KEYERA

Notice of 2020

Annual Meeting of Shareholders

May 12, 2020

Management Information Circular

Dated March 26, 2020

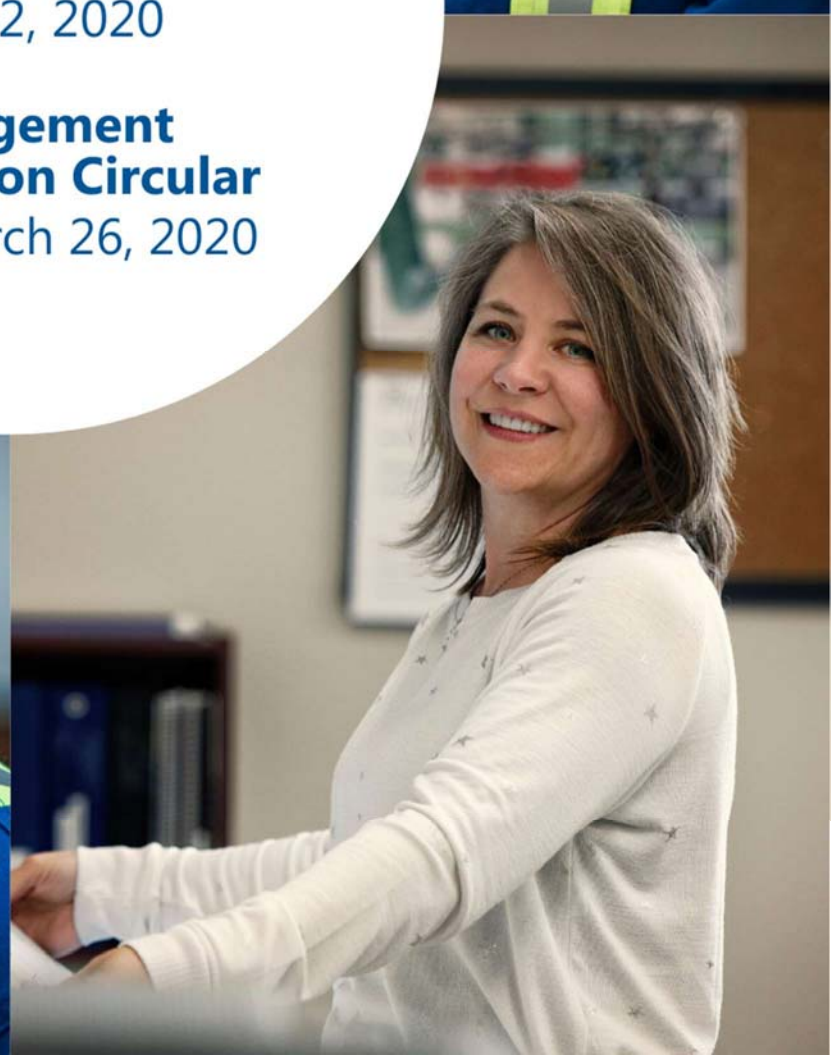


TABLE OF CONTENTS

The statements that guide us:

Our Mission

Connecting energy for life

Our Vision

To be the North American leader in delivering energy infrastructure solutions

#1 in Safety Performance
#1 in Total Shareholder Return
#1 in Customer Recognition

Our Values

Health, Safety & Environment
Caring for our people and our planet

Integrity & Trust
Doing the right thing for the right reasons

Responsibility & Accountability
Delivering on our commitments to customers, stakeholders and ourselves

Teamwork
Embracing diversity and working together

Business Spirit
Encouraging drive and passion to add value for our customers

Our Cultural Behaviours

Character & Commitment
We follow through on our commitments

Listen, Learn & Share
Actively share your knowledge with your team

Questioning Attitude
Guard against complacency, challenge the status quo

Diligence
Follow approved processes and procedures

Engage & Care
Work together to achieve our goals

KEYERA

Notice of 2020 Annual Meeting of Shareholders

Date
May 12, 2020

Time
2 p.m. MDT (Mountain Daylight Time)

Location
Virtual Only Meeting via live audio webcast at:

https://web.lumiagm.com/137075410

Materials

A Notice of Availability of Proxy Materials for the 2020 Annual Meeting of Shareholders of Keyera Corp. (the "Notice") is being mailed to beneficial shareholders on or about April 3, 2020.

We are providing access to the management information circular and annual report via the internet using the "notice and access" system. These materials, as referenced in the Notice, are available on our website at www.keyera.com.

We invite you to participate in Keyera Corp.'s 2020 annual meeting of shareholders. The business of the meeting will be to:

1. receive our audited consolidated financial statements for the year ended December 31, 2019 and the auditor's report on those statements;
2. elect the directors of our Board;
3. appoint Deloitte LLP as our auditors for the upcoming year;
4. reaffirm and approve our Shareholder Rights Plan;
5. consider an advisory resolution on our approach to executive compensation; and
6. transact such other business as may be properly brought before the meeting or any adjourned or postponed meeting

Your vote is important

You are entitled to vote at the meeting if you held common shares of Keyera at the close of business on March 25, 2020, the record date for the meeting. The enclosed Information Circular contains important information about Keyera and the business of the meeting. We encourage you to take time to read it carefully, including the "Voting and Proxies" section for more information on who can participate and how to vote your shares.

To mitigate risks to the health and safety of our shareholders, employees and other stakeholders arising from the coronavirus disease 2019 ("COVID-19"), we will hold our meeting in a "virtual only" format, via live audio webcast. Shareholders will have the opportunity to participate at the meeting regardless of their geographic location.

Registered shareholders and duly appointed proxyholders will be able to participate in the meeting, ask questions and vote in real time, provided they are connected to the internet and comply with the requirements set out in the Management Information Circular. Non-registered (or beneficial) shareholders who have not duly appointed themselves as proxyholder will be able to attend the meeting as guests, however guests will not be able to vote at the meeting.

By Order of the Board of Directors,

Dated at Calgary, Alberta this 26th day of March 2020

KEYERA CORP.

(signed) "Nancy L. Brennan"

Nancy L. Brennan
Senior Vice-President, General Counsel & Corporate Secretary

Board of Directors & CEO Message

Dear Fellow Shareholders:

On behalf of the Board and management, we are pleased to invite you to our 2020 Annual Meeting of Shareholders (the "Meeting") to be held on May 12, 2020 at 2 pm MDT.

At Keyera, health and safety are core to who we are and everything we do. In light of the public health impact of coronavirus disease 2019 ("COVID-19"), and to mitigate associated risks to our shareholders, employees, stakeholders and the public, we have determined to hold our Meeting in a "virtual only" format. The Meeting will be conducted via live audio webcast and provide all shareholders an opportunity to participate regardless of their geographic location. Inside the enclosed Management Information Circular, you will find important information about our virtual Meeting, including how to participate.

Our 2019 Performance

The energy industry has experienced rapid and fundamental change over the past several years. The unpredictability which has characterized the external environment is, in many respects, unprecedented. Perhaps now more than ever, we are called upon as directors and management to maintain clarity of focus, execute on what is within our control and continue to drive long-term value for our shareholders. We must also continue to listen and be responsive to the perspectives of our stakeholders.

This approach has always guided Keyera. It is also reflected in our record results for 2019, which marked the culmination of a decade of strong financial performance, and progress in respect of key operational, environmental, governance and social aspects of our business. Through these results, Keyera continues to demonstrate financial discipline and resiliency while creating shareholder value. A snapshot of our 2019 performance is provided at page 5 of this Information Circular.

We continued to embrace a rapidly changing landscape over the past year. We believe that as global energy needs evolve and the demand for sustainable practices continues to grow, the opportunity for clean, abundant, affordable and ethically produced Canadian energy to improve quality of life has never been greater.

With this backdrop in mind, in 2019, we refreshed our vision statement to reflect the maturation of our business and the innovative, solutions-oriented focus of our company. Our vision is to be the North American leader in delivering energy infrastructure solutions. To support our vision, we are committed to lead in areas we value most: Safety, Customer Recognition and Total Shareholder Return.

We also achieved important organizational objectives in 2019, aimed at strategically positioning us for the future. We engaged in comprehensive succession planning in respect of our senior leadership team, including with the promotion, in February 2020, of Dean Setoguchi to the role of President & Chief Commercial Officer.

In December, we held our inaugural Investor Day in Toronto, where we showcased our senior leadership team, strategic objectives for each business segment and our environmental, social and governance ("ESG") approach. A webcast of this event and our Investor Day materials are available on our website at www.keyera.com.

On behalf of the Board and management of Keyera, we wish to thank our directors for their effective and thoughtful stewardship, our leadership team for their dedication in the execution of our strategy and our employees for working collaboratively and diligently to achieve record performance in 2019. We also wish to thank you, our shareholders, as well as our customers and many stakeholders for your continued support.

Your Vote is Important

We encourage you to review the enclosed Management Information Circular (the "Information Circular") carefully, as it contains important information about your voting rights as a shareholder and how to vote your shares, either by proxy or by attending our virtual Meeting. The Information Circular also provides information about how Keyera is governed, our director nominees, Shareholder Rights Plan, independent auditors and our approach to executive compensation.

We also encourage you to engage directly with our directors and management at the virtual Meeting. If you cannot participate in the Meeting, an archive of the live audio webcast will be available on our website after the Meeting at www.keyera.com.

On behalf of the Board and management, thank you for your continued confidence in Keyera.

Sincerely,

(signed) "James Bertram"
James Bertram
Chair, Board of Directors

(signed) "David G. Smith"
David G. Smith
Chief Executive Officer

Management Information Circular

March 26, 2020

You are receiving this Information Circular because you owned common shares of Keyera on March 25, 2020 and are entitled to vote at our 2020 annual meeting of shareholders, which will be held virtually in Calgary, Alberta on May 12, 2020, or at a reconvened meeting if the Meeting is postponed or adjourned.

All information contained in this document is provided as of March 25, 2020. All dollar amounts, including all compensation amounts, are reported in Canadian dollars.

Financial information about Keyera can be found in our annual audited consolidated financial statements and management's discussion and analysis for the year ended December 31, 2019. Please contact us to receive a copy of these documents. This and other information about Keyera are available on our website at www.keyera.com or on SEDAR at www.sedar.com

This Information Circular refers to certain financial measures that are not defined by generally accepted accounting practices ("GAAP"). For more information about these measures and why we use them, please see the "Non-GAAP Reconciliation" attached as Schedule "C" to this Information Circular.

This Information Circular also contains forward-looking statements ("FLS") based on our current expectations, estimates, projections and assumptions in light of our experience and perception of historic trends. In particular, this Information Circular contains FLS about compensation, risk mitigation, succession plans, corporate and business strategies and plans and our projects. FLS involve known and unknown risks and actual results may differ materially from those expressed or implied by such statements. Please see *Forward-Looking Statements* in our 2019 annual MD&A and Annual Information Form ("AIF") as well as *Risk Factors* in the AIF for more information about the assumptions and risks regarding the FLS in this document. These statements are made only as of the date of this Information Circular. Keyera does not undertake any obligation to publicly update or revise the FLS contained in this document, except as required by law.

In this document

- "Meeting" means our annual meeting of shareholders to be held virtually on May 12, 2020
- "Information Circular" means this management information circular
- "Keyera", "the Corporation" and "our" means or refers to Keyera Corp.
- "you" and "your" means holders of Keyera common shares
- "Common shares", "shares" and "Keyera shares" mean common shares of Keyera
- "Board" means the Board of Directors of Keyera
- "NEOs" means our Chief Executive Officer ("CEO") and four most highly compensated officers, who are each Senior Vice-Presidents (SVPs") and reported directly to our CEO in 2019
- "Remaining NEOs" means the above four SVPs, but excludes our CEO
- "executives" mean either our CEO and NEOs collectively, or our Remaining NEOs only, as the context indicates

Our principal corporate and registered office

Keyera Corp.
200, 144 – 4th Avenue S.W.
Calgary, Alberta
T2P 3N4
T. 403-205-8300
F. 403-205-8318

Keyera at a glance

Our strategy
Deliver steady disciplined growth to create long-term value for our shareholders

BBB
investment grade credit ratings (2)

$444MM
record net earnings in 2019 (1) (3)

Resilient business model
20-year track record of financial performance and dividend growth

Capital investments to grow in a disciplined manner
KAPS a new strategic asset providing a platform for growth

History of strong returns on capital

Provides essential midstream services to customers
Broad customer base with over 125 different fee-for-service customers

Majority of revenue from investment grade counterparties

Responsible and reliable midstream service provider
Committed to the principles of Operational Excellence

Disciplined financial strategy
Low leverage provides flexibility and supports BBB credit ratings (2)

$944MM
record adjusted EBITDA in 2019 (1) (3)

Predominantly fee-for-service cash flows
Gathering & Processing and Liquids Infrastructure businesses are largely sheltered from direct commodity price exposure

2.7x
2019 net debt/EBITDA ratio (1) (3)

67%
2019 payout ratio (1) (3)

Our competitive advantages

- Strong customer and partner relationships
- Safe, reliable, and respected operator
- Complete midstream solutions
- Access to high-value markets
- Assets and connections not easily replicated

Notes:
(1) Please refer to our 2019 Year End Report and accompanying Management's Discussion and Analysis, dated February 26, 2020, available on SEDAR at www.sedar.com or on our website at www.keyera.com.
(2) Please refer to our 2019 AIF, dated February 26, 2020, available on SEDAR at www.sedar.com or our website at www.keyera.com.
(3) Adjusted EBITDA is defined as earnings before interest, taxes, depreciation, amortization, accretion, impairment expenses, unrealized gains/losses and any other non-cash items such as gains/losses on the disposal of property, plant and equipment. Payout ratio is defined as dividends declared to shareholders divided by distributable cash flow. EBITDA, adjusted EBITDA and payout ratio are not standard measures under Generally Accepted Accounting Principles ("GAAP"). Please see "Non-GAAP Reconciliation" attached as Schedule "C".

Details about the meeting

Your participation at the Meeting is important to Keyera.

To mitigate potential risks associated with the coronavirus disease 2019 ("COVID-19"), the Meeting will be held in a "virtual only" format via live audio webcast. Shareholders will therefore not attend the Meeting in person. The following section provides detailed information on the Meeting and how you can participate in the Meeting and vote your shares.

Information about how shareholders can virtually attend and participate in the Meeting is provided below, including in the "Beneficial shareholders: Voting instructions", "Registered shareholders: Voting Instructions" and "Attendance and participation at the Meeting" sections.

Meeting date, time and location

The Meeting will be held May 12, 2020 at 2:00 p.m. (Mountain Daylight Time). The Meeting will be conducted in a virtual only format via live audio webcast at https://web.lumiagm.com/137075410.

Participation at the Meeting

Registered shareholders and duly appointed proxyholders who wish to participate at the Meeting will be able to listen to the Meeting, ask questions and vote, all of which will take place in real time. Participants will need to ensure they are connected to the internet and comply with all requirements set out under the "Beneficial shareholders: Voting instructions" and "Registered shareholders: Voting Instructions" sections below. Beneficial shareholders who have not duly appointed themselves as proxyholders may still attend the Meeting as guests. Guests will be able to listen to, but will be unable to vote at, the Meeting.

Voting and Proxies

Who is seeking my vote?

Management of Keyera is soliciting your proxy for use at the Meeting (or any reconvened meeting if the Meeting is adjourned or postponed). This solicitation is primarily by mail, but can also be solicited by telephone, via the internet, or other means of communication by directors and officers of Keyera. The cost of this solicitation will be borne by Keyera. We do not reimburse shareholders, nominees, or agents for costs incurred in obtaining authorization to execute forms of proxy from their principals.

Who can vote?

If you were a Keyera shareholder at the close of business on March 25, 2020 (the "Record Date"), you are entitled to receive notice of, and to vote your shares at the Meeting. If a shareholder of record on the Record Date transfers ownership of their shares after the Record Date and, not later than ten days before the Meeting, the transferee produces properly endorsed share certificates or otherwise establishes they own such shares and demands that their name be included on the list of shareholders entitled to vote at the Meeting, the transferee will be entitled to vote those shares at the Meeting. The items of business to be addressed at the Meeting are discussed starting at page 10.

As of the Record Date, Keyera had 219,904,739 common shares outstanding. Each common share represents the right to vote on any item of business properly brought before the Meeting (or any reconvened meeting if the Meeting is adjourned or postponed).

To the best of the knowledge of Keyera and its directors and executive officers, no person or company beneficially owned, directly or indirectly, or exercised control or direction over, more than 10 percent of the issued and outstanding shares of Keyera as of the Record Date.

Are you a beneficial shareholder?

You are a beneficial (or non-registered) shareholder if your shares are registered in the name of a nominee, such as a bank, trust company, securities broker or other intermediary. In this case, your holdings are recorded in an electronic system.

Keyera primarily uses a "book-based" system administered by CDS & Co. (**"CDS"**). In Canada, CDS acts as nominee for many banks, trust companies and brokerage firms through which beneficial shareholders hold their shares. Many Keyera shares are therefore registered under CDS or its nominee. Keyera does not know for whose benefit the shares registered in the name of CDS are held.

Notice and access for beneficial shareholders

We are using "notice and access" to deliver our Meeting materials to beneficial shareholders. This means Keyera will post the notice of Meeting, Information Circular, audited consolidated annual financial statements for the year ended December 31, 2019 and related Management's Discussion and Analysis (collectively, the "Meeting Materials") online for beneficial shareholders to access electronically. Notice and access is an environmentally responsible and cost-effective way to distribute the Meeting Materials because it reduces printing, paper and postage.

Beneficial shareholders will receive a package in the mail containing a voting instruction form, a notice outlining the business items to be addressed at the Meeting as well as information about how to access the Meeting Materials online, how to obtain paper copies of the Meeting Materials at no charge, and how to vote.

Paper copies of the Meeting Materials will be mailed to registered shareholders as well as to those beneficial shareholders who had previously requested to receive them. If you would like us to mail you a paper copy of the Meeting Materials at no charge, please contact Broadridge Financial Solutions Inc. ("Broadridge") **by calling toll-free at 1-877-907-7643 and enter the 16-digit control number located on your voting instruction form. If you do not have a control number requests can be made by calling 1-855-887-2243**. Requests must be made **no later than 2:00 p.m. (Mountain Time) on April 30, 2020**, to receive paper copies of the Meeting Materials in advance of the voting deadline, and in any event, within one year of filing the Information Circular on SEDAR.

Beneficial shareholders with questions about notice and access can call Broadridge toll free at 1-855-887-2244.

Beneficial shareholders: Voting instructions

If you are a beneficial shareholder, your shares may be registered in the name of a broker or other intermediary, including CDS.

Voting in advance of the Meeting

Voting instructions must be obtained from you by your broker or intermediary in advance of the Meeting. Some brokers or intermediaries use a "voting instruction form" to seek your instructions on how to vote your shares. Some brokers delegate responsibility to obtain instructions from their clients to Broadridge, which typically mails a voting instruction form. **As intermediaries each have their own voting and mailing procedures, you must strictly follow the instructions of your intermediary in order to vote**.

If your shares are registered in the name of CDS, they can only be voted in accordance with your specific direction. If your shares are held by CDS, you must provide specific voting instructions through your broker or their agent to vote your shares. In the absence of you providing specific instructions, your broker or other intermediary (or their nominee) cannot vote your shares.

To vote at the Meeting

If you wish to participate and vote at the Meeting, you need to appoint yourself as proxyholder by: (i) inserting your name on the voting instruction form; and (ii) returning it in accordance with instructions provided by your intermediary. If there is no place to insert your name on the voting instruction form, contact your intermediary for instructions. Your voting instruction form may also have a box where you can indicate that you intend to vote at the Meeting.

If you intend to vote at the Meeting, you must make arrangements with your intermediary well in advance of the Meeting. Advance arrangements are also required if your shares are held in the name of CDS, as Keyera is unable to recognize you for purposes of voting your shares at the Meeting (or depositing a form of proxy).

To vote at the Meeting, return your completed voting instruction form to your intermediary (or CDS) in accordance with their instructions. You cannot register with Computershare to vote at the Meeting if your voting instruction form has not been returned to your intermediary in advance of the Meeting, consistent with their instructions. Once all applicable instructions have been followed with your intermediary by the applicable deadline in accordance with the "Voting by Proxy" section below, you must register as a proxyholder. To register as a proxyholder, visit **www.computershare.com/KeyeraAGM by 2:00 p.m. MDT on or before May 8, 2020** and provide Computershare with your contact information so Computershare can provide you with a Control Number via email.

Without a Control Number, proxyholders will not be able to vote at the Meeting but will be able to participate as a guest. For detailed instructions on how to participate and vote at the Meeting, please refer to the "Attendance and Participation at the Meeting" section below.

Not voting at the Meeting?

If you do not wish to vote at the Meeting, mark your voting instructions in the voting section of the proxy or voting instruction form and return it in accordance with instructions provided by your intermediary.

You have the right to appoint someone else to be your proxyholder and act on your behalf at the Meeting. The person you appoint does not have to be a Keyera shareholder. If you wish to have another person vote on your behalf at the Meeting, you must register them as your proxyholder. To do so, visit **www.computershare.com/KeyeraAGM by 2:00 p.m. MDT on or before May 8, 2020** and provide Computershare with the required proxyholder contact information so Computershare can provide your proxyholder with a Control Number via email. **Failure to register the proxyholder will result in the proxyholder not receiving a Control Number that is required to vote at the Meeting.**

If you do not appoint a proxyholder to vote on your behalf, as described above, the individuals named on the proxy form, **James Bertram and David G. Smith** (the "**Management Appointees**"), have agreed to serve as your proxyholder and will vote your shares in accordance with your instructions. **If you do not specify your instructions, the Management Appointees will vote FOR each item of business at the Meeting, as described in the "Voting by proxy: Selecting your proxyholder" section below.**

Are you a registered shareholder?

You are a registered shareholder if you hold your shares in your own name. Your ownership is reflected in a share certificate or by other means of direct registration of your shares. Registered shareholders can vote at the meeting or by proxy.

Registered shareholders: Voting instructions

To vote at the Meeting

To vote at the Meeting, do not complete and return your proxy form (enclosed); registered shareholders may vote at the Meeting by completing a ballot online shortly before the Meeting, as further described below under the "Attendance and participation at the Meeting" section below.

Not voting at the Meeting?

If you do not wish to vote at the Meeting, you can vote by providing your voting instructions in the voting section of the enclosed proxy form. You can provide your completed voting instructions by mail, telephone or internet. Once received, your proxy will be voted by the Management Appointees named in the proxy form.

You have the right to appoint someone else to be your proxyholder and act on your behalf at the Meeting. The person you appoint does not have to be a Keyera shareholder. To have another person vote on your behalf at the Meeting, please carefully follow the voting instructions in the enclosed proxy form. To be valid, you (as shareholder) must sign the proxy form. If the shareholder is a corporation, the proxy must be signed by a duly authorized officer or attorney thereof.

To have another person vote on your behalf at the Meeting, you must also register them as your proxyholder at www.computershare.com/KeyeraAGM by 2:00 p.m. MDT on or before May 8, 2020 and provide Computershare with the required proxyholder contact information so Computershare can provide your proxyholder with a Control Number via email. **Failure to register the proxyholder will result in the proxyholder not receiving a Control Number which is required to vote at the Meeting.**

Attendance and participation at the Meeting

Keyera is holding the Meeting in a virtual only format via live audio webcast. Shareholders will not be able to attend the Meeting in person, however can attend and participate online.

Attending the Meeting online enables registered shareholders and duly appointed proxyholders, including beneficial shareholders who have duly appointed themselves as proxyholder, to attend, participate and ask questions at the Meeting, all in real time. Registered shareholders and duly appointed proxyholders can vote at the appropriate times during the Meeting.

Registered shareholders:	The control number located on the form of proxy or in the email notification you received is your Control Number.
Duly appointed proxyholders:	Computershare will provide the proxyholder with a Control Number by e-mail after the proxy voting deadline has passed and the proxyholder has been duly appointed AND registered as described in "Beneficial shareholders: Voting instructions" above.
Guests:	Guests, including beneficial shareholders who have not duly appointed themselves as proxyholder, can log in to the Meeting as set out below. Guests can listen to the Meeting, however are not able to vote at the Meeting.

Eligible attendees can follow the instructions below to log in to the Meeting online:

1. Log in online at https://web.lumiagm.com/137075410. We recommend that you log in at least one (1) hour before the Meeting starts (i.e. log in at or before 1 pm MT);
2. Click "Login" and then enter your Control Number (see below) and Password "keyera2020" (case sensitive); OR
3. Click "Guest" and then complete the online form, which will ask some simple questions, such as your name.

Items to be addressed at the Meeting

Items of business to be addressed at the Meeting are as follows:

1. receive our audited consolidated financial statements for year ended December 31, 2019 and the auditor's report on those statements;
2. elect the directors of our Board;
3. appoint Deloitte LLP as our auditors for the upcoming year;
4. consider an ordinary resolution to reaffirm and approve our Shareholder Rights Plan;
5. consider an advisory resolution on our approach to executive compensation; and
6. transact such other business as may be properly brought before the meeting or any adjourned or postponed meeting.

Each of these items are described in greater detail starting at page 13.

In the event that amendments or variations to the above items of business or other matters are properly brought before the Meeting, the proxy form gives discretionary authority to the Management Appointees, or any other person you appoint to vote on your behalf, to use their best judgment to vote on these matters. As of the date of this document, Keyera is unaware of any other matters to come before the Meeting other than those identified above and in the Notice of Meeting.

What are my voting options?

In respect of the business items to be addressed at the Meeting, should you choose to vote or provide voting instructions, your options are as follows:

Business item	Voting options
Election of our director nominees to our Board	FOR or WITHHOLD
Appointment of auditors	FOR or WITHHOLD
Confirm and approve our Shareholder Rights Plan	FOR or AGAINST
Advisory resolution on our approach to executive compensation	FOR or AGAINST

There is no vote on the review of our 2019 audited financial statements and the auditors' report on those statements. If you have any questions on these materials, please contact us directly at Suite 200, 144-4th Avenue S.W., Calgary Alberta T2P 3N4, Attention: Corporate Secretary or via email at corporate_secretary@keyera.com.

