibilities are set out below.

1. Understand the material risks associated with Keyera's business and review the balance between risk and return.
2. Review management's policies and processes to identify the risks associated with Keyera's business and review management's implementation of appropriate systems to manage and mitigate those risks.
3. Oversee Keyera's approach to emergency response planning and emergency preparedness.
4. Review coverage, deductibles and key issues regarding corporate insurance policies.
5. Receive quarterly reports from management on matters relating to, among others, ethical conduct, environmental management, and employee health and safety.

Policies and Procedures

The Board's responsibilities regarding policy and procedures are set out below.

1. Oversee the establishment and maintenance by management of a high standard of corporate governance and legal and ethical conduct for Keyera, by:
 - a. establishing appropriate policies relating to corporate governance and

- legal and ethical conduct;
 - b. taking reasonable steps to monitor compliance with applicable laws and regulations and Keyera's constitutional documents and policies and procedures;
 - c. establishing systems for monitoring legal and ethical performance; and
 - d. complying with legal, regulatory and stock exchange requirements.
- 2. Oversee the establishment and maintenance by management of appropriate environmental, health and safety policies.
- 3. Provide policy direction to management while respecting its responsibility for day-to-day management of Keyera's businesses.
- 4. Review compliance with key policies and procedures.

Compliance Reporting and Corporate Communications

The Board's compliance reporting and corporate communications responsibilities are set out below.

1. Oversee the establishment and maintenance of effective communication processes with shareholders, the investing public, other stakeholders and financial, regulatory and other institutions and agencies.
2. Approve formal interaction with shareholders on all items requiring shareholder approval.
3. Approve the content of Keyera's major communications to shareholders and the investing public, including Information Circulars, Annual Information Forms, prospectuses, and significant information contained in documents incorporated by reference in prospectuses.
4. Establish procedures for receiving feedback from shareholders and establishing communications with the Board.
5. Take reasonable steps to oversee the accurate and fair reporting of the financial performance to shareholders, the investing public, other security holders and regulators on a timely and regular basis.
6. Oversee the establishment and maintenance of effective processes for timely reporting of other material developments or changes.
7. To the extent Keyera is engaged in oil and gas activities (as defined in National Instrument 51-101 – Standards of Disclosure for Oil and Gas Activities ("NI 51-101")), oversee Keyera's compliance with NI 51-101, including receiving periodic reports from the committee responsible for reserves and approving any reports required to be publicly filed.

Governance of the Board

The Board's governance and sustainability responsibilities are set out below.

1. Ensure all new directors receive comprehensive orientation respecting their duties and responsibilities to Keyera and the general nature and operation of Keyera's business.

2. Oversee the continuing education of directors to facilitate the maintenance and enhancement of their skills and abilities.
3. Ensure structures and procedures are in place to evaluate the independence of directors, manage actual or potential conflicts of interest and ensure the Board functions independently of management.
4. Oversee succession planning of the Board and ensure regular assessment of the Board as a whole, each Committee, the Chair, each Committee chair and each individual Board member.
5. Approve the implementation of corporate governance practices and procedures that are consistent with Toronto Stock Exchange guidelines aimed at having independent and informed Board members and management.
6. Oversee and, where appropriate, approve the Corporation's sustainability and climate strategy and objectives, including implementation, targets and monitoring of these targets, and the Corporation's sustainability and climate disclosure.

Independent Advisors

The Board and its Committees have the right at any time to retain independent legal, financial or other advisors to advise the Board independently on any matter. The Board shall have the sole authority (subject to its power to specifically delegate this power to a Committee or others as the Board considers reasonable) to retain and terminate such consultants or advisors, including sole authority to approve advisors' fees and other retention terms.