Voting by proxy

Selecting your proxyholder

Your proxy voting form or voting instruction form currently names the Management Appointees, each directors of Keyera, as your proxyholder. To appoint a different proxyholder, write the name of the individual or company you wish to appoint in the blank space on the form and strike out the names of the Management Appointees. If voting online, indicate your appointed proxyholder by following the instructions provided.

Please ensure your proxyholder is aware of their appointment and your voting instructions and can attend the Meeting to vote for you. If you do not appoint a different proxyholder, then the Management Appointees will vote on your behalf in accordance with your instructions.

Voting by your proxyholder

If you have given voting instructions in your proxy form or voting instruction form, your proxyholder must vote in accordance with your instructions. If you appoint a proxyholder but do not provide them with voting instructions, your proxyholder will decide how to vote on any matters properly brought before the Meeting.

If you properly complete and return your proxy form or voting instruction form and do not appoint a different proxyholder the Management Appointees will vote in accordance with your instructions. If you do not appoint a different proxyholder and do not provide specific voting instructions, the Management Appointees will vote your shares as follows:

Business item	Management Appointees will vote
Election of our director nominees to our Board	FOR
Appointment of auditors	FOR
Confirm and approve our Shareholder Rights Plan	FOR
Advisory resolution on our approach to executive compensation	FOR

Returning the proxy form (registered shareholders)

If you are a registered shareholder, the enclosed proxy form outlines how to submit your voting instructions. To ensure your vote is recorded, your proxy must be received by Computershare no later than 2:00 p.m. (MST) on May 8, 2020 ("voting cutoff"). In the event the Meeting is adjourned or postponed, your proxy must be received no less than 48 hours (excluding Saturdays, Sundays, and holidays) before the adjourned or postponed meeting time. The Chair of the Meeting may waive or extend the proxy voting cutoff or time limit for receiving proxy forms without notice, at his or her discretion.

You may vote by proxy using one of the following methods:

Vote by dating, signing and returning the enclosed proxy form by mail to Computershare Trust Company of Canada, attention Proxy Department, 8th Floor, 100 University Avenue, Toronto, Ontario, M5J 2Y1.

Vote by calling 1-866-732-VOTE (8683). You will need the 15-digit control number found on your proxy form.

Vote online at www.investorvote.com. You will need the 15-digit control number found on your proxy form.

All shares properly voted by proxy and received by Computershare prior to voting cutoff will be voted in accordance with instructions you provide.

Returning the voting instructions form (beneficial shareholders)

If you are a beneficial (non-registered) shareholder, you can return your voting instructions using one of the methods provided on the specific voting instruction form, and in accordance with the deadline, provided by your intermediary. Your intermediary must receive your voting instructions by the deadline they provide to vote in accordance with your instructions.

How are votes counted?

Our transfer agent and registrar, Computershare, will act as scrutineer at the Meeting and will count the votes. Ordinary resolutions are sought in respect of items of business requiring a vote, however: (i) election of our nominated directors is subject to our Majority Voting Policy (described on page 41); and (ii) the advisory resolution on our approach to executive compensation is a non-binding advisory resolution.

Can I change my voting instructions?

If you change your mind about how you want to vote your shares after submitting your instructions, you can revoke your proxy voting form or voting instruction form using one of the methods below, or by other means permitted by law. Instructions can be revoked at any time up to and including 2:00 p.m. (Calgary time) two business days preceding the Meeting (or any adjournment or postponement thereof). Details about how to revoke your original voting instructions are provided below.

Registered shareholders:

If you originally provided voting instructions by mail, to change your vote, you must deliver your new voting instructions in a written document, signed by you, or by your attorney authorized in writing (or if a corporation, under corporate seal by an authorized officer or attorney) to either Computershare (at the address provided in the proxy) or to Keyera at Suite 200, 144 – 4th Ave. SW, Calgary Alberta, (Attention: Corporate Secretary). If you originally voted by telephone or the internet, simply convey your new instructions to revoke your prior instructions. You may also change your voting instructions by attending and voting at the virtual Meeting after you have registered with Computershare.

Beneficial shareholders:

To change your vote (or if you decide to vote at the Meeting) after you have returned your voting instructions to your intermediary, contact your intermediary as soon as possible to receive instructions on how to do so. Intermediaries often require that any written notice of revocation be received well in advance of the Meeting to be effective.

On Meeting day:

Voting instructions can also be revoked on the day of the Meeting by providing your properly executed revoking document to the Chair of the Meeting on the Meeting day (or any adjournment or postponement thereof). Such revocation will only apply to any business item to be voted upon after such instructions are properly provided to the Chair. The Chair of the Meeting will be Mr. James Bertram, our Board Chair.

Can I nominate a director?

Our Advance Notice By-Law No. 2 sets out the advance notification requirements for shareholders who wish to submit director nominations (the "By-Law"). The By-Law provides guidance on how to submit director nominations prior to any annual or special meeting of shareholders at which directors are to be elected. The By-Law is available on our website at www.keyera.com.

The deadline for director nominations under the By-Law is the 10th day following the date of the first public announcement of the Meeting. As of the date of this Information Circular, Keyera has not received any director nominations.

Can I make a shareholder proposal?

Under the *Business Corporations Act (Alberta)*, certain eligible shareholders can submit shareholder proposals to be included in a management information circular for an annual meeting of shareholders.

For this Meeting, the deadline to submit shareholder proposals to Keyera was February 13, 2020. No shareholder proposals were submitted to Keyera prior to this deadline.

More questions about voting or the Meeting?

If you have questions about voting procedures or the Meeting, please contact our transfer agent, Computershare by phone at 1-800-564-6253 or email at service@computershare.com. Beneficial shareholders with questions about voting procedures, including how to submit or change their voting instructions, should contact their broker or intermediary directly.

Business of the Meeting

The Meeting will address the business items below. Ordinary resolutions are sought for business items requiring a vote, however: (i) voting in respect of the election of our nominated directors is subject to our Majority Voting Policy (described at page 41); and (ii) the resolution on our executive compensation approach is advisory and non-binding. Further information in respect of each business item is provided below.

1. Keyera's Financial Statements

Keyera's audited consolidated financial statements for the year ended December 31, 2019 will be received at the Meeting. The financial statements have been reviewed by our Audit Committee and approved by the Board. They have also been audited by our external auditor, Deloitte LLP, Chartered Professional Accountants. The financial statements and auditor's report have been provided to each shareholder entitled to receive a copy. Copies are available online at www.keyera.com or at www.sedar.com, or you can request a copy from our Investor Relations department at ir@keyera.com or using the contact information on page 28.

2. Election of the Board of Directors

Keyera has determined to nominate ten (10) directors for election to our Board of Directors (the "Board"). Our ten director nominees standing for election to our Board at the Meeting are as follows:

James Bertram	Douglas Haughey	Donald Nelson	Thomas O'Connor	David Smith
Blair Goertzen	Gianna Manes	Michael Norris	Charlene Ripley	Janet Woodruff

All of the nominated directors currently serve on our Board. The director profiles starting on page 18 provide detailed information about their individual skills and experience, 2019 attendance record, votes received at our 2019 annual meeting, share ownership and other public company directorships.

Nine of our ten director nominees were elected to the Board at our 2019 annual meeting, with an average 99 percent support (or FOR votes). Mr. Goertzen was appointed to our Board effective August 6, 2019 and is standing for election at the Meeting. Directors elected at the Meeting will hold office until the earlier of the next annual meeting of shareholders, or until their successor is elected or appointed.

The proxy form allows shareholders to vote FOR *all* of the nominated directors, vote FOR *some of them and* WITHHOLD *their vote for others*, or WITHHOLD their vote for *all* of them. Under our Majority Voting Policy (described at page 41) any director who receives more WITHHOLD than FOR votes at the Meeting must submit their resignation within 30 days of the Meeting. Absent extenuating circumstances, the Board will accept the director's resignation.

THE BOARD RECOMMENDS SHAREHOLDERS VOTE FOR THE ELECTION OF OUR NOMINATED DIRECTORS

Unless instructed otherwise, the Management Appointees will vote FOR all of the nominated directors.

3. Appointment of Auditors

Shareholders will also be asked at the Meeting to pass a resolution appointing Deloitte LLP ("Deloitte") as our external auditors until the close of the next annual meeting of shareholders. Deloitte is independent within the meaning of the *Rules of Professional Conduct of the Chartered Professionals of Alberta* and has been Keyera's external auditor since 2003.

The table below shows fees billed by Deloitte for the fiscal years ended December 31, 2018 and 2019, respectively:

	2018	2019
Audit fees[(1)]	$616,175	$693,656
Audit related fees[(2)]	$262,187	$143,222
Tax fees[(3)]	$0	$0
All other fees[(4)]	$28,213	$87,893
Total	**$906,575**	**$924,771**

Notes:

(1) Represents aggregate fees for services related to audit of annual financial statements, review of quarterly review of financial statements and audit services related to ongoing regulatory filings.

(2) Represents aggregate fees for services provided in relation to financings (including Keyera's 2019 hybrid offering), as well as review and translation for non-routine regulatory filings, including prospectuses.

(3) Represents aggregate fees for services related to advice and assistance in preparing transfer pricing documentation for Keyera's U.S. subsidiary and advice related to income tax and commodity taxes.

(4) Represents aggregate fees for all other services other than those described as "Audit Fees", "Audit Related Fees" and "Tax Fees" above.

Under its Terms of Reference, the Audit Committee approves all audit plans and reviews and pre-approves any non-audit engagements of the external auditor. The Committee has delegated approval of certain non-audit services to the Chair of the Audit Committee. All audit and non-audit services provided to Keyera or the year ended December 31, 2019 requiring such pre-approval were pre-approved by the Audit Committee in accordance with its Terms of Reference.

The appointment of Deloitte as our external auditor was approved by over 99 percent of shareholders who voted at our 2019 annual meeting.

THE BOARD RECOMMENDS SHAREHOLDERS VOTE FOR THE APPOINTMENT OF DELOITTE LLP AS OUR AUDITOR

Unless instructed otherwise, the Management Appointees will vote FOR the appointment of Deloitte as our auditors.

4. Reaffirmation of Our Shareholder Rights Plan

At the Meeting, shareholders will be asked to vote on continuing our existing Shareholder Rights Plan ("SRP").

Keyera's SRP has been in place since 2007. Under Toronto Stock Exchange ("TSX") requirements, rights plans must be ratified by shareholders every three years. Our current SRP was approved by our Board on March 17, 2017 and by our shareholders on May 9, 2017. Shareholders will be asked at the Meeting to vote to reaffirm and approve the SRP to continue it in its current form for another three-year period.

In asking shareholders to reaffirm the SRP, the Board considered the legislative framework in Canada governing take-over bids, as modified in 2016. Under provincial securities regulations, a take-over bid generally means an offer to acquire voting securities of a person or persons, where the securities subject to the offer to acquire, together with securities already owned by the bidder and certain related parties, constitute 20 percent or more of the outstanding securities. The SRP is designed to create mechanisms to assist in maximizing shareholder value in the face of a take-over bid and encourage fair and equal treatment of all shareholders.

Notwithstanding the protections afforded by securities regulations, there are still concerns related to the potential for unequal shareholder treatment due to the possibility control of Keyera could be acquired pursuant to a private agreement under which one or a small group of shareholders dispose of shares at a premium to market price, which premium is not shared with the other shareholders. In addition, a person may slowly accumulate shares through stock exchange acquisitions which may result, over time, in an acquisition of control without payment of fair value for control or a fair sharing of a control premium among all shareholders.

The SRP is intended to mitigate the potential for such "creeping" take-over bids. It does so by encouraging a potential bidder to proceed either by way of a Permitted Bid (which requires the take-over bid to satisfy certain minimum standards designed to promote fairness) or with the concurrence of the Board. A summary of the principal terms of the SRP (including the definition of a "Permitted Bid") is provided in Schedule "A". A copy of the full SRP is available on our website at www.keyera.com.

The SRP applies to the shares, securities that are convertible into shares, as well as any other shares with voting rights that may be issued by Keyera. Currently, the shares are the only class of shares issued and outstanding. Should Keyera issue a new class of voting shares in the future, the SRP would apply to those voting shares in the same manner described in this section. Keyera does not have any present intention of issuing any other class of voting shares.

The Board is not recommending reaffirmation of the SRP in response to or in contemplation of any known take-over bid or other similar transaction. Neither management nor the Board is aware of any pending, threatened or proposed acquisition or take-over bid of Keyera. The SRP is also not intended as a means to prevent a take-over of Keyera, to secure the continuance of management or the Board in their respective offices, or to deter fair offers for the shares. In the event of a take-over bid or similar transaction, the Board will continue to have the right and responsibility to take such action and to make such recommendations to shareholders as may be considered necessary or appropriate in the circumstances.

The Board has determined the SRP continues to be in the best interests of Keyera and our shareholders. At the Meeting, shareholders will have the opportunity to consider and vote "FOR" or AGAINST" the SRP through the following resolution:

RESOLVED, as an ordinary resolution that:

1. The Shareholder Rights Plan, as described in this Information Circular, is hereby reaffirmed and approved.

2. The making on or prior to the date hereof of any amendments to the Shareholder Rights Plan as Keyera may consider necessary or advisable to satisfy the requirements of any stock exchange or professional commentators on shareholder rights plans in order to conform the Shareholder Rights Plan to versions of shareholder rights plans currently prevalent for reporting issuers in Canada is hereby approved.

3. Any one or more directors or officers of Keyera are hereby authorized, for and on behalf of Keyera, to take, or cause to be taken, any and all such acts and things and to execute and deliver, under the corporate seal of Keyera or otherwise, all such agreements, deeds, instruments, notices, consents, acknowledgments, certificates, assurances and other documents (including any documents required under applicable laws or regulatory policies) as any such director or officer in his or her sole discretion may determine to be necessary or desirable to give effect to the foregoing resolutions, such determination to be conclusively evidenced by the taking of any such action or such director's or officer's execution and delivery of any such agreement, deed, instrument, notice, consent, acknowledgement, certificate, assurance or other document.

4. Notwithstanding the passing of this resolution by the shareholders, the Board of Directors may revoke this resolution before it is acted upon, without further approval of the shareholders, if the Board of Directors determines, in its sole discretion.

THE BOARD RECOMMENDS SHAREHOLDERS VOTE FOR THE ABOVE RESOLUTION TO REAFFIRM AND APPROVE OUR SHAREHOLDER RIGHTS PLAN

Unless otherwise directed, the Management Appointees will vote FOR the above ordinary resolution authorizing the reaffirmation and approval of our Shareholder Rights Plan.

5. Advisory Vote on Our Approach to Executive Compensation (or "Say on Pay")

Keyera is proud of its executive compensation program, which is focused on pay for performance and the creation of long-term shareholder value. Details regarding our approach to executive compensation are provided starting on page 45 of this Information Circular.

Each year, our Board provides shareholders the opportunity to vote on our executive compensation approach. Over the past three years, our approach has received an average of 98 percent support of shareholders whose votes were represented at our annual meeting. While this vote is advisory (meaning results are non-binding), the Board will carefully consider the outcome of the vote, along with any feedback received from shareholders, as part of its ongoing evaluation of our program.

At the Meeting, shareholders will be asked to consider and if deemed advisable, approve the following non-binding resolution:

> **BE IT RESOLVED,** on an advisory basis, and not to diminish the role and responsibilities of the Board of Directors of Keyera Corp., that the shareholders of Keyera accept the approach to executive compensation disclosed in Keyera's management information circular delivered in advance of the 2020 annual meeting of shareholders."

THE BOARD RECOMMENDS SHAREHOLDERS VOTE <u>FOR</u> THE ABOVE RESOLUTION REGARDING OUR APPROACH TO EXECUTIVE COMPENSATION

Unless otherwise directed, the Management Appointees will vote FOR our approach to executive compensation as described in this Information Circular.

Other business

Other business that is properly brought before the Meeting (or any adjourned or postponed meeting) may also be addressed at the Meeting.

About our director nominees

Our ten director nominees bring extensive skills and experience, industry knowledge and broad perspective to our Board. A snapshot of some of the key attributes of our director nominees is provided below. Detailed profiles describing the professional experience, independence, meeting attendance, share ownership and other public company directorships of each nominee is provided starting on page 18.

All directors are independent, with the exception of our Chief Executive Officer ("CEO"), David Smith. The Board has reviewed the independence, qualifications and contributions of our independent directors and has recommended their nomination.

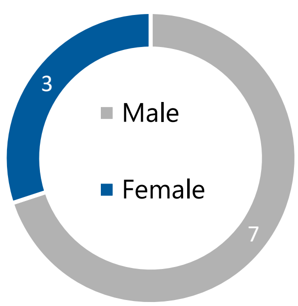
Director nominee snapshot

	Bertram	Goertzen	Haughey	Manes	Nelson	Norris	O'Connor	Ripley	Smith	Woodruff
Board Tenure (years)	16[(1)]	1	6	2	11	6	5	2	4	3
Independence	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	No	Yes
Gender	Male	Male	Male	Female	Male	Male	Male	Female	Male	Female
Age	63	60	63	55	71	67	64	55	62	63
Citizenship	CDN	CDN	CDN	CDN/US	CDN	CDN	US	CDN	CDN	CDN

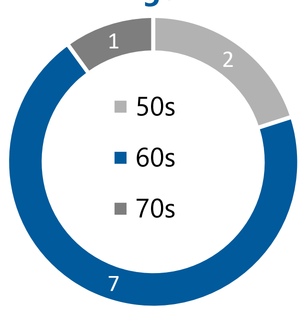
Notes:

(1) Mr. Bertram served as CEO of Keyera from 2003 to January 1, 2015, and as its Executive Chair from January 1, 2015 to June 1, 2016. He joined the Board as a non-executive director on June 1, 2016 upon his retirement as an executive officer of Keyera.

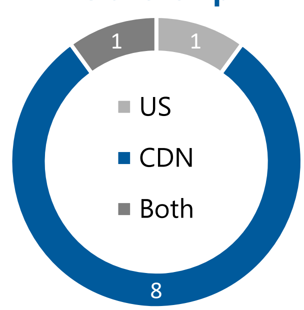
Gender



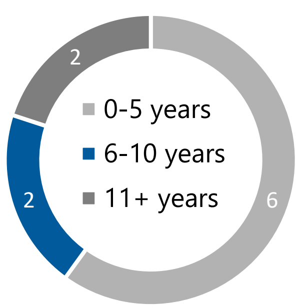
Age



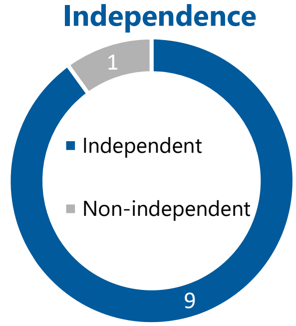
Citizenship



Tenure



Independence



Director Nominee Profiles

James Bertram | **Independent** [(1)]

Age | 63
Director since | 2003
Residency | Calgary, Alberta, Canada

Areas of expertise [(3)]

- Midstream & Transport
- Marketing
- Exploration & Production
- Compensation and Human Resources
- Corporate Governance
- Capital Markets
- Health & Safety
- Risk Management

Mr. Bertram has served as a non-executive director since June 2016. He currently serves as our Board Chair. Mr. Bertram formerly served as a director in his capacity as Executive Chairman of Keyera (from 2015 until his retirement as an officer on June 1, 2016), and during his tenure as President (2003-2011) & CEO (2003-2015). As CEO, Mr. Bertram led Keyera through a period of significant growth while delivering consistent value to our shareholders and customers. Prior to Keyera, Mr. Bertram served as Vice President, Marketing of Gulf Canada Resources Ltd., and Vice President, Marketing for Amerada Hess Canada Ltd. He currently serves as a director of Emera Inc. and Methanex Corporation. Mr. Bertram holds a Bachelor of Commerce (University of Calgary) and an ICD.D designation from the Institute of Corporate Directors. With over 35 years' experience in the energy sector, Mr. Bertram brings extensive midstream, marketing, upstream and corporate governance expertise to our Board.

Board/committee membership

- Chair, Board (regularly scheduled) meetings, 6 out of 6 meetings attended (100%)
- *Ex officio* member, Audit, Compensation and Governance and Health, Safety & Environment Committees, respectively

Other public company boards

- Emera Inc. (July 2018 to present)
- Methanex Corporation (October 2018 to present)

Keyera securities held at March 2, 2020 [(4)]

Shares	DSUs
819,400	Nil
Total value [(5)]	**Share ownership status** [(6)]
$28,695,388	100% compliant

Voting results (prior Annual Meetings)

Year	Votes FOR	Votes WITHHELD
2019	146,299,826 (98.98%)	1,506,863 (1.02%)
2018	128,181,579 (98.71%)	1,672,751 (1.29%)

Blair Goertzen | **Independent**

Age | 60
Director since | 2019
Residency | Red Deer, Alberta, Canada

Areas of expertise [(3)]

- Compensation & Human Resources
- Corporate Governance
- Capital Markets
- Financial Acumen
- Health & Safety
- Risk Management

Mr. Goertzen was appointed to our Board of Directors on August 6, 2019. He is also currently a member of our Health, Safety & Environment Committee. Prior to joining Keyera's Board, Mr. Goertzen most recently served as President & CEO of Enerflex Ltd. (June 2011 to May 2019). Mr. Goertzen has also held senior leadership roles with IPEC Ltd., Precision Drilling and Enserv Corporation. He has served as a director with various public and private companies, including Enerflex Ltd., Zedcor Energy Inc., and IPEC Ltd. With over 30 years' experience in the energy industry, both in North America and worldwide, Mr. Goertzen brings extensive operations, environment, health and safety, financial acumen and risk management expertise to our Board.

Board/committee membership

- Board (regularly scheduled) meetings, 2 out of 2 meetings attended (100%)
- Health, Safety & Environment Committee, 1 out of 1 meeting attended (100%)

Other public company boards

- Enerflex Ltd. (June 2011 – May 2019)

Keyera securities held at March 2, 2020 [(4)]

Shares	DSUs
12,600	2,034
Total value [(5)]	**Share ownership status** [(6)]
$512,483	100% compliant

Voting results (prior Annual Meetings)

Year	Votes FOR	Votes WITHHELD
N/A		

Douglas Haughey | **Independent**

Age | 63
Director since | 2013
Residency | Calgary, Alberta, Canada

Areas of expertise [3]

- Midstream & Transportation
- Marketing
- Compensation & Human Resources
- Corporate Governance
- Financial Acumen
- Risk Management

Mr. Haughey has served as a director since May 2013, and as our Independent Lead Director since January 1, 2015. He was appointed as Chair of our Compensation and Governance Committee on May 14, 2019. Prior to joining the Board, Mr. Haughey served as CEO of The Churchill Corporation, a western Canadian commercial construction and industrial services company (2012-2013) and President & CEO of Provident Energy Ltd., an owner/operator of natural gas liquids midstream facilities (2010-2012). From 1999 to 2009, Mr. Haughey served in various executive roles with Spectra Energy and its predecessor companies, including President & CEO of Spectra Energy Income Fund and led its strategic development and mergers and acquisitions teams in Houston, Texas. Mr. Haughey is currently Chairman of the Board of Fortis Inc, and formerly chaired its wholly owned subsidiary Fortis Alberta Inc. (2013-2016). Mr. Haughey has an MBA (University of Calgary) a Bachelor of Business Administration (University of Regina), and an ICD.D designation from the Institute of Corporate Directors. With over 35 years' experience in the energy industry, Mr. Haughey brings significant midstream, operations and risk management experience, financial acumen and compensation and corporate governance expertise to our Board.

Board/committee membership

- Independent Lead Director, Board (regularly scheduled) meetings, 6 out of 6 meetings attended (100%)
- Chair, Compensation and Governance Committee, 5 out of 5 meetings attended (100%)

Other public company boards

- Fortis Inc., Board Chairman (September 2016 – Present)
- Fortis Alberta (2013 – 2016)

Keyera securities held at March 2, 2020 [4]

Shares	DSUs
11,140	14,966
Total value [5]	**Share ownership status** [6]
$914,232	100% compliant

Voting results (prior Annual Meetings)

Year	Votes FOR	Votes WITHHELD
2019	147,402,887 (99.73%)	403,802 (0.27%)
2018	129,691,128 (99.87%)	163,202 (0.13%)

Gianna Manes | **Independent**

Age | 55
Director since | 2017
Residency | Calgary, Alberta, Canada

Areas of expertise [3]

- Marketing
- Compensation & Human Resources
- Corporate Governance
- Financial Acumen
- Health & Safety
- Environment & Sustainability
- Risk Management

Ms. Manes has served as a director since May 2017. She is currently a member of our Health, Safety & Environment Committee. Ms. Maines is President & CEO of ENMAX Corporation, a Calgary-based utility company engaged in all aspects of the electricity value-chain (2012 – present). Ms. Manes held various executive positions with Duke Energy, a large North American power company based in Charlotte, North Carolina, including Senior Vice President and Chief Customer Officer (2008 to 2012). She is a director of the Canadian Electricity Association, past director of the Calgary United Way (2015-2018) and previously served as co-Chair of the Calgary United Way campaign. Ms. Manes has been widely recognized for her leadership, including as Electricity Human Resources Canada's Chief Executive Officer of the Year (2013), one of Alberta Venture's Top 50 Most Influential People (2015) and twice recognized by the Women's Executive Network as one of Canada's Most Powerful Women. She holds an MBA (University of Houston), a Bachelor of Science (Industrial Engineering) (Louisiana State University), has completed the Harvard Business School Advanced Management Program and has an ICD.D designation from the Institute of Corporate Directors. With over 30 years' experience in the energy and utilities industry, Ms. Manes brings extensive operations, environment, health and safety, corporate governance, risk management expertise, as well as a U.S. perspective, to our Board.

Board /committee membership

- Board (regularly scheduled) meetings, 6 out of 6 meetings attended (100%)
- Health, Safety & Environment Committee, 3 out of 3 meetings attended (100%)

Other public company boards

None

Keyera securities held at March 2, 2020 [4]

Shares	DSUs
Nil	14,009
Total value [5]	**Share ownership status** [6]
$490,595	100% compliant

Voting results (prior Annual Meetings)

Year	Votes FOR	Votes WITHHELD
2019	147,604,111 (99.86%)	202,578 (0.14%)
2018	129,652,090 (99.84%)	202,240 (0.16%)

Donald Nelson | **Independent**

Age | 71
Director since | 2008
Residency | Calgary, Alberta, Canada

Areas of expertise (3)

- Midstream & Transportation
- Exploration & Production
- Compensation & Human Resources
- Corporate Governance
- Health & Safety
- Environment & Sustainability
- Risk Management

Mr. Nelson has served as a director since May 2008. He was appointed Chair of our Health, Safety & Environment Committee in October 2015 and is a member of our Compensation and Governance Committee. Mr. Nelson is President of Fairway Resources Inc., a private company providing consulting services to the oil and gas industry (2008 to present). He served as director of the general partner of Taylor NGL Limited Partnership, involved in natural gas liquids extraction and natural gas processing (2003-2008) and as Chairman of the Board of Directors (2004-2008). He was President & CEO of Summit Resources Limited, a petroleum and natural gas company (from 1998 until its acquisition in 2002) as well as Vice President, Operations (1996-1998). He also sits on the board of Triaxon Energy Services Inc., a private energy services company. Mr. Nelson is a professional engineer and has a Bachelor of Science (Notre Dame University). He is an active member of the Association of Professional Engineers, Geologists and Geophysicists of Alberta. With over 40 years' experience in the energy industry, Mr. Nelson brings a wealth of exploration and production, health and safety and compensation governance experience to our Board.

Board/committee membership

- Board (regularly scheduled) meetings, 6 out of 6 meetings attended (100%)
- Chair, Health, Safety & Environment Committee, 3 out of 3 meetings attended (100%)
- Compensation and Governance Committee, 5 out of 5 meetings attended (100%)

Other public company boards

- Perpetual Energy Inc. (June 2002 – 2019)
- Enerplus Corporation (2012 – 2015)

Keyera securities held at March 2, 2020 (4)

Shares	DSUs
83,532	Nil
Total value (5)	**Share ownership status (6)**
$2,925,291	100% compliant

Voting results (prior Annual Meetings)

Year	Votes FOR	Votes WITHHELD
2019	147,036,116 (99.48%)	770,573 (0.52%)
2018	129,130,673 (99.44%)	723,657 (0.56%)

Michael Norris | **Independent**

Age | 67
Director since | 2013
Residency | Toronto, Ontario, Canada

Areas of expertise (3)

- Compensation & Human Resources
- Corporate Governance
- Capital Markets
- Financial Acumen
- Risk Management

Mr. Norris has been a director since May 2013. He was appointed Chair of our Audit Committee in August 2015. Mr. Norris served as Deputy Chair of RBC Capital Markets (2003-2012), Head of Global Investment Banking (1998-2003) and Head of its Energy Practice (1992-1998). Prior to RBC Capital Markets, Mr. Norris had a successful career with Mobil Oil, an integrated oil and gas company, and Gulf Canada Resources Ltd., a Canadian integrated gas, oil and resources company. Mr. Norris holds an MBA (University of Western Ontario) and a B.Sc. degree in Civil Engineering (Queen's University). He currently sits on the board of Recipe Unlimited Corporation, Canada's oldest and largest full-service restaurant company, as well as several private and non-profit organizations. With over 30 years' experience in the investment banking, finance and energy sectors, Mr. Norris brings vast capital markets experience and financial acumen as well as strong risk management and corporate governance expertise to our Board.

Board/committee membership

- Board (regularly scheduled) meetings, 6 out of 6 meetings attended (100%)
- Chair, Audit Committee, 4 out of 4 meetings attended (100%)

Other public company boards

- Recipe Unlimited Corporation (April 2015 – present)

Keyera securities held at March 2, 2020 (4)

Shares	DSUs
7,756	24,451
Total value (5)	**Share ownership status (6)**
$1,127,889	100% compliant

Voting results (prior Annual Meetings)

Year	Votes FOR	Votes WITHHELD
2019	147,591,671 (99.85%)	215,018 (0.15%)
2018	129,312,981 (99.58%)	541,349 (0.42%)

Age | 64
Director since | 2014
Residency | Denver, Colorado, United States

Areas of expertise [3]

- Midstream & Transportation
- Marketing
- Compensation & Human Resources
- Corporate Governance
- Capital Markets
- Financial Acumen
- Health & Safety
- Environment & Sustainability
- Risk Management
- Legal/Regulatory

Thomas O'Connor | **Independent**

Mr. O'Connor has been a director since January 2014. He is currently a member of our Audit Committee. Prior to joining our Board, Mr. O'Connor served as Chairman, President & CEO of DCP Midstream LLC (2007- 2013) and Chairman of DCP Midstream Partners (2008-2013), an U.S. NGLs and natural gas processing company. He also served in various executive roles with Duke Energy Corp., an US electric power holding company, including President & CEO of Duke Energy Gas Transmission (2002), Group Vice President of Corporate Strategy & Integration (2005-2007); Group Executive & Chief Operations Officer of U.S. franchised electric and gas; and Group Executive & President of Commercial Businesses for Duke Energy Corp. Mr. O'Connor holds a Masters' degree in Environmental Studies and a Bachelors' degree in Biology cum laude (University of Massachusetts Lowell) and is a founding member of the school's College of Sciences Board of Advisors. He has completed the Marketing Management Program at Stanford University and Advanced Management Program at Harvard University. With over 40 years' experience in the energy industry, Mr. O'Connor brings extensive midstream, renewable energy market experience, environment and sustainability expertise, and a U.S. industry perspective to our Board.

Board/committee membership

- Board (regularly scheduled) meetings, 6 out of 6 meetings attended (100%)
- Audit Committee, 3 out of 3 meetings attended (100%)

Other public company boards

- New Jersey Resources (March 2017 – present)

Keyera securities held at March 2, 2020 [4]

Shares	DSUs
8,500	16,709
Total value [5]	**Share ownership status [6]**
$882,819	100% compliant

Voting results (prior Annual Meetings)

Year	Votes FOR	Votes WITHHELD
2019	147,597,012 (99.86%)	209,677 (0.14%)
2018	129,805,752 (99.96%)	48,578 (0.04%)

Age | 55
Director since | 2017
Residency | Vancouver, British Columbia, Canada

Areas of expertise [3]

- Exploration & Production
- Compensation & Human Resources
- Corporate Governance
- Capital Markets
- Environment & Sustainability
- Risk Management
- Legal/Regulatory

Charlene Ripley | **Independent**

Ms. Ripley has been a director since May 2017. She also serves as a member of our Health, Safety & Environment and Compensation and Governance Committees, respectively. Ms. Ripley is currently Executive Vice President & General Counsel at SNC-Lavalin Group Inc., (2019-present). She was previously Executive Vice President, General Counsel at Goldcorp Inc., (2013-2019). Ms. Ripley's prior experience includes executive roles including Senior Vice President & General Counsel at Linn Energy (Houston) and Vice President General Counsel, Corporate Secretary & Chief Compliance Officer at Anadarko Petroleum Corporation (Houston). Ms. Ripley has won numerous awards including the 2018 Business in Vancouver Influential Women in Business Award, 2017 Expert Zenith Award for Diversity Celebrating Women in Law, and Women's Executive Network Canada's Most Powerful Women award (2016 and 2015). She also serves on the National Board for the Canadian Heart and Stroke Foundation. Ms. Ripley obtained her Bachelor of Laws (Dalhousie University) and a Bachelor of Arts, with distinction, (University of Alberta). She is a member of the Law Society of British Columbia, the Law Society of Alberta, the Texas State Bar and the Canadian Bar Association. With over 30 years of legal and energy industry experience, Ms. Ripley brings extensive corporate governance, risk management, sustainability and significant transaction expertise to our Board.

Board/committee membership

- Board (regularly scheduled) meetings, 6 out of 6 meetings attended (100%)
- Compensation and Governance Committee, 5 out of 5 meetings attended (100%)
- Health, Safety & Environment Committee, 3 out of 3 meetings attended (100%)

Other public company boards

None

Keyera securities held at March 2, 2020 [4]

Shares	DSUs
Nil	13,891
Total value [5]	**Share ownership status [6]**
$486,463	100% compliant

Voting results (prior Annual Meetings)

Year	Votes FOR	Votes WITHHELD
2019	147,624,313 (99.88%)	182,376 (0.12%)
2018	129,776,852 (99.94%)	77,478 (0.06%)

Age | 62
Director since | 2015
Residency | Calgary, Alberta, Canada

Areas of expertise (3)

- Midstream & Transportation
- Marketing
- Exploration & Production
- Compensation & Human Resources
- Corporate Governance
- Capital Markets
- Financial Acumen
- Health & Safety
- Risk Management
- Legal/Regulatory

David Smith | **Not independent**

Mr. Smith is Chief Executive Officer of Keyera. He has served as an executive director since January 1, 2015. Mr. Smith has held senior executive roles with Keyera and its predecessors since 1998. Mr. Smith has also served in various roles with Gulf Canada Resources Ltd., a Canadian integrated gas, oil and resources company (1991-1998) and Imperial Oil Limited, an integrated energy company (1982-1991). Mr. Smith holds a Bachelor of Mathematics degree (University of Waterloo) and a Master of Business Administration degree (Harvard University). He has also received his ICD.D designation from the Institute of Corporate Directors. Mr. Smith currently serves on the Boards of Crew Energy Inc., Arts Commons (Calgary Centre for Performing Arts) and the United Way of Calgary and Area. With 37 years of experience in the energy sector, Mr. Smith brings extensive knowledge of midstream and transportation matters, as well as finance, governance and capital markets expertise to our Board.

Board/committee membership

- Board (regularly scheduled) meetings, 6 out of 6 meetings attended (100%)

Other public company boards

- Crew Energy Inc. (January 2009 – present)

Keyera securities held at March 2, 2020 (4)

Shares	DSUs
604,249	Nil
Total value (5)	**Share ownership status (6)**
$21,160,800	100% compliant

Voting results (prior Annual Meetings)

Year	Votes FOR	Votes WITHHELD
2019	147,490,703 (99.79%)	315,986 (0.21%)
2018	129,787,979 (99.95%)	66,351 (0.05%)

Age | 63
Director since | 2015
Residency | West Vancouver, British Columbia, Canada

Areas of expertise (3)

- Marketing
- Compensation & Human Resources
- Corporate Governance
- Capital Markets
- Financial Acumen
- Risk Management

Janet Woodruff | **Independent**

Ms. Woodruff has served as a director since June 2015. She is also a member of our Audit Committee. Prior to joining our Board, Ms. Woodruff served as acting Chief Executive Officer (2014-2015), advisor to the Board (2013-2014) and Interim Chief Financial Officer (2012-2013) of Transportation Investment Corporation, a B.C. transportation infrastructure management company, Vice President & Special Advisor to BC Hydro, (2010-2011), Interim President (2009-2010) and Vice President, Corporate Services and Chief Financial Officer (2007-2008) of BC Transmission Corporation. She served as Chief Financial Officer and Vice President, Systems Development and Performance of Vancouver Coastal Health (2003-2007). She has also held executive leadership positions in finance, risk management and strategic operations at Westcoast Energy. Ms. Woodruff began her career as a chartered accountant at Ernst & Young in Toronto. She currently serves as a director of Altus Group, Ballard Power Systems, Capstone Infrastructure and Fortis BC(8), and is a member of the Institute of Corporate Director's BC Chapter Executive. She has also previously served on various non-profit boards. Ms. Woodruff has an Honours Bachelor of Science degree (University of Western Ontario) an MBA (York University) and is a Fellow Chartered Professional Accountant of British Columbia. She holds the ICD.D designation from the Institute of Corporate Directors. With over 30 years' experience in the energy, transportation and health sectors, Ms. Woodruff brings extensive financial acumen, capital markets, risk management and corporate governance expertise to our Board.

Board/committee membership

- Board (regularly scheduled) meetings, 5 out of 6 meetings attended (83%)
- Audit Committee, 3 out of 4 meetings attended (75%)

Other public company boards

- Altus Group Limited (May 2015 – present)
- Ballard Power Systems (April 2017 – present)
- Capstone Infrastructure Corporation (June 2013 – present) (8)
- Fortis BC (April 2013 to present) (8)

Keyera securities held at March 2, 2020 (4)

Shares	DSUs
2,052	12,413
Total value (5)	**Share ownership status (6)**
$506,564	100% compliant

Voting results (prior Annual Meetings)

Year	Votes FOR	Votes WITHHELD
2019	147,497,656 (99.79%)	309,033 (0.21%)
2018	129,694,468 (99.88%)	159,862 (0.12%)

Notes:

(1) Discussion of Mr. James Bertram's independent director status is provided starting at page 31.
(2) Mr. Goertzen has attended all Board and Health, Safety and Environment Committee meetings since his appointment on August 6, 2019.
(3) Areas of expertise represent core skills as ranked by each director, relative to our Director Skills Matrix, described at page 32.
(4) Refers to securities owned or beneficially held by each director as at March 2, 2020. Deferred Share Units ("DSUs") include DSUs credited to participating directors in Q1 2020 in connection with the payment of dividends.
(5) Value of securities have been calculated based on the 30-day average closing price of common shares up to and including March 2, 2020 of $35.02.
(6) Share ownership status above has been determined by dividing the total value of shares held by each director as of March 2, 2020 by their 2019 base annual retainer of $150,000 (rounded to the nearest whole number). For information about our Director Share Ownership Guidelines, see page 37.
(7) Above reflects the following changes to our Committee composition in 2019: (i) Compensation and Governance Committee: retirement of Mr. Bill Stedman as Chair, appointment of Mr. Douglas Haughey as Chair and Ms. Charlene Ripley as member (all effective May 14, 2019). Health, Safety & Environment Committee: retirement of Mr. Stedman (effective May 14, 2019) and appointment of Mr. Blair Goertzen as member (effective August 6, 2019). Mr. Goertzen was appointed to the Board on the same date.
(8) Ms. Woodruff sits on the Boards of Fortis BC (a wholly owned subsidiary of Fortis Inc., however has public debt securities outstanding) and Capstone Infrastructure Corporation (a wholly owned subsidiary of Irving Infrastructure Corp., which has preferred shares publicly traded on the TSX).

Board Governance

Role of the Board

The Board is responsible for stewarding the business and financial strength of Keyera, enterprise risk management, and providing oversight of its strategic direction. The Board is also responsible for corporate governance, including the development of policies, procedures and practices to ensure principled and ethical business conduct, the effectiveness of internal controls, and a healthy corporate culture.

Our Board is governed by written Board Mandate, attached to this information circular as Schedule "B" and available on our website at www.keyera.com. The Board has also adopted written Position Descriptions for the Board Chair and Independent Lead Director, as well as the CEO, which are all available at www.keyera.com.

In discharging its duties, the Board is assisted by three standing Committees to which it has delegated certain responsibilities. More information about our Committees is provided starting at page 29.

Strategic Planning

The Board plays an integral role in the development and ongoing evaluation of Keyera's strategic direction. Strategic matters are discussed at each regularly scheduled Board meeting. On an annual basis, the Board holds a dedicated two-day strategy session. This session provides an opportunity for the Board to review current activities, longer-term operational, financial and industry forecasts, corporate opportunities, strategic threats, as well as emerging trends and developments. The session consists of open dialogue with management, review of comprehensive analysis and may include perspective from external advisors.

Keyera's objective is to deliver steady disciplined growth to create long-term value for our shareholders. The four key pillars of our strategy are as follows:

- Focus on customer service;
- Maximize utilization of our facilities;
- Enhance and extend our value chain; and
- Utilize our assets to access high-value markets.

The Board monitors progress relative to our strategic objectives throughout the year through updates and analysis provided by management at each regularly scheduled Board meeting.

Risk Management

The Board is responsible for overseeing the Corporation's enterprise risk management. Principal risks of the organization are regularly reviewed by the Board to ensure these are appropriately identified, considered and mitigated. The Board also uses its Committee structure to assist in the oversight of principal risks and emerging trends and ensure these receive focused review and attention.

Each Committee examines key areas of risk within their mandate and works closely with management to ensure effective controls and processes are in place to identify and manage them. Committees also retain external advisors to provide independent analysis in respect of key areas of enterprise risk. Committees report directly to the Board to ensure coordinated oversight of enterprise risk, including through the completion of annual comprehensive risk analyses using a formal risk matrix. Perspective on potential short, mid and long-term risks are also discussed by the directors at each meeting and actively solicited through the annual Board evaluation process.

Detailed information regarding material risks applicable to Keyera are included in the "Risk Factors" section of our AIF dated February 26, 2020 (our "2019 AIF") available at www.sedar.com and our website at www.keyera.com.

Financial Oversight

The Board is responsible for providing oversight of the Corporation's financial management and reporting. Assisted by the Audit Committee, the Board reviews and approves our annual and quarterly financial statements, accompanying Management Discussion & Analysis ("MD&A") and earnings releases. It also reviews and oversees compliance with the audit, accounting and financial reporting requirements applicable to our business, and approves annual operating and capital budgets, as well as financing plans and strategies. The Board also approves any decision affecting our participation in the capital markets, as well as any significant changes to our accounting policies and practices.

From a regulatory perspective, the Board also ensures management has robust procedures in place to track internal controls in respect of financial reporting, internal audit, fraud and auditing matters, as well as responses to complaints received directly or reported through our Hotline.

Ethical Business Conduct

The Board also provides oversight to encourage an organizational culture of integrity, transparency and accountability. Formally, this is achieved through development of policies and practices to ensure legal compliance and ethical conduct, as well as robust mechanisms to detect and address potential wrongdoing. Informally, it is monitored through direct Board interaction with management and staff to assess culture and transparency within the organization.

Our commitment to legal and ethical conduct is articulated in our Code of Business Conduct (the "Code"), which applies to all directors, officers, employees and contractors. Based on our Values of Integrity, Trust, Responsibility, and Accountability, the Code defines Keyera's expectations regarding the observance of ethical behavior, legal and regulatory compliance and responsibility to report suspected wrongdoing. The Code is supported by additional policies which provide detailed guidance on key areas of corporate compliance (the "Conduct Policies"). The Code sets out principles of ethical conduct in respect of the following areas:

- business relationships and fair dealing
- conflicts of interest
- compliance with applicable laws
- disclosure and insider trading
- entertainment and gifts
- government relations
- health, safety and environmental matters
- integrity of financial information
- privacy and confidentiality
- protection of corporate assets
- public and stakeholder relations
- appropriate workplace conduct

Each year, all executives, employees and certain contractors are required to formally re-certify their understanding, commitment and compliance with the Code and Conduct Policies. The Code and Conduct Policies are reviewed and updated by the Board from time to time, as necessary to comply with regulatory or other changes to our business.

Oversight of compliance with the Code and Conduct Polices, annual recommitment, reporting and investigations is conducted by our Audit Committee, which receives reports these activities, complaints and the status of investigations, on a quarterly basis. In respect of these matters, the Audit Committee reports directly to the Board.

The Code prohibits retaliation of any kind against individuals who, in good faith, report concerns regarding potential violations of the Code, our Conduct Polices or related procedures. A copy of our Code is available on our website at www.keyera.com and on SEDAR at www.sedar.com. Copies of the Code may also be obtained free of charge by contacting the Corporate Secretary (corporate_secretary@keyera.com) or Investor Relations (ir@keyera.com) or by mail at Suite 200, 144 – 4th Avenue SW, Calgary, Alberta T2P 3N4. Further information is provided in our 2019 AIF available on www.sedar.com.

Whistleblower Hotline

Reporting of suspected wrongdoing is required of all staff and strongly encouraged among our service providers and stakeholders. Reports may be made to any Keyera officer or leader, our Senior Vice President & General Counsel or anonymously through our whistleblower hotline (our "Hotline").

The Hotline enables anonymous 24-7 reporting, online or by telephone, of suspected illegal, unethical or improper conduct. The Hotline is managed by an external third party, which provides anonymous reporting directly to our Senior Vice President & General Counsel for investigation and follow-up. Internal complaints and/or concerns of a human resources nature are investigated using similar investigation and reporting protocols. Reports involving any accounting, internal accounting control, auditing or other financial irregularity (whether made directly to management or through the Hotline) are provided directly to the Chair of the Audit Committee. Reported concerns are investigated promptly and discretely. Activities involving the Code, including complaints to our Hotline, are reported on a quarterly basis to the Audit Committee. Significant concerns and/or investigations are reported to the full Board.

ESG Oversight

Keyera is committed to environmental, social and governance ("ESG") responsibility. We also recognize the increasing focus of our shareholders, stakeholders and the public on ESG indicators and performance. The Board is responsible for providing oversight of Keyera's ESG approach, including strategy, monitoring, risk management and stakeholder engagement. In discharging this responsibility, the Board is assisted by its respective Committees, each of which plays a critical role in providing ESG-related oversight.

Our Health, Safety & Environment ("HSE") Committee oversees environmental stewardship, including greenhouse gas and carbon emissions reporting and reduction initiatives, water management, as well as our environmental regulatory, asset retirement and land reclamation programs. The HSE Committee also oversees workplace health and safety, pipeline and asset integrity and related regulatory reporting. In each of these areas, the HSE Committee is responsible for monitoring Keyera's performance relative to legal and regulatory requirements, industry standards, and objectives and targets established by the Corporation.

The Audit Committee is responsible for ensuring overall corporate financial integrity is maintained. The Committee also plays a critical governance role in respect of our Code and corporate Compliance Policies, including oversight of complaints, reporting, investigations and our Hotline. Reports or concerns involving potential financial wrongdoing, including fraud, financial reporting or related impropriety is reported directly to the Chair of our Audit Committee for review and follow up.

The Compensation and Governance Committee ("CGC") is responsible for our employee, executive and director compensation programs and corporate governance practices, including ensuring we maintain an independent, diverse and engaged Board with the skills, attributes and perspective to provide effective stewardship to the Corporation. It also oversees Chief Executive Officer ("CEO"), executive and organizational succession planning, and workplace policies and initiatives, including in respect of diversity and inclusion.

Keyera is proud of its ESG approach. In 2019, we focused on enhancing the breadth and depth of our ESG-related reporting. These efforts were instructive and resulted in Keyera ranking either consistent with or above our peers in most ESG ratings, a summary of which is available on our website at www.keyera.com.

We also engage directly with our shareholders and other stakeholders on ESG-related issues of importance to them. In December 2019, we featured our ESG approach at our inaugural Investor Day. This event provided a valuable opportunity to engage directly with shareholders on our approach and seek feedback on our ESG-related priorities. Among these priorities is to continue to enhance our disclosure on sustainability and ESG-related topics. A webcast of our 2019 Investor Day and our presentation materials are available on our website at www.keyera.com.

Executive Compensation

All decisions regarding CEO and executive compensation are approved by the independent members of the Board. In discharging this responsibility, the Board seeks to ensure that compensation outcomes are aligned with the interests of our shareholders and our pay for performance focus. The Board is assisted by our CGC, which retains independent compensation consultants for advice and analysis on CEO and executive compensation, peer group selection, incentive-based compensation and overall program design.

For more information regarding our approach to executive compensation, please see our Compensation Discussion and Analysis starting at page 45.

Succession Planning

Board succession planning

Succession planning in respect of our directors and executive leadership team is a key accountability of the Board. Assisted by the CGC, the Board has adopted formal processes to ensure robust director evaluation and Board succession planning. At least annually, the CGC reviews the composition, skills and tenure of our directors for succession planning purposes. Overall Board succession is reviewed by the CGC and the Board at least annually.

Director succession planning was a particular area of focus for the Board in 2019. Early in the year, a director search process was initiated by the CGC in anticipation of the May 2019 retirement of former director Bill Stedman. Assisted by a global recruitment firm, the CGC sought to identify suitable candidates with the necessary skills and experience, including relative to our Director Skills Matrix. In particular, the CGC focused on candidates with strong industry, operational and health and safety experience to augment our HSE Committee. Following a comprehensive search process, on August 6, 2019, the Board announced the appointment of Mr. Blair Goertzen to our Board and our HSE Committee. Consistent with its existing governance practices, the Board continued to review director succession planning over the remainder of 2019.

Executive succession planning

Executive succession planning, including for the CEO, is a key responsibility of the Board. Each year, the Board, assisted by the CGC, actively reviews the talent and leadership development of our senior and emerging leaders, as well as the effectiveness of Keyera's succession planning framework. CEO and executive succession planning are reviewed annually by the CGC in October and by the Board at its June strategy session.

In 2018, the Board engaged a global recruitment firm to develop a comprehensive executive leadership development program, focused on assessing and progressing the leadership readiness of our senior executives, including potential CEO succession candidates. Updates in respect of the program were provided to the Board throughout 2019 and discussed in detail at its June 2019 and February 2020 meetings.

As a result of these initiatives, in February 2020, the Board announced the promotion of Dean Setoguchi to President & Chief Commercial Officer from Senior Vice President & Chief Commercial Officer. Dion Kostiuk was promoted to

Senior Vice President, Human Resources & Corporate Services, and other changes were made to our non-executive leadership team. David Smith continues to serve in his capacity as CEO.

Diversity

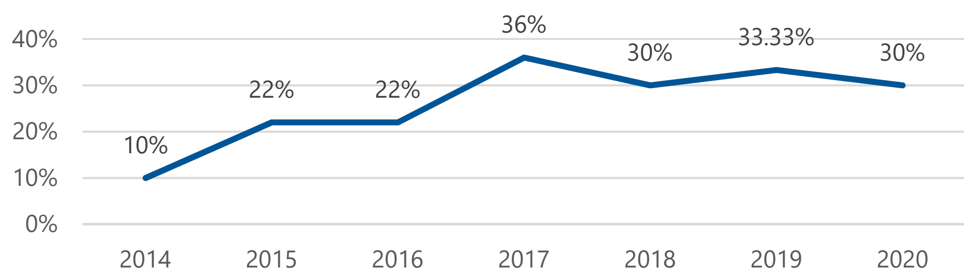
Board diversity

Keyera believes our business and strategic objectives are best achieved by ensuring a diversity of thought and perspective is represented and openly expressed among our directors, management team and within our organization. This approach to diversity is outlined in our Board Renewal Guidelines.

Keyera seeks to achieve gender diversity without the imposition of mandatory quotas or targets. Diversity is an important consideration in evaluating Board composition and identifying director nominees. Of our director nominees standing for election at this Meeting, 30 percent are women. Each of these nominees is an existing member of our Board.

Keyera has continued to focus on identifying qualified female candidates to serve as members of our Board. Of the four new directors appointed since 2014, three have been women. The cumulative impact of this focus on the composition of our Board is illustrated in the following graph:

Percentage of Female Director Nominees



In addition to gender, the Board focuses on broader diversity characteristics such as ethnicity, age, business and/or functional experience, as well as geographic representation when identifying potential director candidates. The Board closely monitors regulatory and corporate governance developments in respect of diversity and inclusion.

Management diversity

The Board is responsible for ensuring a diversity of perspective is also encouraged within the organization. Integral to this objective is the identification of individuals to enhance the strength and diversity of our organizational culture. Of our senior leadership team (Vice President level and above), 20 percent are female. The Board and management continue to identify ways to increase the degree of gender balance and other forms of diversity within our technical talent and senior leadership levels.

To encourage greater diversity and inclusion among our workforce, Keyera conducts internal focus groups as well as formal and informal mentoring programs to identify areas of challenge and opportunity within the organization. Since 2018, Keyera has partnered with Catalyst, a global, non-profit focused on increasing gender diversity in the workplace. Keyera arranges external speakers, including from Catalyst, for key employee and leadership events to encourage constructive discussion about diversity and inclusion. Diversity and inclusion are key discussion items at our quarterly senior leadership and annual succession planning sessions.

Shareholder Engagement

Keyera regularly engages with shareholders through accurate and timely public reporting, as well as ongoing dialogue regarding our operations, performance and business strategy. Shareholder engagement is also achieved through a consistent schedule of investor meetings, investor conferences and one on one meetings. During these engagement opportunities, we actively seek feedback and engage with shareholders in dialogue about our activities. These engagements are generally achieved through our Investor Relations program.

The following table outlines some of our shareholder engagement activities in 2019. Feedback received from shareholders at these events is provided to the Board at meetings and our annual Board strategy session.

Shareholder event	Keyera participants	Nature of engagement
Investor presentations, meetings and calls	Senior management	Throughout the year, we engage with domestic and global investors through in-person presentations and meetings and calls. These interactions provide an opportunity to discuss our strategy, operations and ESG approach. In 2019, we participated in over 267 investor meetings.
Broker sponsored conferences	Senior management	We attended 13 broker sponsored conferences in 2019, providing an overview of our strategy and operations to the investment community.
Investor Day	Senior management and senior personnel	In December 2019, Keyera hosted its inaugural Investor Day in Toronto, where senior management presented an overview of our strategy, financial discipline framework, ESG approach, and future opportunities to the investment community. The webcast and presentation from the event are available on our website at www.keyera.com.
Investor Tours	Senior management	Throughout the year, Keyera invites members of the investment community to participate in field tours of its various operations. In 2019 we conducted 2 investor tours.
Quarterly conference calls	Senior management	Each quarter we engage with the investment community to review and respond to questions regarding our most recently released financial and operating results.

Directors are also available to meet or engage directly with shareholders, as appropriate. Board members will be in attendance at our virtual Meeting and our Board Chair, Jim Bertram, will be available to answer questions or receive feedback from shareholders at the Meeting. Direct feedback may also be provided to management or the Board at any time using the contact information below:

To Management:

Investor Relations
Keyera Corp.
Suite 200, 144 – 4th Avenue SW
Calgary, Alberta T2P 3N4

Telephone: 403-205-7670
Toll-free: 1-888-699-4853

ir@keyera.com

To the Board:

Keyera Board of Directors
c/o Corporate Secretary
Suite 200, 144 – 4th Avenue SW
Calgary, Alberta T2P 3N4

corporate_secretary@keyera.com

Board Structure

To ensure effective stewardship of key governance areas, the Board has adopted a formal Committee structure, comprised of three standing Committees. Each Committee has written Terms of Reference and Position Descriptions for their respective Chairs, which are approved by the Board and reviewed by the Committees each year. All directors who serve on our Committees must be independent, with the exception of our HSE Committee, which must have a majority of independent directors. All members of our HSE Committee are currently independent.

Following each Committee meeting, the Board receives a report from the Committee Chair regarding the activities of the Committee, including any items or recommendations requiring Board review and, as appropriate, approval. Each Committee Chair is also responsible to coordinate with other Committee Chairs regarding issues of mutual or overlapping interest.

The Board may also establish temporary *ad hoc* committees from time to time to address specific issues of importance or items not currently within the mandates of existing standing Committees.

Information about our Committees, including their Terms of Reference and Chair Position Descriptions, are available on our website at www.keyera.com.

Committee Structure

Committees assist the Board by overseeing key areas of governance, including financial management and reporting, environmental, health and safety, sustainability, as well as compensation and corporate governance. Committees are, in turn, assisted by advisors who provide independent advice and perspective on matters within their respective mandates. A summary of key accountabilities of each Committee is provided below.

<table>
<tr><th colspan="2">Audit Committee</th></tr>
<tr><td>Members
Michael Norris (Chair)
Thomas O'Connor
Janet Woodruff

100% independent

2019 membership changes
None

Committee membership
Must be comprised of a minimum of three directors, each of whom must be independent and financially literate within meaning of National Instrument 52-110 Audit Committees.

Committee meetings
Holds four regularly scheduled meetings per year, each of which are attended by both our internal and external auditors. At each meeting, the independent directors hold an in-camera session attended by external auditor.</td><td>All Audit Committee members are independent and financially literate (as defined under Canadian securities laws). Each member brings strong financial acumen, corporate governance, CEO or senior executive, capital markets experience, as well as risk management expertise to the Committee.

In addition to any other duties which may be delegated by the Board from time to time, the Audit Committee's mandate includes:
ensuring adequacy of internal controls, including disclosure controls and accounting procedures as well as management's procedures to identify, monitor and avoid and/or mitigate enterprise risk, including security and other measures in place in respect of the Corporation's information technology and related systems, and monitoring compliance with applicable legal and regulatory requirements
reviewing financial performance and reporting, including annual and quarterly statements and related MD&A, as well as financial information included in the AIF and all public disclosure
overseeing the development and implementation of dividend policy, financing strategies and structures
overseeing the engagement of the external auditor and services provided by the external auditor
reviewing and approving all non-audit services performed by the external auditor, and reviewing the scope and plans of audits and reviews
reviewing the integrity of external and internal financial reporting processes
identifying and reviewing principal financial risks to the Corporation, including commodity, hedging and marketing related risks, interest rates, foreign exchange and credit and related management programs
overseeing matters related to our Code and Compliance Policies, including complaint procedures as well as the handling and investigation of complaints reported to our Hotline
A copy of the Audit Committee's Terms of Reference is available at www.keyera.com.</td></tr>
</table>

For disclosure about our Audit Committee required by Form 52-110F1-Audit Committee Information Required in an AIF, please see pages 65 and 66 of our 2019 AIF, available on www.keyera.com or www.sedar.com. Keyera will provide shareholders with a copy of our 2019 AIF upon request.

Compensation and Governance Committee ("CGC")

Members
Douglas Haughey (Chair)
Don Nelson
Charlene Ripley

100% independent

2019 membership changes
Bill Stedman retired as Chair, Douglas Haughey was appointed as Chair and Charlene Ripley as member, each effective May 14, 2019

Committee membership
The Committee must be comprised of a minimum of three directors, each of whom must be independent.

Committee meetings
Holds four regularly scheduled meetings per year, each attended by its independent consultant, Mercer. Each meeting includes an *in camera* session attended by the independent directors, and which may also include Mercer.

All CGC members are independent (as defined under Canadian securities laws). Each member brings strong corporate governance, CEO or senior executive experience, as well as compensation and human resources expertise to the Committee.

The Committee assists the Board in fulfilling its responsibilities in respect of: (i) director, executive and employee compensation matters; (ii) developing corporate governance policies and practices; (iii) the identification and nomination of director candidates.; and (iv) evaluating Board effectiveness.

The Committee's mandate includes the following matters, which are recommended to the Board, for review and, as appropriate, approval:

- reviewing our compensation philosophy and employee pay practices
- reviewing compensation arrangements for our CEO and executives
- setting annual and long-term performance objectives for our short-term and long-term incentive plans
- assessing corporate and individual performance for purposes of determining annual short-term award and long-term incentive award eligibility
- reviewing any new incentive compensation plans or amendments
- reviewing any new pension or benefit programs or significant changes
- reviewing annual executive compensation and corporate governance disclosure contained in our Information Circular
- overseeing CEO and executive succession planning
- regularly assessing and monitoring director independence
- overseeing Board Chair and director succession planning
- developing and monitoring director orientation and continuing education
- identifying and recruiting potential director nominees in accordance with board recruitment policies and objectives, including our Director Skills Matrix
- evaluating annually effectiveness of our Board, its Committees and directors and implementing follow up actions

A copy of the CGC Committee's Terms of Reference is available at www.keyera.com.

HSE Committee

Members
Don Nelson (Chair)
Blair Goertzen
Gianna Manes
Charlene Ripley

100% independent

2019 membership changes
Bill Stedman retired as a member effective May 14, 2019. Blair Goertzen was appointed as a member, effective August 6, 2019.

Committee membership
Must be comprised of a minimum of three directors, each of whom must be independent.

Committee meetings
Three regularly scheduled meetings per year, each of which include an *in camera* session attended by the independent directors only.

Under its Terms of Reference, a majority of HSE Committee members must be independent. All of our current HSE Committee members are independent (as defined under Canadian securities laws).

HSE Committee members bring strong corporate governance, CEO or senior executive, health and safety, environment experience, as well as risk management and sustainability expertise to the Committee.

In addition to any other duties which may be delegated by the Board from time to time, the HSE Committee mandate includes:

- reviewing health, safety and environment ("HSE") policies, procedures and practices
- reviewing and oversight of HSE performance and practices, including relative to compliance with applicable law, regulatory and industry standards, as well as corporate goals and targets;
- overseeing sustainability and environmental management strategies and initiatives including in respect of ESG reporting, greenhouse gas and emissions, water management and land reclamation programs
- overseeing the identification, assessment and mitigation of operational and business risks areas within the Committee's mandate
- reviewing and evaluating the HSE performance reporting, including for purposes of assisting the Board's discretionary review to assess annual performance for purpose of assessing annual performance under our short-term incentive plan
- regularly reviewing and assessing HSE compliance and performance relative to matters within the Committee's mandate, including in respect of corporate liability management, asset retirement and reclamation obligations

A copy of the HSE Committee's Terms of Reference is available at www.keyera.com.

Serving as a Director

Director Independence

Independence is a key aspect of an effective Board. Of our ten 2020 director nominees, nine are considered independent. Our CEO, David Smith, is not independent by virtue of his role as an executive officer of Keyera.

Only independent directors may serve as Chair of the respective Committees. All members of our Audit Committee and CGC must also be independent. While only a majority of members of our HSE Committee must be independent, all members are currently independent.

To facilitate regular candid discussion among directors, the Board and each Committee meet *in camera,* without management present, at each meeting. In 2019, our independent directors met *in camera* at each Board and Committee meeting.

Lead Independent Director

Until June 1, 2019, our Board Chair, James Bertram, was not considered independent under Canadian securities rules, due to his prior service (until June 1, 2016) as an executive officer of Keyera. In accordance with these rules, Mr. Bertram was considered independent effective June 1, 2019. Although Mr. Bertram is considered independent under Canadian securities rules, the Board recognizes that some governance and proxy advisory organizations may require the completion of a five-year (versus three-year) cooling off period before a former executive may be considered independent for their purposes.

To mitigate these concerns, in 2019, the Board determined to re-appoint Douglas Haughey as our Independent Lead Director. In this capacity, Mr. Haughey provides leadership to the independent directors and is responsible for helping to oversee Board, Committees and individual director effectiveness. He also serves as primary liaison among the Chair, other independent directors and the CEO. Further, after each meeting, the Board may hold an *in camera* session with all independent directors, except Mr. Bertram, present.

The Board strongly values Mr. Bertram's contributions to our Board. With over 35 years in the energy industry and current directorships with other large, complex publicly traded companies, Mr. Bertram brings vast industry and corporate governance expertise, as well as strong leadership skills, to our Board.

The Board continues to assess the independence of all directors, including Mr. Bertram, on an annual basis. Such examination evaluates, among other considerations, whether there are any relevant facts or circumstances that could be expected to reasonably interfere with each director's exercise of independent judgment. Based on its assessment, the Board has determined each of its directors (including Mr. Bertram), other than Mr. Smith, to be independent.

How We Promote Independent Judgment

In addition to the above, the Board has also adopted the following measures to ensure our directors exercise independent judgment and potential conflicts of interest are identified and mitigated.

Maintaining Independent Judgment	Mitigating Conflicts of Interest
✓ Independent directors retain and direct independent financial, legal, executive compensation or other expert advisors at the Corporation's expense whenever required.	✓ Each director must disclose any potential conflict of interest to the Board Chair, Independent Lead Director and Corporate Secretary.
✓ Director independence is annually assessed as part of our director nomination, director evaluation, director interview and individual questionnaire processes and is based on Canadian Securities Administrators' standards - NI 58-201 *Corporate Governance Guidelines* and 52-110 *Audit Committees.*	✓ Areas or opportunities for actual or potential conflicts of interest are identified and assessed as part of our existing annual director nomination, director evaluation, director interview and individual questionnaire processes.

- ✓ All directors are required to immediately advise the Board Chair, Independent Lead Director and Corporate Secretary of any changes that could affect their independence.
- ✓ Directors are required to immediately advise the Board Chair, Independent Lead Director and Corporate Secretary prior to accepting a directorship on any public company or other board which could create a Board interlock. Potential engagements that could create an interlock are referred to the CGC for determination.
- ✓ None of our nominated directors receive or have received, directly or indirectly, any compensation from Keyera other than for services as a director, as described at page 38.
- ✓ Directors are subject to the requirements set out in our Code and Conduct Policies, including in respect of conflicts of interest and related matters.
- ✓ Directors are required to annually and throughout the year disclose any outside Boards and other significant relationships, including any which could pose a conflict.
- ✓ Directors must recuse themselves from any discussion, decision and/or voting on any matter in which s/he has an actual or may have a potential conflict of interest.

Director Skills

The Board believes effective oversight is best achieved by a composition of directors with a broad range of skills, experience and expertise relevant to the nature of the organization they serve. To carry out its mandate, the Board uses a detailed Director Skills Matrix to identify these attributes. Each year, the Board uses the matrix to assess its effectiveness, assess potential director candidates and identify director education opportunities. The skills, experience and expertise of our director nominees, as contained in our Director Skills Matrix, are provided below:

Skills and experience	Bertram	Goertzen	Haughey	Manes	Nelson	Norris	O'Connor	Ripley	Smith	Woodruff
Leadership/Strategic Thinking	●	●	●	●	●	●	●	●	●	●
Midstream & Transportation	●		●		●		●		●	
Marketing	●		●	●			●		●	●
Exploration & Production	●				●			●	●	
Compensation and Human Resources	●	●	●	●	●	●	●	●	●	●
Corporate Governance	●	●	●	●	●	●	●	●	●	●
Capital Markets	●	●				●	●	●	●	●
Financial Acumen	●	●	●	●		●	●		●	●
Health & Safety	●	●	●	●	●		●		●	
Environment & Sustainability		●		●	●		●	●	●	
Risk Management	●	●	●	●	●	●	●	●	●	●
Legal/Regulatory							●	●	●	

Director Meeting Attendance

Our Board is characterized by a strong level of commitment and engagement among our directors. Directors are expected to attend all Board and Committee meetings unless there are unavoidable conflicts or extenuating circumstances. Director meeting attendance is overseen by the CGC and our Independent Lead Director. The 2019 meeting attendance of our respective directors is provided in the table below:

Director	Board	Audit	CGC	HSE	Total Attendance
Bertram	6/6				6/6 (100%)
Goertzen [(1)]	2/2			1/1	3/3 (100%)
Haughey	6/6		5/5		11/11 (100%)
Manes	6/6			3/3	9/9 (100%)
Nelson	6/6		5/5	3/3	14/14 (100%)
Norris	6/6	4/4			10/10 (100%)
O'Connor	6/6	4/4			10/10 (100%)
Ripley	6/6		5/5	3/3	14/14 (100%)
Smith	6/6				6/6 (100%)
Woodruff	5/6	3/4			8/10 (80%)

Note:

(1) Mr. Goertzen was appointed to the Board on August 6, 2019. Above reflects his meeting attendance since his appointment.

Board Interlocks

Keyera currently does not have a formal policy on Board interlocks, however seeks to minimize these through regular monitoring and required reporting to the CGC. Directors are required to advise the Board Chair, Independent Lead Director and Corporate Secretary before accepting a position on another public board. Where the proposed directorship could create an interlock, the issue is referred to CGC for review and resolution. The existence or potential for Board interlocks is also closely examined when considering new director nominees. Keyera currently does not have any interlocking directorships.

The following directors were directors of the following other reporting issuers (or equivalent) at as March 25, 2020.

Director	Other Reporting Issuer
Bertram	Emera Inc. and Methanex Corporation
Haughey	Fortis Inc.
Norris	Recipe Unlimited Corporation
O'Connor	New Jersey Resources
Smith	Crew Energy Inc.
Woodruff	Altus Group Limited, Ballard Power Systems, Capstone Infrastructure Corporation and Fortis BC

Board Tenure

The Board has adopted an informal retirement age policy under which a director will generally not stand for re-election after s/he reaches age 72 or has served more than 12 years on the Board. The latter does not include years served as an executive director of the Board, as in the case of Mr. Bertram, whose director service from 2003 to 2015 was during his tenure as President & CEO and from 2015 to 2016 as Executive Chairman.

As a director approaches age 72, the CGC will generally initiate development of a succession plan. To maintain flexibility and maximize Board effectiveness, the Board has discretion to retain or nominate directors aged 72 or older or who have more than 12 years tenure with the Board.

Board Performance and Development

Annual assessment

The CGC is responsible for assessing the overall effectiveness of the Board, its Committees and individual directors. This assessment process is conducted annually, through a combination of formal director questionnaires and individual director interviews with the Board Chair. Feedback from formal questionnaires and interviews is reviewed by the independent directors during subsequent *in camera* sessions of the Board.

In 2019, directors completed a formal questionnaire to provide feedback on effectiveness of the Board, its Committees, the Board Chair, Independent Lead Director, and the relationship with management. Individual directors also participated in one-on-one interviews and completed an individual performance assessment to evaluate their skills and contributions, including relative to the Director Skills Matrix. Results were collected and provided to the Independent Lead Director and Board Chair. Key themes were circulated to all independent directors for review and discussion at *in camera* sessions of the next CGC and Board meetings, respectively. Information collected from the annual assessment process is also used to enhance Board effectiveness, including future director education opportunities.

Board renewal

The CGC is also responsible for identifying and recommending suitable director candidates for nomination for election or appointment to our Board. In doing so, the CGC reviews our Board Renewal Guidelines, which address various selection considerations including diversity, age, term limits, independence, interlocking directorships and potential conflicts of interest. In identifying potential director candidates, the CGC also takes into consideration various factors, including:

- the competencies, experience, and skills required by our Board, including relative to our Director Skills Matrix;
- the breadth of competencies, experience and perspective among existing Board members;
- any additional or complementary experience, skills and attributes a candidate could bring to our Board; and
- whether the candidate is capable of dedicating sufficient time and energy to serve as a Board member.

The CGC regularly reviews Board composition relative to the above considerations and any anticipated changes. The CGC maintains a list of potential candidates and monitors the external environment for potential suitable directors. From time to time, the CGC also engages an external search firm to assist the identification of qualified candidates.

Director recruitment was a particular area of focus in 2019 due to the retirement of former director Bill Stedman in May 2019. Over the year, the CGC worked with an external search firm to identify candidates with operational, health and safety and industry expertise, and capability to serve on our HSE Committee. After a comprehensive search process, on August 6, 2019, the Board announced the appointment of Mr. Blair Goertzen to the Board and as member of our HSE Committee. Information regarding Mr. Goertzen is found in his director profile at page 18.

Director orientation

The CGC is responsible for the development and oversight of director orientation and continuing education. Upon appointment, new directors are provided with onboarding materials, including key strategic, operational and financial information about Keyera, as well as Board policies and procedures. New directors are encouraged to meet with the Board Chair, Independent Lead Director, and management, to receive review key aspects of our business. Directors are also encouraged to join management on field site visits to experience our operations and meet field staff first hand. This orientation process was observed in respect of the appointment of Mr. Goertzen in August 2019.

Continuing education

Directors receive various presentations throughout the year to enhance their understanding of key aspects of our business, as well as developments and trends affecting our industry. In 2019, presentations were provided by management and external speakers at regular meetings and the Board's annual strategy session. These presentations included various topics pertaining to the capital markets, ESG, market fundamentals, marketing, cyber security, corporate governance, risk management and regulatory developments. Directors participated in field tours of our facilities and attended our company-wide annual Safety Symposium.

Directors are encouraged to participate in relevant courses and seminars through a paid subscription to the Institute of Corporate Directors, as well as reimbursement for relevant courses, certifications and conferences. Relevant corporate governance materials are also available through our online director portal.

Examples of specific presentations and updates provided to the Board in 2019 included:

Description	Attendance
Director and officer liability and associated insurance	Compensation and Governance Committee
Emerging trends, best practices and regulatory developments in respect of corporate governance and disclosure matters	Board of Directors Compensation and Governance Committee
Executive compensation design and practices	Compensation and Governance Committee
Canadian and U.S. natural gas, crude oil and natural gas liquids fundamentals, markets and trends	Board of Directors
Attendance at annual Safety Symposium	Health, Safety and Environment Committee
Analysis of financial risks and associated risk management strategies	Audit Committee
Analysis of operational risks and associated risk mitigation strategies	Health, Safety and Environment Committee
Analysis of compensation and governance risks and associated risk mitigation strategies	Compensation and Governance Committee
Recent developments in accounting standards and implications for Keyera	Audit Committee
Site tours of Keyera's Edmonton Terminal and Alberta EnviroFuels facilities	Health, Safety and Environment Committee
Capital markets overview and financing strategies	Board of Directors Audit Committee
Developments in pipeline integrity regulation and practice	Health, Safety and Environment Committee
Asset Integrity legislative and regulatory developments	Health, Safety and Environment Committee
Cyber security risk and risk mitigation strategies	Audit Committee
Climate change and emissions regulatory update and implications for Keyera (including scenario risk analysis)	Health, Safety and Environment Committee Board of Directors
Corporate social responsibility reporting, including shareholder expectations and shareholder engagement	Health, Safety and Environment Committee Board of Directors
Review of socio-political trends	Board of Directors

Board dinners

Prior to each regularly scheduled meeting, our directors, senior executives and management hold a Board dinner. Board dinners provide an opportunity for directors to accomplish important governance objectives, including:

- engaging with the CEO, executives and members of senior leadership in a less formal setting;
- discussing important topics or trends affecting our business, strategy or industry at large;
- providing line of sight to assess leadership talent beyond the executive team, providing context for succession planning and leadership development discussions;
- assessing organizational culture and internal collaboration through direct interaction; and
- providing an informal environment for directors to engage and strengthen their working relationship.

Interaction with management

Open dialogue is actively encouraged between the Board and management both at, and in between, regularly scheduled meetings. Directors also interact with non-executive members of the organization at Board and Committee meetings, social events, director field tours, and outside scheduled meetings. Such direct interaction is encouraged to enhance the Board's understanding of our business and provide insight into our culture and depth of internal talent.

Director Compensation

Director Compensation Program

Our director compensation program is designed to attract and retain qualified individuals with the experience, skills and attributes necessary to oversee our strategic, business and financial affairs and corresponding risks in an increasing complex external environment. Director compensation is approved by the Board, which is assisted by the CGC. To remain competitive and attract engaged, qualified director candidates, director compensation is generally targeted at the median (or P50) range of a corresponding peer group.[1]

For purposes of this discussion, "director compensation" refers to remuneration for our independent directors, which excludes our CEO, Mr. Smith, who receives no remuneration from Keyera in his capacity as a director.

Compensation Structure

Director compensation is structured to provide our directors with a flat annual retainer, rather than individual meeting fees. Annual retainers are paid quarterly, in arrears, and pro-rated from the date of appointment to the Board or respective Committee. Directors receive a nominal allowance of $750 (maximum each way) for required air travel to and from Board and Committee meetings.[2] Directors are also reimbursed for reasonable out of pocket expenses incurred in relation to such meeting attendance.

The Board Chair, in consultation with the Independent Lead Director, also has discretion to provide $1,500 in extraordinary meeting fees where a particular director has experienced unusually high levels of activity or engagement. No such discretionary fees were paid to our directors in 2019.

The following table shows the value of annual compensation paid to our directors in 2019.

Board position	2019 Annual Retainer
Board Chair(1)	$265,000
Independent Lead Director(2)	$200,000
Non-Executive Directors	$150,000
Committee Annual Retainers	
Audit Committee Chair	$45,000
Committee Chair (CGC & HSE)	$30,000
Committee member	$15,000
Additional fees	
Meeting air travel	$750 (per flight) ($1,500 meeting maximum)

1 For purposes of benchmarking director compensation, the CGC and Board use our existing Compensation Peer Group (described at page 48).

2 In 2019, the Board approved extending travel reimbursement to shorter-haul flights. Prior to this change, reimbursement only applied to air travel 3 hours or more in duration.

Notes:
(1) For Mr. Bertram, includes annual non-executive base retainer of $150,000 plus additional Board Chair annual retainer of $115,000.
(2) For Mr. Haughey, includes annual non-executive base retainer of $150,000 plus additional Independent Lead Director annual retainer of $50,000.

No meeting fees were paid to our directors in 2019 beyond the amounts set out above.

Directors receive no other compensation from Keyera in their capacity as directors. Specifically, our directors receive no bonus, incentive or other compensation upon joining the Board, and do not participate in the Company's incentive compensation, pension or employee benefit plans.

The only equity-based awards received by our directors, should they elect to do so as part of their annual retainer, are Deferred Share Units ("DSUs") granted under our Director Deferred Share Unit Plan ("DSUP"), described below.

Form of Director Compensation

Directors may elect to receive their annual compensation in cash, DSUs, or a combination of the two.

Each year, directors can elect to receive up to 100 percent of their annual compensation in DSUs. Directors who elect to receive DSUs *in lieu* of cash receive them quarterly in arrears, consistent with the payment of cash fees. Directors are generally expected to receive at least 60 percent of their total annual retainer as DSUs until they meet their required share ownership level, described below.

The number of DSUs granted is determined based on the volume weighted average price ("VWAP") of Keyera shares over the twenty (20) trading days prior to the grant date. DSUs attract dividend equivalent units relative to the value of dividends declared by the Corporation using the same pricing mechanism.

DSUs are settled in cash immediately after the director ceases to hold office. Upon settlement, DSUs are valued based on the 20-day VWAP of Keyera shares over the 20 trading days prior to the date such director ceases to hold office.

For 2019, Blair Goertzen, Douglas Haughey, Gianna Manes, Michael Norris, Tom O'Connor, Charlene Ripley and Janet Woodruff each elected to receive all or a portion of their director compensation in DSUs. Details regarding the 2019 DSU elections made by our directors is provided in the "Director equity-based awards" table at page 38.

Director Share Ownership

Requirements

Keyera has had equity ownership guidelines in place for its directors since 2003. Our current Share Ownership Guidelines (the "Guidelines") require each director hold shares with a value equivalent to three times their base annual retainer. Directors must reach this share ownership threshold within five years of their appointment to the Board. Directors may count DSUs they elect to receive as their annual retainer toward their share ownership requirements.

Directors who do not meet their required share ownership must receive at least 60 percent of their annual director compensation in DSUs. The current share ownership levels and the compliance status of each director is set out in their profiles starting at page 18 above. As of March 2, 2020, all directors are in compliance with the Guidelines. Keyera also has share ownership requirements for its executive officers. Information regarding these executive requirements is provided at page 60.

Hedging policy

Directors are subject to anti-hedging prohibitions, which disallow speculative trading in respective of Keyera securities. For more information regarding these prohibitions, see page 61.

2019 Director Compensation

2019 director compensation table

The following table sets out all compensation paid to our directors for the year ended December 31, 2019 (other than David Smith who received no compensation in his capacity as director). As directors receive no option-based, non-equity incentive plan compensation or pension, corresponding columns have been omitted below.

Name	Fees earned ($) (1)	2019 DSU Election | (% of total annual retainer)	All other compensation ($) (2)	Total ($)
Bertram	265,000	Nil	Nil	265,000
Goertzen(3)	66,359	100%	Nil	66,359
Haughey(4)	222,500	50%	Nil	222,500
Manes	165,000	100%	Nil	165,000
Nelson	195,000	Nil	Nil	195,000
Norris	195,000	100%	6,000	201,000
O'Connor	165,000	100%	7,500	172,500
Ripley	172,500	100%	1,500	174,000
Stedman(5)	72,321	100%	Nil	72,321
Woodruff	165,000	60%	1,500	166,500

Notes:

(1) Fees earned refers to the value of annual retainers paid to each director in 2019, including base retainer and Committee retainer amounts.

(2) "All other compensation" refers, where applicable, to actual reimbursement for travel fees ($750 per flight, to a maximum of $1,500 round trip) incurred and paid to an individual director to attend Board or Committee meetings. Travel fee eligibility was extended in November 2019 to include all flights, including those less than three hours in duration.

(3) Mr. Goertzen received a pro-rated annual retainer for 2019, reflecting his appointment on August 6, 2019 to December 31, 2019.

(4) Mr. Haughey commenced receiving an additional Committee Chair retainer in May 2019 upon his appointment as Chair of the CGC.

(5) Mr. Stedman received a pro-rated 2019 annual retainer, from January 1, 2019 to his retirement on May 14, 2019.

Director Equity Ownership

The following table shows the value of outstanding shares and share-based awards for each independent director, calculated as at March 2, 2020, relative to their annual base retainer and director share ownership requirements.

Name	Number of shares beneficially owned or controlled(1)	Number of DSUs(2)	Total value of shares & DSUs(3)	Equity as multiple of base retainer(4)	Share Ownership Guideline Compliance (%)	2019 DSU Election (% of total annual base retainer)
Bertram	819,400	Nil	$28,695,388	191x	100%	0%
Goertzen(5)	12,600	2,034	$512,483	3x	100%	100%
Haughey	11,140	14,966	$914,232	6x	100%	50%
Manes(5)	Nil	14,009	$490,595	3x	100%	100%
Nelson	83,532	Nil	$2,925,290	20x	100%	0%
Norris	7,756	24,451	$1,127,889	8x	100%	100%
O'Connor	8,500	16,709	$882,819	6x	100%	100%
Ripley(5)	Nil	13,891	$486,463	3x	100%	100%
Woodruff(5)	2,052	12,413	$506,564	3x	100%	60%

Notes:
(1) Refers to number of shares beneficially owned or controlled by each director as of March 2, 2020 (excluding shares acquired under the Corporation's Premium Dividend™ and Dividend Reinvestment Plan in 2020 for those directors enrolled in the plan, as such shares are typically reported following the end of the year in which they are acquired).
(2) Number of DSUs has been rounded to the nearest whole number and includes DSUs credited to each director in the first quarter of 2020 in connection with the payment of dividends.
(3) In accordance with the Guidelines, the value of securities has been calculated based on the 30-day average closing price of common shares up to and including March 2, 2020, which was $35.02 per share.
(4) Multiples in this column have been calculated by dividing the value of shares by $150,000, the 2019 base annual retainer amount (rounded to the nearest whole number).
(5) Mr. Goertzen was appointed to the Board on August 6, 2019; Ms. Ripley on June 13, 2017; Ms. Manes on May 9, 2017 and Ms. Woodruff on June 9, 2015.

Outstanding Director Share-based Awards

The following table sets out all share-based awards outstanding for our independent directors as at December 31, 2019. As directors do not receive option-based awards, corresponding columns have been omitted below. Directors may elect to receive all or part of their annual base retainer in DSUs, however receive no other share-based awards.

Name	Share-based Awards		
	Number of shares or units of shares that have not vested	Market or payout value of share-based awards that have not vested	Market or payout value of share-based awards not paid out or distributed (1)
Bertram	-	-	Nil
Goertzen	-	-	$66,838
Haughey	-	-	$491,878
Manes	-	-	$460,433
Nelson	-	-	Nil
Norris	-	-	$803,610
O'Connor	-	-	$549,163
Ripley	-	-	$456,552
Stedman(2)	-	-	$619,866
Woodruff	-	-	$407,991

Notes:
(1) Above amounts refer to the market value of DSUs granted to those directors who elected to receive all or part of their 2019 base retainer in DSUs. Market values above have been calculated by multiplying the number of DSUs by the 20-day volume weighted average closing price of our common shares on December 31, 2019, which was $33.17.
(2) Mr. Stedman retired from the Board effective May 14, 2019. Mr. Stedman received a payout of $619,866 on June 30, 2019 which was based on the 20-day average share price as of May 14, 2019, which was deemed the Termination Date under the Deferred Share Unit Plan.

Incentive Plan Awards – Value Vested or Earned During the Year

The following table shows the value of vested share-based awards for our independent directors for the year ended December 31, 2019. Directors receive no option-based or non-equity plan compensation therefore corresponding columns have been omitted below. Directors can elect to receive all or part of their base retainer in DSUs. Such DSUs are vested upon grant. Amounts below refer to the value of DSUs granted to such directors in 2019.

Name	Share-based awards – value vested during the year (1)	Name	Share-based awards – value vested during the year (1)
Bertram	-	Norris	$236,104
Goertzen	$66.838	O'Connor	$192,320
Haughey	$136,528	Ripley	$194,177
Manes	$187,278	Stedman (2)	$89,554
Nelson	-	Woodruff	$119,876

Notes:

(1) Above values calculated by multiplying number of DSUs granted to each director, as applicable, in 2019, by the 20-day volume weighted average closing price of our common shares on December 31, 2019, which was $33.17. DSUs above were only granted to directors who elected to receive all or a portion of their 2019 annual base retainer in the form of DSUs.

(2) Mr. Stedman retired from the Board effective May 14, 2019. The value of Mr. Stedman's 2019 DSUs above has been calculated by multiplying the 1,790 DSUs granted on March 31, 2019 by the preceding 20-day average price of our common shares of $32.10 and adding the 1,032 DSUs granted on June 17, 2019 multiplied by the 20-day average price of our common shares as of May 14, 2019, which was deemed the Termination Date under the Deferred Share Unit Plan, of $31.10.

2020 Program Changes

The CGC periodically reviews director compensation including relative to market competitiveness and best practices. Where a comprehensive review is necessary, the CGC engages the assistance of its independent compensation consultant, Mercer. Prior to 2019, a comprehensive review of our director compensation program had not been completed since 2014. No changes to director compensation levels has been made since that time.

In 2019, the CGC, assisted by Mercer, undertook a comprehensive review of director compensation levels, including relative to market. This review found overall 2019 compensation of our directors to be at approximately the 25th percentile (P25) relative to the corresponding peer group. For our Board Chair and Committee Chairs, compensation was below P25 and below P50 of such data, respectively. Based on prevailing market data, Mercer recommended an increase to the annual base retainer for all directors to keep Keyera competitive for a two-year period.

Following further review, including consideration of the current challenged industry environment, the CGC recommended a more measured approach to close the market gap through an increase of $20,000 to the annual base retainer. Such increase was intended to position annual director compensation to be closer to, but short of, the P50 range. Such changes were reviewed and approved by the Board effective January 1, 2020.

Board Policies and Procedures

An overview of some of our key Board policies and procedures is provided below.

Element	Highlights
Board Mandate	The Board provides operational, financial and strategic stewardship of the Corporation.
Code of Conduct	The Board oversees our Code, which articulates our expectation that the highest standards of integrity and ethical behaviour be observed by our directors, executives, employees and certain contract personnel.
Board Independence	90 percent of our director nominees are independent.
Board Diversity	30 percent of our director nominees are women.
Board Committee Independence	Each Committee Chair is independent, and each Committee is composed entirely of independent directors.
Independent Lead Director	The Board has appointed Douglas Haughey as our Independent Lead Director.
Director Attendance	9/10 of our directors had 100% attendance at our Board and Committee meetings in 2019.
Director Orientation and Education	We have an established director orientation process, director field tours and ongoing Board education program.
Board Skills Matrix	We have a formal Director Skills Matrix and regularly monitor individual director competencies as part of our Board succession and nomination processes and annual effectiveness evaluation.
Board Diversity	Our Board Renewal Policy includes a written policy on diversity. We continue to focus on achieving the objectives of this policy, with 3 of our 10 current directors and director nominees being women.
Board Tenure	Our Board Renewal Policy includes guidelines with respect to years of service and age in considering nominees for election to our Board.
Majority Voting Policy	Director nominees in uncontested elections who do not receive majority approval must submit their resignation to the Board which, in the absence of extenuating circumstances, will accept this resignation.
Board and Director Assessments	Each year, we conduct formal Board effectiveness evaluation and individual director assessment processes, which include written questionnaires and one-on-one interviews with each of our directors.
Director Compensation	Compensation for our directors is market-based and straightforward. It is designed to recruit experienced, and talented directors. Director compensation is targeted to be at the median (P50) of market data.
Share Ownership Guidelines	Keyera had director and executive share ownership requirements in place since 2003. All directors currently meet or exceed required ownership levels under the Guidelines.
Say on Pay	Each year, we hold an annual advisory vote on our approach to executive compensation.
Risk Oversight	To assist our Board in overall enterprise risk management, each Committee is tasked with reviewing specific areas of risk within its mandate. The Board completes an overall enterprise risk review annually.
Shareholder Engagement	We have a robust Investor Relations program. Shareholders may also contact our Board directly through our Corporate Secretary. Our Board will also meet with shareholders as appropriate.

Statement of Executive Compensation

Message from our CGC Chair

Dear Fellow Shareholders:

On behalf of our Compensation & Governance Committee ("CGC"), I am pleased to share with you our compensation discussion and analysis ("CD&A").

The CGC and our Board carefully monitor our compensation program and related best practices to ensure our approach supports our strategic objectives, pays for demonstrated performance and aligns with shareholder interests. Compensation-related risk is considered in each recommendation and decision we make, to ensure an appropriate level of business risk is encouraged, while simultaneously safeguarding shareholder interests. A snapshot of some of the compensation governance practices reflected in our program is provided at page 44.

We strive to deliver a compensation program that is clear and understandable to our employees, shareholders and other stakeholders. We believe transparency drives alignment, creating an engaged and high performing workforce. It also enables our shareholders and other stakeholders to more easily assess our program and resulting compensation outcomes.

Alignment with Shareholder Interests:

Our primary objective is to ensure our compensation approach remains aligned with both near-term and long-term shareholder interests, including environmental, social and governance ("ESG") factors that are so important in today's business context.

To achieve this alignment, our program and compensation decision-making is based on four fundamental principles:

- Performance Driven: We ensure the substantial majority of executive compensation is performance-based. In 2019, 84 percent of annual compensation for our CEO, David Smith, and an average of 76 percent for our remaining NEOs, were comprised of performance-based, incentive compensation elements. This "at risk" compensation is tied to the achievement of both short and long-term performance metrics directly aligned with shareholder interests. Long-term incentive ("LTI") grants, which represent the largest portion of executive compensation, are also 100 percent performance-based.

- Risk Mitigated: We have adopted payout caps (or maximums) under both our short-term and LTI compensation plans. Quantitative performance results under these plans are carefully evaluated by the CGC, and subject to ultimate Board discretion, to mitigate unintended or undesirable outcomes. Incentive plans are regularly reviewed for effectiveness by stress-testing potential compensation outcomes and shareholder impacts. We also have adopted formal polices to address compensation risk, including anti-hedging and incentive compensation clawback provisions to discourage and prohibit inappropriate risk taking behavior.

- Competitive: To attract and retain the executive talent we need to deliver long-term, sustainable value to shareholders, we target executive compensation at the median of our compensation peer group. To assist in that, we retain independent compensation consultants to provide the CGC and our Board with advice and perspective on executive compensation levels, peer group composition, and overall program design.

- Balanced: We have implemented a balanced scorecard approach for our short-term incentive plan ("STIP"). Starting in 2020, 30 percent of annual STIP results for all employees, including our executives, will be based on safety, environmental and regulatory, and operational reliability measures to better reflect the range of factors that will define success for Keyera and our stakeholders going forward.

Business Context:

We know that the compensation decisions we make must consider the broader business context facing our industry, shareholders and other stakeholders.

Keyera delivered record financial results in 2019. We also made significant strides on our ESG goals for the year. Our 2019 compensation outcomes, described in greater detail in the CD&A, reflect that success.

However, we are well aware that today's business environment is clouded by external challenges arising from the unprecedented COVID-19 pandemic, recent oil price reductions, and ongoing pipeline egress issues. We will continue to align our compensation practices with the interests of our shareholders and stakeholders as we carefully navigate these challenging times.

Now, more than ever, we will all benefit from an executive team that is committed, focused, and making the right decisions for the right reasons.

Your Say on Pay:

For the sixth consecutive year, we are providing shareholders a "say on pay" opportunity through a non-binding advisory vote on our approach to executive compensation. We are pleased to have received strong support from shareholders on our program which, over the past three years, has received average approval of 98 percent.

This year, we encourage you to provide your feedback on our compensation approach through our advisory "Say on Pay" resolution at the Meeting. We also invite you to contact the Board directly using the contact details found at page 28 of this Information Circular, including via email at corporate_secretary@keyera.com. We value your feedback and encourage your participation at the Meeting.

On behalf of the CGC, I would like to thank you for your continuing support.

Sincerely,

(signed) "Douglas Haughey"
Douglas Haughey
Chair, Compensation & Governance Committee

Our Compensation Practices

Our compensation practices are regularly reviewed by the CGC and our Board to align with shareholder interests, competitive market data and prevailing best practices. A snapshot of some of the compensation governance practices reflected in our program (as well as some that are not) is provided below:

What We Do	What We Don't Do
✓ Have an independent and qualified CGC that uses independent executive compensation advisors	× Provide executive LTI awards with time-based only vesting
✓ Ensure executive compensation is predominantly comprised of performance-based (or "at risk") pay	× Have guaranteed minimum payments in our incentive plans, including Performance Awards
✓ Link "at risk" pay to clear, quantifiable measures based on our financial and relative share price results	× Provide gross-ups or tax protected compensation to our executives
✓ Provide equity awards to our executives that are 100 percent performance-based	× Provide excessive executive perquisites
✓ Stress-test performance metrics under our incentive plans to assess potential outcomes and ensure shareholder alignment	× Provide employment contracts or severance arrangements to our executives that are excessive or exceed market practices
✓ Cap payouts available under our incentive plans	× Encourage excessive risk-taking through our incentive or other compensation plans
✓ Have share ownership guidelines for our executives and directors	
✓ Prohibit hedging or pledging of Keyera shares by our executives or directors	
✓ Claw-back CEO incentive pay if we have to restate our financial and other results	
✓ Apply discretion where required to address extenuating circumstances	
✓ Consider compensation risk in our program design and when determining compensation outcomes	
✓ Provide shareholders with an annual advisory vote on executive compensation	

Our 2019 Named Executive Officers ("NEOs")

David Smith
Chief Executive Officer

Mr. Smith has served as Chief Executive Officer and as a director of Keyera since 2015. He has held various senior leadership roles with Keyera since its inception in 1998, including Chief Financial Officer and President. Mr. Smith has over 37 years' experience in the Canadian energy industry, including roles with Gulf Canada Resources Limited and Imperial Oil Limited. He has an MBA (Harvard University), a Bachelor of Mathematics (University of Waterloo), and has received the ICD.D designation from the Institute of Corporate Directors. Mr. Smith currently serves on the boards of Crew Energy Inc., the United Way of Calgary and Area, and Arts Commons (Calgary Centre for Performing Arts).

Dean Setoguchi
President & Chief Commercial Officer

Mr. Setoguchi was appointed President & Chief Commercial Officer ("CCO") in February 2020. Mr. Setoguchi is responsible for Keyera's Business Development, Marketing, Corporate Development and Strategy teams. Prior to his recent appointment, Mr. Setoguchi served as Senior Vice President & Chief Commercial Officer (2018-2020), Senior Vice President, Liquids Business Unit (2014-2018), and Vice President & and Chief Financial Officer ("CFO") (2008-2012). Mr. Setoguchi has over 25 years' experience in the energy industry, including senior leadership roles as Senior Vice President & CFO of Laracina Energy Ltd. (2012-2014) and CFO of Cordero Energy Inc. (2005-2008). He holds a Bachelor of Commerce (University of Lethbridge) and is a Chartered Professional Accountant. Mr. Setoguchi has served on the boards of several public companies and the Board of Governors of University of Lethbridge. He currently serves on the board of the Calgary Food Bank.

Nancy Brennan
Senior Vice President, General Counsel and Corporate Secretary

Ms. Brennan joined Keyera as Senior Vice President, General Counsel & Corporate Secretary in July 2019. Ms. Brennan is responsible for overall legal and corporate governance affairs of Keyera, as well as its stakeholder relations (government relations, sustainability, indigenous relations, internal communications and land) functions. Ms. Brennan has over 20 years of legal and industry experience, including as Vice President, Corporate Legal & Corporate Secretary (2015-2019) and Vice President, Ethics & Compliance (2013-2015) at Ovintiv (formerly Encana Corporation). She holds a Bachelor of Laws (Dalhousie University), a Bachelor of Arts (University of Alberta) and Human Resources & Compensation Committee Certification designation (Directors College, McMaster University). Ms. Brennan is a member of Law Society of Alberta. She currently serves on the board of the Boys & Girls Clubs of Calgary.

Steven Kroeker
Senior Vice President & Chief Financial Officer

Mr. Kroeker has served as Senior Vice President & CFO of Keyera since 2012. Mr. Kroeker is responsible for our Finance, Supply Chain and Information Technology functions. Since joining Keyera in 2006, Mr. Kroeker has held various senior leadership roles including Vice President & CFO and Vice President Corporate Development. He has over 25 years' experience in the energy industry, including nine years in energy-focused investment banking with Scotia Capital, as well as various corporate development, finance and accounting roles at Gulf Canada Resources Limited. Mr. Kroeker has an MBA (Ivey School of Business) and a Bachelor of Commerce degree (University of Calgary).

Bradley Lock
Senior Vice President & Chief Operating Officer

Mr. Lock has served as Senior Vice President & Chief Operating Officer ("COO") since 2018. Mr. Lock is responsible for Keyera's Operations, Engineering and Corporate Responsibility teams. Mr. Lock has held various senior leadership roles within Keyera, including Senior Vice President, Liquids Business Unit, Senior Vice President, Gathering & Processing Business Unit, Senior Vice President, Engineering & Operations Services and Vice President, North Central Business Unit. Mr. Lock has over 30 years' experience in the energy sector, including leadership roles with Enerpro Midstream Company and Chevron Canada Resources. He holds a Bachelor of Applied Science degree in Chemical Engineering (University of British Columbia) and is a registered Professional Engineer in the Province of Alberta.

Our Compensation Philosophy

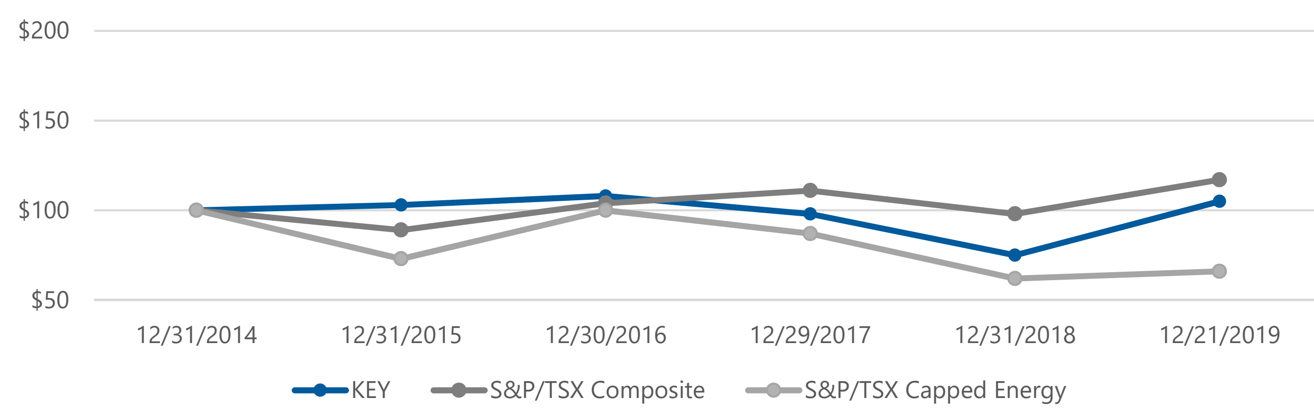
Our compensation philosophy is based on alignment with shareholder interests. We seek to achieve this alignment by focusing on the following four principles:

Alignment with Shareholder Interests			
We focus on pay for performance	We seek to remain competitive	We ensure effective risk management	We use a balanced approach
Over 84 percent of 2019 target compensation for our CEO and 76 percent for our remaining NEOs was comprised of performance-based ("at risk") compensation. Executive LTI grants are 100 percent performance-based. For these elements, compensation opportunity is determined by our performance relative to pre-tax distributable cash flow and relative Total Shareholder Return ("TSR") over a three-year period.	To ensure we attract and retain the top talent needed to execute on our strategic objectives, we benchmark executive compensation against a group of peer companies with whom we compete for talent. We generally target NEO compensation to be at the median of this group. The CGC regularly monitors the composition of our peer group to ensure it remains appropriate for comparator purposes.	We carefully design and monitor our program to ensure it does not encourage imprudent risk taking that could negatively impact Keyera or the execution of its strategic objectives. Short-term incentive and LTI compensation are based on quantifiable measures, however results remain subject to Board discretion to mitigate unintended outcomes. The CGC also retains compensation advisors to provide independent advice and perspective regarding our program.	We use a variety of performance measures over both short-term and mid-term time horizons. Distributable cash flow per share targets are set annually for our short-term incentive plan ("STIP") and, on a pre-tax basis, for a three-year period for LTI grants, which are also based on relative TSR. In 2019, the Board approved a new balanced scorecard for our STIP. Starting in 2020, 30 percent of annual STIP results will be based on safety, environment and regulatory and operational reliability measures.

Compensation and Our Share Performance

The following graph shows the change in a $100 investment in Keyera common shares from December 31, 2014 to December 31, 2019, compared with the same investment in each of the S&P/TSX Composite Index and TSX Capped Energy Index for the same period (assuming reinvestment of all dividends in all cases). The closing price of Keyera common shares on December 31, 2019 was $34.02

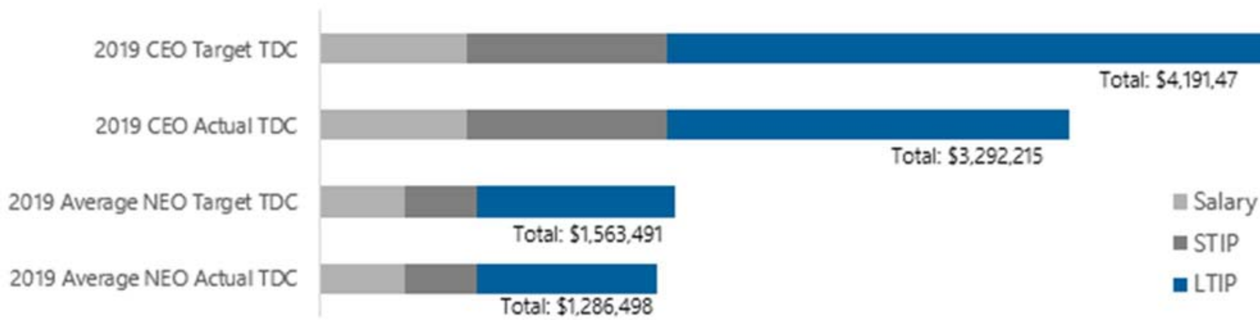
Total Cumulative Return of $100 Investment



	2014	2015	2016	2017	2018	2019
KEY	$100	$103	$108	$98	$75	$105
S&P/TSX Composite	$100	$89	$104	$111	$98	$117
S&P/TSX Capped Energy	$100	$73	$100	$87	$62	$66

The above graph shows the consistency of Keyera's share price performance over the five-year period, which was generally in line with the broader Canadian equity market. This performance is particularly notable given the considerable pressures and volatility affecting the Canadian energy sector over the same period, as shown by the TSX Capped Energy Index above, particularly since 2018.

Consistent with our program's pay for performance focus, compensation for our NEOs was strongly aligned with our share price performance and distributable cash flow per share results over the same period. This correlation is also illustrated by comparing 2019 target compensation of our CEO and remaining NEOs relative to actual compensation values received in 2019. For purposes of the following charts, actual 2019 LTI values refer to the settled value of 2016 LTI (Performance Award) grants which were paid to our NEOs in 2019.[3]



Compensation Design

Our Compensation Peer Group

To remain competitive, we benchmark annual compensation for our executives against a group of industry peers against whom we compete for talent (our "Compensation Peer Group"). Our Compensation Peer Group is approved by the CGC which, assisted by Mercer, carefully evaluates the group's composition each year to ensure it remains suitable for benchmarking purposes.

Our Compensation Peer Group consists of industry peers of similar scope and scale as Keyera, as determined by the CGC. Our current peer group was affirmed by the CGC in 2019 relative to the following criteria.[4]

Comparative factor	Target range	2019 result (percentile)
Total assets	33% to 300%	Slightly below P50
EBITDA	33% to 300%	Slightly below P20
Enterprise value	33% to 300%	Slightly above P70
Market capitalization	33% to 300%	Slightly above P80
Revenue	33% to 300%	Slightly above P65

3 Reference to "Target TDC" for purposes above means – 2019 annual base salary, actual 2019 STIP and grant date value of 2019 LTI grant. 2019 Actual TDC refers to 2019 base salary, actual 2019 STIP, and the settlement value of the 2016 LTI grant (Performance Awards) vested and paid to our executives in 2019. Ms. Brennan joined Keyera July 2, 2019 and therefore did not receive a 2016 Performance Award. She is therefore included in 2019 Target TDC, however not the 2019 Actual TDC portion above.

4 Based on peer data compiled by Mercer as at October 2019.

Our Compensation Peer Group is comprised of thirteen peer companies from the Canadian midstream, pipeline, exploration and production sectors, intended to reflect our integrated business model. For 2019, our Compensation Peer Group was as follows:

2019 Compensation Peer Group		
AltaGas Ltd.	Inter Pipeline Ltd.	Seven Generations Energy Ltd.
ARC Resources Ltd.	MEG Energy Corp.	Tourmaline Oil Corp.
Crescent Point Energy Corp.	Parkland Fuel Corporation	Vermillion Energy Inc.
Enerplus Corporation	Pembina Pipeline Corporation	Whitecap Resources Inc
Gibson Energy Inc.		

In 2019, data from our Compensation Peer Group was reviewed by the CGC and the Board to assess the competitiveness of base salaries, target Short-Term Incentive Plan ("STIP") awards and target LTI grants for our executives.[5]

Compensation Elements

Our program is designed to reward performance relative to the execution of key performance objectives, maintain market competitiveness and align compensation outcomes with the interests of our shareholders. For our executives, compensation is predominantly comprised of performance-based ("at-risk") elements, intended to reward the execution of key objectives over mid to longer-term time horizons. A summary of these elements is provided below:

Salary	Form	At risk?	Performance period	Purpose and rationale
Annual Salary	Cash	No	1 year	Provide competitive base salary relative to NEO experience, scope of role, individual performance and corresponding market data.
Short-Term Incentive	Cash	Yes	1 year	Encourage and reward the achievement of annual financial targets based on after-tax distributable cash flow per share and operational performance objectives (weighted 80 to 90 percent) and individual performance (weighted 10 to 20 percent).
Long-Term Incentive	Equity-based, payable in cash or shares	Yes	3 years	Executive LTI grants are 100 percent performance-based. Performance Awards vest and payout based on achievement of pre-tax distributable cash flow per share and relative Total Shareholder Return performance, both measured over a three-year period. As Keyera does not have a stock option plan, it does not grant stock options to its executives.
Benefits	In kind	No	1 year	Executives participate in the same health benefit and retirement savings plans as employees and receive limited executive perquisites.

Notes:

(1) After-tax and pre-tax distributable cash flow per share ("DCFPS") and Total Shareholder Return ("TSR") are non-GAAP financial measures and do not have standardized meanings under International Financial Reporting Standards and therefore may not be comparable to similar measures presented by other issuers. For more information on DCFPS and DCF in this context, please see "Non-GAAP Reconciliation" attached to this Information Circular as Schedule "C".

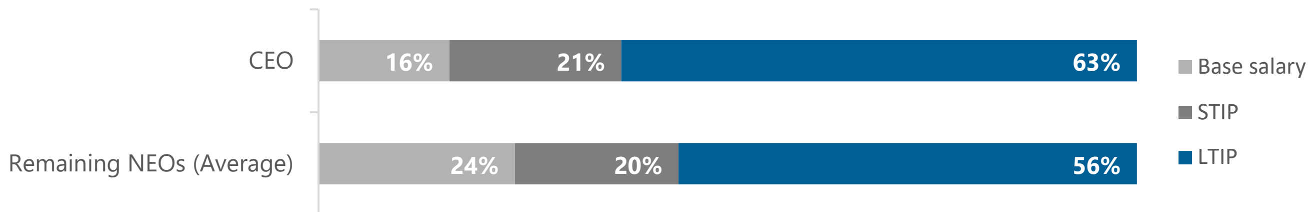
(2) Our LTI Plan provides for the grant of Performance Awards and Restricted Awards. Executives receive Performance Awards and currently do not receive Restricted Awards.

---

[5] We use a different peer group to assess our relative TSR performance under executive LTI grants (Performance Awards). This performance peer group consists of companies against whom we compete for investment capital. Further information about this performance peer group is provided under "LTIP Performance Metrics" starting at page 55.

Consistent with our compensation philosophy, executive pay is heavily weighted to performance-based elements. For 2019, approximately 84 percent of annual compensation for our CEO, David Smith, and an average of 76 percent of annual compensation for our NEOs, was comprised of "at risk" incentive compensation. For these elements, compensation opportunity is determined based on our performance relative to after-tax and pre-tax Distributable Cash Flow per share ("DCFPS") targets, and the relative performance of our share price. Where minimum performance thresholds are not met, payout to our executives may be zero.

The respective weighting of 2019 total direct compensation for our CEO and remaining NEOs is shown below:



Base salary

Keyera believes that competitive base salary is important to attract and retain qualified executive talent. Each year, the CGC reviews base salaries relative to each executive's role, responsibilities, experience and corresponding market data. Executive base salaries are generally targeted at the median (or P50) of similar roles in our Compensation Peer Group.

The CGC considered executive base salaries at its January 2019 meeting. Assisted by Mercer, the CGC reviewed NEO salaries relative to the above criteria, including market data from corresponding roles in our Compensation Peer Group.

Based on this review, base salaries for Messrs. Lock and Setoguchi were noted to be in line with the median of competitive market data. The CGC also considered recent changes to their respective roles and compensation arising from an internal reorganization in December 2018. In light of these considerations, the Board determined to retain 2019 base salaries for each individual at existing (2018) levels. Based on the same review, a three percent increase was approved to the base salary of our CFO, Steven Kroeker, to enhance alignment with corresponding market data. No changes were made to the base salary of our CEO, David Smith, at that time.

The CGC subsequently retained its independent compensation consultant, Hugessen Consulting ("Hugessen"), to review the market competitiveness of annual compensation for our CEO, David Smith. Results of this review were examined at the Board's June 2019 meeting. Based on this review, including competitive positioning relative to peers, the Board approved an eight percent increase to Mr. Smith's annual base salary, effective July 1, 2019.

The 2019 base salaries for our NEOs, including relative to 2018 amounts, are provided in the table below.

Name and position	2018 base salary	2019 base salary	Change (2018 to 2019)
David Smith CEO	600,000	650,000	8%
Dean Setoguchi President & CCO	390,000	390,000	0%
Bradley Lock SVP, COO	390,000	390,000	0%
Steven Kroeker SVP, CFO	374,400	385,632	3%
Nancy Brennan[(1)] SVP, General Counsel & Corporate Secretary	–	340,000	–

Notes:

(1) Ms. Brennan joined Keyera July 2, 2019. Base salary amount represents 2019 annual salary awarded to Ms. Brennan upon hire. Actual salary amount received by Ms. Brennan in 2019 is provided in the Summary Compensation Table at page 62.

Short-term incentive plan ("STIP")

Our short-term incentive plan (or "STIP") provides all employees, including our executives, opportunity to earn an annual cash award based on the achievement of Board-approved corporate performance objectives, as well as individual performance, during the year.

For purposes of STIP award opportunity, weighting of corporate and individual performance is based on an employee's level of responsibility and ability to influence corporate results. For executives, STIP opportunity is based predominantly on corporate performance. Annual STIP award opportunity is expressed as percentage of base salary ("STIP Target") with ability to earn between zero (minimum) to two times (maximum) STIP Target, based on performance results.

In 2019, the STIP award eligibility of our NEOs was as follows:

Name and position	STIP target (% base salary)	STIP eligibility (% base salary)	Corporate performance (%)	Individual performance (%)
David Smith CEO	100	0% – 200%	90	10
Dean Setoguchi President & CCO	60	0% – 120%	80	20
Bradley Lock SVP, COO	60	0% – 120%	80	20
Steven Kroeker SVP, CFO	60	0% – 120%	80	20
Nancy Brennan SVP, General Counsel & Corporate Secretary	60	0% – 120%	80	20

STIP corporate performance metric

Our STIP rewards corporate performance aligned with responsible growth and the experience of our shareholders. To achieve this objective, the Board has adopted after-tax DCFPS as the corporate performance measure for our STIP. The rationale for selecting DCFPS, and the additional non-financial performance measures considered by the Board when evaluating annual STIP results, are discussed below.

DCFPS: Our Corporate Performance Metric

DCFPS represents cash flow from our operating activities, adjusted for changes in non-cash working capital, inventory write-downs, lease payments, and maintenance capital expenditures, divided by the weighted average number of outstanding shares during the performance period.

DCFPS is publicly reported by Keyera in its quarterly and annual financial disclosure and calculated on an after-tax basis. Any adjustments made from actual DCFPS to determine DCFPS used for STIP purposes are reviewed with the CGC. No such adjustments to DCFPS were made by the CGC or the Board in 2019.

In adopting DCFPS as our STIP performance measure, the Board considered various factors, including the following:

- Consistency: DCFPS is used by Keyera as a supplemental financial measure to evaluate the level of cash flow generated from operations and the adequacy of internally generated cash flow to fund dividends and our growth initiatives;
- Transparency: Each quarter, Keyera publishes its DCFPS results in our MD&A, offering shareholders a clear line of sight into our performance;
- Alignment: DCFPS is strongly correlated with shareholder return. We believe the use of DCFPS supports alignment between compensation outcomes and the experience of our shareholders. To drive internal alignment, DCFPS is also used as the STIP performance measure for all employees; and
- Risk Mitigation: We believe compensation risk is mitigated through the use of transparent and accessible performance metrics. As DCFPS results determine our annual STIP pool, STIP awards are also fully funded.

DCFPS: Annual STIP Target Setting Process

At the beginning of each year, the Board approves an annual DCFPS target for purposes of the STIP ("DCFPS Target"). For 2019, this review was completed by the CGC and approved by the Board at its February 2019 meeting.

In determining the 2019 DCFPS Target, the Board examined analysis prepared by management, including in respect of the approved 2019 budget, 2019 budgeted DCFPS, the effect of (then) recent federal tax changes on cash taxes, potential effects of various commodity price scenarios on realized margin, effects of common equity issuances under our Dividend Reinvestment Plan ("DRIP"), as well as anticipated effects on EBITDA from existing growth projects. The Board also considered perspective provided by Mercer. Finally, the Board reviewed various performance scenarios to stress-test the effects of various DCFPS targets and potential performance results on compensation outcomes and shareholder returns.

Following such review, the Board approved a 2019 DCFPS Target of $2.58. The approved target was almost 4 percent higher than the 2019 budgeted DCFPS and represents a compound annual growth rate of 6 percent compared to actual DCFPS in 2013, the year prior to the sharp decline in crude oil prices. The 2019 DCFPS Target was also noted to be lower than the actual 2018 DCFPS results of $3.08, due to higher scheduled maintenance capital and higher cash taxes in 2019.

Under the STIP, corporate performance which meets the annual DCFPS Target generally correlates to a STIP performance multiplier of 1.0. The maximum performance multiplier (and corresponding payout) is capped at 2.0.

Non-financial STIP Performance Considerations

In addition to DCFPS, the Board considers key non-financial measures when assessing STIP results. The Board considers these measures on a discretionary basis, with a view to mitigating potential unintended consequences arising from the use of a single financial metric. Absent extraordinary circumstances, such consideration does not result in significant adjustment to the STIP's approved corporate performance multiplier.

Such non-financial measures consist of key operational objectives relative to safety, operational reliability and environmental performance. This examination is designed to ensure that, despite strong financial performance, annual STIP results are overall aligned with performance in these key aspects of our business.

Annual STIP performance assessment process

DCFPS: Corporate performance multiplier

Following completion of the performance year, the CGC reviews corporate performance relative to the DCFPS Target and non-financial considerations above. Once approved, the corporate performance multiplier is used to determine 90 percent of the 2019 STIP award for our CEO, Mr. Smith, and 80 percent of 2019 STIP awards for our remaining NEOs.

Individual performance multiplier

Each year, the CGC also reviews individual NEO performance to determine annual STIP eligibility. Individual performance represents 10 percent of STIP awards for Mr. Smith, and 20 percent for our remaining NEOs.

The Board does not apply formal weightings or specific quantitative measures to determine individual STIP awards for our NEOs. Individual performance is evaluated based on a subjective assessment relative to key objectives established for the year, overall corporate performance, and individual contributions to our leadership team. For NEOs reporting to the CEO, the CGC also considers the recommendations of Mr. Smith.

Individual STIP award eligibility for all NEOs, including Mr. Smith, are determined during an *in camera* session held by the independent directors. All deliberations regarding STIP eligibility for our CEO, Mr. Smith, are conducted *in camera* by the independent directors, without Mr. Smith or any representative of management present. Such discussions, including in respect of STIP eligibility of our other NEOs, are also attended by Mercer.

2019 STIP results

Corporate performance relative to the 2019 DCFPS Target and non-financial considerations described above, as well as individual NEO performance, were examined by the CGC at its January 2020 meeting. Following review and discussion, including input and perspective from Mercer, the CGC formulated its recommendations, which were provided to the Board for review at its February 2020 meeting.

2019 DCFPS performance relative to 2019 DCFPS target

In determining the 2019 corporate multiplier, performance was reviewed relative to the 2019 DCFPS Target of $2.58. More specifically, the CGC reviewed the actual 2019 DCFPS result of $2.77, which was 7 percent higher than the 2019 DCFPS Target.

The Committee also examined other key indicators of Keyera's 2019 financial performance, including $1.054 billion in realized margin, adjusted EBITDA of $944 million and DCF of $594 million. Key organizational achievements during the year, including the timing and execution of capital projects at Wapiti and Simonette, sanctioning of the $1.3 billion KAPS pipeline, and completion of an inaugural $600 million public hybrid debt offering, as well as various challenges encountered during the year, were also reviewed.

The CGC evaluated the actual 2019 DCFPS result of $2.77 relative to the experience of our shareholders over the same period. More specifically, such result was noted by the CGC to represent a 7 percent compound annual growth rate for shareholders since 2013, the year prior to the sharp decline in crude oil prices.

Overall 2019 DCFPS results relative to the 2019 DCFPS Target, and the resulting 2019 STIP corporate multiplier, are summarized in the table below:

2019 DCFPS results (STIP corporate performance multiplier)			
2019 DCFPS target	Actual 2019 DCFPS	Result relative to 2019 target (%)	Corporate multiplier
$2.58	$2.77	107%	1.35x

Prior to approving the 2019 STIP corporate multiplier of 1.35x, the CGC also reviewed annual results relative to safety, operational reliability and environment to ensure overall alignment. Highlights of these results are summarized below.

2019 Operational performance results

Safety

- A single minor employee lost time incident and zero contractor lost time incidents in 2019, during a year in which over 1.4 million construction person hours were logged in the field
- Slight increase in employee Total Recordable Injury Frequency ("TRIF") relative to 2018 with low injury severity; contractor TRIF down relative to 2018, including no lost time injuries in 2019
- Safe suspension of our Nevis and Gilby gas plants and redirection of substantially all Gilby volumes to our Rimbey gas plant.
- Significant progress on the rollout of our Operational Excellence program to drive improved safety, reliability and risk management in our operations

Environment

- Continued downward trend in number of non-compliance events
- Increase of gas facility satisfactory inspections by 20% and corresponding increase in pipeline unsatisfactory inspections to 20%, reflecting increased inspection activity
- Decrease in number of reportable releases
- Focused effort on increasing breadth and extent of ESG related disclosures resulted in significant improvement in ratings for Keyera in 2019, in line with or better than peers in most cases

Operational Reliability

- Overall G&P facility reliability (including customer caused events) of 95.3% in 2019, down slightly from 96.6% in 2018. Excluding customer related events, 2019 rate was 98.4%, relative to 98.8% in 2018
- Pipeline failure rates well below industry and peers (Industry – 1.0/1000 km; Keyera 0.2/1000 km)
- Total utilization at our AlbertaEnviro Fuels facility was 89.5% in 2019, compared to 95% in 2018
- Total C3+ Fractionation utilization was 98% in 2019 as compared to 96% in 2018
- Successful continued implementation of our Asset Management and Reliability program, formalizing management of facility and equipment maintenance to reduce risk and improve efficiency and reliability

After considering respective achievements and challenges in these non-financial areas, the CGC recommended a corporate performance multiplier of 1.35x. This recommendation was approved by the Board at its February 2020 meeting.

2019 STIP decisions

Approved 2019 STIP awards for our NEOs based on the 2019 corporate performance multiplier of 1.35x are provided below:

Name and position	2019 STIP range (% base salary)	Target 2019 STIP	Maximum 2019 STIP	2019 STIP bonus	% 2019 Base Salary
David Smith CEO	0 – 200	$650,000	$1,300,000	$880,750	136%
Dean Setoguchi President & CCO	0 – 120	$234,000	$468,000	$334,620	86%
Bradley Lock SVP, COO	0 – 120	$234,000	$468,000	$318,240	82%
Steven Kroeker SVP, CFO	0 – 120	$231,379	$462,758	$314,676	82%
Nancy Brennan SVP, General Counsel & Corporate Secretary	0 – 120	$204,000	$408,000	$281,200(1)	83%

Notes:
(1) Ms. Brennan was granted a full-year (versus pro-rated) STIP award under the terms of her July 2, 2019 employment offer.

Long-term incentive ("LTI") awards

LTI awards represent the largest proportion of annual compensation for our executives. LTI awards are designed to focus leaders on delivering long-term shareholder value through promoting a proprietary interest in Keyera.

Executive LTI grants are 100 percent performance-based. Under these grants, compensation opportunity is based on corporate performance relative to (i) pre-tax DCFPS; and (ii) relative TSR; each over a three-year period. To further mitigate compensation risk and foster retention, vesting and payout (if any) is deferred for a full three-year period.

LTIP design

Keyera grants only two types of LTI awards under our LTI Plan ("LTIP"): Performance Awards and Restricted Awards. Executives receive Performance Awards and currently do not receive Restricted Awards. A summary of awards granted under our LTIP is provided below:

LTI award	Performance awards	Restricted awards
Eligibility	Executives and certain eligible employees	Employees (executives currently do not receive Restricted Awards)
Purpose	Reward achievement of corporate performance relative to pre-tax DCFPS targets and relative TSR over a 3-year period Align compensation with experience of our shareholders Encourage retention as all vesting deferred for 3-year period	Encourage retention Reward contributions to executing our business plan and the growth plan Align employee compensation with the performance of our share price over a 3-year period
Grant frequency	Annually	Annually
Term	3 years	3 years
Vesting schedule	100% cliff vested after 3-year performance period	Vest in 33.33% increments over 3-year period. Increments vest and settle annually on/or before September 1 on the first, second and third anniversaries of the grant date

Vesting eligibility	Vesting subject to achievement of: (i) Pre-Tax DCFPS target (70 percent) and (ii) relative TSR performance (30 percent), over three-year performance period	Vesting time-based, value based on difference in price of our common shares between grant date and vesting date
Number of shares granted	Determined by dividing LTI grant date value by the volume weighted average price of our common shares over the 20 trading day period immediately prior to grant date of July 1st	Determined by dividing LTI grant date value by the volume weighted average price of our common shares over 20 trading day period immediately prior to grant date of July 1st
Number of vested and settled shares	Determined based on corporate performance relative to: (i) Pre-Tax DCFPS target; and (ii) relative TSR results, each over a 3-year performance period. The number of settled shares ranges from 0 (minimum) to 2x (maximum) based on performance results, including for TSR. The value of vested shares is based on the closing price of our common shares on the trading day prior to the delivery date	Number of vested and settled shares is time-based, relative to above vesting schedule. Value of vested shares is determined by multiplying number of vested shares by the closing price of our common shares on the trading day prior to the delivery date
Dividend equivalent shares	Vested shares granted attract dividend equivalent shares based on dividends paid on our common shares over the 3-year performance period. Dividend equivalent shares paid out on pro-rata basis (relative to performance results) on settlement	Shares attract dividend equivalent shares based on dividends paid on our common shares from grant to the settlement date. Dividend equivalent shares paid out on pro-rata basis (relative to vesting schedule) on settlement
Form of settlement	Shares or cash at employee's pre-election. Shares are purchased on open market via a third party trust. Performance awards have no voting rights unless converted to shares on vesting and cannot be assigned	Shares or cash at employee's pre-election. Shares are purchased on open market via a third party trust. Restricted awards have no voting rights unless converted to shares on vesting and cannot be assigned

2019 NEO Performance Awards

Vesting and settlement value of Performance Awards granted to our executives is determined based on corporate performance relative to: (i) pre-tax DCFPS target (70 percent); and (ii) our relative TSR performance (30 percent), over a three-year period, as described above. Compensation risk is mitigated in our LTIP through use of both absolute and relative performance measures.

The two performance measures applicable to Performance Awards granted to our NEOs in 2019 is described below:

Performance Measure	Performance Assessment	Performance Period	Relative Weighting
Pre-Tax DCFPS	Three-year average pre-tax DCFPS performance relative to a Board approved target	3 years starting July 1, 2019	70%
Relative Total Shareholder Return ("RTSR")	TSR performance relative to group of 8 midstream peer companies against which we compete for investment capital. Performance is assessed over a three-year period	3 years starting July 1, 2019	30%

LTIP performance metric setting and evaluation processes

Each year, the Board approves the performance metrics that will be used to determine the payout multiplier for LTIP awards at the end of the three-year performance period.

For 2019 Performance Awards, performance metrics were based on: (i) three-year average Pre-Tax DCFPS; and (ii) our three-year TSR (or "RTSR") performance relative to a corresponding peer group. The metrics applicable to 2019 Performance Awards were reviewed by the CGC in May and approved by the Board in June 2019. In respect of each process, the CGC and Board considered perspective provided by Mercer. This process is described in more detail below.

Setting 2019 LTIP performance metrics: Pre-Tax DCFPS (70%)

Each year, the Board sets a three-year average Pre-Tax DCFPS metric for Performance Awards granted to eligible employees. The three-year average pre-tax DCFPS metric represents 70 percent of the LTIP performance multiplier for the 2019 Performance Award grants.

To determine the Pre-Tax DCFPS Target, the CGC examines corporate Pre-Tax DCFPS performance over the prior twelve-month period as a baseline and assesses the stretch of potential targets relative to forecast and projected shareholder growth. The Committee also considers the potential impact of extenuating factors on Pre-Tax DCFPS performance, including historical and projected utilization rates, cash flow, marketing results, G&P and NGL volumes and curtailment impacts, expected cash flows from growth projects, expected financing costs and share issuances related to growth projects, commodity price forecasts and overall industry conditions. Finally, various scenarios are stress-tested to model potential impacts of various Pre-Tax DCFPS results on compensation outcomes and shareholder returns.

Performance which, over a three-year period, meets the Pre-Tax DCFPS Target correlates to an LTIP performance multiplier of 1.0. Maximum payout is capped at a performance multiplier of 2.0. The pre-tax DCFPS performance range and corresponding LTIP performance multipliers for Performance Awards granted to our executives in 2019 are outlined below:

2019	Three-year DCFPS Performance (1)	Corporate Performance Multiplier (70% weighting)
Maximum	>114% of target	1.4 times
Target	=target	0.7 times
Minimum	<86% of target	0 times

Note:
(1) Actual performance above is approximate; percentages have been rounded to nearest whole number

Setting 2019 LTIP performance metrics: relative TSR (30%)

In addition to Pre-Tax DCFPS, vesting and settlement of executive Performance Awards is also determined by our RTSR performance over the three-year period. Such three-year RTSR results represent 30 percent of the LTIP performance multiplier for Performance Awards granted in 2019.

RTSR performance is assessed against a select group of midstream peer companies against whom we compete for investment capital (our "Performance Peer Group"). For 2019, our Performance Peer Group was as follows:

2019 Performance Peer Group			
AltaGas Ltd.	Gibson Energy Inc.	Kinder Morgan Canada Limited(1)	TC Energy
Enbridge Inc.	Inter Pipeline Ltd.	Pembina Pipeline Corporation	Tidewater Midstream

Note:
(1) Due to its subsequent acquisition by Pembina Pipeline Corporation, Kinder Morgan Canada Limited has been removed from our Performance Peer Group for 2020.

The RTSR thresholds and corresponding LTIP performance multipliers for Performance Awards granted in 2019 (as well as those granted in 2018 and 2017) is shown below:

Relative TSR percentile rank	Corporate Performance Multiplier (30% weighting)
P25 or less	Nil
P25 – P49	0.15 to <0.30 times
P50 – P74	0.30 to <0.60 times
P75 or greater	0.60 times (Maximum)

As noted above, the RSTR performance multiplier is capped at two times. Results that fall between the percentile thresholds above are interpolated on a straight-line basis.

Vesting and settlement value of LTI awards made prior to 2018 is determined solely on corporate performance relative to the Pre-Tax DCFPS target and RTSR thresholds established at the time of grant. For grants commencing in 2018, the LTIP was amended to provide the Board discretion to adjust the settlement amount to address unanticipated or unusual circumstances, including where a formulaic calculation would create unintended results or compensation outcomes misaligned with the objectives of the LTIP.

Executive LTI awards

The grant date value of Performance Awards is based on competitive market data from our Compensation Peer Group, expressed as a percentage of base salary. Executive grants are generally targeted at the median (or P50) of corresponding market data. Individual and overall corporate performance, scope of role and internal equity considerations are also considered in determining the value of executive LTI grants. Such grants are reviewed by the CGC in a May meeting and approved by the Board in June, with an effective date of July 1 the same year.

Annual LTI grant value is also set relative to an LTI grant eligibility range adopted by the Board. Eligibility ranges are reviewed periodically by the CGC, with the assistance of Mercer, including relative to competitive market data.

The LTI award eligibility range for our NEOs in 2019 was as follows:

	Minimum LTIP grant range (% of base salary)	Maximum LTI grant range (% of base salary)
CEO	200%	400%
Other NEOs	150%	300%

2019 LTIP awards

Annual performance Awards were granted to our NEOs effective July 1, 2019. The grant date value of these awards is provided below:

Name and position	2019 grant date value (1)	Performance awards (#)	% of 2019 base salary
David Smith CEO	$2,600,004	79,341	400%
Dean Setoguchi President & CCO	$916,511	27,968	235%
Bradley Lock SVP, COO	$916,511	27,968	235%
Steven Kroeker SVP, CFO	$906,221	27,654	235%
Nancy Brennan SVP, General Counsel & Corporate Secretary	$680,010	20,751	200%

Note:

(1) Effective date of 2019 LTIP grants to our NEOs was July 1, 2019. Above 2019 LTIP grant date value based on the volume weighted average price of Keyera common shares over the 20 trading days before the grant date of July 1, 2019, which was $32.77.

Vesting and settlement of 2016 performance awards:

Performance Awards granted to our executives in 2016 were settled in 2019. Keyera's performance relative to the 2016 Pre-Tax DCFPS Target and RTSR results over the corresponding three-year performance period are set out below:

Settlement of 2016 Performance Awards					
DCFPS Target (3-Year)	Actual DCFPS (3-Year)	Contribution to Corporate Multiplier at 70%	Relative TSR Ranking	Contribution to Corporate Multiplier at 30%	Final Corporate Multiplier
$2.80	$2.84	0.7627	35.5%	0.213	0.9757

As noted above, settlement value for 2016 Performance Awards which vested in 2019 was calculated based on a corporate performance multiplier of 0.9757 (reflecting performance from July 1, 2016 to June 30, 2019) relative to:

(i) three-year average pre-tax DCFPS (weighted at 70 percent) which, at $2.84, slightly exceeded the 2016 DCFPS target of $2.80; and

(ii) three-year RTSR results (weighted at 30 percent) which was 35.5% (relative to the Performance Peer Group).

The following table summarizes the number and corresponding value of 2016 Performance Awards granted to our NEOs which settled in 2019.

Name and position	Number of 2016 Performance Awards settled in 2019	2016 grant date value(2)	Value of 2016 Performance Awards settled in 2019(3)
David Smith CEO	46,029	$1,837,478	$1,761,465
Dean Setoguchi President & CCO	20,832	$831,613	$797,208
Bradley Lock SVP, COO	20,832	$831,613	$797,208
Steven Kroeker SVP, CFO	20,832	$831,613	$797,208
Nancy Brennan (1) SVP, General Counsel & Corporate Secretary	0	$0	$0

Notes:

(1) Ms. Brennan joined Keyera on July 2, 2019, and therefore did not receive a 2016 Performance Award.

(2) The effective date of the 2016 Performance Award grant was July 1, 2016. The 2016 Performance Award grant date values above have been calculated based on the closing price of Keyera common shares on July 4, 2016 of $39.92.

(3) The 2016 Performance Award settlement values above have been calculated based on the closing price of Keyera common shares on August 9, 2019 of $33.72, the last trading day before settlement. The corporate multiplier was 0.9757 and the adjustment ratio was 1.16308.

Use of discretion

While the determination of incentive compensation under our STIP and LTIP is generally based on quantifiable results (relative to our pre-tax and after-tax DCFPS and RTSR), each year our Board considers broader factors and potentially exercise discretion as required. Such discretion allows the Board to exercise its collective informed judgment when a compensation plan, or formula, did not (or simply could not) anticipate certain events, or could inadvertently affect other key strategic objectives. In these cases, the Board may use its discretion to adjust compensation outcomes up or down, as necessary to align at risk pay with overall performance and our broader strategic objectives. Where the Board does exercise discretion, it is clearly and transparently disclosed to enable shareholders to understand our rationale and corresponding compensation impacts.

Executive perquisites

Our NEOs also participate in limited executive perquisites, including one business club membership, executive life insurance and an executive medical program. The value of these benefits does not represent a significant element of executive compensation. NEOs also participate in the same benefit plans as our employees. For more information regarding the value of perquisites provided to our executives, see the Summary Compensation Table at page 62.

2020 Program Changes

In 2019 we made or initiated several important changes to our compensation program. These changes, made to enhance the alignment between our practices and our compensation philosophy, are summarized below.

Executive compensation

In 2019, the Board approved the following changes to compensation for our senior executives to align with competitive data from our Compensation Peer Group:

- target STIP eligibility for our NEOs (other than the CEO) was increased from 60 percent of base salary to 70 percent, effective the 2020 performance year;

- target annual LTIP grant range for our CEO, David Smith, was increased from 200 to 400 percent to 250 to 500 percent, effective for 2020; and

- annual salary and 2019 LTIP grant value for Dean Setoguchi was increased, effective March 1, 2020 to reflect his promotion to President & Chief Commercial Officer.

2020 STIP Redesign

In 2019, the CGC undertook a comprehensive review of our STIP design. Completed with the assistance of Hugessen, the CGC initiated the review with three primary objectives: (i) identify potential non-financial STIP metrics for purposes of moving toward a corporate scorecard approach; (ii) encourage and reward ESG-related performance; and (iii) reduce compensation risk through enhancing the balance of STIP performance measures.

After a comprehensive review conducted over several meetings, a new STIP design was approved by the Board in February 2020. Under the new design, three new performance categories have been added, representing 30 percent of overall STIP results (in addition to the 70 percent After-Tax DCFPS measure). Selected to enhance our focus on ESG-related performance factors related to the safety of our people, the reliability of our facilities and our environmental responsibility, the performance measures for our new 2020 STIP design are provided below:

- Financial — After-Tax DCFPS (70% weighting)
- Safety (10% weighting)
- Operational (10% weighting)
- Environment & Regulatory (10% weighting)

Consistent with Board and Committee oversight of our ESG approach and priorities, reporting will be provided to the Audit Committee, HSE Committee and the Board, to track Keyera's progress relative to objectives in each of the above new STIP performance categories.

Compensation Governance

Independent compensation consultants

Since 2003, the CGC and the Board have engaged the services of Mercer to provide independent advice and perspective on the market competitiveness of executive compensation, the composition of our Compensation Peer Group, incentive compensation matters and overall program design. In addition to executive compensation, Mercer also provides the CGC with competitive market data against which to benchmark the compensation of our directors.

With the approval of the CGC Chair, Mercer also provides competitive market data to management for purposes of benchmarking annual employee compensation.

The CGC also retains the services of Hugessen to provide independent research and perspective on executive compensation matters, including best practices. In 2019, the CGC retained Hugessen to provide analysis and advice in respect of: (i) the market competitiveness of annual compensation for our CEO, David Smith; and (ii) the proposed redesign of our STIP.

To maintain the independence of its executive compensation consultants, management is required to obtain the express prior approval of the CGC Chair, Doug Haughey prior to seeking to retain or engage the services of Mercer or Hugessen.

The fees paid, on behalf of the CGC, to each independent executive compensation consultant for executive or director compensation-related matters in 2018 and 2019 are provided below:

	2018	2019
Mercer		
Executive compensation fees (1)	$69,182	$74,932
All other fees (2)	$26,886	$30,983
Total (Mercer)	$96,068	$105,915
Hugessen		
Executive compensation fees (1)	$4,786	$92,288
All other fees	$0	$0
Total (Hugessen)	$4,786	$92,288

Notes:

(1) In respect of Mercer, "executive compensation fees" refers to fees for services related to analysis regarding our executive compensation program, including compensation levels for our executives, review and analysis related to our director compensation program, including competitive market data. For Hugessen, "executive compensation" fees refer to services related to the review and redesign of our STIP, as well as competitiveness of annual compensation for our CEO, Mr. Smith.

(2) "All other fees" refers to fees incurred for services related to Keyera's participation in annual market surveys (Mercer) or other advisory services.

Share ownership guidelines for officers

Keyera has share ownership guidelines for its executives. The guidelines are intended to encourage equity ownership, thereby enhancing alignment of the interests of executives with those of our shareholders. Executives have five years from the date of their appointment to meet their share ownership threshold and must maintain compliance for the duration of their employment as an executive.

LTI awards granted to our executives are not included in the calculation of shareholdings. Each of our NEOs, excluding Ms. Brennan, who was appointed July 2, 2019, meet their share ownership guidelines as of March 2, 2020.

Name and position	Target share ownership (multiple of base salary)	Total shares at March 2, 2020 (1)	Total share value at March 2, 2020 (2)	Share value (multiple of base salary) (3)
David Smith CEO	3 times	604,249	$21,160,800	34 times
Dean Setoguchi President & CCO	2 times	202,878	$7,104,788	18 times
Bradley Lock SVP, COO	2 times	190,770	$6,680,765	17 times
Steven Kroeker SVP, CFO	2 times	107,315	$3,758,171	10 times
Nancy Brennan (4) SVP, General Counsel & Corporate Secretary	2 times	--	--	--

Notes:

(1) Represents shares beneficially owned or controlled by the NEO. Does not include shares acquired by NEO through participation in the Premium Dividend and Dividend Reinvestment Plan.

(2) Under the Guidelines, share value is based on the 30-day average closing price of Keyera common shares up to and including March 2, 2020, which was $35.02.

(3) Share value (multiple of base salary) above has been calculated by dividing the total value of shares held by each NEO as of March 2, 2020 by their 2019 base salary set out in the Summary Compensation Table on page 62, rounded to the nearest whole number.

(4) Ms. Brennan was appointed SVP, General Counsel & Corporate Secretary on July 2, 2019. As a new executive, Ms. Brennan has until July 2, 2024 under the Guidelines to attain her required share ownership level.

Hedging prohibitions

The Board has approved anti-hedging restrictions which prohibit directors, officers and employees from entering into speculative transactions involving Keyera securities.

More specifically, these prohibitions include the use of puts, calls, collars, spread trades, short selling engaging in hedging activities of any kind, including buying, selling or entering into: (i) any derivative instruments, agreements or securities, the market price, value or payment obligations of which are derived from, referenced to or based on the value of securities of Keyera; or (ii) any other derivative instruments, agreements, arrangements or understandings (commonly known as equity monetization transactions) the effect of which is to alter, directly or indirectly, the director's or officer's economic interest in securities of Keyera, or the director's or officer's economic exposure to Keyera.

Clawback policy

Keyera has adopted a clawback policy to assist in the management of compensation related risk. The policy authorizes the Board to require reimbursement or cancelation of incentive compensation received by the CEO where such officer has engaged in fraud, gross negligence or intentional misconduct resulting in a material restatement of all or a portion of financial results. The Board is also granted full discretion under the policy to determine other appropriate recourse in such circumstances.

Compensation-Related Risk Management

Our program is based on principles that support the mitigation of compensation risk. We achieve this through deliberate design and regular monitoring to ensure our program does not inadvertently incent our executives to take imprudent risk that could have an adverse impact on Keyera or the execution of its strategy. In addition to formal policies, the following elements have been incorporated into our program to mitigate potential compensation risk:

- Executive compensation is predominantly comprised of incentive compensation for which vesting and settlement are based on quantifiable financial performance metrics, including pre-tax and after-tax DCFPS and RTSR;
- Incentive compensation eligibility under our STIP and LTIP are subject to maximums (or “caps”) of two times target eligibility;
- The CGC retains independent compensation consultants to provide advice and perspective on the competitiveness of our program, incentive compensation structure and overall design;
- Executive LTI awards are 100 percent performance-based; with no time-based only vesting;
- Vesting and payout of all executive LTI awards is deferred for a period of three years from grant;
- The design of our compensation program is consistent across all business units and (with the exception of not granting Restricted Awards to our executives) generally consistent between executives and employees;
- Performance metrics under our incentive compensation plans are stress-tested relative to various performance and shareholder return outcomes, prior to approval; and
- The Board considers a variety of non-quantifiable factors, including our overall performance, prior to determining results under our incentive compensation plans, and exercises discretion where required to avoid unintended outcomes.

Compensation of Named Executive Officers

Summary Compensation Table

The following table provides a summary of compensation earned by our NEOs for the most recent three years. Compensation amounts referred to below have been paid to our NEOs under our compensation program described in this CD&A. All amounts have been paid to our NEOs in Canadian dollars.

Name and position	Year	Salary ($)(1)	Equity incentive plan compensation		Non-equity incentive plan compensation		Pension value(5) ($)	All other compensation ($)(6)	Total compensation ($)(7)
			Share-based awards ($)(2)	Option-based awards ($)(4)	Annual incentive plans ($)(3)	Long-term incentive plans ($)(4)			
David Smith CEO	2019	625,000	2,661,097	–	880,750	–	62,496	–	4,229,343
	2018	600,000	2,137,644	–	1,068,000	–	60,000	–	3,865,644
	2017	562,500	2,080,197	–	765,000	–	56,256	–	3,463,953
Dean Setoguchi President, CCO	2019	390,000	938,047	–	334,620	–	39,000	–	1,701,667
	2018	375,700	859,114	–	396,739	–	37,570	–	1,669,123
	2017	360,000	784,556	–	280,800	–	28,800	–	1,454,156
Bradley Lock SVP, COO	2019	390,000	938,047	–	318,240	–	39,000	–	1,685,287
	2018	375,700	859,114	–	396,739	–	37,570	–	1,669,123
	2017	360,000	784,556	–	280,800	–	36,000	–	1,461,356
Steven Kroeker SVP, CFO	2019	385,632	927,515	–	314,676	–	38,568	–	1,666,391
	2018	374,400	839,794	–	390,874	–	37,440	–	1,642,508
	2017	360,000	802,384	–	285,120	–	36,000	–	1,483,504
Nancy Brennan (8) SVP, General Counsel & Corporate Secretary	2019	168,712	880,689	–	281,200	–	13,521	–	1,344,122
	2018	–	–	–	–	–	–	–	–
	2017	–	–	–	–	–	–	–	–

Notes:

(1) Salary amounts are paid to our NEOs in cash only and reflect the actual amount paid during the year. As Ms. Brennan joined Keyera on July 2, 2019, salary amount above represents actual amount received from July 2, 2019 to December 31, 2019.

(2) Effective date of 2019 LTIP grants to our NEOs was July 1, 2019. Above 2019 LTIP grant values valued based on the closing price of Keyera common shares on July 2, 2019 of $33.54. Above 2018 LTIP grant amounts based on TSX closing price for Keyera common shares on July 3, 2018 of $36.94. Above 2017 LTIP grant amounts based on the closing price of Keyera common shares on July 4, 2017 of $40.89.

(3) Annual incentive amounts refer to 2019 STIP awards paid to our NEOs in February 2020. (See "Compensation Discussion and Analysis – STIP").

(4) Keyera does not have non-equity long-term incentive plans.

(5) All NEOs participate in our defined contribution pension plan on same terms as other salaried Keyera employees. Company contributions to the plan are based on a combination of age and service. For specific information for each NEO, see page 64.

(6) No NEOs received perquisites or other compensation, in the aggregate, of a value of $50,000 or more or worth 10% or more of their annual compensation in 2019

(7) There are no awards, earnings, payments or payables to an associate of any of the NEOs in any capacity in respect of the Corporation.

(8) Ms. Brennan joined Keyera effective July 2, 2019. Above share-based awards include an annual Performance Award grant ($695,989), plus an additional 2018 Performance Award grant ($184,700) provided *in lieu* of a signing bonus.

Outstanding Share-based Awards

The following table sets forth all outstanding share-based awards for each NEO that are unvested as at December 31, 2019. As Keyera does not have an option plan, there are no outstanding option-based awards for our NEOs. Share-based awards below refer to Performance Awards previously granted to our NEOs under our LTIP.

Name and position	Number of unvested LTIP awards(1)	Market or payout value of unvested LTIP awards(2)	Market or payout value of vested LTIP awards not yet paid or distributed(3)
David Smith CEO	188,082	$7,630,499	–
Dean Setoguchi President & CCO	70,412	$2,856,539	–
Bradley Lock SVP, COO	70,412	$2,856,539	–
Steven Kroeker SVP, CFO	70,011	$2,840,048	–
Nancy Brennan SVP, General Counsel & Corporate Secretary	25,751	$1,047,671	–

Notes:

(1) The only share-based awards granted to our NEOs are Performance Awards granted under our LTIP. The value of Performance Awards that vest and are settled (in shares or cash) at the end of the three-year performance period is based on corporate performance relative to pre-tax DCFPS target and RTSR performance over a three-year period.

(2) Market or payout value of unvested LTIP awards above have been calculated based on the closing price of Keyera common shares on December 31, 2019 of $34.02, multiplied by an LTIP performance factor of 1.0x and the inclusion of dividend equivalent units based on maintaining Keyera's dividend as $0.16 per share per month (as of March 2020) through to the settlement date.

(3) Under our LTIP, awards do not vest until the delivery date, when they are settled. There are therefore no vested, unpaid share-based awards outstanding for any of our NEOs. (See "Compensation Discussion and Analysis – Long Term Incentive Plan").

Incentive Plan Awards: Value Vested or Earned During the Year

The following table shows the value of incentive plan awards vested or earned for each NEO during the year ended December 31, 2019. As Keyera does not have an option plan, our NEOs do not receive option-based awards. Share-based awards refer to 2016 Performance Awards made to our NEOs that vested and settled in 2019. Non-equity incentive plan compensation refers to 2019 STIP awards paid to our NEOs in cash in 2020.

Name and position	Share-based awards value vested during the year(1)	Non-equity incentive plan compensation value earned during the year(2)
David Smith CEO	$1,761,465	$880,750
Dean Setoguchi President & CCO	$797,208	$334,620
Bradley Lock SVP, COO	$797,208	$318,240
Steven Kroeker SVP, CFO	$797,208	$314,676
Nancy Brennan SVP, General Counsel & Corporate Secretary	$0	$281,200

Notes:

(1) Represents the value of 2016 Performance Awards that vested in 2019. The above value was calculated by multiplying the number of LTI Performance Awards that vested during 2019 by $33.72, the closing price of Keyera common shares on August 9, 2019

(2) Represents cash value of 2019 STIP awards paid in February 2020. NEOs receive no other non-equity compensation under our program.

Retirement Benefits

Pension benefits

Executives are eligible to participate in our defined contribution ("DC") registered pension plan, available to all employees. Keyera does not have a defined benefit pension plan.

Under the plan, DC pension contributions are made by Keyera on behalf of all employees, including the NEOs, based on a combination of age plus years of credited service. Pensionable earnings, for purposes of the plan, include annual base salary to a maximum of $57,400 (per Canada Revenue Agency annual limit). Participants select from a variety of investment options under the plan and manage their own accounts. Company contribution rates are provided below:

Less than 45 years of credited service (including age)	45 years or more, but less than 55 years (including age)	55 years or more (including age)
6%	8%	10%

Pension contributions under the plan are payable by Keyera up to the level permitted by the Income Tax Act (Canada) ("Contribution Limit"). Where NEO contribution amounts made by Keyera exceeds the Contribution Limit, the excess amount is paid to the NEO in cash, less taxes and withholdings each month. Keyera does not have a supplemental pension plan for its executives.

Under the Plan, normal retirement is the first day of the month of the participant's 65th birthday. Participants who have reached age 55 with 24 months or more of continuous service may elect to retire and have their pension commence any time before their normal retirement date. Payments must commence by the end of the calendar year of the participant's 71st birthday. The DC pension and corresponding contribution value for our NEOs in 2019 is shown in the table below.

Name and position	Accumulated value at start of year ($)	Compensatory (1) ($)	Accumulated value at year end ($)
David Smith CEO	893,230	62,496	1,091,212
Dean Setoguchi President & CCO	142,251	39,000	198,463
Bradley Lock SVP, COO	517,461	39,000	637,705
Steven Kroeker SVP, CFO	317,604	38,568	379,748
Nancy Brennan (2) SVP, General Counsel & Corporate Secretary	–	13,521	13,839

Notes:

(1) Amounts reported above include the pension contribution made by Keyera on behalf of each NEO, plus any excess pension contribution amount. Messrs. Smith, Setoguchi, Lock and Kroeker reached the Contribution Limit before the end of the year. Therefore, the excess amount was paid to these NEOs in cash, subject to tax withholdings. There were no above-market or preferential earnings.

(2) Ms. Brennan joined Keyera July 2, 2019. Above amounts represent contributions made on her behalf from such date to December 31, 2019.

Termination and change of control benefits

Executive employment agreements

Keyera has executive employment agreements ("EEA") with each NEO that describe their respective base salary, benefits, as well as STIP and LTIP eligibility. The EEAs also provide for severance and other entitlements in the event the NEO's employment is terminated or there is a "Change in Control" ("CIC") event.

Eligible employees, including our executives, are also subject to the terms of our LTIP, which contains specific provisions regarding the treatment of vested and unvested LTI grants in the event of termination of employment or a CIC event.

Termination of employment (non-change in control)

The EEAs provide for various compensation arrangements in the event the NEO's employment is terminated due to: (i) cause; (ii) other than for cause; (iii) disability; (iv) retirement; or (iv) death. Under the EEAs, LTIP entitlements are as provided in the LTIP document. NEOs entitlements under each of these (non-CIC event scenarios) is outlined below.

Termination for cause	NEOs receive no payments under the EEAs; all unvested STIP and LTIP awards are forfeited.
Termination without cause	EEAs define termination as without cause as any reason (excluding for cause) or termination of employment by the executive for "good reason".
Resignation	NEOs receive no payments under the EEAs and all unvested STIP and LTIP awards are forfeited.
Incapacity	In the event an NEO's employment is incapacitated due to incapacity for a period of 12 consecutive months or more, Keyera may terminate the NEO's employment with 30 days' notice.
Death	In the event of death, the NEO's estate receives any unpaid base salary earned to the date of death. The CGC also has discretion to pay an STIP bonus for time worked during the performance year. Outstanding unvested LTIP awards are accelerated to the date of death and paid to the NEOs estate.

The potential value of these entitlements is provided in the tables provided below.

Change in control ("CIC") event

The EEAs also provide for certain severance and other entitlements in the event the NEO's employment is terminated upon or within 180 days of a CIC event. LTIP awards are addressed as provided in the LTIP document, described below.

The EEAs and LTIP each define a "Change in Control" as a transaction or series of transactions involving the corporation involving: (i) the sale of all or substantially all of Keyera's assets; (ii) its liquidation, dissolution or winding up; (iii) the amalgamation, arrangement, merger or other combination in which immediately thereafter its shareholders no longer control more than 50% of the voting securities of Keyera and/or its directors no longer constitute a majority of the Board; (iv) acquisition by a third party of 50% or more of its outstanding shares; (v) election by shareholders of directors, the majority of whom were not nominated by the prior Board; or (vi) a takeover transaction as defined under applicable securities law.

Upon a CIC, severance entitlements under the EEAs (described below), are "double trigger", meaning they require both a CIC and a subsequent termination of employment. More specifically, the EEAs provide that in the event of a CIC, NEOs receive certain severance arrangements only where, within 180 days of such event, s/he either: (i) is terminated without cause; or (ii) elects to terminate their employment for "Good Reason".[6]

In respect of outstanding LTIP awards, the EEAs default to the provisions of the LTIP, which are "single trigger", requiring solely a CIC event. In the event of a CIC event, the LTIP provides that vesting of all outstanding LTIP awards accelerates to the earlier of: (i) the next scheduled vesting date; or (ii) the 61st day following the CIC event. To receive accelerated vesting, the NEO must continue to make their services available for a 60-day period following the CIC event. These CIC provisions apply to all LTIP eligible employees, including our NEOs.

Post-employment obligations

In the event of termination for any reason, under the EEAs, the NEO must also observe certain non-solicitation and non-disclosure obligations for an 18-month period.

Termination and change in control table

The following table summarizes payments received by each NEO under their respective EEAs and the LTIP in the event of termination of their employment (in the circumstances described above) and/or there is a CIC event. The table below is calculated as though such event occurred December 31, 2019.

As NEOs receive no severance or other payment (both under the EEAs and LTIP) in the event of termination of employment "for cause", this scenario has been omitted from the table below.

[6] Under the EEAs, "Good Reason" for a NEO is defined as: (i) a material decrease in title, position, reporting relationship, responsibility or powers; (ii) required relocation to another city, province or country; (iii) material reduction in value of salary, benefits, compensation plans and programs; or a (iv) failure to be paid when due a material amount under the Agreement.

Name and position	Compensation element [1]	Termination without cause ($)[2],[3]	Termination upon change in control ($)	Change in control, no termination ($)	Retirement ($)[4],[5]	Death ($)[6]
David Smith CEO	Cash severance	1,586,003	1,586,003	–	–	–
	STIP	2,136,000	2,136,000	–	880,750	880,750
	LTIP	4,738,384	7,129,372	7,129,372	7,630,499	7,023,454
	Total	8,460,387	10,851,375	7,129,372	8,511,249	7,904,204
Dean Setoguchi President & CCO	Cash severance	837,783	837,783	–	–	–
	STIP	793,478	793,478	–	334,620	334,620
	LTIP	1,793,299	2,669,641	2,669,641	2,856,539	2,626,254
	Total	3,424,560	4,300,902	2,669,641	3,191,159	2,960,874
Bradley Lock SVP, COO	Cash severance	1,044,815	1,044,815	–	–	–
	STIP)	793,478	793,478	–	318,240	318,240
	LTIP	1,793,299	2,669,641	2,669,641	2,856,539	2,626,254
	Total	3,631,592	4,507,934	2,669,641	3,174,779	2,944,494
Steven Kroeker SVP, CFO	Cash severance	834,289	834,289	–	–	–
	STIP	781,747	781,747	–	314,676	314,676
	LTIP	1,803,506	2,666,940	2,666,940	2,840,048	2,624,594
	Total	3,419,542	4,282,976	2,666,940	3,154,724	2,939,270
Nancy Brennan SVP, General Counsel & Corporate Secretary	Cash severance	718,900	718,900	–	–	–
	STIP	408,000	408,000	–	281,200	281,200
	LTIP	322,128	828,650	828,650	1,047,671	822,402
	Total	1,449,028	1,955,550	828,650	1,328,871	1,103,602

Notes:

(1) "Cash severance" amounts include, where applicable, an NEO's base salary, employee benefits (valued at 18% base salary), executive perquisites (cost of annual club membership, parking, life insurance and executive medical) for a 24-month period for Messrs. Setoguchi, Kroeker and Ms. Brennan. Under the original EEAs for Messrs. Smith and Lock, cash severance is a minimum of 24 months to a maximum of 30 months based on years of service. Severance entitlements for Messrs. Smith and Lock have been calculated based on 30 months, reflecting their years of service. For all NEOs, amounts include a $20,000 lump sum cash payment for career transition or related services.

(2) STIP payment in a termination without cause is based on two times the greater of the target STIP bonus or the most recently paid STIP bonus.

(3) In this event, vesting of previously granted unvested LTIs is accelerated, however are settled and paid out based on timing of termination date relative to the original LTI grant date. Where termination occurs prior to the first anniversary of grant, 33.33% of unvested LTIs are paid out; between the first and second anniversary of grant, 66.66% are paid out, and 100% are paid out in event of termination after the second anniversary of the respective LTI grant date. Above values are calculated using the foregoing schedule, assuming a December 31, 2019 termination date, and based on the closing price of our common shares on December 31, 2019, which was $34.02.

(4) For purposes of retirement, STIP entitlements for all NEOs have been calculated as though each individual had reached age 55 (or the Board had exercised its discretion to treat all NEOs as being age 55). Such retiree (age 55 or over) treatment provides NEOs with full-year STIP entitlement upon retirement. Under the STIP, employees (including NEOs) who retire before age 55 do not a receive an STIP award. Of our NEOs, only Messrs. Smith and Lock are currently age 55 or older

(5) Upon retirement, LTIP awards continue to vest and be payable on existing settlement dates as though the NEO continued to be employed. LTIP values above have been calculated based on: (i) a share price of $34.02, the closing price of Keyera common shares on December 31, 2019; (ii) maintenance of current dividend rate (as of March 2020, of $0.16 per share); (iii) a target (or 1.0) LTIP payout multiplier; and (iv) assuming NEO had reached normal retirement age of 55 as at December 31, 2019.

(6) Assumes the CGC exercised its discretion to pay the NEO's estate their 2019 STIP award (for 2019 performance) following death.

Other Matters

Interest of Certain Persons in Matters to be Acted Upon

None of the directors or executive officers of Keyera, or any associate or affiliate of any one of them, has any material interest, direct or indirect, by way of beneficial ownership of securities or otherwise, in any matter to be acted on at the Meeting except as otherwise disclosed in this Information Circular.

Interest of Informed Persons in Material Transactions

Except as disclosed in this Information Circular, none of Keyera, any director, nominee for director, or executive officer of Keyera, or any associate or affiliate of any of them, has a material interest in any transaction since January 1, 2019 or in any proposed transaction that has materially affected or would materially affect Keyera or Keyera's subsidiaries or predecessors.

Indebtedness of the Directors and Officers of Keyera

None of the current or former directors, executive officers or employees of Keyera, nor any associate or affiliate of any one of them, is or was indebted, directly or indirectly, to Keyera at any time since January 1, 2019.

Additional Information

Financial information relating to Keyera is provided in the consolidated annual financial statements of Keyera. An overview of Keyera and our business operations is contained in our Annual Information Form. Keyera files annual information forms, financial statements, management's discussion and analysis, information circulars and press releases with Canadian securities regulatory authorities. Copies of such documents and additional information related to Keyera may be obtained on SEDAR at www.sedar.com, on Keyera's website at www.keyera.com or by contacting the Director, Investor Relations at Keyera at Suite 200, 144 – 4th Avenue S.W., Calgary, Alberta, T2P 3N4 (Toll Free: 1-888-699-4853).

Disclaimer: Presentation of Financial Information

This Information Circular refers to certain financial measures that are not determined in accordance with Generally Acceptable Accounting Principles applicable to publicly traded companies in Canada ("GAAP").

Measures such as, distributable cash flow (cash flow from operating activities adjusted for changes in non-cash working capital, lease payments, inventory write-down and maintenance capital expenditures), total shareholder return (share price appreciation and dividends paid), adjusted EBITDA (earnings, before interest, taxes, depreciation, amortization, accretion, impairment expense, unrealized gains/losses, and any other non-cash items such as gains/losses on the disposal of property, plant and equipment) and payout ratio (dividends declared to shareholders divided by distributable cash flow) are not standard measures under GAAP and, therefore, may not be comparable to similar measures reported by other entities. Management believes that these supplemental measures facilitate the understanding of Keyera's results of operations, leverage, liquidity and financial position. Distributable cash flow is used to assess the level of cash flow generated from ongoing operations and to evaluate the adequacy of internally generated cash flow to fund dividends. Total shareholder return is a concept that is often used to compare the performance of different companies' shares and dividends over time. Adjusted EBITDA is a measure used as an indication of earnings generated from operations after consideration of administrative and overhead costs. Keyera also uses after-tax and pre-tax distributable cash flow as a performance metric under each of our STIP and LTIP, respectively. Relative total shareholder return is also used as a performance metric under our LTIP.

Readers are cautioned that these measures should not be construed as an alternative to measures, such as net earnings, determined in accordance with GAAP as an indication of Keyera's performance. Readers should refer to Keyera's 2019 annual financial statements and associated management discussion and analysis filed on SEDAR at www.sedar.com for a full discussion of Keyera's financial performance and a reconciliation of these measures to their most closely related GAAP measures.

SCHEDULE "A"– Shareholder Rights Plan Summary

The following is a summary of the principal terms of the Shareholder Rights Plan ("SRP"), which is qualified in its entirety by reference to the text of the SRP, which is available on our website at www.keyera.com.

Overview: The SRP provides a mechanism, whereby a take-over bid must remain open for at least 105 days (unless shortened by Keyera as permitted by regulations) and must remain open for a further 10 days after the acquiring person publicly announces that the shares deposited or tendered and not withdrawn constitute more than 50% of the shares outstanding held by independent shareholders. Keyera will issue new rights ("**Rights**") on the date of the Meeting to all shareholders pursuant to the terms of the SRP. One Right will be issued for each outstanding Share on the date of the Meeting and one Right will be issued for each Share issued after the date of the Meeting and prior to the earlier of the separation time (as described below) and the termination of the SRP. The Rights will automatically trade with and be transferred with their underlying shares unless and until an event occurs that causes a separation, which would include a flip-in event (as described below) or the announcement of an intention to commence a take-over bid (other than Permitted Bid). The Rights are not exercisable unless and until there is such a separation. The issuance of the Rights does not change the manner in which shareholders currently trade their shares.

A flip-in event would occur if a person were to become an acquiring person, that is, if a person acquires beneficial ownership of at least 20% of the shares other than pursuant to certain exceptions such as a Permitted Bid or an exempt acquisition. If the person acquires shares under a Permitted Bid or exempt acquisition or one of the other specified exceptions, they are not considered to be an acquiring person and no flip-in event occurs. If a person does become an acquiring person, each Right then entitles each holder (other than the acquiring person) to purchase shares at a 50% discount. Each holder of a Right may then purchase that number of shares having a fair market value at the relevant time equal to twice the exercise price for an amount equal to the exercise price, in effect permitting shares to be acquired at a 50% discount to the market price at the time of exercise.

The acquiring person is not permitted to exercise any Rights. The SRP provides that the acquiring person's Rights become null and void when the flip-in event occurs. The SRP also provides that the Board of Directors may either waive the SRP or redeem the Rights at a minimal price in certain circumstances. The SRP thereby encourages unsolicited bidders to either make a Permitted Bid or to approach the Board of Directors with their offer and attempt to convince the Board of Directors to either waive the flip-in event or to redeem the Rights. If the offer is coercive or inadequate, the Board of Directors can choose not to cooperate with the bidder and not to agree to waive the SRP or redeem the Rights.

Key Characteristics: The key characteristics of the SRP are described in more detail below:

- Creation and Issuance of Rights. Pursuant to the SRP, Keyera issued one Right for each share outstanding on May 9, 2017, being the date of the shareholder meeting in 2017 when the current version of the SRP was approved by shareholders and will continue to issue one Right for each additional share issued since May 9, 2017 but prior to any separation time or the expiry of the Rights. Any certificates issued for shares after May 9, 2017 (but prior to the close of business at the separation time or the expiry of the Rights) will continue to include a legend evidencing the Rights. Certificates issued for shares while the pre-2017 version of the rights plan was in place may have a legend referencing such earlier plan, which is deemed to reference the current SRP instead. Notwithstanding the foregoing, certificates representing shares that were issued prior to approval of the SRP do not require a legend to evidence the Rights.

- Term of SRP. The SRP must be reconfirmed by shareholders every three years to remain in effect. It may also be terminated earlier by the Board of Directors in certain circumstances.

- Separation Time. The Rights can become separated or unstapled from the shares to which they are attached and then trade separately from the shares. This separation time will generally only occur on the close of business on the 10th trading day after the earlier of: (a) the first date of public disclosure of facts indicating that a person has become an acquiring person (i.e. that there has been a flip-in event); (b) the date of commencement or first public announcement of a non-permitted take-over bid; or (c) the date on which a Permitted Bid ceases to qualify as a Permitted Bid. Unless and until the separation time occurs, the Rights will continue to be attached to and trade with the shares.

- Flip-in Event. When a person becomes an acquiring person, all Rights holders, other than the acquiring person, are entitled to purchase shares at a 50% discount to market price at the time of exercise.

- Acquiring Person. An acquiring person is a person that becomes the beneficial owner of 20% or more of the outstanding shares, subject to the following exemptions: a voting share reduction (generally, a repurchase or redemption of shares by Keyera which has the effect of increasing the person's or company's percentage ownership of Keyera); a permitted bid acquisition (an acquisition of shares made pursuant to a Permitted Bid or Competing Permitted Bid); an exempt acquisition (an acquisition in respect of which the Board of Directors has waived the application of the SRP or an acquisition made pursuant to a shareholder-approved transaction such as an amalgamation or arrangement or an acquisition made as an intermediate step in a larger transaction where the acquiring party has then distributed the shares out to its security holders); and a pro rata acquisition (generally, the acquisition of shares pursuant to a rights offering, public offering or private placement to the extent necessary to prevent dilution of the person's or company's shareholding).

- Beneficial Ownership, Exemptions for Portfolio Managers and Others, and Permitted Lock-up Agreements. In determining whether a person has become an acquiring person, all shares over which the person has beneficial ownership must be included. A person is deemed to beneficially own any shares which are owned by its associates or affiliates or by persons or companies "acting jointly or in concert" with such person for the purpose of acquiring shares and any shares which it has the right to vote or the right to acquire within 60 days. Specific exclusions clarify that portfolio managers, fund managers, trust companies, crown agents engaged in the management of investment funds and pension plan and registered plan administrators are not caught simply because they may have the right to vote shares managed by them for others. In addition, to the extent there had been any shareholders holding at least 20% of the outstanding shares as of May 9, 2017, such shareholders would have been grandfathered and would not trigger a flip-in event as a result of their current holdings but would become an acquiring person upon the acquisition of additional shares amounting to more than 1% of the outstanding shares. Keyera is not aware of any such 20% shareholder.

The acquiring person is not permitted to exercise any Rights. The SRP provides that the acquiring person's Rights become null and void when the flip-in event occurs. The SRP also provides that the Board of Directors may either waive the SRP or redeem the Rights at a minimal price in certain circumstances. The SRP thereby encourages unsolicited bidders to either make a Permitted Bid or to approach the Board of Directors with their offer and attempt to convince the Board of Directors to either waive the flip-in event or to redeem the Rights. If the offer is coercive or inadequate, the Board of Directors can choose not to cooperate with the bidder and not to agree to waive the SRP or redeem the Rights.

Key Characteristics: The key characteristics of the SRP are described in more detail below:

- Creation and Issuance of Rights. Pursuant to the SRP, Keyera will issue one Right for each Share outstanding on May 12, 2020, being the date of the Meeting, and will issue one Right for each additional Share issued after May 12, 2020 but prior to the separation time or the expiry of the Rights. Certificates issued for shares after May 12, 2020 (but prior to the close of business at the separation time or the expiry of the Rights) will include a legend evidencing the Rights. Certificates issued for shares while the Original Plan was in place may have a legend referencing the Original Plan, which will be deemed to reference the new SRP instead. Notwithstanding the foregoing, certificates representing shares that were issued prior to approval of the SRP do not require a legend to evidence the Rights.

- Term of SRP. The SRP must be reconfirmed by shareholders every three years to remain in effect. It may also be terminated earlier by the Board of Directors in certain circumstances.

- Acquiring Person. An acquiring person is a person that becomes the beneficial owner of 20% or more of the outstanding shares, subject to the following exemptions: a voting share reduction (generally, a repurchase or redemption of shares by Keyera which has the effect of increasing the person's or company's percentage ownership of Keyera); a permitted bid acquisition (an acquisition of shares made pursuant to a Permitted Bid or Competing Permitted Bid); an exempt acquisition (an acquisition in respect of which the Board of Directors has waived the application of the SRP or an acquisition made pursuant to a Shareholder-approved transaction such as an amalgamation or arrangement or an acquisition made as an intermediate step in a larger transaction where the acquiring party has then distributed the shares out to its security holders); and a pro rata acquisition (generally, the acquisition of shares pursuant to a rights offering, public offering or private placement to the extent necessary to prevent dilution of the person's or company's shareholding).

A person may also be considered to be the beneficial owner of shares that are subject to a lock-up agreement. A lock-up agreement is an agreement under which a shareholder (a "**Locked-Up Shareholder**") agrees to deposit or tender its shares to a particular bid (the "**Lock-Up Bid**"). The person who makes the Lock-Up Bid will be deemed to be the beneficial owner of the shares of the Locked-Up Shareholder unless the agreement it enters into with the Locked-Up Shareholder is a "permitted lock-up agreement". In order for a lock-up agreement to constitute a "permitted lock-up agreement", certain conditions must be met (a "**Permitted Lock-Up Agreement**").

A Permitted Lock-Up Agreement is one which permits the Locked-up Shareholder to withdraw its shares from the lock-up to tender to another take-over bid or support another transaction that will provide greater value to the Locked-Up Shareholder than the Lock-Up Bid, subject to certain exceptions. If the Lock-Up Bid is for less than 100% of the shares, a Permitted Lock-Up Agreement must also permit the Locked-Up Shareholder to withdraw its shares from the lock-up to tender to another take-over bid or support another transaction offering to acquire a greater number of shares for at least the same consideration per share, again subject to certain exceptions. A Permitted Lock-Up Agreement is not allowed to require a Locked-Up Shareholder to pay excessive fees, penalties, expense reimbursement or other amounts if it fails to deposit or tender its shares to the Lock-Up Bid or withdraws shares previously tendered in order to deposit such shares to another take-over bid or support another transaction.

- Permitted Bids and Competing Permitted Bids. An offeror can avoid causing a flip-in event by making a bid that meets all of the requirements of the SRP (a "**Permitted Bid**"). A Permitted Bid must: (i) be made by way of a take-over bid circular; (ii) be made to all shareholders of record, other than the offeror, for all or a portion of the shares outstanding; (iii) be open for acceptance for at least 105 days (or such shorter period as permitted by securities regulations); (iv) require a minimum deposit of more than 50% of the shares held by independent shareholders (i.e., generally, shareholders who are not, or are not related to, the acquiring person); (v) unless the take-over bid is withdrawn, allow the shares to be deposited up to the close of business on the first date on which the deposited shares are taken up or paid for; (vi) allow the shares deposited pursuant to the take-over bid to be withdrawn until they are taken up and paid for; and (vii) if the required minimum amount of shares are deposited, require the offeror to make a public announcement of that fact and leave the take-over bid open for deposits of shares for an additional 10 days after the announcement.

- Permitted Bids and Competing Permitted Bids. An offeror can avoid causing a flip-in event by making a bid that meets all of the requirements of the SRP (a "Permitted Bid"). A Permitted Bid must: (i) be made by way of a take-over bid circular; (ii) be made to all shareholders of record, other than the offeror, for all or a portion of the shares outstanding; (iii) be open for acceptance for at least 105 days (or such shorter period as permitted by securities legislation); (iv) require a minimum deposit of more than 50% of the shares held by independent shareholders (i.e., generally, shareholders who are not, or are not related to, the acquiring person); (v) unless the take-over bid is withdrawn, allow the shares to be deposited up to the close of business on the first date on which the deposited shares are taken up or paid for; (vi) allow the shares deposited pursuant to the take-over bid to be withdrawn until they are taken up and paid for; and (vii) if the required minimum amount of shares are deposited, require the offeror to make a public announcement of that fact and leave the take-over bid open for deposits of shares for an additional 10 days after the announcement.

The SRP also allows for a competing Permitted Bid (a "**Competing Permitted Bid**") to be made while a Permitted Bid is in existence. A Competing Permitted Bid is a take-over bid that is made after a Permitted Bid has been made but prior to its expiry, termination or withdrawal and that satisfies all the requirements of a Permitted Bid as described above, except that no shares can be taken up or paid for prior to the close of business on the last day of the minimum initial deposit period that such take-over bid must remain open for deposits.

- Redemption Rights and Waiver. An offeror can also avoid causing a flip-in event by negotiating with the Board of Directors and convincing them to allow a take-over bid that is not a Permitted Bid but is made fairly to all holders of shares. In such circumstances, the Board of Directors can waive the flip-in event and deem the take-over bid to be an exempt acquisition such that the reduced exercise price does not come into effect. Any such waiver in respect of a particular take-over bid will also constitute a waiver of any other take-over bid made to all holders of shares during the period when the first take-over bid is outstanding. The Board of Directors can also waive the flip-in event in certain other circumstances; for example, if a person has inadvertently become an acquiring person and within a specified period of time reduces its shareholdings.

Further, the SRP permits the Board of Directors to redeem (buy back and cancel) the Rights for a nominal price ($0.00001 per Right) in certain circumstances. The redemption right must generally be made for all and not less than all the Rights and must be made prior to the occurrence of a flip-in event.

- Exercise Price. The exercise price is three times the current market value of the shares from time to time. Before a flip-in event, a Rights holder would receive one share upon the exercise of a Right, the effect of which is to render the Rights of little or no value at the time of issue. After a flip-in event, all Rights holders, other than the acquiring person, would be entitled to purchase shares at a 50% discount to the market value, effectively entitling the Rights holders to acquire six shares upon the exercise of each Right. The Exercise Price and the number of Rights are subject to adjustment from time to time upon the occurrence of certain events, including a subdivision or consolidation of the shares, the declaration of a dividend payable through the issuance of certain securities or the issuance of certain securities in exchange for or in lieu of shares.

- Trading of Rights. Until the separation time, the Rights will be evidenced by the outstanding certificates for shares and the Rights may be transferred with, and only with, the shares. Unless and until the separation time occurs (or earlier termination or expiration of the Rights), the surrender for transfer of a certificate representing shares will also constitute the transfer of the Rights associated with the shares represented by the certificate. If the separation time occurs, Keyera will either mail separate certificates evidencing the Rights or otherwise register the Rights in an uncertificated "book entry form", but in either case will maintain a separate register for the holders of Rights.

- Deemed Redemption. The SRP provides that, in the event a person acquires shares pursuant to a Permitted Bid or an exempt acquisition, the Rights are no longer valid and are deemed to have been redeemed by the Board of Directors.

- Deemed Redemption. The SRP provides that, in the event a person acquires shares pursuant to a Permitted Bid or an exempt acquisition, the Rights are no longer valid and are deemed to have been redeemed by the Board of Directors.

Summary of the Differences Between the Original Plan and the New SRP: The following is a summary of the material differences between the Original Plan and the new SRP, which is qualified in its entirety by reference to the text of the SRP.

- the minimum period that a take-over bid must remain open for the bid to constitute a "Permitted Bid" that does not trigger the separation of the Rights under the SRP was changed to 105 days (or such shorter period as permitted by legislation) to align with the Legislative Amendments, which is an increase from the 60-day period required by the Original Plan.

SCHEDULE "B" – 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 Corp. is responsible for the stewardship of Keyera by providing effective, independent supervision of the management of Keyera's business and affairs. 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 the owners of Keyera while recognizing that, in order for the enterprise to continue to be able to serve its owners' 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 fulfills some of its responsibilities by delegation to Board Committees. Each Committee's Terms of Reference contain the responsibilities that are permanently delegated to that Committee. Any responsibilities that are not specifically delegated to the Chief Executive Officer or a Board committee remain Board responsibilities.

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);
3. seeing that an effective Board is maintained by nominating candidates for election to the Board;
4. establishing Board 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 the Committee Chairs;
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. Appoint the Chief Executive Officer (the "CEO") and provide advice and counsel to the CEO in the execution of his or her 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.
4. 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.
5. Oversee the establishment and maintenance of succession planning and management development programs for the CEO and the other senior officer positions.
6. Approve certain matters relating to all employees, including:
    a. the annual salary and incentive 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.
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. Approve financial and operating objectives used in determining compensation.
6. Approve mergers and similar arrangements involving unaffiliated parties.
7. 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 control and management 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 affect 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; and
    b. 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 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, at least annually, reports from management on matters relating to, among others, ethical conduct, environmental management, and employee health and safety.

Policies and Procedures

The Board's policy and procedures responsibilities 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. 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. 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.
5. Oversee the establishment and maintenance of effective processes for timely reporting of other material developments or changes.
6. 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.

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 an advisor's fees and other retention terms.

SCHEDULE "C" – Non-GAAP Reconciliation

This Information Circular contains references to DCF, DCFPS, RTSR, EBITDA and adjusted EBITDA. DCF, DCFPS and RTSR are direct measures used for purposes of Keyera's executive compensation programs. EBTIDA and adjusted EBITDA are key indicators of Keyera's financial performance. Adjusted EBITDA is an indirect measure used as part of Keyera's executive compensation programs. Management believes the presentation of DCF, DCFPS, RTSR, EBITDA and adjusted EBITDA gives useful information to investors and shareholders as they provide increased transparency and insight into the performance of the Corporation.

These non-GAAP measures described above are not determined in accordance with Canadian generally accepted accounting principles applicable to publicly traded companies, also known as International Financial Reporting Standards. Therefore, these measures may not be comparable with similar measures presented by other issuers.

Comparable Measures

Keyera calculates comparable measures by adjusting certain GAAP and non-GAAP measures for specific items it believes are significant but not reflective of Keyera's underlying operations in the period. Except as otherwise described herein, these comparable measures are calculated on a consistent basis from period to period and are adjusted for specific items in each period, as applicable.

Keyera's decision not to adjust for a specific item is subjective and made after careful consideration. Specific items may include:

- income tax refunds and adjustments to enacted tax rates
- certain fair value adjustments relating to risk management activities
- legal, contractual and bankruptcy settlements
- acquisition costs
- restructuring costs.

Distributable Cash Flow

The following table presents the reconciliation of cash provided by operating activities to DCF. DCF is defined as cash flow from operating activities, adjusted for changes in non-cash working capital, inventory write-downs, maintenance capital expenditures and lease payments, available for distribution to shareholders as dividends.

DCF for the year ended December 31, 2019 was $594 million. DCF was converted to DCFPS by taking DCF of $594 million and dividing by 214,186,000, the weighted average number of Keyera shares outstanding as of December 31, 2019. This calculation applies to the determination of the corporate multiplier for executive STIP payments as described above in this Information Circular. For LTIP payments, cash taxes are added back to DCF and DCFPS.

Funds from Operations and Distributable Cash Flow (Thousands of Canadian dollars)	2019
Cash flow from operating activities	**887,935**
Add (deduct):	
Changes in non-cash working capital	**(133,681)**
Funds from operations	**754,254**
Maintenance capital	**(105,077)**
Leases	**(52,647)**
Inventory write down	**(2,946)**
Distributable cash flow	**593,584**
Dividends declared to shareholders	**396,862**
Payout ratio	**67%**

See Keyera's 2019 Year End Report dated February 26, 2020 for a reconciliation to cash flow from operating activities.

Relative Total Shareholder Return

Keyera's RTSR performance is the sum of the change in the value of Keyera's share price and the value of reinvested dividends, relative to a midstream peer group against whom Keyera competes for investment capital and a Board-approved target performance range. RTSR applies to the determination of performance targets for executive LTIP payments as described above in this Information Circular.

EBITDA and Adjusted EBITDA

Keyera's EBITDA and adjusted EBITDA for the year ended December 31, 2019 were $852 million and $944 million, respectively. EBITDA is calculated as Keyera's net earnings before finance costs, taxes, depreciation and amortization. Adjusted EBITDA is calculated as Keyera's earnings before finance costs, taxes, depreciation, amortization, impairment expense, unrealized gains/losses on commodity-related contracts, net foreign currency gains/losses on U.S. debt and other, and any other non-cash items such as gains/losses on the disposal of property, plant and equipment. Keyera's CGC reviews key financial performance indicators, including adjusted EBITDA, in determining Keyera's corporate multiplier for executive STIP payments as described in this Information Circular.

EBITDA (Thousands of Canadian dollars)	2019
Net earnings	**443,609**
Add (deduct):	
Finance costs	**113,066**
Depreciation, depletion and amortization expenses	**278,292**
Income tax expense	**16,797**
EBITDA	**851,764**
Unrealized loss (gain) on commodity-related contracts	**49,594**
Net foreign currency (gain) loss on U.S. debt and other	**(34,352)**
Impairment expense	**77,095**
Loss on settlement of finance lease	**-**
Adjusted EBITDA	**944,101**

See Keyera's 2019 Year End Report dated February 26, 2020 for a reconciliation to net earnings.

For more information on Keyera's use of non-GAAP financial measures, including DCF, DCFPS, EBITDA and adjusted EBITDA, please refer to Keyera's Annual Information Form dated February 26, 2020 and Keyera's 2019 Year End Report dated February 26, 2020, each available on SEDAR at www.sedar.com or on Keyera's website at www.keyera.com.